



Australian Government
**Department of Industry,
Innovation and Science**

Anti-Dumping Commission

**Application for the
continuation of a dumping
and/or
countervailing notice
or
continuation of an undertaking**

**APPLICATION UNDER SECTION 269ZHC OF THE *CUSTOMS ACT 1901*
FOR THE CONTINUATION OF A DUMPING AND/OR COUNTERVAILING
DUTY NOTICE OR CONTINUATION OF AN UNDERTAKING**

I hereby request, in accordance with section 269ZHC of the *Customs Act 1901* (the Act) that the Minister:

- continue a dumping duty notice, or
- continue a countervailing duty notice, or
- continue the undertaking given under the Act by

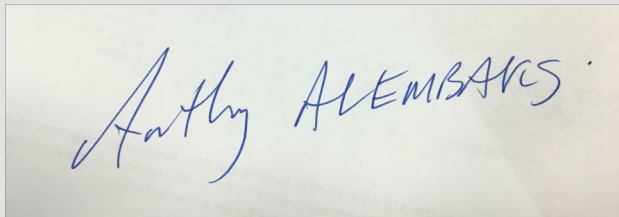
[Redacted]
(Name of company or organisation)

in respect of the goods the subject of this application.

I believe that the information contained in this application:

- provides reasonable grounds for continuation of the anti-dumping measure; and
- is complete and correct to the best of my knowledge and belief.

Signature:



[Redacted]
Mr Anthony Alembakis

Name:

Position: Chief Financial Officer

Company: Oceania Glass Proprietary Limited

ABN: 99 630 152 206

Date: 4 January 2021

Signature requirements

Where the application is made:

By a company - the application must be signed by a director, servant or agent acting with the authority of the body corporate.

By a joint venture - a director, employee, agent of each joint venturer must sign the application. Where a joint venturer is not a company, the principal of that joint venturer must sign the application form.

On behalf of a trust - a trustee of the trust must sign the application.

By a sole trader - the sole trader must sign the application.

In any other case - contact the Commission's client support section for advice.

Assistance with the application

The Anti-Dumping Commission has published guidelines to assist applicants with the completion of this application. Please refer to the '*Instructions and Guidelines for applicants: Application for continuation*' on the Commission's website.

The Commission's client support section can provide information about dumping and countervailing procedures and the information required by the application form. Contact the team on:

Phone: 13 28 46

Fax: (03) 8539 2499

Email: clientsupport@adcommission.gov.au

Other information is available from the Commission's website at www.adcommission.gov.au

Small and medium enterprises (i.e., those with less than 200 full-time staff, which are independently operated and which are not a related body corporate for the purposes of the *Corporations Act 2001*), may obtain assistance, at no charge, from the Department of Industry, Innovation and Science's International Trade Remedies Advisory (ITRA) Service. For more information on the ITRA Service, visit www.business.gov.au or telephone the ITRA Service Hotline on +61 2 6213 7267.

Required information

1. Provide details of the name, street and postal address, of the applicant seeking the continuation.

The applicant requesting the continuation of anti-dumping measures on clear float glass exported from The People's Republic of China ("China"), The Kingdom of Indonesia ("Indonesia") and The Kingdom of Thailand ("Thailand") is Oceania Glass Proprietary Limited. Contact details for Oceania Glass are:

Oceania Glass Pty Ltd
95 Greens Road
Dandenong South Victoria 3175

2. Provide details of the name of a contact person, including their position, telephone number and facsimile number, and e-mail address.

Mr Anthony Alembakis
Chief Financial Officer
Oceania Glass Pty Ltd
Tel: 0466 773 838
Email: aalembakis@oceaniaglass.com.au

3. Provide the names, addresses, telephone numbers and facsimile numbers of other parties likely to have an interest in this matter e.g. Australian manufacturers, importers, exporters, users.

