Australian Government
Anti-Dumping Commission

CUSTOMS ACT 1901 - PART XVB

ANTI-DUMPING COMMISSION
REPORT TO THE ADRP No. 243

REINVESTIGATION OF CERTAIN FINDINGS IN REPORT No. 198

HOT ROLLED PLATE STEEL

EXPORTED TO AUSTRALIA FROM THE PEOPLE'S REPUBLIC OF CHINA

20 May 2014

CONTENTS

Please note that confidential information has been referred to in this report. Confidential information has been redacted prior to publication.

1 SUMMARY AND RECOMMENDATIONS

This report provides the results of the reinvestigation by the Commissioner of the Anti-Dumping Commission (the Commissioner) of certain findings in the Commission's Report No. 198 (REP198). The Commission's findings in REP 198 resulted in the imposition of anti-dumping measures on hot rolled plate steel (plate steel) exported to Australia from the People's Republic of China (China), the Republic of Indonesia (Indonesia), Japan, the Republic of Korea (Korea) and Taiwan.

The reinvestigation specifically examined the issue of whether the import price of coking coal in China provided a more appropriate benchmark price than the export price for the purpose of determining the payment of adequate remuneration.

1.1 Findings

The Commissioner, in accordance with s.269ZZL(3) of the *Customs Act 1901* (the Act), affirms the findings subject to the reinvestigation. The reasons are set out in this report.

1.2 The reinvestigation

Division 9 of Part XVB of the Act sets out procedures for review by the Anti-Dumping Review Panel (Review Panel) of certain decisions by the Parliamentary Secretary to the Minister for Industry (Parliamentary Secretary),[1] the Minister or the Commissioner.

1.1.1 The role of the Review Panel and the Anti-Dumping Commissioner

The Review Panel

Interested parties can apply to the Review Panel for review of certain decisions in relation to anti-dumping and countervailing matters. If an application for review is not rejected, the Review Panel must make a report to the Parliamentary Secretary on the application by:[2]

- recommending that the Parliamentary Secretary affirm the reviewable decision; or
- recommending that the Parliamentary Secretary revoke the reviewable decision and substitute a specified new decision.

The Commissioner

In making its report to the Parliamentary Secretary the Review Panel may, by written notice, require the Commissioner to:[3]

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[1] Prior to 25 September 2013, anti-dumping matters were the responsibility of the Minister for Home Affairs. On 25 September 2013, responsibility for anti-dumping matters was transferred to the Minister for Industry. The Minister for Industry subsequently delegated responsibility for anti-dumping matters to the Parliamentary Secretary to the Minister for Industry.

[2] Under s.269ZZK(1) of the Act

[3] Under s.269ZZL(1) of the Act

- reinvestigate a specific finding or findings that formed the basis of the reviewable decision; and
- report the result of the reinvestigation to the Review Panel within the specified period.

1.1.2 What must be reinvestigated

On 21 March 2014, the Review Panel requested the Commissioner reinvestigate a finding made in REP198 in relation to the appropriate benchmark for coking coal used in the manufacture of hot rolled plate steel (plate steel). The Review Panel requested that the Commissioner report the results of the reinvestigation by 22 April 2014. The timeframe proposed by the Review Panel was subsequently extended to 16 May 2014 following two requests for additional time by the Commission.

In its original investigation (INV198), the Commission found that the export price of Chinese coking coal was the appropriate benchmark in the determination of adequate remuneration of coking coal. The Commission considered, but subsequently rejected the use of the import price of coking coal to China due to low import penetration and the likelihood that import prices were equally affected by the government influences on domestic prices.

The Review Panel has requested that the Commission reinvestigate whether the use of the import price of coking coal to China may provide a more appropriate benchmark.

Without limiting the scope of the investigation, the Review Panel requested that the Commission review the comments made by Shandong Iron and Steel Company Limited (Jigang) in its submission dated 20 August 2013. Issues raised in the submission are discussed in section 4 of this report.

