



PUBLIC FILE

Application for the publication of
dumping and/or
countervailing duty notices

Certain Glass Wool

Exported from People's Republic of
China and Malaysia

September 2026

APPLICATION UNDER SECTION 269TB OF THE *CUSTOMS ACT 1901* FOR THE PUBLICATION OF DUMPING AND/OR COUNTERVAILING DUTY NOTICES

DECLARATION

I request, in accordance with section 269TB of the *Customs Act 1901* (the Act)¹, that the Minister publish in respect of goods the subject of this application:

- ☐ a dumping duty notice, or
- ☐ a countervailing duty notice, or
- ☒ a dumping and a countervailing duty notice.

This application is made on behalf of the Australian industry producing like goods to the imported goods the subject of this application. The application is supported by Australian producers whose collective output comprises:

- 25% or more of the total Australian production of the like goods; and
- more than 50% of the total production of like goods by those Australian producers that have expressed either support for, or opposition to, this application.

I believe that the information contained in this application:

- provides reasonable grounds for the publication of the notice(s) requested; and
- is complete and correct.

Please note that giving false or misleading information is a serious offence.

¹ All legislative references are to the *Customs Act 1901*.

CSR Building Products Ltd

Signature: [sgd]

Name:

██████████

Position:

██████████

Company:

CSR Building Products Ltd

ABN:

55 008 631 356

Date:

30 September 2026

Fletcher Insulation Pty Ltd

Signature: [sgd]

Name:

██████████

Position:

██████████

Company:

Fletcher Insulation Pty Ltd

ABN:

72 001 175 355

Date:

30 September 2026

IMPORTANT INFORMATION

About this form

Section 269TB(4)(b) of the Act requires that an application under section 269TB of the Act for publication of a dumping duty notice or a countervailing duty notice must be in a form approved by the Commissioner under section 269SMS(1) for those purposes. This is the approved form.

Signature requirements

Where the application is made:

By a company - the application must be signed by a director, servant or agent acting with the authority of the body corporate.

By a joint venture - a director, employee, agent of each joint venturer must sign the application. Where a joint venturer is not a company, the principal of that joint venturer must sign the application form.

On behalf of a trust - a trustee of the trust must sign the application.

By a sole trader - the sole trader must sign the application.

In any other case - contact the Anti-Dumping Commission's (the commission's) Client support section for advice.

NB: Where an application is made by an agent acting with authority on behalf of a company, joint venture, trust or sole trader, an authority to act letter must be provided with this application.

Assistance with the application

The commission provides a free-of-charge document checking service, available prior to formal lodgement, to assist applicants to ensure that their applications meet the documentary requirements, see "before you apply":

<https://www.industry.gov.au/anti-dumping-commission/apply-anti-dumping-or-countervailing-duties-measures>

The commission has also published guidelines to assist applicants with the completion of this application: <https://www.industry.gov.au/anti-dumping-commission/apply-anti-dumping-or-countervailing-duties-measures>

Small and medium enterprises (i.e., those with less than 200 full-time staff, which are independently operated, and which are not a related body corporate for the purposes of the *Corporations Act 2001*), may obtain assistance, at no charge, from the Department of Industry, Science and Resources' the International Trade Remedies Advisory (ITRA) Service. For more information on the ITRA Service, visit www.business.gov.au/ITRA, email us at itra@industry.gov.au, or telephone the ITRA Service Hotline on +61 2 6213 7267.

The Commission's client support section can also provide information about dumping and countervailing procedures and the information required by the application form. Contact the team on:

Phone: 13 28 46 or +61 2 6213 6000 (outside Australia)

Email: clientsupport@adcommission.gov.au

Further information is available from the Commission's website at www.adcommission.gov.au.

On page 27 of this application form, the commission lists the appendices referenced in different questions in the form. These appendices should be used to supply information for an application for the publication of dumping and/or countervailing duty notices and can be accessed on the commission's website, here: [B108 Appendices](#)

Important information

To initiate an investigation into dumping and/or subsidisation, the commission must comply with Australia's international obligations and statutory standards. This form provides an applicant industry with a framework to present its case and will be used by the commission to establish whether there appear to be reasonable grounds for the publication of a dumping duty or countervailing duty notice and initiate an investigation. To assist consideration of the application it is therefore important that:

- all relevant questions are answered; and
- information that is reasonably available be supplied.

