



**Australian Government**  
**Department of Industry,  
Innovation and Science**

**Anti-Dumping  
Commission**

PUBLIC FILE

Revised application req

Application for a  
review of  
anti-dumping measures  
Grinding Balls exported from The  
People's Republic of China

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APPLICATION UNDER SECTION 269ZA OF THE *CUSTOMS ACT 1901*  
FOR A REVIEW OF ANTI-DUMPING MEASURES

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In accordance with section 269ZA of the *Customs Act 1901* (the Act), I request that the Anti-Dumping Commissioner initiate a review of anti-dumping measures in respect of the goods the subject of this application to:

1.  **revise the level of the measures** because one or more of the variable factors relevant to the taking of measures have changed (a variable factors review)

In this case the factors that I consider have changed are:

- normal value  
 export price  
 non injurious price  
 subsidy

The variable factors review is in relation to:

- a particular exporter (*if so provide name and country details*)  
  
 exporters generally

**or**

2.  **revoke the measures** because the anti-dumping measures are no longer warranted (a revocation review)

In this case the measure I consider should be revoked is:

- the dumping duty notice  
 the countervailing duty notice  
 the undertaking

The revocation review is in relation to:

- a particular exporter (*if so provide name and country details*)  
 exporters generally

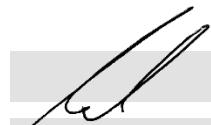
**NOTE**

Where seeking variable factors review as well as a revocation review, indicate this in *both* 1 and 2 above.

**DECLARATION**

I believe that the information contained in this application:

- provides reasonable grounds for review of the anti-dumping measure; and
- is complete and correct to the best of my knowledge and belief.

Signature: 

Name: Keith Ritchie

Position: Manager

Company: Molycop

ABN: 58 000 007 698

Date: 28 June 2019

**Signature requirements**

Where the application is made:

*By a company* - the application must be signed by a director, servant or agent acting with the authority of the body corporate.

*By a joint venture* - a director, employee, agent of each joint venturer must sign the application. Where a joint venturer is not a company, the principal of that joint venturer must sign the application form.

*On behalf of a trust* - a trustee of the trust must sign the application.

*By a sole trader* - the sole trader must sign the application.

*In any other case* - contact the Commission's client support section for advice.

**Assistance with the application**

The Anti-Dumping Commission has published guidelines to assist applicants with the completion of this application. Please refer to the '*Instructions and guidelines for applicants: Application for review or revocation of measures*' on the Commission's website.

The Commission's client support section can provide information about dumping and countervailing procedures and the information required by the application form. Contact the team on:

**Phone:** 13 28 46 or +61 2 6213 6000 (outside Australia)

**Fax:** (03) 8539 2499 or +61 3 8539 2499 (outside Australia)

**Email:** [clientsupport@adcommission.gov.au](mailto:clientsupport@adcommission.gov.au)

Other information is available from the Commission's website at [www.adcommission.gov.au](http://www.adcommission.gov.au).

Small and medium enterprises (i.e., those with less than 200 full-time staff, which are independently operated and which are not a related body corporate for the purposes of the *Corporations Act 2001*), may obtain assistance, at no charge, from the International Trade Remedies Advisory (ITRA) Service. For more information on the ITRA Service, visit [www.business.gov.au](http://www.business.gov.au) or telephone the ITRA Service Hotline on +61 2 6213 7267.

**Review Period**

The review period is *generally* the 12 month period preceding the initiation date and ending on the most recently completed month or quarter.

For the purposes of information requested in this application, please consider the review period as the 12 month period ending on the most recently completed quarter prior to the date that you submit the application.

The actual review period will be set by the Commissioner if a review is initiated, and may differ to that used by the applicant in the application form.

**Required information**

**1. Provide details of the name, street and postal address, of the applicant seeking the review.**

The applicant company requesting a review of measures applicable to grinding balls exported from the People's Republic of China ("China") is Commonwealth Steel Company Pty Ltd (ABN 58 000 007 698) trading as "Molycop", the sole Australian manufacturer of grinding balls.

