FOR PUBLIC RECORD

The Director, Investigations 1
Australian Trade Remedies Commission
GPO Box 2013
CANBERRA ACT 2601

BY EMAIL:
investigations1@atrc.gov.au

26 October 2026

Dear Director,

RE: Dumping Investigation No. 692 - Certain welded steel mesh sheets exported from the People's Republic of China and Malaysia

RESPONSE TO POST-SEF SUBMISSIONS

InfraBuild (Newcastle) Pty Ltd (**InfraBuild**), an Australian industry applicant[1] for the publication of a dumping duty notice in respect of certain welded steel mesh sheets (**mesh**) exported to Australia from the People's Republic of China (**China**) and Malaysia, responds to the recent submissions on behalf of Chinese exporters Beijing Xingtai Steel Weldmesh & Technology Development Co., Ltd (**Xingtai**), Tianjin TianKang Metal Products Co., Ltd (**TKM**) and Anhui BRC & Ma Steel Weldmesh Co., Ltd (**MGBRC**).

Form of Measures

The representative for Xingtai and TKM has pointed to Australia's anti-circumvention provisions as the pathway to address future duty absorption by the exporter.

> *If the concern is that the measures will be defeated by price reductions that are absorbed rather than passed on, the Act already provides for it. Circumvention activity includes the case where the **importer** sells the goods in Australia "without increasing the price commensurate with the total amount of duty payable", and an anti-circumvention inquiry can address that conduct if it occurs.*[2] [**emphasis** added]

The same representative, acting on behalf of a Korean exporter of rebar, identified the legislative loophole that does not permit duty absorption by the **exporter** to be remedied through an anti-circumvention inquiry:

> ***An exporter subject to interim dumping duties that simply lowers its export price cannot in any way be considered a circumvention activity as defined.*** *Whilst the applicant continually refers to the avoidance of the intended effect of duty, it is important to note that*

[1] Joint application with the Steel Reinforcement Institute of Australia (**SRIA**)
[2] EPR 692 Folio No. 075 at p12.

> *s. 269ZDBBA(5A) of the Act, which deals with the avoidance of the intended effect of duty as a* circumvention activity, relates to an **importer** selling the imported goods in Australia without increasing the price commensurate with the total amount of duty payable. **It does not relate to an exporter reducing its export prices**.[3] [**emphasis** added]

To highlight the risk of duty absorption among the current cohort of Chinese exporters, MGBRC in fact identified duty absorption as a legitimate pathway to continue exporting to Australia at even lower prices if measures were to be imposed on an *ad valorem* basis:

> *…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***[4] [**emphasis** added]

MGBRC also appears to misunderstand the operation of the combination form of duty, claiming that '*higher-cost or premium specialized models are penalized*'. This is highly unlikely as the variable component of the combination duty is payable only where the export price falls below the ascertained export price. Higher-priced or premium models exported above that floor price attract the fixed component only, which is the same duty that would be payable under the *ad valorem* method. The combination method therefore imposes additional duty only where export prices are reduced below the floor price), which is precisely the duty absorption avenue that MGBRC has indicated it would pursue.

Conclusion

The current anti-circumvention provisions cannot remedy duty absorption by an exporter. At least one Chinese exporter regards such duty absorption as a legitimate response to any *ad valorem* measures imposed. Given the price-sensitive, commodity nature of mesh, the combination duty method remains the most effective remedy to address the injurious effects of dumping and restore fair competition.

To discuss any aspect of this submission, please do not hesitate to contact your InfraBuild representative on record.

FOR AND ON BEHALF OF

InfraBuild (Newcastle) Pty Ltd

A member of the Australian industry producing like goods

[3] EPR 264 Folio No. 74 at p2.
[4] EPR 692 Folio No. 74 at p4.