The commission does not require conclusive evidence to initiate an investigation, but any claims made should be reasonably based. An application will be improved by including supporting evidence and where the sources of evidence are identified. Simple assertion is inadequate to substantiate an application.

To facilitate compilation and analysis, the application form is structured in 3 parts:

- **Part A** seeks information about the Australian industry. This data is used to evaluate industry trends and assess claims of material injury due to dumping/subsidisation. Where an Australian industry comprises more than one company, each should separately prepare a response to Part A to protect commercial confidentiality.
- **Part B** relates to evidence of dumping.
- **Part C** is for supplementary information that may not be appropriate to all applications. However some questions in Part C may be essential for an application, for example, if action is sought against subsidisation.

All questions in Parts A and B must be answered, even if the answer is 'Not applicable' or 'None'. Where appropriate, applicants should provide a short explanation about why the requested data is not applicable. This will avoid the need for follow up questions by the commission.

The application form does not specifically address all the information required when making a claim that the establishment of an Australian industry producing like goods has been or may be materially hindered. If you are considering making such a claim, please contact the commission to discuss information requirements.

The application form requests data over several periods (P^1 , P^2 P^n) to evaluate industry trends and to correlate injury with dumped or subsidised imports. The labels P^1 ... P^n are used for convenience in this application form. Lodged applications should identify the period relevant to the data. This form does not specify a minimum period for data provision. However, sufficient data must be provided to substantiate the claims made. If yearly data is provided, this would typically comprise a period of at least four years (for example the current financial year in addition to three prior years). Where information is supplied for a shorter period, applicants may consider the use of quarterly data. Data must also be sufficiently recent to demonstrate that the claims made are current.

When an investigation is initiated, the commission will verify the claims made in the application. A verification visit to the Australian industry usually takes several days.

Applicants should be prepared to substantiate all Australian industry financial and commercial information submitted in the application. Any worksheets used in preparing the application should therefore be retained to facilitate verification.

During verification, the commission will examine company records and obtain copies of documents relating to the manufacture and sale of the goods.

Appendices

Some questions require attachments to be provided. The attachment numbering sequence should refer to the question answered. For example, question A2.2 requests a copy of an organisation chart. To facilitate reference, the chart should be labelled Attachment A2.2. If a second organisation chart is provided in response to the same question, it should be labelled Attachment A2.2.2 (the first would be labelled Attachment A2.2.1).

Provision of data

Industry financial data must, wherever possible, be submitted in an electronic format.

- The data should be submitted on a media format compatible with Microsoft Windows.
- Microsoft Excel, or an Excel compatible format, is required.
- If the data cannot be presented electronically please contact the Commission's client support section for advice.

Lodgement of the application	This application, together with the supporting evidence, must be lodged in the manner approved by the Commissioner under subsection 269SMS(2) of the Act. The Commissioner has approved lodgement of this application by: (i) email, preferably, using the email address clientsupport@adcommission.gov.au (ii) upload to SIGBOX (SIGBOX is our secure online lodgement platform, suitable for large files or attachments - email us to arrange access), or (iii) post to: The Commissioner of the Anti-Dumping Commission GPO Box 2013 Canberra ACT 2601 As currently applied: • Applications are taken to be lodged or received by the Commissioner when it is first received by a commission staff member doing duty in relation to applications. • Staff members are taken to be on duty receiving applications from 9:00am to 5:00pm (AEST or AEDST) on business days that are not an Australian Capital Territory public holiday, or during Annual Closedown*. Definitions in this application: 1. AEST means Australian Eastern Standard Time. 2. AEDST means Australian Eastern Daylight Savings Time. 3. business day means a day that is not a Saturday or Sunday. 4. Annual Closedown means the 3 business days the Commission is closed between Christmas Day and New Year's Day. * Public holidays are listed at: https://www.fairwork.gov.au/employment-conditions/public-holidays
Public Record	During an investigation all interested parties are given the opportunity to defend their interests by making a submission. The commission maintains a public record of these submissions. The public record is available on the commission's website at www.adcommission.gov.au. At the time of making the application both a confidential version (for official use only) and non-confidential version (public record) of the application <u>must</u> be submitted. Please ensure each page of the application is clearly marked "FOR OFFICIAL USE ONLY" or "PUBLIC RECORD". The non-confidential application should enable a reasonable understanding of the substance of the information submitted in confidence, clearly showing the reasons for seeking the publication of a dumping duty or countervailing duty notice, or, if those reasons cannot be summarised, a statement of reasons why a summary is not possible.