1.1.3 Reinvestigation findings and conclusions

The Anti-Dumping Commission (the Commission) has conducted a reinvestigation in accordance with the requirements of s. 269ZZL(1) of the Act and found that the import price does not provide an appropriate benchmark for the purpose of determining adequate remuneration of coking coal in China.

2 BACKGROUND

2.1 Original Investigation – Investigation 198

The Australian Customs and Border Protection Service[4] (ACBPS) initiated an investigation into the alleged dumping of plate steel exported to Australia from China, Indonesia, Japan, Korea and Taiwan and the subsidisation of exports of plate steel from China. The investigation was initiated on 21 February 2013 following the lodgement of an application by BlueScope Steel Limited (BlueScope).

Investigation 198 examined the period of 1 January 2012 to 31 December 2012 for the purpose of determining whether dumping and subsidisation had occurred. The Australian market and the economic condition of the industry were examined from 1 January 2008 for the purpose of injury analysis.

In the course of the investigation a number of importers and exporters were visited and interested parties were invited to provide submissions in relation to the matters under investigation, including the appropriate benchmark for coking coal. Submissions received to the statement of essential facts, relevant to the benchmark for coking coal, published on 1 August 2013 are summarised at attachment A to this report

On 16 September 2013, the Anti-Dumping Commission provided its final report and recommendation to the Minister for Industry. The Minister accepted the recommendations of the Commission and the Minister's decision was published on 19 December 2013.[5]

In REP 198, the Commission found *inter alia* that:

- plate steel exported by all exporters from China (except Jigang), was dumped with a margin of 22.1%;
- plate steel exported by all exporters from China (except Jigang), was subsidised to 36.9%; and
- plate steel exported by Jigang was subsidised to 2.6%.

In calculating the level of subsidy provided by the Government of China (GOC), the Commission was required to determine the benefit to Chinese manufactures derived from subsidy Program 3 relating to the purchases of coking coal from State Invested Enterprises (SIEs) at less than adequate remuneration.

[4] On 1 July 2013, the International Trade Remedies Branch (ITRB) of the ACBPS, previously responsible for anti-dumping matters, became the Anti-Dumping Commission (the Commission).

[5] Section 269TLA of the *Customs Act 1901*provides that the Minister must make a decision on whether or not to publish a dumping duty notice and or countervailing duty notice in respect of the goods within 30 days of receiving the recommendations or, if there are special circumstances that prevent the decision being made within that period, such longer time as the Minister considers appropriate. On 15 October 2013, the Minister provided notice that a longer period was required in the circumstances.

In doing so, the Commission sought to determine a benchmark cost that represents adequate remuneration for coking coal in China to determine a competitive market cost. In establishing the benchmark, the Commission identified two issues:

- the volume and value of production of coking coal in China could not be reliably ascertained because the GOC was not able to provide the relevant data;[6] and
- there is no international benchmark price for coking coal. China has also been identified as the major producer and consumer of coking coal. China also restricted the trade of coking coal to the international market by levying high export taxes and restrictions.

In determining an appropriate benchmark, the Commission considered three options in order of preference based on the World Trade Organisation Appellate Body findings:

- private domestic prices;
- import prices; and
- external benchmarks.

In respect to private domestic prices, the Commission found that private prices of coking coal were affected by government influence and therefore not suitable. The Commission's assessment of data provided by Jigang showed no significant difference between private domestic prices and prices from SIEs.

The Commission also found that import prices were not suitable as a benchmark due to the lack of import penetration of coking coal and the likelihood that import prices were equally affected by the government influences on domestic prices.

The Commission stated in Appendix 3 of Report 198 that:

> *The GOC's response to the Government questionnaire in relation to coking coal imports during the current investigations indicate that only a small quantity of coking coal was imported into China during the investigation period. This was to supplement the shortfall from its own production capability. Due to the small quantity of imports of coking coal, it is likely that import prices were affected by the government influences on domestic prices. The Commission considers that import prices are not suitable for determining a competitive market price of coking coal in the investigation period.*[7]

Having eliminated private domestic prices and import prices as appropriate benchmarks, the Commission then considered a number of external benchmarks. These were:

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[6] The GOC was not able to provide data on volume, value and price of coking coal in China. While the GOC could name the top 15 producers, it was not able to provide production volumes. The GOC stated that production data was not available.

