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PUBLIC RECORD VERSION.

JULY 13TH 2018

The Case Manager,
Investigations 3,
Anti-Dumping Commission,
Level 35,
No 55 Collins Street,
Melbourne ,3000.

By email: investigations3@adcommission.gov.au

Dear Case Manager,

ACCELERATED REVIEW No 476
ANHUI SANFANG NEW MATERIAL TECHNOLOGY CO.LTD.

I am responding on behalf of the abovenamed producer of cast grinding balls (Anhui) to the public record correspondence dated 6 July 2018 from Moly-Cop which contained various assertions relating to the subject application for an accelerated review, No 476..

Firstly in relation to the Moly –Cop assertion of ‘Anhui’ having exported during the previous investigation period of Case 316. It can be reasonably claimed that had ‘Anhui’ exported to Australia during that period, the company would have provided the Commission with a completed exporter questionnaire as the relevant investigation period was from October 2014 to September 2015. As for ‘Anhui’ having actually exported to Australia around late 2014/early 2015 as asserted by Moly-Cop, supporting documentation provided the Commission by the applicant company evidences the fact that it only commenced business in [REDACTED].(Date business commenced)

Secondly, the Moly-Cop assertions on the previous ‘captive’ methodology to be employed by the Commission on benchmark values really need to be considered on the basis of the following relevant factuals:

- (1) With respect to the suggestion the time frame for an accelerated review may not provide the Commission with sufficient time to ‘properly’ determine this applicant producer’s actual production process and raw material inputs, it needs to be stated that the Commission has, within the required time line, undertaken an on –site verification visit to the applicant company being an evidential part of the process for determining actual production cost data of the goods in question.
- (2) .The actual production cost, and thus the raw material inputs, need to be determined in respect of the goods actually produced in the country concerned, which in this case have been verified by the Commission to be cast grinding balls from low quality scrap metal, ferro-alloys and conversion cost.

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- (3) The four co-operating exporter/producers in the original Case 316, all produced forged grinding balls as distinct from the cast grinding balls in question.
- (4) Because the four co-operating exporter/producers from Case 316 all used grinding steel bars to produce their forged grinding balls and not scrap metal used by 'Anhui' to produce cast grinding balls, the Commission applied foreign priced steel billets as the basis for a benchmark uplift for the forged grinding balls.
- (5) That circumstance of Case 316 in terms of benchmark input costs simply does not apply to this accelerated review application by 'Anhui' by reason of the Commission having to consider the actual goods not produced. The issue of like goods is not a factor.

In the opinion of this writer, the more relevant section of the Customs Act 1901 dealing with matters of normal value determinations and specifically with this accelerated review is s269TAC (2)(c)(i) which requires a determination on the cost of production of the actual goods produce in the country of origin being China.

The Moly-Cop view on benchmark values in this accelerated review needing to be captive to the methodology of Case 316., seems to suggest that if , for example, it's own production cost had to be determined ,the Commission could apply the benchmark costs of the raw material inputs of iron ore and coking coal used in, say, the blast furnace steel making operation of the 'Liberty Onesteel' Whyalla operation.and not on the scrap metal input that Moly-Cop uses in it's EAF operation.

I respectfully submit that the Moly-Cop assertions in it's 6 July 2018 correspondence be considered in light of the relevant factuals outlined in this response .

Please contact me for any further information or clarification.

Regards,



M J Howard.
Representative.