PART A

INJURY

TO AN AUSTRALIAN INDUSTRY

IMPORTANT

All questions in Part A should be answered even if the answer is 'Not applicable' or 'None'. If an Australian industry comprises more than one company/entity, each should separately complete Part A.

A-1 Identity and communication

Please nominate a person in your company for contact about the application:

CSR Building Products Ltd

Contact Name:	■■■■ ■■■■
Company and position:	■■■■ ■■■■
Address:	376 Victoria Street, Wetherill Park, NSW, 2164
Telephone:	■■■■ ■■■■
E-mail address:	■■■■ ■■■■
ABN:	55 008 631 356

Alternative contact

Name:	■■■■ ■■■■
Position in company:	■■■■ ■■■■
Address:	Triniti 3 39 Delhi Road, North Ryde, NSW
Telephone:	■■■■ ■■■■
E-mail address:	cgroenewald@csr.com.au

Fletcher Insulation Pty Ltd

Contact Name:	■■■■ ■■■■
Company and position:	■■■■ ■■■■
Address:	127 Frankston Dandenong Road, Dandenong South VIC 3175
Telephone:	■■■■ ■■■■
E-mail address:	■■■■ ■■■■
ABN:	72 001 175 355

Alternative contact

Name:	■■■■ ■■■■
Position in company:	■■■■ ■■■■
Address:	127 Frankston Dandenong Road, Dandenong South VIC 3175
Telephone:	■■■■ ■■■■
E-mail address:	■■■■ ■■■■

If you have appointed a representative to assist with your application, provide the following details and complete Appendix A8 (Representation).

Name:	Chad Uphill
Business name:	Chad Uphill Trade Advisory
Address:	P.O. Box 3004, Minnamurra, NSW 2533
Telephone:	+61 2 412 377 603
E-mail address:	chad@cutrade.com.au
ABN:	31 207 328 729

A-2 Company information

1. State the legal name of your business and its type (e.g. company, partnership, sole trader, joint venture). Please provide details of any other business names you use to manufacture/produce/sell the goods that are the subject of your application.

The Applicant's legal names, and under which they manufacture/produce/sell the goods, are CSR Building Products Ltd (**CSR**) and Fletcher Insulation Pty Ltd (**Fletcher**).

2. Provide your company's internal organisation chart. Describe the functions performed by each group within the organisation.

CSR

Refer Confidential Attachment A-2.2.1.

Fletcher

Refer Confidential Attachment A-2.2.2.

3. List the major shareholders of your company. Provide the shareholding percentages for joint owners and/or major shareholders.

CSR

Compagnie de Saint-Gobain S.A. (**Saint-Gobain**) is the ultimate parent of CSR Building Products Limited. Through intermediary entities that are 100 percent owned, Saint-Gobain owns 100 percent of CSR Pty Limited, which in turn owns 100 percent of CSR Building Product Limited. Refer also Confidential Attachment A-2.2.1.

Fletcher

Fletcher Building Ltd, of which Fletcher Insulation Pty Ltd is a subsidiary, is ASX and NZX listed and its shareholdings change regularly.²

4. If your company is a subsidiary of another company list the major shareholders of that company.

CSR

Refer above at A-2.2/A-2.3.

Fletcher

The ultimate holding company is Fletcher Building Holdings Limited, a New Zealand company. Refer Confidential Attachment A-2.5.

² Refer p. 85 of Non-Confidential Attachment A-2.9.4 for a listing of the top 20 shareholders of Fletcher Building Ltd as at 30 June 2025.

5. If your parent company is a subsidiary of another company, list the major shareholders of that company.

CSR

Refer above at A-2.2/A-2.3.

Fletcher

As above.

6. Provide an outline diagram showing major associated or affiliated companies and your company's place within that structure (include the ABNs of each company).

