



ADRP Conference Summary

ADRP Reviews 120 and 121 – Hot Rolled Structural Steel Sections (HRSS) exported from Japan, the Republic of Korea, Taiwan (except by Feng Hsin Steel Co Ltd) and the Kingdom of Thailand

Panel Member	Jaclyne Fisher
Review type	Reviews of Minister's Decisions
Date	18 February 2020
Participants	Troy Morrow representing Tung Ho Steel Enterprise Corporation (Tung Ho) Justin Wickes, Jasna Halilovic and Jessie Wai representing the Anti-Dumping Commission (ADC)
Time opened	3.35 pm AEDT
Time closed	4.00 pm AEDT

Purpose

The purpose of this conference was to obtain further information in relation to the reviews before the Anti-Dumping Review Panel (Review Panel) in relation to HRSS exported from Japan, the Republic of Korea (Korea), Taiwan and the Kingdom of Thailand (Thailand). The applications relate to a review pursuant to s.269ZDB(1) (review of measures) and another pursuant to s.269ZHG(1) (continuation inquiry) of the *Customs Act 1901* (the Act).

The conference was held pursuant to section 269ZZHA of the Act.

In the course of the conference, I may have asked parties to clarify an argument, claim or specific detail contained in the party's application or submission. The conference was not a formal hearing of the review, and was not an opportunity for parties to argue their case before me.

I have only had regard to information provided at this conference as it relates to relevant information (within the meaning of section 269ZZK(6) of the Act). Any conclusions reached at this conference are based on that relevant information. Information that relates to some new argument not previously put in an application or submission is not something that the Review Panel has regard to, and is therefore not reflected in this conference summary.

At the time of the conference, I advised the participants:



- That the conference was being recorded and transcribed by Express Virtual Meetings Pty Ltd, and that the recording would capture everything said during the conference.
- That the conference was being recorded for the Review Panel to have regard to when preparing a conference summary. The conference summary (non-confidential version) would then be published on the Review Panel's website.
- Any confidential information discussed during the conference would be redacted from the conference summary prior to publication.

Prior to the conference, participants were provided with a copy of the Review Panel's Privacy Statement. The Privacy Statement outlines who the conference recording and transcript may be disclosed to. The Privacy Statement is available on the Review Panel's website [here](#). The participants indicated that they understood the Privacy Statement and consented to:

- The recording of this conference; and
- The recording being dealt with as set out in the Privacy Statement.

Discussion

The Review Panel Member advised that the reviewable decision relates to the decisions of the Minister to vary the 'variable factors' for Tung Ho following a review of measures, and to secure the continuation of the anti-dumping measures applying to the goods exported to Australia from Japan, Korea, Taiwan (except for exports by Feng Hsin and Tung Ho Steel Enterprise Corporation) and Thailand following a continuation review. The specific information that the Review Panel sought in this conference was in reference to the normal value finding as follows:

- (1) Could the ADC elaborate on the methodology used to establish the normal value for Tung Ho by reference to the relevant spreadsheets, focusing on like goods and whether any differences could have been dealt with by a specification adjustment.

The ADC referred to Confidential Spreadsheet 30 - Tung Ho Appendix 3 Domestic Sales - which included all domestic sales of the goods considered to be 'like' the export models. The ADC referred to the sufficiency tab which revealed that there was only one model that was in the ordinary course of trade that also met the sufficiency test. It had been used for normal value purposes. The ADC referred the Review Panel to Confidential Spreadsheet 29 - Tung Ho Appendix Two Cost to Make and Sell (CTMS) with amended MCC. This information was



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used in the ordinary course of trade test and also included the information on the CTMS the export models, which was then used for normal value purposes for the other three export models. The ADC also commented that Tung Ho did not have price lists and that there were challenges in assessing price differences for adjustment purposes. The ADC indicated the normal values were then summarised in Confidential Spreadsheet 31 - Tung Ho Appendix 4 NV with amended MCC.

Tung Ho indicated that there are no price lists and sales are negotiated on a daily basis with reference to the cost of raw materials used in the manufacture of various shapes and grades. It also commented that given the nature of the various standards that it manufactures to, as well as the model control code structure used by Australia, it is unlikely that it will have sufficient quantities of exact models exported to Australia for sale on its domestic market. It noted that its products will usually meet a number of different standards.

The Review Panel indicated that the applicant, OneSteel Manufacturing Pty Ltd (OneSteel), proposed that once there is a finding that there are sufficient volumes of the like goods sold in the ordinary course of trade (more than 5%) then it is not appropriate to also undertake this test at the model level. OneSteel referenced the Review Panel finding in ADRP Report 110,¹ which indicated 'it was not open to Commission to require that individual models also meet the sufficiency test in order to have their normal values determined under s.269TAC(1) of the Act. The ADC noted that the finding of the ADRP was not available at the time it finalised Reports 499 and 505.

The Review Panel advised that a draft of the conference summary would be provided to participants within one working day in order to ensure that it is an accurate reflection of the conference and for identification of any confidential information for redaction. It would be appreciated if participant's responses could be provided within two working days.

¹ ADRP Report No. 110, Steel Reinforcing Bar exported from the Republic of Turkey (September 2019), page 15 at [28].