Investigation No. 316 involved an application for anti-dumping and countervailing measures by the Australian industry manufacturing grinding balls comprising Molycop Pty Ltd and Donhad Pty Ltd. In 2017, Molycop acquired Donhad Pty Ltd, with Molycop now the sole producer of grinding balls in Australia.

Contact details for Moly-Cop are as follows:

Molycop  
P.O. Box 14  
Maud Street  
Waratah NSW 2298

**2. Provide details of the name of a contact person, including their position, telephone number and facsimile number, and e-mail address.**

The contact person at Molycop for this review of measures application is:

Mr Keith Ritchie  
Manager, Molycop Australasia  
2 Maud Street  
Waratah NSW 2298

Tel: (02) 4974 0414  
Email: Keith.Ritchie@molycop.com

**3. Name other parties supporting this application.**

Molycop is the sole Australian manufacturer of grinding balls ("the goods") the subject of this review of measures application.

**4. Describe your interest as an affected party (e.g. are you concerned with the exportation of the goods, the importation of the goods, or part of the Australian industry, or acting on behalf of the Government of an exporting country).**

Molycop is the sole Australian manufacturer of like goods to the goods exported to Australia from China.

**5. Provide details of the current anti-dumping measure(s) the subject of this review application and the goods subject to the measure(s), including:**

- **tariff classification**
- **the countries and/or companies**
- **specified date of publication of the measure**

The goods the subject of this review of measures application to which the current anti-dumping and countervailing measures apply are:

*Ferrous grinding balls, whether or not containing alloy, cast or forged, with diameters in the range 22 mm to 170 mm (inclusive).*

Goods that fall within the goods description include all ferrous grinding balls, typically used for the comminution of metalliferous ores, that fall within the goods description regardless of the particular grade or alloy content.

Goods excluded from the coverage of the measures include stainless steel

balls, precision balls that have been machined and/or polished, and ball bearings.

The tariff classification of the goods includes:

- tariff subheading 7325.91.00 statistical code 26; and
- tariff subheading 7326.11.00 statistical code 29.

The country the subject of the measures is the Peoples Republic of China ("China").

The date of publication of the notice announcing the decision of the then Parliamentary Secretary to the Minister for Industry, Innovation and Science was 9 September 2016.

**6. If you are an exporter of the goods the subject of this application please answer the following questions:**

- **Have you exported the goods to Australia during the review period?**
  - **If yes, what was the total quantity and total value of the goods exported to Australia during the review period?**
- **Have you previously (prior to the review period) exported the goods to Australia?**
  - **If yes, please provide the total quantity and total value of the goods exported to Australia each year during the three years prior to the review period.**
- **Have you exported like goods to countries other than Australia during the review period?**
  - **If yes, please provide the total quantity and total value of exports of the goods to each other country during the review period. Please indicate if any of the sales are to a related party.**

***NB: In relation to the goods the subject of this application, 'like goods' means goods that are identical in all respects to the goods the subject of this application or, although not alike in all respects to the goods the subject of this application, have characteristics closely resembling those goods (s 269T(1) refers).***

***NB: Please note you must provide this information if you are an exporter of the goods the subject of the application. If you are not an exporter of the goods, you may choose to provide information relevant to this question.***

Molycop is not an exporter of the goods to Australia.

7. Provide the names, addresses, telephone numbers and facsimile numbers of other parties likely to have an interest in this matter e.g. Australian manufacturers, importers, exporters and/or users.

The following exporters are likely to have an interest in this matter:

1. Changshu Longte Grinding Ball Co., Ltd  
No. 118 Hualian Rd.,  
Tonggang Industry, Meili Town,  
Changshu City, Jiangsu Province China  
Tel: +86 139 1561 6528  
Fax: +86 512 5206 10389  
Email: [Crystal\\_Chen@lffg.cn](mailto:Crystal_Chen@lffg.cn)
2. Jiangsu CP Xingcheng Special Steel Co., Ltd  
No. 58 Yan Shan Rd  
Chengjiang Town  
Jiangyin City, Jiangsu Province, China  
Tel: +86 138 1212 8736  
Fax: +86 510 8619 1400  
Email: [chenying@citicsteel.com](mailto:chenying@citicsteel.com)
3. Hebei Goldpro New Materials Technology Co., Ltd  
Industry Zone  
Guangping County  
Handan Hebei China
4. Jiangsu Yute Grinding International Co., Ltd  
288 Xitang Road  
Tangqiao Town, Zhangjagang City  
Jiangsu Province 215611, P R China  
Tel: +86 512 5890 9018  
Email: [yute@jsytgq.com](mailto:yute@jsytgq.com)