CSR

Refer above at A-2.2/A-2.3.

Fletcher

Refer Confidential A-2.6.

7. Are any management fees/corporate allocations charged to your company by your parent or related company?

CSR

[confidential applicant response deleted]

Fletcher

[confidential applicant response deleted]

8. Identify and provide details of any relationship you have with an exporter to Australia or Australian importer of the goods.

[confidential industry response deleted]

9. Provide a copy of all annual reports applicable to the data supplied in appendix A3 (Sales Turnover). Any relevant brochures or pamphlets on your business activities should also be supplied.

CSR

Refer Confidential Attachments A-2.9.1 and A-2.9.2.

Fletcher

Refer Confidential Attachments A-2.9.3 and A-2.9.4.

10. Provide details of any relevant industry association.

The Applicants participate in industry activities through the Insulation Council of Australia and New Zealand (ICANZ).

A-3 Industry support requirements (standing)

It is a requirement that your application is supported by a sufficient part of the Australian industry who produce or manufacture like goods in Australia. This means Australian producers or manufacturers (including you as the applicant) whose collective output comprises:

- 25% or more of the total Australian production of the like goods; and
 - more than 50% of the total production of like goods by those Australian producers that have expressed either support for, or opposition to, your application.
1. Complete appendix A1 (Australian production) to identify all known Australian producers or manufacturers (including the applicant) of like goods. Confirm the application is supported by a sufficient part of the Australian industry.
- Where production volumes are not available, provide estimates.
 - Include evidence that producers or manufacturers support or oppose an application.

Refer Appendix A1. The Applicants comprise 100 percent of the Australian industry producing like goods.

A-4 The imported and locally produced goods

Questions 1 - 3 refer to the imported product the subject of your application. These are known throughout an investigation as 'the goods under consideration' or 'the goods'. Question 4 refers to your production that is known as 'like goods'.

1. What are the goods the subject of your application?

- Provide a concise description of the physical characteristics of the goods as it would appear at the place of import in Australia.
- This concise description will be used to assess the goods subject to the application throughout the investigation and in imposing measures if a dumping or countervailing duty notice is published.
- If certain physical characteristics are intended to be excluded from the goods subject to the application, provide details of these characteristics.

The imported goods from China and Malaysia the subject of this application are:

Glass wool insulation products, being pre-formed segments, cut pieces, or rolls (commonly referred to as 'batts' or 'partition batts') of fibrous insulation material manufactured from glass fibres (commonly referred to as fibreglass or glass wool) or glass fibre variants/blends, suitable for thermal and/or acoustic insulation within buildings, with a declared density of between 6 and 48 kilograms per cubic metre and a thickness of between 50 and 300 millimetres (inclusive).

Where the goods have a declared thermal resistance (R-value), the R-value is not less than R1.2 and not greater than R8.0 (inclusive). Goods without a declared R-value, such as acoustic partition batts, are also included where they meet the density and thickness criteria.

Further information

The goods are typically sized for installation between structural members such as wall studs, ceiling joists, roof rafters, or floors.

The goods may be:

- of varying densities, thicknesses, widths, and lengths;
- supplied compressed or packaged in bulk for transport; and
- suitable for use in walls, ceilings, floors, or roof spaces.

The goods are commonly referred to as glass wool batts, fiberglass batts, or insulation batts. Some variants may be described using the term 'wool' without reference to glass fibre.

The goods include all glass wool batt products within the specified density, thickness range, and R-value range, regardless of branding, naming convention, packaging format, sector supplied (residential, commercial, industrial), or end-use application (thermal, acoustic), provided they meet the above description.

Exclusions

The following goods are excluded:

1. loose-fill/blown glass wool;
 2. glass wool boards (used in heating, ventilation and air conditioning (HVAC) applications);
 3. non-glass fibre batts (e.g., mineral wool/rockwool); and
 4. glass wool blankets.
2. Provide any further details of the goods that would assist in identifying whether a product is the subject of your application:
- Include physical, technical or other properties not already mentioned in question 1.
 - Where the application covers a range of products, list this information for each make and model in the range.
 - Supply technical documentation where appropriate.

Refer A-4.4 below.