The following exporting companies are likely to have an interest in this matter:

(i) China

Guangzhou CSG Glass Co., Ltd (CSG)
Huangpu E Road
Guangzhou
Guangdong Province China
Tel: +86 20 3228 2098

(ii) Indonesia

PT Mulia Glass
Mulia Industrial Estate
Jalan Raya Tegal Gede No.1
Cikarang, Bekasi 17550 Indonesia
Tel: +62 21 893 5718
Fax: +62 21 8983 3538/+62 21 8983 3558
Web: www.muliaindustrindo.com

PT Asahimas Flat Glass Tbk
Jl. Ancol IX No. 5, RT. 1/RW.3, Ancol, Kec
Pademangan, Kota Jkt Utara, Daerah Khusus Ibukota
Jakarta 14430 Indonesia
Tel: +62 21 6904041
Fax: +62 21 6918709, 69000470
Web: www.amfg.co.id

(iii) Thailand

Guardian Industries Corp Ltd
42 Moo 7 Nongplanoh Sub-District
Nongkhae Saraburi 18140 Thailand
Tel: +66 36 373373
Email: guardian.com

The following importers are likely to have an interest in this matter:

Australian Independent Glass Pty Ltd
Unit 4/35-37 Maxwell Road
Pooraka SA 5095
Tel: (08) 8162 5196

4. The application must include a detailed statement setting out reasons for seeking continuation of the anti-dumping measure. Applicants must provide evidence addressing whether, in the absence of measures, dumped or subsidised imports would cause material injury to the local industry producing like goods. Applicants should refer to the “Guidelines for Preparing an Application for Continuation of Measures” for assistance.

Please refer to Attachment A.

5. The applicant must provide details of the current anti-dumping measure(s) the subject of this continuation application, including:

- *The goods*

The goods the subject of the anti-dumping measures are Clear Float Glass (CFG) in nominal thickness of 3 to 12 millimetres (mm).

The following Table 1 details the tolerances for each of the thicknesses in the nominated range:

Table 1- Thickness tolerances for CFG

Nominal thickness (mm)	Acceptable Tolerances (mm)	
	Minimum	Maximum
3	2.80	3.50
4	3.51	4.50
5	4.51	5.50
6	5.51	7.00
8	7.01	9.00
10	9.01	11.00
12	11.01	12.30

- *tariff classification*

The tariff classification of the CFG the subject of the measures is 7005.29.00 statistical codes 3, 4, 5, 6 and 9 in Schedule 3 of the *Customs Tariff Act 1995*.

- *the countries or companies*

The anti-dumping measures apply to all exports of CFG from China (other than exports by Xinyi Ultrathin (Donguan) Co Ltd “Xinyi”), Indonesia and Thailand.

- *specified date of publication of the measure*

The anti-dumping measures were initially imposed by public notice (dumping duty notice) on 18 October 2011 following consideration of International Trade Remedies Report 159C. The anti-dumping measures were subsequently continued by public notice (dumping duty notice) on 18 October 2016 by the then Assistant Minister for Industry, Innovation and Science following consideration of Anti-Dumping Commission Final Report No. 335. The dumping duty notice is due to expire on 17 October 2021.

Provision of data

Industry financial data must, wherever possible, be submitted in an electronic format.

- The data should be submitted on a media format compatible with Microsoft Windows.
- Microsoft Excel, or an Excel compatible format, is required.
- If the data cannot be presented electronically please contact the Commission's client support section for advice.

Lodgement of the application

This application, together with the supporting evidence, must be lodged in the manner approved by the Commissioner under subsection 269SMS(2) of the Act. The Commissioner has approved lodgement of this application by either:

- preferably, email, using the email address clientsupport@adcommission.gov.au, or
- post to:
The Commissioner of the Anti-Dumping Commission
GPO Box 2013
Canberra ACT 2601, or
- facsimile, using the number (03) 8539 2499.

Public Record

During an investigation all interested parties are given the opportunity to defend their interests, by making a submission. The Commission maintains a public record of these submissions. The public record is available on the Commission's website at www.adcommission.gov.au.

At the time of making the application both a confidential version (for official use only) and non-confidential version (public record) of the application must be submitted. Please ensure each page of the application is clearly marked "FOR OFFICIAL USE ONLY" or "PUBLIC RECORD". The non-confidential application should enable a reasonable understanding of the substance of the information submitted in confidence. If you cannot provide a non-confidential version, contact the Commission's client support section for advice.

The application must include a detailed statement setting out reasons for seeking continuation of the anti-dumping measure. Applicants must provide evidence addressing whether, in the absence of measures, dumped or subsidised imports would cause material injury to the local industry producing like goods. Applicants should refer to the “Guidelines for Preparing an Application for Continuation of Measures” for assistance.

