

18 October 2019

The Commissioner
Anti-Dumping Commission
GPO Box 2013
Canberra ACT 2601

BY EMAIL

Dear Commissioner,

Resumed Dumping Investigation No. 495A concerning steel reinforcing bar (rebar) exported from the Republic of Turkey (Turkey)

<u>AUSTRALIAN INDUSTRY SUBMISSION – RESUMPTION OF INVESTIGATION</u>

InfraBuild (Newcastle) Pty Ltd (InfraBuild Steel), formerly Liberty OneSteel(Newcastle) Pty Ltd, the applicant and a member of the Australian industry producing like goods to the goods the subject of the application subject to *ADRP Decision No. 110*, makes the following comments and observations concerning the impending resumed investigation.

SUMMARY

InfraBuild Steel contends that the exporters' misleading and incorrect designation of the Commission's model control codes to their domestic sales have frustrated the Commission's ability to properly compare the like goods to the goods exported to Australia, and make any necessary adjustments for physical or specification differences affecting the comparison of prices between the goods.

It is also now appropriate for the Commissioner to consider again revising and taking securities following the original Preliminary Affirmative Determination made in the course of the original investigation. A reassessment of the exporters' normal values must be urgently undertaken, as the volume of goods exported have surged since the original securities were withdrawn. The pricing behaviour of the Turkish exporters since the imposition and withdrawal of the original securities imposed, also demonstrates the need for any future securities to be calculated using the combination method.





Finally, it is not appropriate for the Commission to make any downward adjustments to the normal values of the exporters in circumstances where to do so, would render those normal values no longer in the ordinary course of trade.

1. Commission's error in the determination of normal values in Termination Report No. 495 (TER 495)

ADRP Decision No. 110 now clarifies the correct approach to determining an exporter's normal value for like goods sold in the ordinary course of trade under s.269TAC(1):

"34. In the present case, the Commissioner, through the application of the first stage of this sufficiency test, confirmed the presence of large volumes of like goods sold on the domestic market. The Commissioner did not test whether such sales could form the basis for the determination of normal values i.e. whether such sales had been made in arms length transactions and were in the ordinary course of trade. Such an examination was not thought to be necessary as a result of the application of the second stage of the sufficiency test with its focus not upon like goods but upon comparable models.

"35. The second leg of the sufficiency test seeks to read into s.269TAC a requirement that domestic sales, which would otherwise be considered in the ascertainment of normal value, must meet an additional requirement in order to be relevant to the determination of normal value. This additional requirement is not evident by the express language of s.269TAC nor can one be inferred when that section is read in context."

In light of this clarification, the importance of correct designation under the Model Control Codes (MCCs) of the like goods sold in the country of export and the goods exported to Australia is not diminished, but rather heightened. Correct MCC designation is critically important; as the Senior Member of the Review Panel expressed it in *ADRP Review No.* 100²:

"11. The use of model matching is an acceptable method to use for the comparison of products sold domestically with those exported. It is a practical way of taking into account differences in goods which, although like goods, are not identical. However, difficulties in taking a model matching approach is not a basis for discarding domestic sales of like goods which otherwise meet the criteria of s.269TAC(1) and do not fall within the excluding categories in s.269TAC(2)."

The identification of relevant model matching criteria, correctly reported by exporters will assist the Commission to identify the existence of differences between the like goods sold in the country of export, and

³ Refer ADRP Review No. 100, Letter from Senior Member Joan Fitzhenry to Commissioner Dale Seymour (4 July 2019), pp. 4-5.



¹ ADRP Decision No. 110 (Steel Reinforcing Bar exported from the Republic of Turkey), pp. 17-18.

² ADRP Review No. 100 (Wind Towers exported from the People's Republic of China and the Republic of Korea)



those exported to Australia such as would affect the comparison of the price paid for the like goods with the export price of the goods exported.