[7] Anti-Dumping Commission, Report Number 198, dated 16 September 2013, Appendix 2.3 pp.69-70

- Chinese export price of coking coal compared to the export prices of the top 5 exporting countries in the world;
- Australian export price of coking coal – Australia being one of the major producers and exporters of coking coal;
- Import prices of a third country. India was considered as a potential benchmark as it is one of the major producers and consumers of coking coal and has similar geographical location. Indian import prices have been compared to the import prices of the top four importing countries in the world; and
- Korean and Taiwan prices for coking coal.

These alternative benchmarks were considered in the Commission's investigation into the dumping and subsidisation of galvanised and aluminium zinc coated steel (Investigation 193). Investigation 193 and the consideration of an appropriate benchmark for coking coal are discussed further below.

After considering each of the options to determine an appropriate benchmark in accordance with the guidelines outlined by the WTO Appellate Body, the Commission considered that the Chinese export prices (based on data provided by the GOC) were appropriate to establish the benchmark price for coking coal in investigation 198. The reasoning behind this decision is discussed further below.

2.2 Findings - Investigation 193

The Commission notes that the request to reinvestigate the appropriate benchmark for coking coal is limited to the findings in Report 198. However, given the interdependence between Report 198 and Report 193, particularly in relation to the appropriate benchmark for coking coal, the Commission considers it is relevant to have regard to Report 193. The findings in Report 198 with respect to the appropriate benchmark for coking coal rely largely on the evidence examined during investigation 193.

On 5 August 2013 the Commission published notices imposing countervailing duties on zinc coated (galvanised) steel and aluminium zinc coated steel exported from China, Korea and Taiwan.[8]

The Commission's investigation detailed in Report 193 included an examination of subsidy programs available to exporters in China and found that some Chinese exporters received a benefit from the provision of raw material in the form of coking coal from the GOC for less than adequate remuneration.

In determining the appropriate benchmark for coking coal, the Commission, consistent with the findings in report 198 considered three options in order of preference based on the World Trade Organisation Appellate Body findings:

- private domestic prices
- import prices; and

[8] Concurrent with the countervailing investigation, the Commission was also investigating dumping of galvanised steel and aluminium zinc coated steel from the same countries. Findings of the dumping investigation are outlined in Report 190.

- external benchmarks.

The Commission found that private domestic prices and import prices were not appropriate for reasons outlined in section 2.1. A number of external benchmarks were considered as a potential alternative for the benchmark price of coking coal.

These options, as discussed in Report 193 are outlined below.

Option 1 – export prices

i) *Method 1:* Data provided by the GOC for Chinese export prices. The export prices provided by the GOC are said to be non-inclusive of export tax.

ii) *Method 2:* Australia is a major producer and exporter of coking coal. As such, Australian export prices could be taken as a 'competitive world market price' for coking coal. Data was provided by Resource-net and Steel Business Briefing (SBB). The SBB price was higher than the export price obtained from Resource-net. The cause of the difference between the data sources was unable to be determined.

Canadian and USA export prices of coking coal, provided by Resource-net were also compared and are found to be within the range of Australian export prices (with comparable terms of trade). The Australian export price was between Canada and the USA.

During consultation with the GOC at the screening stage of the applications, the GOC stated that the quality of coking coal in China is lower than that of Australia. As such, there is a risk of mismatching different qualities of coking coal when comparing the price of Chinese domestic prices (possibly lower quality) against the Australian (possibly higher quality) export price.

