

PUBLIC VERSION



J.BRACIC & ASSOCIATES
TRADE REMEDY ADVISORS

PO Box 3026
Manuka, ACT 2603
Mobile: +61 499 056 729
Email: john@jbracic.com.au
Web: www.jbracic.com.au

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Director Operations 4
Anti-Dumping Commission
GPO Box 2013
Canberra ACT 2601

Review of Steel Reinforcing Bar exported from the Republic of Korea

Dear Director,

This submission is made on behalf of Daehan Steel Co., Ltd. (Daehan) in response to the submission by Liberty Steel placed on the public record on 19 March 2019.

Liberty Steel asserts that the Korean Fair Trade Commission (FTC) investigation into Korean steel reinforcing bar is relevant to the issue of Daehan's prospective measures. This is plainly incorrect and Liberty Steel's understanding of the domestic trade investigation is misunderstood.

First, Daehan vehemently refutes the allegations investigated by the FTC and [REDACTED] to demonstrate that it was not involved in any form of collusion.

Second, the investigation was limited to debar in lengths (DBIL) and not debar in coil (DBIC). As the Commission is aware, Daehan was the sole producer of DBIC until 2016. The allegations being investigated relate to the six local producers of DBIL. As all of Daehan's exports are DBIC, there is no link between the FTC investigation into domestic sales of DBIL and Daehan's exports of DBIC.

Finally, the FTC investigation is alleging that local producers of DBIL colluded to reduce sales discounts, and in effect, attempt to achieve higher net selling prices of DBIL products to domestic customers. In these circumstances, this would have the effect of increasing a dumping margin and provide for a more favourable outcome sought by Liberty Steel. This again confirms that no link exists between the FTC investigation into domestic sales of DBIL, with Daehan's exports of DBIC, which correlate and are referenced to, regional export prices into the Australian market.

This is simply a further absurd attempt by Liberty Steel to introduce additional barriers to entry, to ensure its inefficient operations are overly-protected from imports.

Yours sincerely

John Bracic