Background to applicant

Following the last investigation involving Clear Float Glass (“CFG”) Viridian Glass Australia has been separated into two businesses from 1 February, 2019 – Viridian Glass and Oceania Glass. Viridian Glass is involved in the processing of glass which involves the manufacture of high-performance double glazing, custom lamination, cut to size product and custom decorative solutions. Oceania Glass is a separate legal entity that specializes in the manufacturing, selling and distribution of flat architectural glass and is the only operator of a float glass manufacturing line in Australia.

For the purposes of CFG, Oceania Glass is the Australian manufacturer of the subject goods.

(i) Subject goods – clear float glass

The goods the subject of anti-dumping measures that are due to expire are as follows:

“Clear float glass (CFG) in nominal thickness of 3 to 12 millimetres (mm).”

The tolerances of each of the thicknesses are set out in Table 1.

Table 1 – Thickness tolerances for CFG

Nominal thickness (mm)	Acceptable Tolerances (mm)	
	Minimum	Maximum
3	2.80	3.50
4	3.51	4.50
5	4.51	5.50
6	5.51	7.00
8	7.01	9.00
10	9.01	11.00
12	11.01	12.30

The tariff classification of the subject goods is 7005.29.00 statistical codes 3, 4, 5, 6 and 9 in Schedule 3 of the *Customs Tariff Act 1995*. From 1 January 2019 imports from China are subject to a “Free” rate of duty, as are imports from Indonesia and Thailand under the respective Free Trade Agreements with each country Australia has signed.

The relevant tariff classifications and statistical codes applicable to CFG of varying thicknesses are summarized in Table 2.

Table 2 – Tariff classifications and statistical codes applicable to CFG

Tariff Sub-heading	Statistical Code	Unit	Category
7005.29.00	03	Square metres	Exceeding 3 mm but not exceeding 4 mm
7005.29.00	04	Square metres	Exceeding 4 mm but not exceeding 6 mm
7005.29.00	05	Square metres	Exceeding 6 mm but not exceeding 10 mm
7005.29.00	06	Square metres	Exceeding 10 mm
7005.29.00	09	Square metres	Not exceeding 3 mm

In recent Report 479 the Anti-Dumping Commission (“the Commission”) identified that the subject goods have the following characteristics:

- transparent;
- flat; and
- rectangle or square in shape.

Glass with the following characteristics is not the subject of the original notice:

- coated, coloured, tinted or opaque;
- absorbent, reflective or non-reflective layer;
- wired;
- bent, edge-worked, engraved, drilled, enameled or otherwise worked;
- framed or fitted with other materials;
- toughened (tempered) or laminated;
- acid etched; or
- low iron.

Oceania Glass Pty Ltd (“Oceania Glass”, or the “applicant” hereafter) does not consider there has been a change in the goods (as produced locally or with the imported goods the subject of the measures) as described in the goods description in the original investigation (refer Trade Measures Report 159C).

(ii) Application coverage

The anti-dumping measures apply to all exports of CFG from China (other than exports by Xinyi Ultrathin (Donguan) Co Ltd “Xinyi”), Indonesia and Thailand.

PART A – Will the dumping continue, or recur?

(iii) Anti-dumping actions by other countries

Anti-dumping measures apply to clear float glass in Brazil for exports from China, Egypt, Mexico, Saudi Arabia, United Arab Emirates (UAE) and the United States.

Anti-dumping measures on CFG also apply in India on exports from Pakistan, Saudi Arabia and the UAE. India has recently imposed dumping duties on CFG exported from Malaysia¹.

(iv) Relevant evidence as to the current normal values for CFG in China, Indonesia and Thailand

Oceania Glass does not have access to domestic selling prices for CFG in each of the countries covered by this application – China, Indonesia and Thailand.

As an alternative to domestic selling prices in each of the exporting countries, Oceania Glass has constructed selling prices based upon Oceania Glass’ production costs (adjusted for labour in the country of export), and an amount for profit.

The following normal values for CFG (average of 3 to 12mm,) sold in China, Indonesia and Thailand are based upon a constructed average selling price (ex-factory) for each of the home countries during the 1 October to 30 September period.