3. List the tariff classification(s) and statistical code(s) of the imported goods.

Subject good imports are classified to the following tariff classification and statistical code:

Tariff classification	Statistical code	Description
7019.80.00	80	Chemically bonded fabrics: glass wool and articles of glass wool
7019.80.00	90	Chemically bonded fabrics: other

4. Fully describe your product(s) that are 'like' to the imported product:
- Include physical, technical or other properties.
 - Where the application covers a range of products, list this information for each make and model in the range.
 - Supply technical documentation where appropriate.
 - Indicate which of your product types or models are comparable to each of the imported product types or models. If appropriate, the comparison can be done in a table.

The Applicants, CSR³ and Fletcher⁴, manufacture the like goods at their facilities in Queensland (Brendale), New South Wales (Ingleburn), and Victoria (Dandenong) respectively. The locally produced goods are like products to the glass wool imported from China and Malaysia.

The locally produced goods look the same or similar to, and perform the same function as, the interchangeable Chinese and Malaysian imported goods.

The locally produced goods are the same as the imported goods across all relevant product characteristics.

Physical description

Glass wool batts are a bulk fibrous thermal/insulation and acoustic product. They are

³ CSR – glass wool batts manufactured under the Bradford brand.

⁴ Fletcher Insulation – glass wool batts manufactured under the Pink Batts brand.

manufactured from molten glass (comprising predominantly recycled glass cullet together with sand, soda ash and limestone) which is spun into fine, wool-like glass fibres and bonded with a thermosetting resin. The fibres are formed into a lightweight, resilient blanket that is cut into rectangular “batts” sized to friction-fit between the studs, joists and rafters of a building’s timber or steel frame.

The batts are supplied as flexible to semi-rigid rectangular pieces, nominally 1160 mm long, pre-cut to standard widths (430 mm and 580 mm for timber framing; 450 mm and 600 mm for steel framing) that correspond to standard Australian frame spacings. They recover to full nominal thickness on unpacking and are dimensionally stable, non-hygroscopic (moisture absorption typically below 0.2 percent by volume), rot- and vermin-resistant, and classified non-combustible. CSR’s Bradford batts are gold in colour and Fletcher’s Pink Batts are dyed pink; the imported batts comprise various colours, but are otherwise identical in form, dimensions and packaging.



Non-Confidential Figure A-4.4.1: CSR Bradford batts product image



Non-Confidential Figure A-4.4.2: Fletcher Pink Batts batts product image

Technical properties

The essential technical property of glass wool batts is their thermal resistance (**R-value**), determined in accordance with AS/NZS 4859.1.⁵ Both Applicants' ranges, and the imported goods, are offered across the same span of R-values (R1.2 to R8.0), achieved by varying batt thickness and density (density is measured in kilograms per cubic metre, or kg/m³). Typical thermal conductivity (λ) is in the range 0.030 – 0.044 W/m·K.

Applicant batts and the imported goods are manufactured and tested to the same Australian Standards, including AS/NZS 4859.1 (thermal performance) and AS 1530.1 (non-combustibility),⁶ with early fire hazard indices determined to AS/NZS 1530.3 and installation in accordance with AS 3999. The Applicants' products also hold CodeMark certification.

The acoustic grades (higher-density batts) provide sound absorption with noise reduction coefficients approaching 1.0, for use in internal walls and inter-floor cavities.

Product range

Each Applicant produces a full range of glass wool batts spanning ceiling, wall, acoustic and underfloor applications, as summarised in Tables A-4.4.3 and A-4.4.4 below. The figures below are indicative of the current ranges. Technical data sheets provide the relevant details of each product's specification.⁷

⁵ AS/NZS 4859.1 Thermal insulation materials for buildings, Part 1: General criteria and technical provisions.

⁶ AS 1530.1 Methods for fire tests on building materials, components and structures, Part 1: Combustibility test for materials.

⁷ Non-Confidential Attachment A-4.4.1.

