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The Director - Investigations 1  
Anti-Dumping Commission  
GPO Box 2013  
Canberra ACT 2600

### Dumping investigation into merchant bar exported from the Taiwan

Dear Director

This submission is made on behalf of Feng Hsin Steel Co., Ltd (Feng Hsin) in response to the Anti-Dumping Commission's (the Commission) notification (ADN 2021/073), which offers the opportunity for interested parties to propose modifications to the proposed model control code (MCC) structure.

#### Shape sub-categories

A review of Feng Hsin's extras price list (**Confidential Exhibit A**) reveals that within some of the identified shapes, sizes & dimensions have a demonstrated effect on price. Size extras apply to [REDACTED], [REDACTED] and [REDACTED]. Feng Hsin proposes that a further 'size' category be included in the MCC structure to allow for the proper comparison of similar sizes of [REDACTED], [REDACTED] and [REDACTED], consistent with the size groupings identified in the extras price list.

#### Grade sub-categories

As noted in the attached extras price list, Feng Hsin include extra charges for various grades sold under the corresponding specification. These extras are applied to the 'base grade' of merchant bar sold by Feng Hsin, with the base grade reflecting the standard product offering. The export base grades include:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

In these circumstances, it is not appropriate to compare prices of a base grade product exported to Australia such as [REDACTED], with domestic sales of grade [REDACTED], as this grade attracts a price premium of [REDACTED] above the base grade. Instead, to ensure proper comparison of export prices and normal values, model matching should be undertaken in the first instance using the identical domestic grades where applicable.

Where the export grade is not sold domestically or not in sufficient volumes, the Commission should refer to the extras price list for determining the corresponding grades that are most

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comparable to the exported grade. This would avoid the need for making necessary adjustments to domestic prices for characteristics which are demonstrated to affect price.

Alternatively, if the Commission opts to leave the proposed MCC structure unchanged, Feng Hsin contends that the extras price list clearly demonstrates that prices are impacted by the various grades purchased by customers. To ensure proper comparison, domestic prices would require adjustment by reference to the domestic extras price list, for grade differences when compared to the exported goods.

Yours sincerely

John Bracic