¹ <http://www.dgtr.gov.in/anti-dumping-cases/clear-float-glass-originating-or-exported-malaysia>

Table 3 – Normal Values for CFG – China, Indonesia, Thailand (price is ex-factory, per metric tonne)

	Oct-Dec 2019	Jan-Mar 2020	Apr-Jun 2020	Jul-Sep 2020
China (RMB/MT)	2964	3121	3231	3143
Indonesia (Indon Rupiah/MT)	5732246	59172421	6425868	6603716
Thailand (Baht/MT)	12582	13174	13899	14223

Source: Confidential Attachment 1 – Clear Float Glass Normal Values for China, Indonesia and Thailand

(v) Have exports continued following the imposition of measures and estimates of export prices

Imports of the subject goods from China, Indonesia and Thailand have continued following the extension of the measures in 2016. The import quantities of the subject goods are outlined in Table 2 below.

Table 4 – import volumes of CFG ex China, Indonesia and Thailand 2017 to 2020 (square meters)

Country	2017	2018	2019	2020
China	1,615,863	743,059	420,462	249,921
Indonesia	682,755	539,904	394,940	466,694
Thailand	374,675	476,064	309,412	239,782
Other	2,434,002	3,603,590	3,558,871	1,711,122
Total	5,107,295	5,362,617	4,683,685	2,667,519

Source: Australian Bureau of Statistics monthly import data².
Note: 1. 2020 includes 9 months to September 2020 only.

Exports of CFG from China, Indonesia and Thailand have continued following the continuation of measures in September 2016.

The Anti-Dumping Commission (“the Commission”) will recall that the Australian industry made an application to address the circumvention of the measures in early 2018 (application made by the then manufacturer CSR Viridian Ltd (Viridian). The Commission published Report No. 479 (“Report 479”) following investigation of the circumvention claims against exports of CFG by Guardian Industries Corp Ltd (“Guardian”) of Thailand. The circumvention allegations involved the slight modification of the exported goods by Guardian such that an additional edge was included along one or more sides of the goods. The Minister for Industry, Science and Technology accepted the findings in Report 479. These findings established that:

The Commissioner found:

- *the circumvention goods are exported to Australia from a foreign country in respect of which the notice applies (Thailand);*
- *before that export, the circumvention goods are slightly modified;*
- *the use or purpose of the circumvention goods is the same before, and after, they are slightly modified;*

² Refer Confidential Attachment 2 for ABS import data for CFG from January 2016 to September 2020.

- *had the circumvention goods not been so slightly modified, they would have been subject to the notice; and*
- *sections 8 and 10 of the Dumping Duty Act does not apply to the export of the circumvention goods to Australia.*

The degree of modification has been examined in light of the non-exhaustive list of criteria outlined in subsection 48(3) of the Regulation. The Commissioner has compared the goods and the circumvention goods and determined that the circumvention goods have been slightly modified through additional edge working to the goods, along one or more sides.

Accordingly, the Commissioner considers that a circumvention activity, in the form of slight modification of goods exported to Australia from Thailand, has occurred in relation to the notice.

The exports of CFG from Thailand continued following the extension of the measures in September 2016, albeit, in a slightly modified manner. It is therefore clear that CFG exports to Australia from the three countries the subject of measures have continued since the measures were extended in September 2016.

(vi) Have exporters in China, Indonesia and Thailand maintained distribution links in Australia?

As outlined above, the exporters in China, Indonesia and Thailand have maintained distribution links into the Australian market and continue to supply CFG to importers/distributors in Australia.

(vii) Do producers/exporters in China, Indonesia and Thailand retain excess capacity that may be directed to Australia?

(a) China

In the 2016 continuation of measures investigation (Report 335), the Chinese exporters elected not to cooperate. The Commission identified that according to the European Union Chamber of Commerce in China, the Chinese CFG industry had installed capacity of approximately 10,750,000 tonnes in 2014. This production capacity was met via 290 production lines of which 230 were active. The number of production lines increased in 2015 to 346, of which 216 were active. The Commission was satisfied in 2016 that there was excess production capacity in China.

Oceania Glass does not consider that the production capacity has altered since 2015 and there continues to be excess production capacity for CFG in China.

(b) Indonesia

PT Asahimas Flat Glass Tbk (“AMG”) operates four float glass lines, with two at PT Surabaya (310,000 Tonnes p.a.), one in Jakarta (120,000 tonnes p.a.) and another in the Bukit Indah Industrial Park, Cikampek, Est Java that commenced production in 1999 (210,000 tonnes p.a.). On 18 February 2019 the company announced the expansion of the Cikampek facility, to 420,000 tonnes of production. This later production line is referred to as the “C2 Furnace”.