It is with respect to this exercise that we are concerned that errors in the exporters' presentation of the MCCs for like goods precluded the Commission from making the necessary and appropriate adjustments to the normal value, when properly determined under s.269TAC(1). These are matters that InfraBuild Steel raised in its post-SEF submission, but which were either not disclosed or adequately addressed when making TER 495.⁴

- 2. Exporters failed to correctly apply the Model Control Codes to their models of like goods sold
- (a) Habaş Sinai ve Tibbi Gazlar İstihsal Endüstrisi A.Ş. (Habas)

In its *Exporter Visit Briefing*,⁵ the applicant alerted the Commission to a violation of the MCCs specified in the *Exporter Questionnaire* by Habas in its response:

"With respect to the MCC for yield strength differences, these are imparted by minor variations in the quenching process which are not separately costed. They are marginal at best and are not susceptible to the same financial reconstruction as can be done for rolling times.

On that basis Habaş sees <u>no reason to differentiate between the MCC's B and C in the yield strength</u> <u>category of the MCCs for like goods comparison</u>."⁶ [emphasis] added]

The applicant reminded the Commission at the Exporter Visit Briefing that "Grade 420 [is] NOT the same as Grade 500, even if the same cost to make. Sales price comparability needs to be considered".

The below comparison of the domestic and export MCCs provided by Habas in its *Exporter Questionnaire* showed that all export sales had been designated grade "C" correctly in accordance with the Standard, specified 500MPa minimum yield strength required for export rebar made to AS/NZS 4671. Suprisingly however all domestic sales were designated grade "B" as Habas saw "no reason to differentiate between the MCCs B and C in the yield strength category of the MCCs for like goods comparison". Following publication of SEF 495 which contained no mention of correction having been made to the Habas MCCs for domestic sales, InfraBuild steel cautioned the Commission that without proper disclosure of domestic models by the exporter, a legitimate model matching exercise would not be possible.



⁴ EPR Folio No. 495/033, pp. 9-11.

⁵ EPR Folio No. 495/014, p. 11.

⁶ EPR Folio No. 495/008, p. 12.

⁷ EPR Folio No. 495/014, p. 19.



Γ	Prime	Non-Prime		Min yield	strength		For	m		Dian	neter			Leng	th	
r			<=300	300-480	>480-550	>=550	Straights	Coil	<12mm	12-16mm	>16-32mm	>32mm	<=6m	>6-12m	>12m	Co
ľ	Р	N	Α	В	С	D	S	С	Α	В	С	D	1	2	3	C
Γ	Х		Х					X	Х							X
Г	Х			Х				X	Х							Х
E	Х			X				X		X)
	Х			Х			X		Х					Х		
	Х			Х			X			X			Х			
I	Х			Х			Х			Х				X		
ſ	Х			Х			X			X					X	
Ī	Х			Х			Х				X		Х			
ŗ	Х			Х			Х				Х			Х		
	Х			Х			Х				Х				Х	
	F		Habaa													
ř	Prime	Non-Prime	параз	Minuiale	strength		Fo	rm		Dia	neter			Len	zth.	
ŀ	Prime	Non-Prime	<=300		>480-550	>=550		Coil	<12mm		>16-32mm	>32mm	<=6m	>6-12m	>12m	C
ŀ	P	N	Α	В	C	D	S	C	Α	В	С	D	1	2	3	
ŀ	X	· · · ·			X			Х	Х							
t	X				Х			Х		Х						
l	X				Х		Х			Х			Х			
t	X				Х		Х			Х				Х		
t	Х				Х		Х				Х		Х			
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The Commission in TER 495 confirmed that based on previous rebar investigations "minimum yield strength has been shown to materially affect prices in other markets where different grades are sold." The Commission has also attempted to provide some reassurance that for Habas, minimum yield strength subcategories B and C had only been combined in relation to costs but not sales with the following statement:

"Therefore, the Commission accepts Habas' claims that there are minor differences in the costs of production relevant to minimum yield strength and that it was not required to report different costs for the different minimum yield strength sub-categories B and C (these have been combined for Habas in relation to costs <u>but not sales</u>)." [emphasis added]

InfraBuild Steel requests that the Commission provide a revised list of MCCs applicable to domestic sales for Habas which correctly differentiates between sales of grades with minimum yield strength (as per relevant Standards) in the range specified by sub-category "B" (would include domestic sales of grade B420B and B420C made to TS 708:2016) and sub-category "C" (would include domestic sales of grade B500B and B500C made to TS 708:2016). While product in sub-category "B" is considered a like good to grade 500N exported to Australia, an upward adjustment is required to be applied if a price premium is observed for rebar grades "C" sold over grades "B" in the Turkish domestic market.



