



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	11 March 2020
Participants	Jack Howard and Jeff Waincymer representing Siam Yamato Steel Co Ltd (Siam) Justin Wickes and Jasna Halilovic representing the Anti-Dumping Commission (ADC)
Time opened	9.00 am AEDT
Time closed	9.30 am 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 (except by Feng Hsin Steel co. Ltd) 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:



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- 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 (Review Panel) advised that the reviewable decisions relate to the decisions of the Minister to vary the 'variable factors' for Siam following a review of measures, and to continue the anti-dumping measures for Siam 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) At the conference held with Siam on 18 February 2020, the Panel Member sought evidence provided to the ADC regarding the interest rate used for credit terms on domestic sales. At that time Siam referred to its submission (dated 17 February 2020) which dealt with the issue of how prices were set and also provided examples of invoices reflecting the credit terms. The ADC provided, the Review Panel, copies of the domestic sales transactions verified which included the purchase order, pricing information, invoice, bank statement. Upon examination of this documentation there is evidence of a [REDACTED] (confidential pricing information). The [REDACTED] reveals a [REDACTED]% on the credit price at [REDACTED]. However, for other terms such as [REDACTED] the prices appear to be either set at the [REDACTED]. Was evidence provided to the ADC of [REDACTED] being established based on payment terms [REDACTED]



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■ using the interest rate shown on the document relating to terms payment arrangements?

Siam indicated that pricing is a complex process in the Thai market that involves negotiation with individual customers based on a range of factors including customer relationship and credit terms. Notwithstanding, the credit terms are generally based on the actual rate presented to the ADC. However, there may be individual exceptions as to their application.

Siam took the Review Panel member through one invoice (supplied with its submission of 17 February 2020 and stated to have also been presented to the ADC at the verification visit) which showed credit terms of ■ and proposed that this revealed that a price had been set using the rate referred to in the internal document referred to in REP 499. The ADC indicated that it could not find this invoice in its records and the Review Panel advised that it could be provided, if necessary, after the conference. The information in this invoice did not reflect the earlier comments on pricing made by Siam at the conference on 18 February 2020. Siam's representatives indicated it would need to clarify this information directly with Siam.

The Review Panel advised that for many other invoices examined there was a quotation document supplied which revealed a ■. The terms reflected the actual credit rate claimed by Siam and invoice and payment information accorded with the ■. However, there were also other invoices where there were discounts apparent for some customers and other payment arrangements which appeared limited to either a ■ price regardless of the actual payment terms. Siam also commented that these invoices primarily related to sales of goods falling within the model control code (MCC) structure and not the domestic sales of the identical models exported to Australia. Siam proposes that the 'identical goods' only should be considered.

Siam indicated it was not aware of the extent of price analysis undertaken by the ADC in consideration of the credit terms used or that there were inconsistencies with the information in relation to the credit rate until the final report. Siam claims it would have pursued these issues further following the Statement of Essential Facts (SEF) Report 499 as Siam is willing to co-operate fully with the investigation. Its view is that further questions should have been dealt with earlier in the ADC investigation if inconsistencies were apparent, and in particular prior to the Statement of Essential Facts stage.



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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.

Following the conference, Siam clarified information in relation to the questions asked by the Review Panel in relation to pricing and credit terms. Siam advised that the pricing (and credit) arrangements for certain of the above-mentioned invoices queried above, [REDACTED] [REDACTED]. It also noted that it had examined all the domestic sales transactions of the identical models (to the export models) and the majority of these sold [REDACTED] (in the ordinary course of trade) were at terms of [REDACTED] [REDACTED]