J.BRACIC & ASSOCIATES
TRADE REMEDY ADVISORS

27 May 2018

Anti-Dumping Review Panel
c/o Legal, Audit and Assurance Branch
Department of Industry and Science
10 Binara Street
Canberra City ACT 2601

REVIEW OF THE DECISION OF THE MINISTER TO IMPOSE ANTI-DUMPING MEASURES ON STEEL REINFORCING BAR EXPORTED FROM TAIWAN BY POWER STEEL CO., LTD

Dear Panel Member,

This submission is made on behalf of Power Steel Co., Ltd (Power Steel) to the Anti-Dumping Review Panel's review of the decision of the Minister to impose interim dumping duties on steel reinforcing bar exported from Taiwan. The purpose of the submission is to provide the ADRP with the supporting calculations upon which the proposed correct and preferable decisions are based, and which demonstrate the material difference to the reviewable decision.

Finding 1: The Commission erred in determining normal values on the basis of domestic sales pursuant to subsection 269TAC(1) of the Act.

The attached files "**Ground 1 - Conf App 4 - Normal value.xlsx**" and "**Ground 1 - Conf App 5 - Dumping margin.xlsx**" rely on the Anti-Dumping Commission's source dumping appendices and provide a revised calculation of Power Steel's product dumping margin by comparing export prices to normal values based on domestic sales of produced SD280 steel reinforcing bar. The normal values include domestic sales determined by the Commission to be sold in the ordinary course of trade and at arms length.

The proposed correct and preferable decision confirms Power Steel's margin of dumping to be [redacted]% as referenced in the application to the ADRP.

Finding 2: The Commission erred in determining normal values by excluding domestic sales of like goods.

The attached files "**Ground 2 - Conf App 4 - Normal value.xlsx**" and "**Ground 2 - Conf App 5 - Dumping margin.xlsx**" rely on the Anti-Dumping Commission's source dumping appendices and provide a revised calculation of Power Steel's product dumping margin by

comparing export prices to normal values based on all domestic sales of like goods which includes both produced SD280 and SD420 steel reinforcing bar. The normal values include domestic sales determined by the Commission to be sold in the ordinary course of trade and at arms length.

The proposed correct and preferable decision confirms Power Steel's margin of dumping to be [redacted]% as referenced in the application to the ADRP.

Finding 3: The Commission erred by not making necessary adjustments to normal values in accordance with subsection 269TAC(8) of the Act, to ensure proper comparison between normal values and corresponding export prices.

The attached files "**Ground 3 - Conf App 2 - Aust domestic CTMS.xlsx**", "**Ground 3 - Conf App 4 - Normal value.xlsx**" and "**Ground 3 - Conf App 5 - Dumping margin.xlsx**" rely on the Anti-Dumping Commission's source dumping appendices and provide a revised calculation of Power Steel's product dumping margin by comparing export prices to the Commission's original normal values based on domestic sales of produced SD420 steel reinforcing bar and applying a downward specification adjustment. The downward adjustment takes account of the difference between the cost of standard grade billet used in the manufacture of the exported goods and the cost of high grade alloyed billet used in the manufacture of domestic grade SD420.

In Power Steel's application, it estimated the correct dumping margin was [redacted]% after applying a [redacted]% downward adjustment to the normal values calculated by the Commission. The [redacted]% represented the difference in costs between the standard grade and high alloy grade billet. Upon further consideration, it is apparent to Power Steel that the adjustment should only be applied to the established billet costs and not the whole of the domestic selling prices.

To address this properly, Power Steel has calculated the unit cost difference between standard grade and high alloy grade billet over the investigation period, which amounts to NTD [redacted]/metric tonne, and deducted this amount from the Commission's calculated normal values.

The proposed correct and preferable decision confirms Power Steel's margin of dumping to be [redacted]%.

Yours sincerely,

John Bracic