The following importers are likely to have an interest in this matter:

1. Sino Grinding International Pty Ltd  
Tel: +61 3 9545 0199
2. Jeco Materials Pty Ltd  
30 Boron St  
Sumner Qld 4074  
Tel: 1300 650 035
3. CITIC Heavy Industries Company Australia Pty Ltd  
Level 2, Small Tower  
Gateway Business Centre  
63 Parramatta Road  
Sliverwater NSW 2128  
Tel: +61 2 9735 5600  
Fax: +61 2 9737 0133
4. Karara Mining Limited  
Level 8, London House  
216 St Georges Terrace  
Perth WA 6000

Tel: +61 8 6298 2400

5. CIA Electrometalurgica SA  
Contact details not available.

6. Boliver International Pty Ltd  
P.O. Box 1222  
Booragoon WA 6954  
Tel: +61 8 9317 6177  
Fax: +61 8 9317 6155  
Email: [info@boliver.com](mailto:info@boliver.com)

**Applications  
for review of  
variable  
factors**

**If you are applying for a variable factors review (in box 1 above) provide a detailed statement setting out your reasons. Include information about:**

- **the factor(s) you wish to have reviewed;**

I. Background

Molycop is requesting that the Commissioner undertake a review of the variable factors including the normal value and export price applicable to all Chinese exporters of grinding balls to Australia.

In Report No. 316 the Anti-Dumping Commission (“the Commission”) determined that a particular *market situation* existed for grinding balls sold in China and normal values for Chinese exporters could not be determined under subsection 269TAC(1) of the *Customs Act*. As such, the normal values for Chinese exporters may be determined on the basis of a cost construction (under subsection 269TAC(2)(c)) or export prices to third countries (subsection 269TAC(2)(d)).

II. Change in normal values

The Commission constructed normal values under subsection 269TAC(2)(c) as required by subsections 269TAC(5A) and 269TAC(5B) in accordance with sections 43, 44 and 45 of the *Customs (International Obligations) Regulation 2015* (the Regulations).

The Commission considered that the significant influence of the Government of China (“GOC”) resulted in a distortion of selling prices in the iron and steel and grinding balls markets in China. As the GOC did not cooperate in the original investigation, the Commission relied upon benchmark prices for steel billet, including costs associated with ferroalloys and conversion costs to produce grinding bar. The Commission’s benchmark for grinding bar costs consisted of the following:

- *A monthly Latin American export billet price in FOB terms; and*
- *Noting the Latin American billet grade ASTM A36/A36-08, the billet prices were uplifted using independently sourced ferroalloy prices to provide a matrix of billet grades reasonably reflecting the chemical composition of each exported grinding ball grade;*
- *Where available, the exporter’s actual cost of converting steel billet to grinding bar was used to uplift the alloyed billet price to an alloyed grinding bar price. Where the exporter’s actual cost of converting billet to grinding bar was not available (where grinding bar was purchased*



*rather than produced from billet by the exporter) the alloyed billet price was uplifted by a conversion factor based on an average of the conversion costs of the cooperating exporters to determine an alloyed grinding bar cost.*

The Commission used the Latin American export billet prices at the FOB level published by McGraw Hill Financial Services (Platts) for the steel billet input cost.

Molycop has reviewed Latin American export billet prices published by Platts for the investigation period in Investigation 316 and compared these with the export billet prices for the twelve-month period ending 31 March 2019. The billet selling prices for the twelve months ending 31 March 2019 are approximately 11.8 per cent higher than the prevailing steel billet prices published by Platts for the Investigation period in Investigation No. 316 (i.e. 1 October 2014 to 30 September 2015). Please refer to Confidential Attachment 1 for Platts Latin America export billet prices to 31 March 2019.