Option 2 – Korean and/or Taiwanese prices

Investigations into galvanised steel and aluminium zinc coated steel

POSCO is the only fully integrated exporter from Korea that cooperated in the dumping investigations (INV190a and INV190b). POSCO imports all its coking coal requirements. As such, Korean prices cannot be used as a benchmark domestic price.

None of the cooperating Taiwanese exporters in the dumping investigations are fully integrated. All cooperating Taiwanese exporters purchase hot rolled coil to produce the goods. As such Taiwan data cannot be used to establish a benchmark domestic price for coking coal.

HRC Investigation (INV 188) - HRC Exported from Japan, the Republic of Korea, Malaysia and Taiwan

(i) POSCO – the visit report to POSCO states that the major raw materials for production of HRC are imported;

(ii) Hyundai Hysco – the visit team confirmed that all coking coal used in the production was imported (mostly from Russia); and

(iii) China Steel (Taiwan) – the visit team confirmed that all coking coal was imported.

Therefore, a benchmark domestic price for coking coal cannot be established using

Korean or Taiwanese prices as there is no domestic market for coking coal. Both Korea and Taiwan import coking coal while China produces coking coal and only imports to supplement the shortfall in domestic supply.

2.2.1 ACBPS's assessment – benchmark price for coking coal

Having considered the options outlined above , ACBPS considered that adequate remuneration for coking coal sold domestically in China could be established using the Chinese export price for coking coal (exclusive of export tax) based on data provided by the GOC for the following reasons:

- Australian export prices may have been unusually high, and therefore not suitable for comparison, during the period July 2011 to December 2011 as a result of floods in Queensland disrupting production and transportation of Australian coking coal during this period;
- there are a variety of factors affecting the quality and forms of coking coal produced, imported and/or exported by each of the top five countries trading in these commodities cannot be determined. The coking coal exported by the GOC is considered to be the most comparable to the coking coal purchased domestically by the cooperating Chinese exporters. The export data provided by the GOC is considered to have a lower risk compared to data from other countries for the purpose of determining adequate remuneration;
- domestic purchase price data has been provided by cooperating Chinese exporters and verified by ACBPS. The proposed export price data was provided by a reliable source (the GOC) and is considered more directly relevant to Chinese producers and exporters in the investigation period;
- the cost of production of coking coal for the Chinese domestic and export markets, is likely to be similar if not the same;
- the Chinese export prices for coking coal are comparable to the export prices of the top 5 exporters (countries) in the world on comparable terms of trade; and
- China is the major producer and consumer of coking coal. There is no other economy comparable to China's consumption of coking coal (including India). As such, it is appropriate to determine the appropriate remuneration of Chinese domestic prices based on a benchmark of Chinese export prices.

Report 193 also noted the use of Chinese export prices was not without problems. As noted above, coking coal is of varying qualities. The GOC was not able to identify in the export data provided what type of coking coal was represented in the prices. ACBPS cannot be certain that the coking coal purchased by Chinese manufacturers of galvanised steel and aluminium zinc coated steel is comparable, in terms of quality, to the exported coking coal.

It is the Commission's view that the reasons for selecting the export prices as the appropriate benchmark for coking coal remain valid.

2.3 Resumed investigation – 193

During the investigation into the dumping and subsidisation of galvanised and aluminium zinc coated steel, the Commission terminated its investigation against

Angang Steel Company Limited (Ansteel) due to de minimus margins. The Commission resumed its investigation into alleged dumping by Ansteel in October 2013 following a decision by the Review Panel to revoke the Commission's termination. The Review Panel's decision to revoke the termination was due in part to the use of export prices as the benchmark for coking coal.

The Commission's recommendations for the resumed investigation have not been finalised.

