



Australian Government
Anti-Dumping Review Panel

Customs Act 1901

Notice under section 269ZZI

GRINDING BALLS exported from THE PEOPLE'S REPUBLIC OF CHINA

The Anti-Dumping Review Panel has received applications for review of the decision of the Assistant Minister for Industry, Innovation and Science made on 1 September 2016 to impose dumping duties on the export of ferrous grinding balls from the Peoples' Republic of China ("Reviewable Decision"). Notice of the Reviewable Decision was published on 9 September 2016 on the Anti-Dumping Commission's website.

The applications were received from:

- Changshu Longte Grinding Ball Co., Ltd ("Longte") dated 10 October 2016.
- Jiangsu CP Xingcheng Special Steel Co., Ltd ("Xingcheng") dated 5 October 2016.
- Anhui Sanfang New Material Technology Co., Ltd ("Sangfang") dated 3 October 2016).
- Commonwealth Steel Company Pty Ltd (trading as Moly-Cop Mining Consumables – Waratah Steel Mill ("Moly-Cop") dated 10 October 2016).

The following grounds were accepted.

Longte

- 1 The grinding bar cost substituted in Longte's cost of production was not the cost in the country of origin.
- 2 The Commission's consideration of whether Longte's records reasonably reflected competitive market costs was flawed.
- 3 The amount of profit was calculated incorrectly and unlawfully.

Xingcheng

- 1 The Commission improperly determined that the export prices of sales to CITIC Pacific Management Pty Ltd ("CITIC") were influenced by the relationship between Xingcheng and CITIC.
- 2 The Commission ought not to have made a downwards adjustment to the timing of the replaced related sales which the Commission used to establish Xingcheng's export prices.
- 3 The Commission's conclusion that there was a "market situation" for grinding balls in China was without foundation.
- 4 The Commission wrongly concluded that Xingchen's sales records did not reasonably reflect competitive market costs.

- 5 The steel billet price substituted in Xingchen's costs of production was not the costs of production in the country of export.
- 6 The average domestic inland transportation and domestic credit cost adjusted from normal value did not reflect the actual delivery terms and payment terms for domestic sales.
- 7 The denominator used to calculate the percentage of dumping margin was not proper.

Sangfang

- 1 The forged grinding balls produced by the Australian Industry are not "like products" to the high chrome cast grinding balls ("HCCG Balls") exported by Sangang.
- 2 The scope of the investigation wrongly included goods that are not like the grinding balls produced by the Australian industry.
- 3 There was no price undercutting caused by the HCCG Balls from China of the forged balls produced by the Australian industry.
- 4 The "all other exporters" rate was determined based solely on ferrous grinding balls, without considering the special costs of HCCG Balls.
- 5 The Commission's determination that there was a market situation for grinding balls in China was mere conjecture.
- 6 The Commission improperly considered that exporters' records did not reasonably reflect competitive costs.
- 7 The steel billet prices substituted in exporters' costs of production are not the costs of production in the country of export.

Moly-Cop

- 1 The Assistant Minister was wrong to use export billet prices in determining the cost of production.
- 2 The Acting Minister erred in not adding an upward adjustment of 12% to the normal value for Xingchen to account for the difference between the non-refundable VAT expense of 17 percent incurred by the exporter, less a 5% VAT rebate on export sales of grinding balls.

The Anti-Dumping Review Panel proposes to conduct a review of the decision. Interested parties may make submissions to the Panel within **30 days** after the date of publication of this notice.

Submissions may be emailed to [ADRP @industry.gov.au](mailto:ADRP@industry.gov.au) Submissions may also be posted to:

The Anti-Dumping Review Panel, c/o ADRP Secretariat, Legal Services Branch, Department of Industry and Science, GPO Box 9839 ACT 2600 Australia.

Persons wishing to make further inquiries about this review should telephone (02) 6276 1781. Copies of the applications for review, which set out the full grounds for seeking review and other documents are available on the public record of the review at www.adreviewpanel.gov.au

The reports of the original investigation are available on the Anti-Dumping Commission website at www.adcommission.gov.au

Scott Ellis, Member
Anti-Dumping Review Panel
31 October 2016