⁸ TER 495, p.26.

⁹ TER 495, p. 27.



(b) Diler Demir Celik Endustri ve Ticaret A.S. (Diler)

InfraBuild Steel also questioned whether appropriate MCC disclosure for domestic sales had been provided to the Commission by Diler. Similar to Habas, a comparison of the MCCs showed no yield strength grade C produced for domestic straight rebar MCCs while all export straight rebar models were designated as grade "C".

Prime	Non-Prime	Prime Min yield strength					m		Dian	neter			Len	gth	
		<=300	300-480	>480-550	>=550	Straights	Coil	<12mm	12-16mm	>16-32mm	>32mm	<=6m	>6-12m	>12m	Coi
P	N	Α	В	С	D	S	С	Α	В	С	D	1	2	3	С
X			Х			Х		Х					Х		
Х			Х			Х			Х				Х		
Х			Х			Х				Х			Х		
Х			Х			Х					Х		Х		
Х			X				Х	Х							Х
Х			Х				Х		Х						Х
X				Х			Х	Х							3/
*Non-	orime mixed l	engths in	straight a		rm			- ^-							Х
	orime mixed l		straight a		rm			^							
Export		- Diler	straight a	and coil fo	rm	For			Diam	neter			Len	gth	
Export	sales models	- Diler	Min yield	and coil fo		For Straights	m			neter >16-32mm	>32mm	<=6m	Len ₁ >6-12m	gth >12m	
Export	sales models	- Diler	Min yield	and coil fo			m				>32mm D	<=6m			
Export Prime	sales models Non-Prime	- Diler	Min yield 300-480	and coil fo strength >480-550	>=550	Straights	m Coil	<12mm	12-16mm	>16-32mm			>6-12m	>12m	Coi
Export Prime	sales models Non-Prime	- Diler	Min yield 300-480	strength C	>=550	Straights S	m Coil	<12mm	12-16mm B	>16-32mm		1	>6-12m	>12m	Coi
Prime P	sales models Non-Prime	- Diler	Min yield 300-480	strength >480-550 C X	>=550	Straights S X	m Coil	<12mm	12-16mm B X	>16-32mm		1	>6-12m 2	>12m	Coi
Prime P X X	sales models Non-Prime	- Diler	Min yield 300-480	strength >480-550 C X X	>=550	Straights S X X	m Coil	<12mm	12-16mm B X	> 16-32 mm C		1 X	>6-12m 2	>12m	Coi

The question was asked, has Diler also seen "no reason to differentiate" between yield strength grade MCC categories "B" and "C" for domestic rebar straight sales, and designated them all as grade "B"? Despite assurances in TER 495 that the Commission tested the "accuracy of the MCC information reported by each exporter by comparing the product description of the like goods reported in the REQ to source documentation such as commercial invoices and delivery forms" 10, it seems implausible that a significant rebar producer, such as Diler, would have zero domestic sales (as per their MCCs) of grade B500B or B500C (sub-category "C" grades) for rebar in straight lengths across the entire investigation period.

Another large rebar producer (Colakoglu) in this investigation stated "the like goods Çolakoglu sold in the domestic market are steel reinforcing bars conforming to Turkish standard TSE 708 grades B420, <u>B500</u>, and S420" and "whilst rebar with yield strength 420mpa is the most common grade used in Turkey, customers occasionally require products with 500mpa".¹¹

Domestic sales by Kroman also reflect a more realistic representation of domestic sales which includes sales in both sub-category "B" and "C" as discussed further below.