2.4 Summary of Investigations and subsequent actions

The interrelationship between the Commissions and ADRP's previous findings regarding the appropriate benchmark for coking coal is depicted in the following diagram:

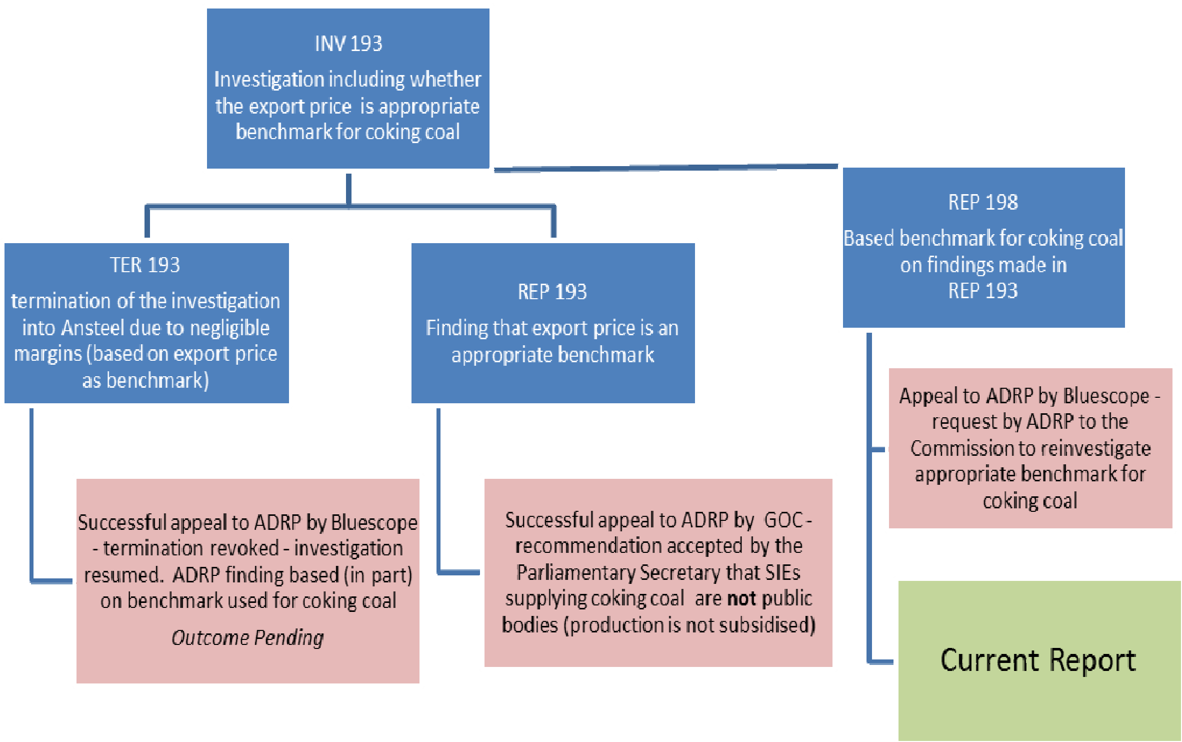

Figure 1 – Interrelationship between investigations 193 and 198

3 REQUEST FOR REINVESTIGATION

3.1 Request from ADRP

Pursuant to section 269ZZL(1), the ADRP on 21 March 2014 requested the Commission reinvestigate its findings in REP 198. Specifically, whether the use of the import price of coking coal to China may provide a more appropriate benchmark than export prices for determining adequate remuneration.

3.2 Submission from Jigang

The Review Panel has specifically requested that the Commission comment on part of the submission made on behalf of Jigang dated 20 August 2013. The relevant paragraphs state:

