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Director
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Anti-Dumping Commission
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Public File

Dear Sir/Madam

Investigation No. 557 – Copper tube exported to Australia from China and Korea – Preliminary Affirmative Determination

I refer to Anti-Dumping Notice (“ADN”) No’s 2020/107 and 2021/026.

ADN No. 2020/107 “Day 60 Status Report” was published on 11 September 2020 at Day 60 of Investigation No. 557 concerning certain copper tube exported from the People’s Republic of China (“China”) and the Republic of Korea (“Korea”). The notice was published to inform interested parties as to the reasons why the Commissioner was not, at that time, in a position to publish a Preliminary Affirmative Determination concerning copper tube exported from China and Korea.

ADN No, 2021/026 published on 17 February 2021 advised interested parties in Investigation 557 that the Statement of Essential Facts (“SEF”) would be again further delayed until 17 August 2021, with the final report to the Minister for Industry, Science and Technology (“the Minister”) due on 20 October 2021. No mention was referenced as to the desirability of the timing for a PAD.

MM Kembla notes that ADN 2020/107 confirmed that the available information before the Anti-Dumping Commission (“the Commission”) was “*not yet sufficient to ascertain*” whether the exports to Australia from China were dumped and subsidised prices, and whether the exports from Korea were at dumped prices, and whether the dumping (and/or subsidisation) had caused material injury to the Australian industry manufacturing certain copper tube.

ADN 2020/107 was published some eight-and-a-half months ago. In the six months (October 2020 to March 2021) approximately xxxx tonnes and xxxx tonnes of copper tube have been imported from China and Korea respectively. In the 3 months to March 2021, imported tonnes from China and Korea have xxxx approximately xx% over the average of the first xx months of last xx prior years. Over this period the LME price for copper tube has increased sharply (by xx per cent), however, Chinese and Korean import prices have not reflected the LME cost increases plus a realistic value-added margin.

[Redacted Graph – China & Korea A\$ FOB/T values versus -3 month average LME].



The chart above shows imported tonnes from China and Korea have xxxx xxxx since October and the gap (Net Added Value) between the A\$FOB price and the 3 Month lagged average monthly copper LME price is reducing month on month. Particularly when compared to start of 2020.

[Redacted graph – Net Added Value A\$FOB less LME -3 month average price]

This is clearly demonstrated in the above chart that shows Net Value Added for imported tube from China and Korea has more than xxxx since April 2020.

The Australian industry manufacturing certain copper tube is experiencing continued price suppression and reduced profit and profitability as it competes with continuing large volumes of imports from China and Korea at prices that do not reflect the full cost of copper plus a realistic value-added component.

MM Kembla notes the following comments of the Commissioner in ADN 2020/107:

“After publishing this report [the 60-day status report], I must consider 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 2 November 2020. Prior to the publication of the SEF, or in the SEF itself, I will advise whether a PAD is warranted and the reasons for my decision.”

The notice indicated that the SEF was due on 2 November 2020. The SEF has been delayed a further eight months, with no notification as to whether a PAD has been considered over the intervening period.

MM Kembla is seeking the Commissioner to urgently consider the publication of a PAD that imposes provisional measures on the injurious imports of certain copper tube from China and Korea. MM Kembla continues to experience material injury from the dumping (and subsidization) and it is considered that a PAD is critical to addressing the injurious imports.

In summary, MM Kembla requests the Commissioner to urgently review the grounds for the publication of a PAD to impose provisional measures to minimize further material injury to the Australian industry manufacturing like goods.

If you have any further questions concerning this submission, please advise me.

Kind Regards

A handwritten signature in black ink, appearing to read 'Tony Bova', with a stylized flourish at the end.

Tony Bova
Executive General Manager