Investigation No.: Investigation 692 – Certain Welded Steel Mesh Sheets Exported from China and Malaysia
Exporter: Anhui BRC & Ma Steel Weldmesh Co., Ltd. (MGBRC)
Date: 16 October 2026
Attention: The Director – Investigations 1
Email: investigations1@adcommission.gov.au , investigations1@atrc.gov.au

SUBJECT: Submission in Response to Statement of Essential Facts No. 692 (SEF 692) – Submission on Behalf of Anhui BRC & Ma Steel Weldmesh Co., Ltd.

Dear Director,

Anhui BRC & Ma Steel Weldmesh Co., Ltd. (**MGBRC**), a co-operating exporter in Investigation 692, respectfully submits this formal response to the Statement of Essential Facts No. 692 (**SEF 692**) and Trade Remedies Notice TRN No. 2026/146 published by the Australian Trade Remedies Commission (**ATRC** / Anti-Dumping Commission) on 30 September 2026.

MGBRC acknowledges receipt of Confidential Attachments 14 through 18. Having examined these detailed calculation spreadsheets, MGBRC notes that the minor increase in our interim duty rate (from 28.4% under PAD 692 to 28.5% under SEF 692) stems entirely from a secondary mathematical adjustment made by the Commission to the Malaysian raw material steel wire rod (RIC) benchmark price—increasing the raw material cost replacement adjustment from RMB 960.42/MT to RMB 968.80/MT—rather than any discrepancy in MGBRC's own verified financial data.

While MGBRC continues to fully cooperate with the ATRC, we express our strong opposition to two fundamental aspects of the Commission's preliminary determinations:

1. The continued **unjustified replacement of MGBRC's actual recorded raw material (RIC) costs with an artificial increase of RMB 968.80/MT**; and
2. The **unwarranted switch in the form of interim duty measures from an ad valorem duty to the Combination Duty Method**, which operates as a disguised trade protectionist barrier.

1. REJECTION OF RAW MATERIAL COST REPLACEMENT AND NON-USE OF ACTUAL COSTS

MGBRC strongly reasserts that the Commission's decision to disregard MGBRC's actual historical raw material purchase costs (RIC/wire rod) and substitute them with an external Malaysian benchmark—imposing an artificial cost inflation of RMB 968.80/MT—is contrary to Australian customs law and WTO rules.

(a) Full Compliance with GAAP and Accurate Cost Reflection

As confirmed in Appendix A3 of PAD 692 and re-verified by the Commission, MGBRC's financial accounts and cost accounting records are complete, accurate, and fully compliant with Generally Accepted Accounting Principles (GAAP) in China. Under Section 269TAC(2)(a)(i) of the Customs Act 1901 and Regulation 43(2) of the Customs (International Obligations) Regulation 2015, where an exporter's records reasonably reflect the costs associated with the production and manufacture of the goods, the Commission is statutorily required to calculate the cost of production based on those records.

(b) Inconsistency with WTO Obligations and Precedents

Disregarding an exporter's verified, actual historical records based on a generalized assertion of a "particular market situation" or "market distortion"

violates Article 2.2.1.1 of the WTO Anti-Dumping Agreement. This legal principle has been firmly established in binding WTO dispute rulings, including Australia – Anti-Dumping Measures on A4 Copy Paper (DS529) and Australia – Anti-Dumping Measures on Certain Products from China (DS603).

Artificially inflating MGBRC's raw material costs by RMB 968.80/MT creates a distorted dumping margin that does not represent MGBRC's true commercial reality. MGBRC respectfully requests the ATRC to remove this RMB 968.80/MT replacement adjustment and restore MGBRC's verified actual RIC costs in calculating the Normal Value for the Final Report.

2. UNWARRANTED IMPOSITION OF THE COMBINATION DUTY METHOD AS A PROTECTIONIST BARRIER

Pursuant to TRN No. 2026/146, the ATRC intends to alter the form of interim duty securities for MGBRC from an ad valorem method to the **Combination Duty Method** (comprising a fixed rate of 28.5% and a variable component tied to an Ascertained Export Price floor). MGBRC strongly objects to this modification for the following reasons:

(a) Inappropriateness for Complex Steel Mesh Model/Specification Mixes

Welded steel mesh is not a single, homogenous commodity; it encompasses a broad spectrum of product models, wire gauges, mesh grid dimensions, and surface coatings, each possessing distinct production costs and market prices. Imposing a single, rigid aggregate Ascertained Export Price (AEP) across heterogeneous model mixes creates extreme market distortion. Higher-cost or premium specialized models are penalized, while standard models risk triggering automatic variable duties whenever legitimate market-wide steel prices fluctuate downwards.

(b) Disguised Protectionist Weapon Surrendering Commercial Flexibility

The imposition of the Combination Duty Method was aggressively lobbied for by the applicant, InfraBuild. By establishing an undisclosed AEP floor, the Combination Duty Method effectively deprives MGBRC of the ability to adjust export pricing in response to global raw material market shifts or absorb duty burdens legitimately. It serves purely as an artificial price floor designed to eliminate fair import competition, acting as a protectionist barrier rather than a corrective trade remedy measure.

MGBRC submits that if interim measures are maintained in the Final Report presented to the Minister, the ATRC should revert to the **Ad Valorem duty method**, which provides a proportional, fair, and non-distortive tax mechanism.

3. FLAWED INJURY ANALYSIS AND NON-ATTRIBUTION OF DOMESTIC SUPPLY CRISIS

MGBRC respectfully reminds the ATRC of its statutory obligation under Section 269TAE(2A) of the Customs Act 1901 to ensure that injury caused by factors other than dumped imports is not attributed to Chinese exporters.

During the investigation period, the primary cause of supply instability, price spikes, and operational strain in the Australian market was the severe operational disruption and blast furnace breakdown at Whyalla steelworks, rather than imports from compliant suppliers like MGBRC. Imposing a punitive Combination Duty structure under the guise of protecting the domestic industry during an acute local supply deficit severely prejudices Australian downstream construction and infrastructure users who rely on stable, high-quality, and compliant mesh supplies from MGBRC.

4. CONCLUSION AND REQUESTED RELIEF

MGBRC remains fully committed to transparent cooperation with the ATRC. However, to ensure an objective, fair, and WTO-consistent outcome prior to submitting the Final Report to the Minister, MGBRC respectfully requests that the Commission:

1. **Reconsider and withdraw the raw material cost replacement methodology**, removing the RMB 968.80/MT artificial cost adjustment and restoring MGBRC's verified actual historical RIC procurement costs in determining the Normal Value;
2. **Revert the form of duty measures from the Combination Duty Method back to an Ad Valorem duty method**; and
3. **Accurately isolate non-import injury factors**, including domestic upstream supply disruptions caused by the Whyalla blast furnace outage, in its final injury and causation assessment before finalizing the report for the Minister.

Respectfully submitted,

Rui Y.D.

On behalf of Anhui BRC & Ma Steel Weldmesh Co., Ltd.