AMG operates 4 production furnaces in Indonesia, with a total production capacity of 730,000 tonnes. The company ceased production of the 120,000 tonne per annum facility at Ancol, Jakarta.

In 2019, AMG’s domestic sales contracted by 11 per cent³. Meanwhile, exports remained flat. With increases in production capacity, AMG is positioned to increase supply to export markets to fill vacant plant capacity.

³ PT Asahimas Flat Glass Tbk 2019 Annual Report, P. 41 available at www.amfg.co.id.

In Investigation 335, the Commission confirmed that PT Muliaglass appeared to have sufficient spare capacity to increase exports if it wished to do so. Oceania Glass does not have any information as to the ready availability of production capacity for Muliaglass to increase exports to Australia should the measures be allowed to expire. It is reasonable to conclude, however, that the measures have been effective in maintaining fair prices for exports to Australia from AMG and Muliaglass since the measures were continued in September 2016.

(c) Thailand

Guardian Industries Corp Ltd (“Guardian”) of Thailand is part of a global company with production assets in many other countries. Guardian already supplies the Australian market from facilities other than in Thailand. Oceania Glass agrees with the Commission’s determination in 2016 that “Guardian could adjust its production portfolio to take advantage of the comparative proximity of its Thailand plant to Australia to replace CFG from other parts of the global business if it was considered commercially advantageous to do so⁴.”

Oceania Glass notes that Guardian was the subject of anti-circumvention investigation No. 479. The Minister accepted that Guardian had circumvented the anti-dumping measures to supply slightly modified CFG to the Australian market. The imposition of measures to the slightly modified CFG has had the desired impact. Guardian’s preparedness to export to circumvent the measures demonstrates Guardian’s desire to supply the Australian market from its Thailand operation.

(viii) Will future exports of CFG from China, Indonesia and Thailand be at dumped prices?

Oceania Glass has calculated dumping margins for exports of CFG to Australia from China, Indonesia and Thailand over the 2019/20 twelve-month period.

The dumping margin calculations have been assessed for the five statistical code classifications under which the subject goods have been classified under subheading 7005.29.00 (i.e. statistical codes 03, 04, 05, 06 and 09).

It is noted that some goods are classified under the “No Country Declared” category, although it is considered that exports from the nominated countries are not included within this category.

Oceania Glass has identified that exports of CFG to Australia during 2019/20 from China and Thailand were not at dumped prices. Exports of CFG to Australia from Indonesia were at dumped prices with margins varying from 15.3 per cent to 36.1 per cent. Refer to Table 5 for dumping margins determined on a weighted average basis for the three subject countries by statistical code.

Table 5 – Estimated Dumping Margins for CFG exported from China, Indonesia and Thailand 2019/20 (per square metre)

Category	China	Indonesia	Thailand
7005.29.00/03	-21.3 %	19.5 %	n/a
7005.29.00/04	-25.7 %	36.1 %	-10.0 %
7005.29.00/05	-26.8 %	19.2 %	-45.9 %
7005.29.00/06	-13.4 %	34.4 %	-18.6 %
7005.29.00/09	n/a	n/a	n/a

Notes:

1. Refer to Confidential Attachment 1 for details of quarterly dumping margin calculations for China, Indonesia and Thailand.

⁴ Report 335 – Clear Float Glass exported from China, Indonesia and Thailand – Continuation Inquiry, P. 49.

PART B – Will material injury recur?

(a) Summary

Oceania Glass considers that should the measures on CFG exported from China, Indonesia and Thailand be allowed to expire on 17 October 2021, it is likely that the Australian industry will again experience (and be threatened with) a recurrence of material injury that the measures are intended to prevent.

