Anti-Dumping Commission

Customs Act 1901 – Part XVB

Anti-Dumping Notice No. 2019/128

Hot Rolled Coil Steel exported to Australia from Taiwan Initiation of a Review of Anti-Dumping Measures

Notice under subsection 269ZC(4) of the Customs Act 1901

I, Dale Seymour, the Commissioner of the Anti-Dumping Commission (the Commission) have initiated a review of the anti-dumping measures applying to certain hot rolled coil steel (the goods) exported to Australia from Taiwan. The review will examine whether the variable factors relevant to the taking of the anti-dumping measures, as they affect exporters of the goods from Taiwan, have changed.

The Goods

Full description of the goods the subject of the application

The goods subject to anti-dumping measures, in the form of a dumping duty notice¹ (the goods), are:

Hot rolled coil (including in sheet form), a flat rolled product of iron or non-alloy steel, not clad, plated or coated (other than oil coated).

Goods excluded from this application are hot rolled products that have patterns in relief (known as checker plate) and plate products.

Further information

There are several relevant international standards for hot rolled coil (HRC) covering the range of products based on grade designations, including the recommended or guaranteed properties of each of these product grades. The relevant Australian Standard that applies is AS/NZS 1594.

Hot rolled sheet 4.75 millimetres (mm) thick or more is considered to be plate, and is not covered by the notice. Hot rolled sheet below 4.75mm thick is included within the goods description.

¹ See ADNs <u>2012/66</u> and <u>2018/126</u>

Tariff classifications

The goods subject to the measures may be classified to the following tariff subheadings of Schedule 3 to the *Customs Tariff Act 1995*:

- 7208.26.00 statistical code 33;
- 7208.27.00 statistical code 34;
- 7208.39.00 statistical code 38:
- 7208.53.00 statistical code 42;
- 7208.54.00 statistical code 43;
- 7208.90.00 statistical code 39;
- 7211.19.00 statistical code 41.

Proposed model control code structure

On 9 August 2018, the Commission advised in ADN No. 2018/128 that a model control code (MCC) structure would be implemented in new investigations, reviews of exporters generally or continuation inquiries for cases initiated after this date.² As noted in that ADN, in developing the MCC structure the Commission will have regard to differences in physical characteristics that give rise to distinguishable and material differences in price.

The Commission has **proposed** a MCC structure taking into account BlueScope's exporter visit briefing³ and the China Steel Corporation verification report⁴ in Review 454.

Item	Category	Sub-category	Identifier	Sales Data	Cost data	Key category
1	Quality	Prime Non-Prime	P N	Mandatory	Not applicable	Yes
2	Form	Coil	С	Mandatory	Mandatory	Yes
		Sheet	S			
3	Surface condition	As rolled	Α	Mandatory	Mandatory	Yes
		Pickled (with or without oil)	PI			
4	Standard/ Grade	HA1(S) / G250 / HA250 / SPHC / SS400 (AS1594 / JIS G3131 / JIS G3101)	1	Mandatory	Mandatory	Yes
		G300 / HA300 (AS1594)	2			
		G350 / HA350 / SS490 (AS1594 / JIS G 3106)	3			
		HW350 / SMA490 / 'Corten' (AS 1594 / JIS G 3114)	4			
		Other	5			
5	Thickness (BMT)	< 1.6mm	T1			
		=>1.6mm to <2.0mm	T2	Mandatory	Mandatory	Yes

² Full guidance regarding the Commission's application of an MCC structure is provided in ADN No. 2018/128

³ Document 10 on the EPR for Review 454 refers.

⁴ Document 14 on the EPR for Review 454 refers.

		=>2.0mm to <4.75mm	ТЗ			
6	Width	<= 1000 mm	W1	Mandatory	Mandatory	Yes
		>1000 mm	W2	•		

Table 1: Proposed MCC

BlueScope and interested parties are encouraged to make submissions on whether the proposed MCC structure should be accepted by the Commission. All submissions with respect to the proposed MCC structure will be considered by the Commission. In the absence of further evidence or submissions, the Commission may adopt the MCC structure as proposed.

Submissions should be made as soon as is practicable, but no later than **25 November 2019**, being the day submissions concerning these reviews are due. Interested parties are also encouraged to make submissions on whether the proposed MCC structure should be applied by the Commission in their particular circumstances.