> *We note the Commission's contention that "import prices were not suitable as a benchmark due to the lack of import penetration of coke and the likelihood that import prices were equally affected by the government influences on prices" (pg 162 of the statement of essential facts). We do not understand the Commission's contention. It is unclear how the Government of China could influence coking coal prices being purchased in the global market or the relevance of the degree of penetration of imported coking coal has to the price of coking coal being imported.*
>
> *In this regard we note that China has overtaken Japan as the largest importer of coking coal, with imports of coking coal exceeding 180 million tonnes in 2011 while Japan imported 175 million tonnes in that year according to Reuters. Also, the metallurgical coking coal used in the production of steel in China is primarily imported from Australia and represented 63% of Australian coal exports to China in 2010. Is it the case that prices paid for Australian coking coal are not market prices and somehow such prices have been influenced by the Government of China and, if so, how and where is the evidence?*
>
> *Finally, we note that coking coal prices are aligned with demand for steel and as the demand for steel falls, the demand for coking coal falls, as also does the price for coking coal. In this regard, the US Energy Information Administration has reported that the average price for metallurgical coal exports to China for January-March 2012 to be US$169.15 per short ton and for October-December 2012 to be US$124.43 per short ton: see*
>
> > *http://www.eia.gov/coal/production/quarterly/pdf/t12p01p1.pdf*
>
> *Given that a short ton is less than a metric tonne, it is reasonable to conclude that the equivalent price per metric tonne would be less. These prices correspond with the import prices into China. Further, those prices are comparable to export prices to other Asian countries with export prices to South Korea lower than those to China. Clearly all such price and domestic prices in China are market prices.*
>
> *It is our submission, therefore, that the prices of coking coal being imported into China should be used in the subsidy margin calculation and not export prices*

> *as import prices reflect actual global market prices. If you disagree, please let us know and provide evidence that import prices of coking coal do not reflect market prices, including those charged by Australian coking coal producers who export to China.*
>
> *Also, a comparison of the prices of imported coking coal with the price at which coking coal is purchased in China establishes that they are comparable, evidencing the fact that the prices at which coking coal is purchased in China are competitive market prices. Were this not the case then imports would not and could not compete with domestically sourced coking coal which is clearly not the case.*
>
> *Accordingly, we submit that our client does not receive a subsidy as preliminarily found in the statement of essential facts and, further, if the prices for imported coking coal are used in the subsidy margin calculation, then it would be determined that no subsidy was received by our client.*

Issues raised in this submission are discussed in section 4 below.

3.3 Framework for re-investigation

For the purpose of re-investigating the most appropriate benchmark for coking coal, the Commission has revisited the findings in Reports 193 and 198, reviewed data considered during investigations 193 and 198 and has reviewed the submission provided by Jigang on 20 August 2013.

3.3.1 The Commission's approach

In accordance with s.269TACC(4), the “adequacy of remuneration” is determined by reference to the prevailing market conditions in China. The amount of subsidy attributable to the benefit is determined as the difference between a benchmark that establishes an adequate remuneration and the lower actual price paid for coking coal incurred by the relevant exporter in purchasing those goods from state invested enterprises (SIEs).

Given the narrow scope of the request from ADRP, that is with respect to import prices only, the Commission has not revisited other limbs on the WTO Appellate Body hierarchy for establishing an appropriate benchmark.

4 IMPORT PRICES AS THE BENCHMARK FOR COKING COAL

4.1 Findings

It is the Commission's view that import prices of coking coal into China during the investigation period of 1 January 2012 to 31 December 2012, do not provide a more appropriate benchmark for determining adequate remuneration than export prices. It is the Commission's continued view that the export price of coking coal from China provides a more appropriate benchmark.

4.2 Reports 193 and 198

It was determined during Investigation 193 that there is no internationally recognised benchmark price for coking coal. This position was confirmed during investigation 198. The Commission notes that while a number of submissions received during investigation 198 made reference to a 'global price' or a 'competitive market price', the Commission was unable to ascertain what the 'global price' or 'competitive market price' was based on. The Commission remains of the view that there is no internationally recognised benchmark price for coking coal.

As noted above, the Commission then considered private domestic prices and import prices in accordance with the World Trade Organisation Appellate Body finding.

The Commission determined that the then operating policies of the GOC had the impact of artificially lowering the domestic price paid for coking coal in China. For that reason, the Commission did not consider domestic prices as the appropriate benchmark for coking coal.

In relation to the export price, the GOC imposed quotas on the export of coking coal which limited the volume of coking coal able to be exported from China. In addition, the imposition of a ten per cent tax on exports from China also dissuaded producers of coking coal from exporting.