¹⁰ TER 495 at p27

¹¹ EPR Folio No. 495/011 at p13



(c) Kroman Celik Sanayii A.S. (Kroman)

As presented in InfraBuild Steel's response to SEF 495, a comparison of the MCCs for domestic and export sales provided by Kroman shows a direct match for 4 of the 5 export models with domestic models. The only non-matching model (item "30", below) had a different length to the export model. This difference in length between models could have been adjusted; given other models (items "26" and "27") which are a direct match and have the same difference in length are also present.

1	Prime	Non-Prime		Min yield	strength		For	n		Diam	eter	Ì		Len	gth	
_	111110	110111111111111111111111111111111111111	<=300		>480-550	>=550	Straights	Coil	<12mm	12-16mm	>16-32mm	>32mm	<=6m	>6-12m	>12m	Co
_	P	N	A	В	С	D	S	С	Α	В	С	D	1	2	3	С
		х	Х					Х	1	Х						Х
_		Х		Х				Х	Х			1				Х
L		X		Х				Х		Х						Х
-		X			Х			Х	Х							Х
H		X			Х			Х		Х						Х
H	Х	- ·	Х					Х	Х							Х
H	X		X					Х		Х						Х
Н	X		Х			,,	Х		X					Х		
-	X		Х				Х			Х				Х		
H	X		Х				Х				Х			Х		
H	X			Х				Х	Х							Х
H	Х			Х				X		Х						Х
-	X			Х			Х		Х				Х			
Г	X			Х			Х		X					Х		
Г	X			Х			Х			Х			Х			
r	X	1		Х			Х			Х				Х		
r	X			Х			Х			Х					X	
Г	Х			Х			Х				Х		Х			
r	X			X			X				Х			Х		
r	Х			Х			Х				, X				Х	
Γ	Х			Х			Х					Х		X		L
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T	X	1			Х		Х			Х					X	
T	X				Х		Х				X		l .	Х		
	X				Х		Х				Х		3.7.00		X	
Γ	Х			7	Х		Х					Х		X		
	Non-pri	me mix length	s in straigl	ht												
Ī																
E	xport sa	les models - K	roman													
	Prime	Non-Prime			d strength		Foi				neter				ngth	
			<=300	300-480	>480-550	>=550	Straights	Coil	<12mm	12-16mm			<=6m	>6-12m	>12m	Co
	Р	N	A	В	С	D	S	С	A	В	С	D	1	2	3	
	Х				X			X		X					-	2
2	Х				X		X			X			Х			-
3	Х	N. Committee			X		X			X			ļ	X		_
4	X				X		X				X		X			
eΠ	Х				X		X				X			X		



(d) Çolakoğlu Metalurji A.Ş. (Colakoglu)

Similarly, for Colakoglu, two of the four export models had a direct match to the domestic models with the other two only differing on bar length (for which an adjustment could presumably have been made).

L	Prime	Non-Prime		Min yield			Fo	rm		Diar	neter		Length			
L			<=300	300-480	>480-550	>=550	Straights	Coil	<12mm	12-16mm	>16-32mm	>32mm	<=6m	>6-12m	>12m	Coi
L	Р	N	Α	В	С	D	S	С	А	В	С	D	1	2	3	С
L	Х			Х			Х		Х					Х		
2	Х			Х			Х			Х				X		_
3	X			Х			Х			Х					Х	
٠L	X			Х			Х				Х			Х		
Ł	X			Х			X				Х				Х	
į	X			Х			Х					Х		Х		
L	Х				Х		Х		Х					Х		
L	X				Х		X			X			STATE OF	X		
	Х				Х		X				Х			X		
L	X				Х		Х					Х		Х		
. *	Non-prir	me mixed leng	ths in strai	ght form												
E	xport sal	es models - Co	lakoglu													
$\overline{}$	Prime	Non-Prime		Min yield	strength		For	m		Dian	Diameter			Len	øth	
L			<=300	300-480	>480-550	>=550	Straights	Coil	<12mm	12-16mm	>16-32mm	>32mm	<=6m	>6-12m	>12m	Coi
L	Р	N	Α	В	С	D	S	С	Α	В	С	D	1	2	3	C
	Х				X		X			Х			X			
	Х				X		X			Х				X		
	X				Х		X				X		X			
	^															

Source: CONFIDENTIAL ATTACHMENT A.

