

26 November 2020

The Director, Investigations 2
Anti-Dumping Commission
GPO Box 2013
Canberra ACT 2600

BY EMAIL:
investigations2@adcommission.gov.au

Dear Director,

Review of Anti-Dumping Measures No. 566 concerning steel reinforcing bar exported from Korea, Singapore, Spain, Taiwan

AUSTRALIAN INDUSTRY SUBMISSION – NON-COOPERATIVE EXPORTERS FROM KOREA

InfraBuild (Newcastle) Pty Ltd (**InfraBuild**), the applicant and a member of the Australian industry producing like goods to the goods the subject of this review of anti-dumping measures (**REV 566**), refers to its latest export trade intelligence¹ which indicates that there may be at least one additional exporter of the goods from Korea, who is not cooperating in this review inquiry, and is exporting at prices that are materially² different to those observed for the cooperative exporter, Daehan Steel Co., Ltd (**Daehan**).

Dongkuk Steel

In *Continuation Inquiry No. 546*,³ InfraBuild noted in its application:

*Daehan holds ACRS certification until 31 December 2020 for various models of rebar in coiled form (refer CONFIDENTIAL ATTACHMENT 1.1.1) and a new entrant (first certified 17 October 2019) Dongkuk Steel Mill Co., Ltd. also holds ACRS certification until 31 December 2020 for various models of rebar in coiled form (refer CONFIDENTIAL ATTACHMENT 1.1.2).*⁴

¹ CONFIDENTIAL ATTACHMENT 1.

² At least [REDACTED] % less on a US\$ denominated, weighted average basis across the October 2019 to June 2020 period.

³ *Continuation Inquiry into Anti-Dumping Measures concerning steel reinforcing bar exported from the Republic of Korea, Singapore, Spain (except Nervacero S.A.) and Taiwan (except Power Steel Co. Ltd)*, initiated by publication of ADN No. 2020/020 on 3 March 2020.

⁴ EPR Folio No. 546/001, p. 14.

We observe that Dongkuk Steel's ACRS certification remains current,⁵ and that it, along with Daehan are the only two exporters of the goods to Australia with ACRS certification.

On the basis of exporter questionnaire responses placed on the electronic public record, and the Commission's "File Note - Extension of time for exporter questionnaire responses",⁶ there is no indication of cooperation by Dongkuk Steel to this review inquiry.

Uncooperative exporters from Korea – ascertainment of export price

In its *Final Report for Continuation Inquiry No. 546 (REP 546)*, the Commissioner recommended to the Minister:

*The export price for uncooperative and all other exporters from Korea was determined having regard to all relevant information under section 269TAB(3). Specifically, the Commission had regard to the ascertained export price for Daehan in this inquiry.*⁷

CONFIDENTIAL ATTACHMENT 1 indicates that a second source of the goods were exported from Korea, based on the timing of Dongkuk Steel's ACRS certification (17 October 2019), and the commencement of exports from Korea [REDACTED]. [confidential export trade intelligence] We observe that the Commission's access to Australian Border Force's (ABF) import database, will permit it to assess the accuracy of InfraBuild's observations. However, our assessment of the weighted average export price of this second source of rebar is \$ [REDACTED] per tonne less than that of Daehan for the October 2019 to June 2020 period. Therefore, should the ABF's data affirm InfraBuild's contention, it is not appropriate for the Commission to determine the ascertained export price for uncooperative exporters from Korea based on the export price for Daehan, given the potential material ([REDACTED]%) disparity between the export prices.

InfraBuild submits that for the purposes of this review, when ascertaining the export price under section 269TAB(3)⁸ for the uncooperative exporters from Korea, the Commission should consider that the most reliable and relevant information it possesses in relation to exports of the goods from uncooperative exporters over the review period is that captured in the ABF import database. This contains detailed importation data from import declarations made by importers to the ABF. The Commission can calculate the export price based on the weighted average Free On Board (FOB) export price declared by importers of the goods over the review period from Korean uncooperative exporters from the ABF import database.

Form of measures for uncooperative exporters

In all circumstances where there is a positive dumping margin determined for an exporter, then the combination form of interim duty calculation should be imposed by the Minister, with the variable component being based on the ascertained export price.

Given the difficulties the Commission faces verifying the variable factors of uncooperative exporters, the relative reliability of the ascertained export price; based on the weighted average FOB export price declared by importers of the goods over the review period from uncooperative exporters from the ABF import

⁵ CONFIDENTIAL ATTACHMENT 2.

⁶ EPR Folio No. 566/012.

⁷ EPR Folio No. 546.

⁸ Legislative references are to provisions of the *Customs Act 1901*, unless expressly stated.



database; makes it a critically reliable feature in the form of measures imposed: as the means of forming the variable component of any combination form of duty calculation.

Please do not hesitate to contact your InfraBuild representative on record with any questions.

FOR AND ON BEHALF OF THE

AUSTRALIAN INDUSTRY APPLICANT