



# ADRP Conference Summary

## 2020/88A Certain Hollow Structural Sections exported from the People's Republic of China, the Republic of Korea and Taiwan

Panel Member	Paul O'Connor
Review type	Review of Minister's Decision
Date	19 October 2020
Participants	Mr Rhys Piper, Mr Adam Hourigan & Mr Larry Isaac, Anti-Dumping Commission (Commission representatives)
Time opened	11:00 AEDT
Time closed	12:00 AEDT

### Purpose

The purpose of this conference was to obtain further information in relation to the review before the Anti-Dumping Review Panel (ADRP) in relation to certain Hollow Structural Sections exported from the People's Republic of China, the Republic of Korea and Taiwan.

The conference was held pursuant to s 269ZZHA of the *Customs Act 1901* (the Act).

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 ADRP has regard to, and is therefore not reflected in this conference summary.

### Discussion

1. The conference was convened following recent orders of the Federal Court which set aside the Ministers decision with respect to ADRP Report 88 and remitted Tianjin Youfa's application for review to the Review Panel for reconsideration.
2. Prior to the conference, the Review Panel provided the Anti-Dumping Commission (Commission) with a document outlining points to be discussed in the conference. These points included confirmation on how Tianjin Youfa's use of scrap was to be accounted for in the cost construction, and that only the costs of those entities within



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the Tianjin Youfa group (■■■■ entities in total), who had exported the goods under consideration (GUC) to Australia during the review period, would be considered.

3. The Review Panel confirmed that any further recalculation of costs would be based only upon information that was before the Commission when its report and recommendations were submitted to the Minister.
4. The Review Panel advised the Commission representatives that an issue to be addressed in the reconsideration would be the quantum of the adjustment to be made to the external benchmark of the costs of Hot Rolled Coil (HRC). Such an adjustment would be determined by comparing Tianjin Youfa's purchases of HRC and narrow strip against the external benchmark. Such a comparison will first require a determination as to whether there is a discernible difference between Tianjin Youfa's purchase costs of HRC and narrow strip.
5. Reference was made to a spreadsheet headed "*419-ADRP-Confidential Attachment 4- ... raw material purchases*". This spreadsheet was submitted to the Review Panel by the Secretariat on or about 18 February 2019, having been provided by the Commission to the Secretariat. The Commission's representatives confirmed that the Commission had also provided Tianjin Youfa's representative with a copy of the spreadsheet at the time of submitting it to the Secretariat.
6. The spreadsheet detailed purchase prices paid for both HRC and narrow strip by ■■■■ of Tianjin Youfa's entities that had exported the GUC during the review period. The Commission representatives explained that the spreadsheet had been prepared to test whether there was a price difference between structural and nonstructural grades of HRC. The Commission representatives noted that the spreadsheet indicated that there was no basis for making an adjustment for any perceived difference between structural and nonstructural purchases of HRC.
7. The Commission representatives noted that, of the entities that had exported the GUC to Australia during the review period, only ■■■■ ■■■■ ■■■■ ■■■■ had consumed both HRC and narrow strip. ■■■■ of these entities had only purchased HRC in the last quarter of the review period and in comparatively small quantities.



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8. It was noted that, over the review period on a quarterly basis, all purchases of HRC by the [REDACTED] entities exceeded (in some cases only marginally) the costs of narrow strip purchases. Accordingly, the Commission representatives indicated that it may be open to the Review Panel to make an adjustment to the HRC benchmark to account for differences between the costs of HRC and narrow strip purchases over the review period.
  
9. The Review Panel will further consider the appropriate methodology to be applied in calculation of the adjustment to the benchmark and will request the Commission to undertake any necessary calculations.

Paul O'Connor

Member

Anti-Dumping Review Panel

13 November 2020