In summary, deliberate or inadvertent errors or omissions by the exporters significantly undermine the accuracy of the Commission's attempt to properly compare models sold, and has compromised the Commission's assessment of OCOT and the ability to identify adjustments appropriately made to the normal value under s.269TAC(8).

In light of these potentially serious errors by various exporters in accurately reporting their domestic sales across the MCCs, Infrabuild Steel requests that the Commission, within the resumed investigation, require all exporters to review and correct as necessary their MCC designations and undertake further verification of the revised financial worksheets. The sales listing provided against the MCC "minimum yield strength" category must include actual grade names to which the rebar product is sold rather than categorisation by the input billet grade used to produce the rebar if that is what has been previously provided (given the same billet grade may be used to produce two different strengths of rebar through controlled quenching adjustments). Indeed, it is noteworthy that the Commission has acknowledged that "minimum yield strength [have] been shown to materially affect prices in other markets where different grades are sold." 12

In support of its assertions, InfraBuild Steel attaches as NON-CONFIDENTIAL ATTACHMENT 1 an extract from the Colakoglu product brochure containing a list of grades of rebar produced by the exporter against various Standards. These brochures or similar ought to be supplied by each of the exporters to facilitate an easy check for the Commission of which grades should be designated "B" and "C" in the MCCs. Clearly grades B420 (B and C) produced to the Turkish Standard TS 708:2016 and ASTM A706 Gr 60 reportedly sold



¹² TER 495, p. 26.



domestically by Colokoglu should be designated as grade "B" and grade B500 (B and C) should appear as grade "C" in the MCCs for domestic sales.

For clarity the Minimum Yield Strength of the MCC should be cathegorised as

MCC	Grade Minimum Yield Strength						
Α	<=300						
В	300-480MPa (S420, B420)						
C	>480-500MPa (B500)						
D	>500						

We request that the Commission require exporters issue revised MCC designations for their domestic sales, indicating the relevant grades and Standards to which those models are specified prior to the publication of the resumed SEF. This will fulfil the principle of disclosure and transparency under the WTO agreement, permitting all interested parties to be confident in the comparability of the domestic models to those exported to Australia.

3. Identification of appropriate adjustments to the normal values under s.269TAC(8)

Once the position concerning the revised MCC designations is settled, the Commission must reassess the sales and pricing information of the exporters for all models of like goods sold into the domestic Turkish market for any differences in price (either price premiums or discounts) for any physical or specification differences.

We observe the Panel in *European Communities – Definitive anti-dumping measures on certain iron or steel* fasteners from China (EC- Fasteners (China)) notes:

"The authorities must take steps to achieve clarity as to the adjustment claimed and then determine whether and to what extent that adjustment is merited." ¹³

Therefore, even if the various exporters do not seek an adjustment to their respective normal values for physical or specification differences between models, the Commission is nevertheless not relieved of the obligation to consider adjustments, provided the evidence demonstrates an impact on price. InfraBuild Steel considers that the Commission should commence analysing the domestic sales information of the exporters to determine price differences between the product grades disclosed by the exporters (irrespective of their MCC designations). An appropriate way of performing this function would be to identify instances where the exporter has sold domestically models B and C to the same customer, or where orders for the two models were placed on the same day, albeit to different customers.

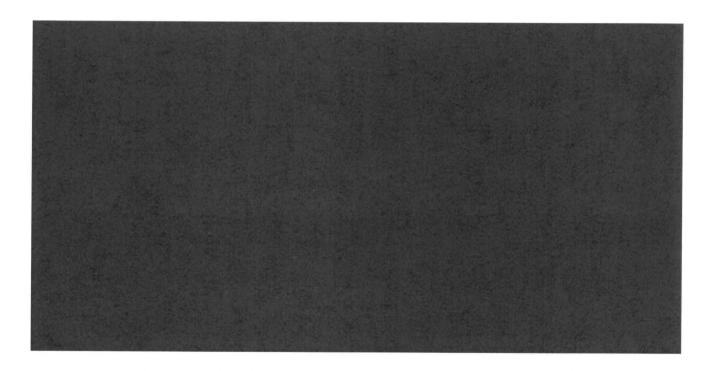


¹³ Panel Report, EC-Fasteners (China) WT/DS397/R at para. 7.298.