(b) Relevant considerations

Oceania Glass submits that the anti-dumping measures on CFG exported from China, Indonesia and Thailand have been effective in limiting the dumping and material injury since the measures were extended in September 2016. Oceania Glass continues to have concerns that if the measures were allowed to expire:

- it is considered likely that exports from China, Indonesia and Thailand would again increase;
- exporters in China, Indonesia and Thailand that have maintained distribution links into the Australian market would seek to increase volumes by reducing selling prices (i.e. exporting at dumped prices);
- Guardian would be incentivized to shift supply from its present United Arab Emirates production facility back to its facility in Thailand to supply the Australian market – most likely at a lower cost to it overall;
- AMG has increased production capacity to be able to supply increased volumes into the Australian market;
- exporters in China, Indonesia and Thailand have maintained distribution links (and active supply) into the Australian market;
- the anti-circumvention activities of Guardian (refer Report 479) confirm that Australia remains an attractive market to Guardian and that it has sought to circumvent measures to re-establish supply from Thailand following the September 2016 extension of the measures;
- recent exports to Australia from Indonesia have been at dumped prices (see Table 5 above);
- although exports from China and Thailand appear not to have been at dumped prices in 2019/20, the expiration of the measures would likely lead to a resumption of dumping as exporters in China and Indonesia seek to match lower prices in Australia from alternate sources of supply;
- increases in imports from China, Indonesia and Thailand would likely result in reduced sales volumes and market share for Oceania Glass, contributing to increases in the unit cost of production that could not be recovered in selling prices; and
- the Australian industry manufacturing like goods would be exposed to a recurrence of the material injury through price undercutting, price suppression, reduced profits and profitability.

Oceania Glass considers that the factors that were relevant in the 2016 continuation of measures investigation are again relevant factors in this continuation of measures investigation.

(c) Analysis of dumping

Oceania Glass has undertaken a *prima facie* analysis of whether the exports to Australia from China, Indonesia and Thailand have been at dumped prices (Refer Table 5). Oceania Glass contends that AMG would likely be exporting at dumped prices due to its increased capacity and likely desire to fully load its upgraded production facility. It is therefore not surprising that the exports of CFG from Indonesia are at dumped prices.

In respect of exports from Thailand, Oceania Glass submits that Guardian is likely exporting from its affiliated facility in the United Arab Emirates (“UAE”) and that any exports from Thailand are either shipped as a priority (and hence no need to export at dumped prices) or are to supplement the higher volumes sourced from the UAE.

The position of the negative dumping margins for the Chinese exporters can be explained as a likely short-term position as demand in China for CFG has increased substantially during the pandemic – although this short-term position is likely to end in 2021 and domestic prices in China will plummet to pre-pandemic levels.

(d) Analysis of import volumes

Imports to Australia of CFG from China, Indonesia and Thailand have continued whilst the anti-dumping measures have applied – albeit at reduced levels. Oceania Glass attributes the decline in import volumes to the effectiveness of the measures. It should be noted that Guardian of Thailand sought to circumvent the measures (Report 479) demonstrating its desire to continue to supply the Australian market.

Imports from Indonesia have continued as AMG has increased production capacity to supply to export markets.

In Report 335, the Commission identified a report published by the European Chamber of Commerce in China that identified China's flat glass capacity at 10.75 million tonnes in 2014. Oceania Glass is not aware of any decline in production volumes in China since 2014 – although the recent increase in demand due to the pandemic is likely to lead to an increase in production capacity by the Chinese industry.

(e) Measures in other jurisdictions

Oceania Glass notes that the Commission identified anti-dumping measures imposed by Brazil on exports of CFG from China. The Commission stated that *"...the findings of the Brazil anti-dumping authority is prima facie evidence that Chinese exporters have recently dumped CFG in other markets, and would be likely to do so in the Australian market if the measures are not continued."*⁵

Oceania Glass understands the measures on China continue to apply in Brazil. The Brazilian authorities continue to be concerned about the potential for injurious exports from China. The views of the Commission in Report 335 concerning the measures that apply in Brazil are again relevant in 2020/21 for the continuation of measures in Australia.

(f) Recurrence of material injury

In circumstances where there are low volumes of imports from countries the subject of anti-dumping measures, the Commissioner is not prevented from recommending the continuation of those measures where he is satisfied that the expiration of the measures would lead, or likely lead, to a recurrence of material injury that the measures are intended to prevent.

In Report 335, the Commission then considered that the Thai exporter Guardian's low volumes since 2012 were "not determinative" in assessing whether dumping and material injury would recur. It is Oceania Glass' view that the circumvention activities of Guardian are indicative that the exporter continues to place priority on the Australian market to supply (and has in fact supplied from its affiliate in the UAE).