The 11.8 per cent increase in the Latin American export billet prices for the twelve months ending 31 March 2019 is considered a material increase and in Molycop's view would translate to a proportionally higher normal value (i.e. greater than 11.8 per cent) than that determined for all exporters in Investigation 316.

### III. Export prices

Molycop has examined weighted average export prices for cast and forged grinding balls imported into Australia from China in the original investigation period to the most recent twelve month period to 31 March 2019 (for which Australian Bureau of Statistics (ABS) import data is available). The import data for the two periods is summarized below:

**Table 1 – ABS import data for grinding balls ex China Oct 2014 to Sep 2015 v Apr 18 to Mar 19**

Period	Qty (tonnes)	A\$ FOB	Unit A\$FOB
Oct 14 – Sep 15	40,193.81	38,565,050	959.48
Apr 18 – Mar 19	76,861.34	95,286,257	1,239.72
Change			<b>129.21 per cent</b>

Source: ABS import data

ABS import data confirms that weighted-average Chinese export prices for grinding balls exported to Australia have increased 29.21 per cent between the investigation period in Investigation 316 and the twelve month period ending 31 March 2019. The increase in Chinese export prices is due to:

- increases in raw material steel prices following Investigation 316; and
- the impact of IDD and/or ICD (as applicable) on Chinese exporters of grinding balls.

- **the amount by which that factor is likely to have changed since anti-dumping measures were last imposed, and evidence in support; and**

Molycop has evidenced increases in steel billet prices, the major raw material input in the manufacture of grinding balls (refer Confidential Attachment 1). The amount of the increase in the twelve months to 31 March 2019 contrasted with the level of pricing in the investigation period in Investigation 316 is approximately 11.8 per cent.

Over this same period, Chinese export prices for grinding balls to Australia have increased 29.21 per cent as evidenced in ABS import data (refer Confidential Attachment 2).

- **in your opinion the causes of the change and whether these causes are likely to persist.**

It is Molycop's view that the increase in steel billet prices following Investigation 316 is reflective of a sustained increase in prices across the steel industry from the depressed levels that existed at the time of the original investigation.

Molycop anticipates that there is a potential for further price increases as Chinese exporters seek to improve returns over the longer term.

**Application  
for a  
revocation  
review**

If you are applying for a revocation review (in box 2 above), provide a detailed statement setting out your reasons.

Include evidence in support of your view that there are reasonable grounds for asserting that the measures are no longer warranted. Refer to the '*Instructions and guidelines for applicants: Application for review or revocation of measures*' as part of preparing your response. If you consider anti-dumping measures are no longer warranted because of:

- *no dumping or no subsidisation*: provide evidence that there is no dumping, or no subsidy, and why dumping or subsidisation is unlikely to recur if measures were revoked.
- *no injury*: provide evidence that there is no current injury, and there is unlikely to be a recurrence of injury if the measures were to be revoked.

This application for the review of variable factors is **not** an application for the revocation of measures.

**Lodgement of  
the  
application**

In accordance with subsection 269SMS(2) of the Act, this application, together with the supporting evidence, must be lodged by either:

- preferably, email, using the email address [clientsupport@adcommission.gov.au](mailto:clientsupport@adcommission.gov.au), or
- post to:

The Commissioner of the Anti-Dumping Commission  
GPO Box 2013

Canberra ACT 2601, or

- facsimile, using the number (03) 8539 2499 (or +61 3 8539 2499 if outside Australia)

**Public Record**

During a review all interested parties are given the opportunity to defend their interests, by making a submission. The Commission maintains a public record of these submissions. The public record is available on the Commission's website at [www.adcommission.gov.au](http://www.adcommission.gov.au).

At the time of making the application both a confidential version (for official use only) and non-confidential version (public record) of the application must be submitted. Please ensure each page of the application is clearly marked "FOR OFFICIAL USE ONLY" or "PUBLIC RECORD". The non-confidential application should enable a reasonable understanding of the substance of the information submitted in confidence, clearly showing the reasons for seeking the review, or, if those reasons cannot be summarised, a statement of reasons why summarisation is not possible. If you cannot provide a non-confidential version, contact the Commission's client support section for advice.