As a result of these policies, supply of coking coal was diverted to the domestic market leading to a downward pressure on domestic prices.

It is the Commission's view that the conclusions drawn in report 193 and 198 remain appropriate.

4.3 Import volumes

In addition to the impact of GOC policies, the Commission also concluded that it was not appropriate to use import prices as the benchmark for coking coal due to the lack of penetration in the domestic market.

China is one of the top two importers of coal together with Japan. The import volume of coking coal into China varies based on the source of information. Information provided during investigation 198 showed that imports made up approximately 8 per cent of total coal consumed in China in 2011.

[redacted]

[Confidential information regarding coking coal market size in China]

Notwithstanding these significant volumes of imported coking coal, the conclusion that imported coking coal has not penetrated the domestic market is correct due to the enormous volume of coking coal consumed in China.

[redacted] [Confidential information regarding coking coal entities in China] Further, information provided by the GOC indicates that the large majority of domestic consumption within China was sourced from local production in China.

The following graph shows the proportion of imported coking coal consumed as compared against the proportion of domestically produced coking coal.

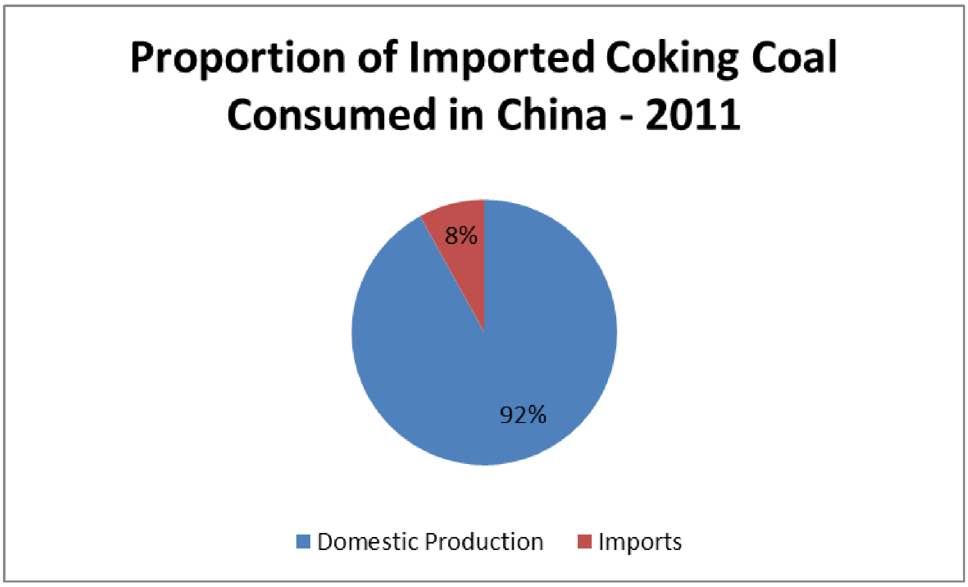

Figure 2: Proportion of Imported coking coal consumed in China

The effect of having such a relatively small proportion of imports in the domestic market is that the import price of coking coal is likely to follow the domestic price. Given the domestic price is distorted by GOC policies, it is likely that the import price is equally distorted. For that reason, the Commission considers the import price is not the appropriate benchmark for coking coal.

4.4 Market power

As noted, China is the largest producer and consumer of coking coal in the world. China holds a large degree of market power which it can apply to exert downward pressure on the price of coking coal imported into China.

For this reason, the import price of coking coal is not an appropriate benchmark for the determining the appropriate remuneration.

4.5 Submission from Jigang

The ADRP has requested the Commission comment on the submission provided by Jigang on 20 August 2013.

With respect to the submission from Jigang that states:

> *In this regard we note that China has overtaken Japan as the largest importer of coking coal, with imports of coking coal exceeding 180 million tonnes in 2011 while Japan imported 175 million tonnes in that year according to Reuters.*

The Commission notes that these volumes are inconsistent with information provided by the GOC.

