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Mr A. Fontanini
Investigations 2
Anti-Dumping Commission
GPO Box 2013
Canberra
Australian Capital Territory 2600

By email

Dear Mr Fontanini

NatSteel Holdings Pte Ltd

Submission regarding Statement of Essential Facts 546

As you know, we act on behalf of NatSteel Holdings Pte Ltd ("NatSteel") in relation to this inquiry.

NatSteel has reviewed *Statement of Essential Facts 546* ("the SEF"). With regard to exports from Singapore, NatSteel agrees that there is no basis upon which the Commissioner can be satisfied that the expiration of the measures would lead, or would be likely to lead, to a continuation or recurrence of the dumping and the material injury that the anti-dumping measure was intended to prevent.

NatSteel notes the following findings in the SEF:

- After rigorous verification, the Commission has determined a negligible margin for NatSteel. NatSteel notes this margin would be negative if the Commission accepted the selling costs adjustment NatSteel considers to be necessary for proper comparison and/or adopted NatSteel's recommendation regarding the determination of the non-injurious price. Nevertheless, this outcome is consistent with the duty assessments that NatSteel has participated in.¹
- NatSteel has an ongoing relationship with its one Australian customer that predates the imposition of the measures.² NatSteel values its relationship with this customer and considers it to be mutually beneficial.

¹ Page 62 of the SEF.

² Page 51 of the SEF.

- NatSteel's underutilised capacity is modest.³ There is no basis to suggest that NatSteel would seek to take up this capacity by offering lower prices to the Australian market, particular given NatSteel producing a suite of products beyond the goods under consideration which it sells to a range of different markets. Further, NatSteel's sales volume is frequently above its maximum range of production capacity.
- Exports from Singapore did not undercut the Australian industry's selling prices during the inquiry period.⁴ The costs incurred by the importer to purchase and import the goods from Singapore were found to be greater than the Australian industry's selling prices, with the percentage variance found to be material. NatSteel would also note that its prices to Australia are higher than the goods not subject to the measures which have been found not to be dumped.⁵
- InfraBuild (Newcastle) Pty Ltd ("Infrabuild") alleged that excess capacity caused by reducing domestic demand and increased measures in traditional markets would be diverted to Australia. Infrabuild has failed to substantiate this allegation.⁶ NatSteel further believes its submission of 19 August 2020 adequately explains the limited impact of the Malaysian measures and provides particulars of the significant infrastructure projects that will buoy NatSteel's domestic demand into the future.
- The Commission has found no evidence to support Infrabuild's allegation that NatSteel reduced export sales to minimise its dumping margin.⁷ That is because this allegation is baseless.

Ultimately, NatSteel is a profit-making business that has been able to sell significant quantities of rebar at a higher price than that offered by other participants in the Australian market on an ongoing basis. There is no incentive for NatSteel to change its behaviour and begin dumping goods injuriously once the measures are revoked. There is no basis in evidence, fact or law to continue these measures as they relate to Singapore.

If the Commission needs any further information to support the proposed recommendation that the measures be allowed to expire insofar as they relate to Singapore, please do not hesitate to contact us.

Yours sincerely



Daniel Moulis
Partner Director

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³ Page 53 of the SEF.

⁴ Page 54 of the SEF.

⁵ Page 51 of the SEF.

⁶ Page 56 of the SEF.

⁷ Page 60 of the SEF.