4. Revise and take securities under s.42

InfraBuild Steel observes that with the revocation of the termination decision it is now again open to the Commissioner to revise the level of securities taken. Following the incorrect determination of the normal values in SEF 495, generating *de minimis* dumping margins, the Commissioner decided to no longer take securities under s.42 in respect of interim dumping duty that may become payable in respect of the goods exported from Turkey. The result of this decision has been the recurrence of injury suffered by the Australian industry applicant, with the recurrence of significant volume of goods exported from Turkey since the withdrawal of securities at lower prices when compared to the investigation period (refer **CONFIDENTIAL FIGURE 1**, below).



CONFIDENTIAL FIGURE 1: Exports of goods to Australia from Turkey classified to HS Code 721420 (rebar in straight lengths) Source: and and all the straight lengths) Source:

In fact, since the withdrawal of securities, export volumes of rebar in straight lengths increased by <u>591 per</u> <u>cent</u> from export volumes between April 2019 and June 2019, and have continued at comparable levels since the publication of TER 495.

In the Commission's *Preliminary Affirmative Determination and Imposition of Securities* decision issued under ADN 2019/007 (15 January 2019), the normal value was determined in accordance with s.269TAC(6), having regard to all relevant information, which due to the exporters' delay in completing and providing their responses to the Commission's *Exporter Questionnaires*, constituted domestic selling price and cost to make



¹⁴ Anti-dumping Notice No. 2019/56 (18 April 2019)



and sell information provided by the applicant in relation to Turkish rebar obtained via paid subscriptions. It is noted now that the Commission has access to the exporters' financial information. It may be, however, that due to the misleading and inaccurate presentation of the exporters' domestic sales information in terms of their MCC designations, that the original evidence the Commissioner considered when making the initial PAD, remains the most relevant and reliable information. If that is the case, then in revising the level of securities, the Commissioner may have regard to the original 4 per cent dumping margin determination. On the other hand, if the Commission considers that it has sufficient information before it to reconsider the normal values for the exporters in a manner consistent with the approach outlined in *ADRP Decision No. 110*, then a revised preliminary dumping margin rate may again be considered for the purpose of revising securities.

Form of duty

For the purpose of revising the level securities, InfraBuild Steel considers that the combination method of calculating the amount of securities to be taken is the most effective in fulfilling the intent of the legislation. In fact, the price reaction of exporters to the imposition of securities calculated using the *ad valorem* method indicates their ineffectiveness. As can be observed in <u>CONFIDENTIAL FIGURE 1</u> (above), immediately following the imposition of securities at the rate of 4 per cent, exporters reduced their FOB export price to Australia by 10 per cent, between January and February 2019. This price reduction clearly nullified the effects of the imposition of securities and the intent of the legislation. Indeed, immediately following the withdrawal of securities, the export price of rebar in straight lengths then increased by 4 per cent between March and April 2019.

At the time of making the PAD, the Commission had regard to the *Guidelines on the Application of Forms of Dumping Duty – November 2013* (**the Guidelines**) and noted that "rebar is a product that demonstrates significant price volatility due to its high correlation with global steel prices".¹⁵ In spite of this observation, the Commissioner clearly also understood that the decision of what makes the best form of duties requires more than merely following a price trend, insofar as the Commissioner acknowledged:

"The Commission will continue to assess information received during the course of the investigation to determine and propose measures that will effectively remedy the injury that has been caused to the Australian industry, while at the same time not setting a form of measures above the level that is required to prevent further injury from occurring." [emphasis]

Applied here, the Commissioner must clearly observe the behaviour of exporters of the goods from Turkey from the surge in export volumes following the initiation of the investigation, the reduction in price following the imposition of securities to undermine the effectiveness of the *ad valorem* measures, and the surge in volume again following the withdrawal of securities (and subsequent termination of the investigation). In these circumstances, the Commissioner must be guided by the overriding principle of ensuring a form of measures that will effectively remedy the injury that has been (and is being) caused to the Australian industry. Even if, the Commission considers the question of export price trends relevant to its consideration



¹⁵ EPR Folio No.495/007, p. 26.