With respect to the submission from Jigang, the Commission notes that while Chinese imports may represent 63 per cent of Australian coal exports, the consumption of Australian coal in contrast to domestically produced, or third country imports by the Chinese steel producers is unable to be ascertained. However, based on a review of the information available on the total consumption of coking coal in China, it is likely that the consumption of Australian coking coal will only represent a small proportion.

Accordingly, the Australian export price is applicable to only a very small proportion of coking coal consumed in China.

The Commission remains of the view that the Australian export price is not the appropriate benchmark.

With respect to Jigang's submission regarding the use of export prices to China from the United States, sourced from the US Energy Information Administration, the Commission notes that this is simply another source of export pricing information. Information from the US Energy Information Adminstration is no more or less reliable than the Resource-net information considered previously. In addition, the Commission notes that the information provided is for short tonnes, so the data would need to be further altered to be directly comparable.

Jigang's submission with respect to the demand for steel correlating with the demand for coking coal is likely to be correct. But as noted above, it is the Commission's view that the international trade of coking coal is impacted by the GOC's export tax and import tax policies.

Jigang's submission also includes unsubstantiated statements to the effect that:

- Import prices into China reflect global market prices in contrast to export prices;
- Import prices are comparable with the domestic prices paid in China; and
- Imports compete with domestically sourced coking coal.

With respect to import prices reflecting global market prices, as noted in Report 198, Report 193 and above, it is the Commission's view that there is no global market price for coking coal. The free trade of coking coal is impacted by the GOC's export tax and import tax policies.

Based on the incomplete information before the Commission, Jigang may be correct with respect to its assumption that import prices reflect domestic prices. The Commission notes that this assumption made by Jigang is consistent with the Commission's findings that the import price is equally distorted as the domestic price by the GOC's policies.

With respect to Jigang's submission that imported coking coal effectively competes against domestic production, it is the Commission's view that this assumption is only correct if there is an oversupply of the product.

The GOC response to the Government Questionnaire, states that:

> *Despite the large number of coking coal mines, the demand for coke within China is so high that coking coal still needs to be imported from other countries. For example, between July 2011 and June 2012,* [redacted] *of coking coal was imported into China. This is an additional* [redacted] *over and above the domestically produced amount, and is the second largest volume of imports of coking coal by any country in that year.*

This submission would suggest that imported coking coal is not directly competing against the domestically produced product, but instead, imported coking coal is necessary to supply the high demand thereby reducing the level of competition between domestically produced and imported coking coal.

4.6 Global pricing

As noted above, there is no international benchmark price for coking coal. In its investigation into galvanised and aluminium zinc coated steel, the Commission examined export prices of China, Australia, Canada and the United States of America.

The export price, based on information provided by the GOC was found to be comparable to the export prices of the top 4 exporters based on information provided by Resource-net and SSB.

[redacted] [Confidential table demonstrating export prices]

[redacted]	[redacted]	[redacted]			[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]			[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]

[redacted]

[redacted]

The Commission acknowledged in Report 193 that data provided by SSB resulted in a higher weighted average for the investigation period and was unable to provide an explanation as to the variance. Data provided by the BlueScope was unable to be tested with third parties due to its confidentiality.

In terms of finding an appropriate benchmark, the Commission has sought to establish a price least affected by the GOC's restrictive taxation policies. The Chinese export price used in investigation 198 is after the removal of the 10 per cent export tax and in the view of the Commission is an appropriate benchmark for determining the price of coking coal.

5 CONCLUSION

Having regard to the following:

- information provided to the Commission during the investigation of dumping and subsidisation of plate steel (investigation 198);
- information provided to the Commission during the investigation of dumping and subsidisation of galvanised and aluminium zinc coated steel (investigation 193); and
- the submission provided on behalf of Jigang dated 20 August 2013 to the Commission;

it is the Commission's view that the export price remains the more appropriate benchmark price for coking coal in determining the adequate remuneration for coking coal in China.