

2 March 2021

Mrs Olivia Tsang  
Assistant Director, Investigations Unit 4  
Anti-Dumping Commission  
GPO Box 1632  
Melbourne Victoria 3001

**Public File**

Dear Ms Tsang,

**Anti-Dumping/Subsidisation Investigation No. 558 – Aluminium zinc coated steel exported from Korea, Taiwan and Vietnam**

I. Background

I refer to the recent file note (EPR Document No. 28) published by the Anti-Dumping Commission (“the Commission”) in Investigation No. 558 (“Invest. 558”) that involves the alleged dumping of aluminium zinc coated steel of a width equal to or greater than 600 millimeters (“the goods”) exported to Australia from the Republic of Korea (“Korea”), Taiwan and the Socialist Republic of Vietnam (“Vietnam”), and the alleged subsidisation of the goods from Vietnam.

The file note concerns the goods the subject of the notice. The notice (ADN No. 2020/067) described the goods as follows:

*Flat rolled iron and steel products (whether or not containing alloys), of a width equal to or greater than 600 millimeters (“mm”), plated or coated with aluminium-zinc alloys, not painted, and whether or not including resin coating.*

*Trade or further generic names often used to describe the subject goods include:*

- ZINCALUME® steel;
- GALVALUME® steel;
- Aluzinc, Supalume, Superlume, ZAM, GALFAN;
- Zinc aluminium coated steel;
- Aluminium zinc coated steel;
- **Aluminium zinc magnesium coated steel;**
- Alu-Zinc Steel sheet in Coils;
- Al/Zn; and
- Hot Dipped 55% Aluminium-Zinc Alloy coated steel sheet in coil.

*The imported goods the subject of this application covers aluminium zinc coated steel whether or not including any combination of surface treatment. For example, whether passivated (often referred to as chromated), resin coated or not resin coated (often referred to as Anti-Finger Print (“AFP”) or not AFP), oiled or not oiled, skin-passed or not skin-passed.*

*Excluded from the goods description of this application is un-passivated (often referred to as unchromated) aluminium zinc coated steel.*

The amount of aluminium zinc coating on the steel is described as its coating mass and is nominated in grams per meter squared (g/m<sup>2</sup>), with the prefix being AZ (Aluminium Zinc). Common coating masses used are: AZ200, AZ150, AZ100, and AZ70.

There are several relevant International Standards for aluminium zinc coated steel, covering the full range of products via specific grade designations, and including the recommended or guaranteed properties of each of those product grades.

These relevant standards are noted in the table below.

International Standards	Product Codes
<i>General and Commercial Grades</i>	
AS/NZS 1397	G1, G2
ASTM A792	CS, type A, B and C
EN 10346	DX15D, DX52D
JIS 3321	SGLCC
<i>Forming, Pressing and Drawing Grades</i>	
AS/NZS 1397	G3
ASTM A792	Fs, DS
EN 10346	DX53D, DX53D
JIS 3321	SGLCD, SGLCDD
<i>Structural Grades</i>	
AS/NZS 1397	G250, G300, G350, G450, G550
ASTM A792	33 (320), 37 (255), 40 (275), 50 (340), 55 (380), 80 (550)
EN 10346	S220GD, S250GD, S280GD, S320GD, S350GD, S550GD
JIS 3321	SGLC400, SGLC440, SGLC490, SGLC570

## II. Composition of coating elements of the subject goods

BlueScope Steel Limited (“BlueScope”) notes the Commission’s comments concerning the PosMAC aluminium zinc coated steel exported to Australia. In particular, the Commission agrees with BlueScope and recognises that “alloys” can be a metal constituting two or more metallic elements (i.e. aluminium plus zinc and other metal elements can be presented in this alloy).<sup>1</sup> The Commission considers, however, that “*this does not necessarily render PosMAC (a good with zinc, magnesium and aluminium in the metallic coating) to automatically fall within the scope of the goods description in ADN 2020/067.*”<sup>2</sup>

The Commission then states that it considers “*..the standards listed in the goods description are exhaustive*”.<sup>3</sup> The formation of the Commission’s view on the exhaustive listing of the applicable Standards has influenced its preliminary view that “*...PosMAC, as presently constituted, does not comply with any of the Standards listed, it follows that it is not the goods the subject to the investigation.*”<sup>4</sup>

This view is incorrect. PosMAC is manufactured by POSCO with a coating composition of 2.5% Aluminium, 3% Magnesium with the balance of the coating being Zinc. Whilst the coating composition of PosMAC does not comply with the listed standards AS 1397, ASTM A792, or JIS 3321 – it does comply and meet all the requirements of the listed EN 10346 *Continuous hot-dip coated flat steel products for cold forming.*<sup>5</sup>

<sup>1</sup> EPR 558, folio no.28, page 5.

<sup>2</sup> Ibid, page 6.

<sup>3</sup> Ibid.

<sup>4</sup> Ibid.

<sup>5</sup> Non-Confidential Attachment 1: EN 10346 *Continuous hot-dip coated flat steel products for cold forming*, 2015.

Specifically, EN 10346 includes coating Type ZM hot dip zinc-magnesium coating where the application of a zinc-magnesium coating is achieved by immersing the prepared (steel) strip in a molten bath of zinc-aluminium-magnesium. The composition of the molten bath is the sum of aluminium and magnesium from 1.5% to 8%, containing a minimum of 0.2% magnesium and the balance zinc.<sup>6</sup>

As the PosMAC coating has a sum of 5.5% of aluminium and magnesium (i.e. 2.5% aluminium and 3% magnesium), PosMAC does comply with the Euronorm standard EN 10346 listed in the goods description. As such, the Commission must conclude that PosMAC is included in the goods the subject to the investigation.

The goods description covers all goods, including PosMAC, that have an aluminium zinc coating, including goods such as aluminium zinc magnesium coated steel as identified in the listing of trade or generic names.

### III. Conclusion

BlueScope submits that the Commission's preliminary assessment that PosMAC does not fall within the goods description of the subject goods in Invest. 558 is *incorrect*.

The Commission's preliminary view has not taken into consideration the detail of the coating descriptions that are included within the European Standard EN 10346 listed in the goods description.

PosMAC complies with EN 10346 which is included within the standards noted within the goods description.

PosMAC is also categorised within the listing of trade or generic names in the goods description as aluminium zinc magnesium coated steel.

The Commission acknowledges that alloys can be a metal constituting two or more metallic elements (i.e. aluminium plus zinc and other metal elements) and that PosMAC is a good with zinc, magnesium and aluminium in the coating.

BlueScope has demonstrated that PosMAC is an aluminium-magnesium zinc coated steel that complies with EN 10346 and is covered by the goods description in ADN 2020/067. PosMAC therefore must correctly be considered as alike to the goods manufactured in Australia.

BlueScope welcomes the opportunity to further discuss the matters raised in this submission with the Commission. If you have any questions, please do not hesitate to contact me on [REDACTED] [REDACTED].

Yours faithfully,

[REDACTED]  
Manager – Trade Measures

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<sup>6</sup> Non-Confidential Attachment 1: EN 10346 *Continuous hot-dip coated flat steel products for cold forming*, 2015. Page 7.