¹⁶ EPR Folio No.495/007, p. 26.



then some confidence may be gained from the stable, and increasing export price trend, now observed by Turkish exporters since the initial collapse of export prices following the imposition of securities; the variance against the weighted average export price between February and August 2019 (USD /t, FOB), has not been exceeded by more than 1.8 per cent (USD /t in April 2019), and -2.9 per cent (USD /t in February 2019).

In any event, InfraBuild Steel submits that the variable method of calculating an amount to be taken as securities (i.e. floor price component) is not unreasonably punitive to the importer, as the floor price is disclosed to the exporter, and bona fide importers, via the *Confidential Instructions*. Therefore, an importer trading on an arms length basis with an exporter will know prior to placing an order what the floor price is, and the quantified amount of variable securities required to be taken based on any proposed export price. Armed with prior knowledge of the floor price and potential variable securities liability, the importer is not compelled to place an order with that exporter, and may seek alternative undumped sources of what is, essentially a commodity product. As such, there is no risk of "bill shock" to an importer acting reasonably. In fact, the importers of the goods under consideration in this case during the investigation period are all well known and experienced traders of the goods with high levels of sophistication in, and knowledge of, Australia's anti-dumping system.

For these reasons, should the Commission determine a non-de minimis dumping margin for any one or more exporters from Turkey, then the securities originally imposed, and then withdrawn, must be again revised and the amount of security required to be taken calculated using the combination method.

5. Not make adjustments to the normal value for domestic credit expenses

irrespective of how the normal value is determined, the Commission must not continue to make downward adjustments to the normal value either under s.269TAC(8) or s.269TAC(9) for "domestic credit expenses" unless it is satisfied that to do so, <u>would not result</u> in the adjusted normal value no longer being in the *ordinary course of trade*.

The purpose of calculating the normal value under either under s.269TAC(1) or paragraph 2(c) is to calculate an amount for the purpose of comparison to the export price that is a domestic sale in the *ordinary course of trade*. The calculation of what is or is not within the *ordinary course of trade* requires a consideration of, *inter alia*, the exporter's administrative, selling and general costs, which includes finance costs necessary to generate a 'fair' value/price, which if sold at or above that 'fair' value/price, would be in the ordinary course of trade. It is in this context that subsections (8) and (9) must be read. It is not open to make a downward adjustment that would undo a normal value that has been found to be in the *ordinary course of trade* by reducing it by an amount which no longer has that quality, i.e. making it potentially loss making or unrecoverable.

Where an adjustment is being made to the normal value on account of "domestic credit expenses", unless the Commission is able to be satisfied that the 'credit expense' incurred on domestic sales was incurred on domestic sales found to nevertheless remain in the ordinary course of trade, then the adjustment should not be allowed. Otherwise, to allow a downward adjustment in such circumstances, would render the normal





value so adjusted no longer at a level which is either "sold in the <u>ordinary course of trade for home</u> <u>consumption</u> in the country of export" as required under s.269TAC(1), or in the case of normal values determined under paragraph 2(c), "<u>instead of being exported, had been sold for home consumption in the ordinary course of trade in the country of export"</u> as required under sub-paragraph (ii).

Please do not hesitate to contact your Liberty Steel representative on record with any questions.

