**ANTI-DUMPING CONTINUATION INQUIRY AGAINST IMPORTS OF STEEL REINFORCING BAR FROM SPAIN (NERVACERO) AND OTHER COUNTRIES**

The Spanish Government would like to thank the Australian Antidumping Commission (ADC) for the opportunity to submit comments on this continuation inquiry concerning anti-dumping measures in respect of steel reinforcing bar ("rebar") exported to Australia from Spain (by Nervacero S.A) and from certain other countries against whom the measures are also scheduled to expire (Greece, Indonesia, Taiwan and Thailand). This contribution must be understood as complementary to the one submitted by the European Commission on behalf of the European Union, and the arguments put forward by the Spanish company involved in this antidumping proceeding.

The Government of Spain truly believes that Infrabuild's application contains no prima facie evidence of a likelihood, in the sense of a probability, of future dumping and injury caused thereby for the following reasons:

**1. Market situation in Europe from 2021 onwards is being utterly ignored.**

There has been significant steel price inflation in Europe and Spain since the pandemic and the energy price crisis in 2021, and this has been exacerbated by the Russian invasion of Ukraine. Furthermore, there has been a significant surge in ocean freight costs, especially from Europe. In this inflationary scenario with a shortage of raw materials in Europe, infrabuild's assertion that "strong demand for rebar in Australia makes it an attractive destination for exporters"[1] does not seem very realistic. The idea that "global overcapacity" is still a threat is also highly questionable, and would seem to be counterintuitive. Contemporary price conditions point to a lack of supply in both Spain/Europe and in Australia, rather than excess supply.

Nor do we consider it logical to argue that Nervacero should continue to suffer anti-dumping measures because Celsa Group companies from other countries have been legitimately exporting to the Australian market.

**2. Nervacero´s trade with Australia will remain minimal.**

The volume of exports from Nervacero, or even from all of Spain for that matter, have diminished over recent years. This is mainly due to strong demand in the Spanish and European markets, which are the focus of Nervacero's sales efforts. There has been no commercial incentive for Nervacero to export to Australia. Given the situation mentioned above, there seems to be no incentive for Spanish exporters to ship products to Australia where there are lower prices than Europe and much higher transportation costs. Markets other than Australia could have

[1] Application for the Continuation of a Notice of Undertaking Anti-Dumping Commission, page 7.

priority for European exports, such as the US market after the transformation, in October 2021, of Section 232 measures by quotas.

To conclude, the Spanish Government respectfully requests the ADC to analyse Infrabuild's speculative arguments with prudence and to take into account the arguments of the Spanish company, in view of which we consider that the measures affecting Nervacero should no longer be maintained.