Background to the measures

The anti-dumping measures were initially imposed by public notice on 20 December 2012 by the then Minister for Home Affairs following consideration *of International Trade Remedies Report No. 188* (REP 188). The Commission has conducted previous inquiries into the goods, a summary of these inquires is set out in Anti-Dumping Commission Consideration Report No. 428 (CON 428). As a result of these inquiries, the measures are currently applicable to all exporters from Taiwan.

The current review

An application was lodged by BlueScope Steel Limited under subsection 269ZA(1) of the *Customs Act 1901 (Cth)* (the Act) for a review of the dumping duty notice in relation to the goods exported to Australia from Taiwan. The reasons for the decision to not reject this inquiry are provided in CON 528, which has been placed on the public record.

The review period is 1 October 2018 to 30 September 2019 and covers all exporters of the goods from Taiwan. The review will examine whether the variable factors relevant to the taking of the measures have changed.

After concluding the review, I will recommend to the Minister that the dumping duty notice:

- i. remain unaltered; or
- ii. have effect as if different variable factors had been ascertained.

If an affected party considers that it can provide evidence that may satisfy me that there are reasonable grounds for determining that anti-dumping measures are no longer warranted, that party may lodge an application⁵ no later than 25 November 2019 to request that I consider that evidence to extend a review of anti-dumping measures to include revocation.

⁵ In accordance with section 269ZCB of the Act.

Future Reviews

Under subsection 269ZA(2), an application for a review must not be made earlier than 12 months after the publication of the notice implementing the original measure or, the notice declaring the outcome of the last review. Once a notice declaring the outcome of this review is published (regardless of the outcome), an application for a review of measures in relation to the dumping duty notice that is the subject of this review cannot be made for a period of 12 months.

Public Record

A public record must be maintained for each in review. The public record must contain, among other things, a copy of all submissions from interested parties. The electronic public record for this review is available online at www.adcommission.gov.au

Lodgment of submissions

Interested parties, as defined by subsection 269T(1) of the Act, are invited to lodge written submissions concerning this review, no later than the close of business on 25 November 2019, addressed to:

Director, Investigations 1
Anti-Dumping Commission
GPO Box 2013
CANBERRA ACT 2601

or email investigations1@adcommission.gov.au, or fax to +61 3 8539 2499.

Interested parties wishing to participate in the review must ensure that submissions are lodged promptly. Interested parties should note that I am not obliged to have regard to a submission received by the Commission after the date mentioned above if to do so would, in my opinion, prevent the timely placement of the statement of essential facts (SEF) on the public record.

Interested parties claiming that information contained in their submission is confidential, or that the publication of the information would adversely affect their business or commercial interests, must:

- (i) provide a summary containing sufficient detail to allow a reasonable understanding of the substance of the information that does not breach that confidentiality or adversely affect those interests, or
- (ii) satisfy me that there is no way such a summary can be given to allow a reasonable understanding of the substance of the information.

Submissions containing confidential information must be clearly marked "FOR OFFICIAL USE ONLY". Interested parties making submissions must also provide a non-confidential version for public record clearly marked "PUBLIC RECORD".

Statement of Essential Facts

The dates specified in this notice for lodging submissions must be observed to enable me to report to the Minister within the legislative timeframe. A SEF will be placed on the public record by 5 February 2020, or by such later date as allowed in accordance with section 269ZHI of the Act.⁶ The SEF will set out the essential facts on which I propose to base a recommendation to the Minister. Interested parties are invited to lodge submissions in response to the SEF within 20 days of the SEF being placed on the public record

Report to the Minister

Submissions received in response to the SEF will be taken into account in preparing the report and recommendation to the Minister. A recommendation to the Minister will be made in a report on or before 23 March 2020⁷ (or such later date as allowed under section 269ZHI of the Act).

Anti-Dumping Commission contact

Enquiries about this notice may be directed to the Case Manager on telephone number (03) 8539 2471 or email investigations1@adcommission.gov.au.

Dale Seymour Commissioner Anti-Dumping Commission

18 October 2019

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⁶ On 14 January 2017, the Parliamentary Secretary delegated the powers and functions of the Minister under section 269ZHI of the Act to the Commissioner of the Anti-Dumping Commission. Refer to Anti-Dumping Notice No. 2017/10 for further information.

⁷ As the due date for the Final Report lands on a weekend (21 March 2020), the final report final report must be provided to the Minister on or before the next working day, Monday 23 March 2020.