FOR AND ON BEHALF OF THE

AUSTRALIAN INDUSTRY APPLICANT

		REINFORCING	STEEL BAR Q	UALITIES - 1	ı		
		Mecha	anical Properties	(%)			
Qualities	Standard	Yield Strength (Re) N/mm² (min.)	Tensile Strength (Rm) N/mm² (min.)	Elongation % (min.)	(Agt) % (min.)	Rm/Re (min.)	Re, act /Re, nom (max.)
A 400 NR	E 449 : 2010	400			5	1,08	
A 440- 280H	NCh 204: 2006	280	440	16		1,25	
A 500 NR	E 450 : 2010	500			5	1,08	
A 500C	ACHM 7-93	500	600	14			
A 630- 420H	NCh 204: 2006	420 - (Max = 580)	630	8		1,25	
B 420 B	TS 708: 2016	420		12	5	1,08	
B 420C	TS 708 : 2016	(420)		12	7,5	1,15 (Max=1,35)	1,30
B 450 C	DM. 14/01/2008	450	540		7,50	1,15 (Max=1,35)	1,25
B 500 B	BS 4449:2005	500 (Max=650)			5,00	1,08	
B 500 B	DIN 488: 2009	500			5	1,08	1,30
B 500 BWR	IS 6935-2:2007	500		14	5	1,08	
B 500 C	BS 4449:2005	500 (Max=650)			7,5	1,15 (Max=1,35)	
B 500B	BDS 9252:2007	500	550		5		1,25
B 500B	MS 146 :2006	500		12		1,05	
B 500B	NEN 6008 : 2008	500			5	1,08	
B 500B	NF A35-080-1:2013	500					
B 500B	NFA 35-080:2015	500			5	1,08	
B 500B	TS 708: 2016	500		12	5	1,08	
B 500C	TS 708 : 2016	(500)		12	7,5	1,15 (Max=1,35)	1,30
CA 50	ABNT NBR 7480	500		8	5	1,08	
FEE 400	NFA 35-016:1986	400	440	14	5	1,05	

REINFORCING STEEL BAR QUALITIES - 2

Mechanical Properties (%)

Qualities	Standard	Yield Strength (Re) N/mm² (min.)	Tensile Strength (Rm) N/mm² (min.)	Elongation % (min.)	(Agt) % (min.)	Rm/Re (min.)	Re, act /Re, nom (max.)
FEE 500	NFA 35-016:1996	500			5	1,08	
GR 40	INTE 06-09-01	275- (Max=398)	412	11 - 12			
GR 60	INTE 06-09-01	412 - (Max=535)	618	7-9			
GR 60	INTE 06-09-02	420 - (Max=540)	550	10 - 14		1,25	
GR 60	NTC 2289-2012	420 - (Max=540)	550	10 - 14		1,25	
GR 300	JS 33 : 2013	300 - (Max=425)		10 - 12		1,25	
GR 40	ASTM A 615	280	420	10 - 12			
GR 400	JS 33 : 2013	400 - (Max=525)		7-9		1,25	
GR 400R	CAN/CSA G30.18-09	400	540	7 - 10		1,15	
GR 400W	CAN/CSA G30.18-09	400 - (Max=525)	540	12 - 13		1,15	
GR 460 B	BS 4449:1997	460		14	5	1,08	
GR 500R	CAN/CSA G30.18-09	500	675	6-9		1,15	
GR 500W	CAN/CSA G30.18-09	500 - (Max= 625)	625	10 - 12		1,15	
GR 60	ASTM A 615	420	620	7-9			
GR 60	ASTM A 706	420 (Max= 540)	550	10 - 14		1,25	
GR 75	ASTM A 615	520	690	6-7			
OB 37	SR 438-1:2012	6mm≤d≤12mm=255 14mm≤d≤40mm=235	360	25			
PC 52	SR 438-1:2012	8mm≤d≤14mm=355 16mm≤d≤28mm=345 32mm≤d≤40mm=335	510	20			
S 400	IS 4466-3 : 2013	400 - (Max=520)		12	8	1,25	
S 400 W	IS 4466-3 : 2013	400 - (Max=520)		12	8	1,25	
S 500 W-C	IS 4466-3 : 2013	500 - (Max=650)		11	7,5	1,15 -(Max=1,35)	
S 420	TS 708 : 2016	420 - (Max=546)	500	10		1,15	1,30