Oceania Glass has experienced a deterioration in its profit and profitability in 2019/20. This has continued the trend from 2018/19 which was also lower than the previous year. This trend demonstrates a deterioration in the industry's economic performance and is indicative of the susceptibility of the industry to changes in events including the expiration of anti-dumping measures against exporters that have maintained distribution links to the Australian market.

The findings in Report 335 concerning the price sensitivity of the CFG market continue to apply in 2020/21. Similarly, Oceania Glass has continued to implement business improvement initiatives to ensure that it remains competitive against imports. Oceania Glass contends that it is presently susceptible to the re-commencement of injurious exports at dumped prices from China, Indonesia and

⁵ Ibid, P. 50.

Thailand should the measures be allowed to expire. Oceania Glass would again encounter price undercutting in the absence of anti-dumping measures as was previously established in Report 335⁶.

Oceania Glass reiterates the findings in Report 335 that the Australian market for CFG is highly competitive. The price competition occurs from all import sources, including from imports sourced from China, Indonesia and Thailand. Oceania Glass considers that a recurrence of dumping is likely if the measures are allowed to expire. Exporters the subject of the measures would likely gain market share by reducing prices and displacing imports from other sources and sales by the Australian industry. The reduction in prices would have a further impact on Oceania Glass' deteriorating profit and profitability.

(g) Conclusions and Recommendation

The Australian industry producing CFG is presently susceptible to the injurious effects of dumping – as demonstrated by the deterioration in the industry's profit and profitability over the most recent two-year period.

Oceania Glass submits that should the anti-dumping measures on CFG exported from China, Indonesia and Thailand be allowed to expire on 17 October 2021 it is likely that the Australian industry would experience a recurrence of dumping and material injury from exports from the subject countries. This view is supported by the following relevant considerations:

- the anti-dumping measures in place have been effective in limiting dumping and material injury following the continuation of the measures in September 2016;
- exports from China, Indonesia and Thailand have continued since the measures were extended in September 2016, with exporters maintaining distribution channels into the Australian market (including throughout 2020);
- the circumvention activities of Guardian (Report 479) demonstrate that the exporter continues to value CFG sales to the Australian market as a priority and would supply from its Thai plant if the measures did not apply;
- the Indonesian exporter AMG has since 2016 expanded its production capacity of CFG and has continued supply to Australia at margins of dumping above negligible levels;
- Chinese producers of CFG possess significant production capacity which could be readily diverted to Australia should the measures expire;
- the Brazil authorities continue to apply anti-dumping measures on CFG exported from China;
- the Australian industry manufacturing like goods has experienced a deterioration in profit and profitability in the last two years (with a sharp deterioration in 2019/20) and is susceptible to the recurrence of dumping and material injury at this time;
- producers in each of the exporting countries appear to possess significant excess capacity to increase supply of CFG to Australia should the measures be allowed to expire;
- as confirmed in Report 335 the selling prices for CFG are price sensitive and it is considered likely that in the absence of measures prices from China, Indonesia and Thailand would decline, resulting in price undercutting and a loss of market share for the Australian industry;
- CFG is a commodity product and end-users are able to readily shift from one supplier to another, with price a key influencing factor; and

⁶ Oceania Glass has [*comment concerning pricing offers*].

- a reduction in prices would likely see an increase in import volumes resulting in loss of sales volumes (and market share) for the Australian industry, contributing to sharp declines in profit and profitability, such is the reliance on maintaining production volumes in a CFG manufacturing facility.

Oceania Glass is therefore seeking the Commissioner to commence an investigation into the continuation of anti-dumping measures on CFG exports to Australia from China, Indonesia and Thailand. Oceania Glass considers that the available information confirms that should the measures on CFG exported from China, Indonesia and Thailand be allowed to expire it is likely that the Australian industry manufacturing like goods would suffer a recurrence of material injury that the anti-dumping measures are intended to prevent.

The notification of an investigation into the continuation of the measures on CFG exported from China, Indonesia and Thailand is required for the Minister to be satisfied that grounds exist for the measures to be continued for a further five year period.

List of Attachments & Appendices:

Attachment No.	Description	Confidential/Non-Confidential
A	Letter of Authority	Confidential
1	Normal values, Dumping Margin Calculations	Confidential
2	ABS Import Data for CFG	Confidential
Appendices		
A1, A2, A3, A4, A5, A6.1 & A6.2	Oceania Glass financial appendices	Confidential