

BBRG Australia

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10 June 2022

Ms Kathryn Marnell Assistant Director Investigations 1 Anti-Dumping Commission GPO Box 2013 Canberra ACT 2601

Email: Investigations1@adcommission.gov.au

Public File

Dear Ms Marnell

Re: Investigation No. 595 – Continuation of measures on wire rope exported from South Africa – Model Control Codes

I. <u>Issue</u>

As you know Bekaert Wire Ropes Pty Ltd (trading as "BBRG Australia") is the Australian manufacturer of wire ropes the subject of anti-dumping measures on exports to Australia from South Africa. The manufacturer of wire ropes in South Africa is Scaw Metals Group ("Scaw").

On 30 May 2022 the Anti-Dumping Commission ("the Commission") published a File Note (EPR Document No. 008) indicating that in its exporter questionnaire response Scaw had "*proposed a modified MCC*" on alleged grounds that "*the modified MCC could identify certain commercially sensitive information relevant to Scaw*".

The Commission's File Note confirmed that its usual approach is that the publication of MCCs "*is not confidential information*". BBRG Australia unequivocally supports the Commission's stance that MCCs cannot be considered "confidential information". Additionally, the transparency and integrity of the determination of normal values, export prices and dumping margins are at risk in the absence of full disclosure of the MCCs relied upon by the Commission.

BBRG Australia notes that the Commission has identified Scaw's alleged concerns about the publication of the MCCs including:

- How the MCC could be used to identify all product specifications (number of wires, finish, tensile strength, length, core type, use etc.);
- how customers and competitors can use the MCC to identify the customer, type of customer (mine site, contractor, equipment manufacturer and/or destination;
- how disclosure of the MCC can be used to identify the technical offering from Scaw;
- how the MCC will result in identifying the volume of sales.

BBRG Australia addresses these concerns below.

Bridon-Bekaert Ropes Group



II. Industry knowledge of Scaw's products

BBRG Australia firstly highlights that the Commission published details of MCCs in original investigation No. 401. The MCCs the subject of the original investigation were published in Report No. 401.

The Commission also published MCCs in anti-circumvention investigation No. 483 when Scaw sought to circumvent the anti-dumping measures by commencing the production and supply of a 9-strand wire rope for its Australian customers. The MCCs were readily identifiable and not suppressed. The public disclosure in the identified two previous investigations demonstrates that the claimed sensitivity of MCCs is not warranted. The wire rope market for the Australian mining industry is completely transparent. Tenders are often called for within the mining industry for the supply of wire ropes (including dragline, hoist and bucket ropes) where technical requirements are specified and the supplier's ability to supply and meet requirements are demonstrated. The claimed sensitivity of wire rope specifications is a nonsense as participants in the industry are well informed of each competitors' specifications as contrasted with the incumbent supplier.

Scaw's alleged sensitivity about the product specifications of its wire ropes cannot be accepted as wire ropes supplied are well-known to mining industry principals, third-party mine managers and other wire rope suppliers.

The claim that the MCC can be used to identify the technical offering of Scaw also cannot be accepted as this information is readily available to all participants in the industry. BBRG Australia has demonstrated to the Commission its full knowledge of the Australian market for wire ropes, by mine site customer, confirming the specifications of wire ropes supplied by BBRG Australia and its competitors. For industry participants details of mining rope specifications are available within the industry.

Scaw's claim that the publication of MCCs sill disclose its technical offering is false as this information has been readily available for extended periods (i.e. well before the original investigation No. 401).

Scaw's concerns about the sensitivity of the product specifications of wire ropes supplied to the mining industry also cannot be justified as this information is already available to the industry.

III. Conclusion and Recommendation

The South African exporter Scaw's concerns about the publication of MCCs for its wire ropes and that this would result in the disclosure of commercially sensitive product specification information cannot be substantiated. The information concerning wire rope specifications is readily available from customers, customer tenders and customer interface involving wire rope suppliers.

The details concerning MCCs were previously identified and disclosed in the original investigation No. 401 and following Scaw's circumvention activities in Investigation No. 483.

BBRG Australia recommends that the Commission not accept Scaw's disingenuous claims about the claimed sensitivity of MCCs for wire ropes supplied by the exporter as this information is already readily to industry participants.

If you have any questions concerning this submission, please do not hesitate to contact me on (02) 4968 6539 or BBRG Australia's representative Mr John O'Connor on (07) 3342 1921.

Your sincerely

Brad Reed

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