



ANTI-DUMPING NOTICE NO. 2019/108

Customs Act 1901
Customs (Preliminary Affirmative Determinations) Direction 2015

High Density Polyethylene

**Exported from the Republic of Korea,
the Republic of Singapore, the Kingdom of Thailand
and the United States of America**

Investigation No. 515 into Alleged Dumping

Day 60 Status Report

Introduction

The purpose of this Status Report is to set out the reasons why I, Dale Seymour, Commissioner of the Anti-Dumping Commission (Commissioner) have not made a preliminary affirmative determination (PAD) under subsection 269TD(1) of the *Customs Act 1901* (the Act) on **23 August 2019**, being 60 days after the initiation of the investigation into the alleged dumping of high density polyethylene (HDPE, or the goods) exported to Australia from the Republic of Korea (Korea), the Republic of Singapore (Singapore), the Kingdom of Thailand (Thailand) and the United States of America (USA).¹

This report and the findings contained herein reflect the status of the investigation at day 60. My findings may change as a result of further information, submissions, analysis or verification. Accordingly, I, at any time from day 60 onwards during the investigation, may make a PAD if I am satisfied of the requirements set out in subsection 269TD(1).

Background

On 24 June 2019, I initiated an investigation into the alleged dumping of HDPE following an application by Qenos Pty Ltd (Qenos) under section 269TB. Further details can be found in the public notice published on 24 June 2019 (refer to Anti-Dumping Notice (ADN) No. 2019/83 at www.adcommission.gov.au).

Under subsection 269TD(1), I may make a PAD at any time, but not earlier than 60 days after I initiate an investigation for the publication of a dumping duty or countervailing duty notice, if I am satisfied:

¹ All legislative references in this report are to the *Customs Act 1901* unless otherwise specified.

- that there appears to be sufficient grounds for the publication of such a notice; or
- that it appears that there will be sufficient grounds for the publication of such a notice subsequent to the importation into Australia of such goods.

In accordance with the *Customs (Preliminary Affirmative Determinations) Direction 2015* (the Direction), 60 days after the initiation of such an investigation I must either make a PAD or provide a Status Report outlining the reasons why I have not made a PAD.

Reasons for publishing a Status Report

In deciding whether to make a PAD on day 60 of this investigation, I have, in accordance with subsection 269TD(2), had regard to:

- Qenos' application, and additional information obtained from Qenos;
- importer questionnaire responses received from cooperating importers;
- exporter questionnaire responses received from cooperating exporters;
- submissions received by 31 July 2019 concerning publication of the dumping duty notice in response to the initiation of the investigation; and
- any other matters that I considered relevant.

The Anti-Dumping Commission (the Commission) has undertaken a verification visit to the sole Australian industry member, Qenos. The Commission is currently analysing the additional information gathered from this visit, in addition to the information provided by Qenos in its application, to determine whether dumping has caused material injury to the Australian industry producing like goods.

The Commission has undertaken verification visits to the following importers of HDPE:

- Chevron Phillips Chemicals Australia Pty Ltd;
- David Moss Corporation Pty Ltd;
- Polymer Direct Pty Ltd;
- Primaplas Pty Ltd;
- Redox Pty Ltd; and
- VIP Plastic Packaging Pty Ltd.

The information collected from these importers is still under consideration. A number of importers have submitted their views on other potential causes of injury to the Australian industry, and the evidence which supports these views requires detailed examination.

The Commission intends to request further information from end users of HDPE to seek more information on the nature of competition between HDPE produced by the Australian industry and HDPE supplied by importers / exporters. The information collected from end users will need to be analysed and considered for the purposes of determining whether dumping has caused material injury to the Australian industry producing like goods.

In addition, due to the complex nature of the trading arrangements of the cooperating exporters, the Commission has been unable to complete its preliminary assessment of whether the goods exported to Australia were at dumped prices at this stage.

Therefore, at the time of making this report, I am unable to establish that there appears to be sufficient grounds that:

- the goods exported to Australia have been dumped above negligible levels; and

- the dumped goods have caused material injury to the Australian industry producing like goods.

Other considerations

Relevant matters – subsection 269TD(2)(b)

In accordance with the Direction, and for the purposes of subsection 269TD(2)(b), I have considered the desirability of providing relief to an injured Australian industry as quickly as possible, where warranted. I have decided it is not warranted to make a PAD at this stage, because I am not satisfied that there appear to be sufficient grounds to establish that the goods are dumped or to establish a causal link between the dumped goods and any material injury, for the reasons outlined above.

Reconsideration of making a PAD – section 269TDAA

After publishing this report, I must reconsider whether to make a PAD at least once prior to the publication of the Statement of Essential Facts (SEF). The SEF is required to be published under section 269TDAA within 110 days after the date of initiation or such a longer period as allowed under section 269ZHI. The SEF is currently due to be published on 12 October 2019.² Prior to the publication or in the SEF, I will advise whether I made a PAD subsequent to this report and the reasons for my decision.

Anti-Dumping Commission Contact

Enquiries about this report may be directed to the case manager on telephone number +61 3 8539 2440 or at investigations1@adcommission.gov.au.

Dale Seymour
Commissioner
Anti-Dumping Commission

23 August 2019

² As this day is a Saturday, the SEF is due to be published on the next business day, being 14 October 2019.