



Anti-Dumping Notice No. 2020/057

Customs Act 1901

Customs (Preliminary Affirmative Determinations) Direction 2015

Precision pipe and tube steel

**Exported to Australia from the People's Republic of China,
the Republic of Korea, Taiwan and
the Socialist Republic of Vietnam**

Investigation No. 550 into alleged dumping and subsidisation

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 section 269TD(1) of the *Customs Act 1901* (the Act) on 1 June 2020, being 60 days after the initiation of the investigation into the alleged dumping and subsidisation of precision pipe and tube steel (the goods) exported to Australia from the People's Republic of China (China), the Republic of Korea (Korea), Taiwan and the Socialist Republic of Vietnam (Vietnam) (Investigation No. 550).

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 section 269TD(1) of the Act.

Background

On 31 March 2020, I initiated an investigation into the alleged dumping and subsidisation of precision pipe and steel tube following an application by Orrcon Manufacturing Pty Ltd (Orrcon) under section 269TB of the Act. Further details can be found in the public notice published on 31 March 2020 (refer to *Anti-Dumping Notice No. 2020/030* at www.adcommission.gov.au).

Under section 269TD(1) of the Act, I may make a PAD at any time, 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 that:

- there appear to be sufficient grounds for the publication of such a notice; or
- 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

Information considered

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

- Orrcon's application;
- submissions received in response to the initiation of the investigation; and
- any other relevant matters.

Reasons for not making a PAD

The Commission is currently examining various issues which have been raised during the investigation, including:

- the size of the Australian market for the goods;¹
- the scope of goods captured by the goods description;²
- the presence of a particular market situation in Vietnam; and
- whether Vietnamese exporters have been in receipt of countervailing subsidies.³

In assessing these issues, the Commission will continue to verify information received from the applicant, participating foreign governments, importers and exporters and will seek additional information from various parties as required.

It is also noted that the investigation has been delayed by specific circumstances arising from the COVID-19 pandemic.

Therefore, based on the above, at the time of making this report, I am unable to establish that there appear to be sufficient grounds to establish whether:

- the goods exported to Australia have been dumped and/or subsidised above negligible levels in accordance with section 269TDA; or
- the Australian industry producing like goods has experienced material injury.

¹ Orrcon Manufacturing Pty Ltd submission, Electronic Public Report (EPR) No. 10, at www.adcommission.gov.au.

² Dalian Steelforce Hi-Tech Co. Ltd submission, EPR No. 7, Hoa Phat Steel Pipe Co. Ltd, EPR No. 13, *et al*

³ Government of Vietnam submission, EPR No. 4 and Orrcon Manufacturing Pty Ltd submission, EPR No. 6

Other considerations

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

In accordance with the Direction and for the purposes of section 269TD(2)(b) of the Act, 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 yet warranted to make a PAD at this particular time, because I am not yet 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 material injury, for the reasons outlined above. However, I will continue to assess the need for a PAD and make one as soon as possible, assuming I attain the requisite level of satisfaction on the basis of the evidence available to me.

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) required under section 269TDAA of the Act. The SEF is due to be published on 20 July 2020. Prior to the publication of the SEF, or in the SEF itself, I will advise whether a PAD is merited and the reasons for my decision.

Anti-Dumping Commission Contact

Enquiries about this report may be directed to the case manager at:
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Dale Seymour
Commissioner
Anti-Dumping Commission

1 June 2020