Product / model	Application	R-value range	Nominal thickness (mm)	Standard dimensions (L × W, mm)
Bradford Gold Ceiling	Ceiling / roof space	R2.5 – R7.0	140 – 290	1160 × 430 and 1160 × 580
Bradford Gold Wall	External framed walls	R2.0 – R4.0	75 – 140	1160 × 430/580 (timber); 1200 × 450/600 (steel)
Bradford SoundScreen	Acoustic – internal walls, mid-floors	R1.7 – R3.1	60 – 110	1160/1200 × 430/580/450/600
Bradford Optimo	Suspended timber floors	≈ R2.5	≈ 90	1160 × 415/565

Non-Confidential Table A-4.4.3: CSR Bradford glass wool batt range

Product / model	Application	R-value range	Nominal thickness (mm)	Standard dimensions (L × W, mm)
Pink Batts Ceiling	Ceiling / roof space	R2.5 – R7.0	130 – 285	1160 × 430 and 1160 × 580
Pink Batts Wall	External framed walls	R1.5 – R2.5	70 – 90	1160/1200 × 430/580/600
Pink Soundbreak	Acoustic – internal walls, mid-floors	R1.7 – R3.1	60 – 110	1160 × 430/580
Pink Batts Floor	Suspended timber floors	R2.5 – R3.5	—	1160 × 430/580

Non-Confidential Table A-4.4.4: Fletcher Pink Batts glass wool batt range

Comparison of Australian and imported product types

The Applicants' models correspond directly to the imported product types, application for application, as set out below in Non-Confidential Table A-4.4.5:

Imported product type (China / Malaysia)	Comparable CSR Bradford model	Comparable Fletcher Pink Batts model
Glass wool ceiling batts	Bradford Gold Ceiling	Pink Batts Ceiling
Glass wool wall batts	Bradford Gold Wall	Pink Batts Wall
Glass wool acoustic batts	Bradford SoundScreen	Pink Soundbreak
Glass wool underfloor batts	Bradford Optimo	Pink Batts Floor

Non-Confidential Table A-4.4.5: Comparison of imported and locally produced product types

For each application, the imported and locally produced batts are supplied in the same R-values and the same standard dimensions, are manufactured to the same Australian Standards, and are used interchangeably. An importer, builder or retailer selects between products on the basis of price and availability, not on any difference in physical or technical characteristics.

- Describe the ways in which the essential characteristics of the imported goods are like to the goods produced by the Australian industry.

The imported goods and the goods produced by the Australian industry are alike in their

characteristics.

Physical likeness

The imported and locally produced goods are glass wool batts of identical physical composition, being fine glass fibres spun from recycled-glass-rich molten glass and bonded with a thermosetting resin. Both are supplied as flexible to semi-rigid rectangular batts of the same nominal length, across the same range of thicknesses and R-values.⁸ Both share the same physical properties: low density, high loft and recovery, non-combustibility, non-hygroscopicity, dimensional stability, and resistance to rot and vermin. The only visible difference may be colour (Bradford gold, Pink Batts pink, imports the same or comprising other colours), which has no effect on performance or use.

Functional likeness

The imported and locally produced goods perform the same function, being the insulation of residential and commercial buildings. Both are installed in the same way, being friction-fitted between framing members in ceilings, walls and floors in accordance with AS 3999, and both deliver the rated R-value certified under AS/NZS 4859.1. Because they are manufactured to the same standards, in the same R-values and dimensions, they are fully interchangeable and substitutable in every end use, and are specified interchangeably by builders and certifiers for compliance with the National Construction Code and energy-efficiency requirements.

Commercial likeness

The imported and locally produced goods compete in the same market, are sold to the same customers (distributors, hardware and building-supply retailers, builders and installers) through the same channels, and are offered for the same end uses at comparable price points. They are marketed on the same attributes (R-value, recycled content, non-combustibility and ease of installation) and are presented and supplied in the same compression-packed format. Purchasers regard them as commercially equivalent and choose between them primarily on price and availability.

Production likeness

The imported and locally produced goods are made by the same manufacturing process, being the melting of a recycled-glass-rich batch, fiberisation of the molten glass on a spinner, application of a thermosetting resin binder, curing and compression of the resulting blanket, and cutting to standard batt dimensions, and using the same principal raw materials and the same production technology.

The Applicants manufacture to this process in QLD, NSW and Victoria; the overseas producers manufacture identical goods to the same process, and to Australian Standards, for supply to the Australian market. There is hence no material difference in the nature of the goods arising from where, or by whom, they are produced.

Accordingly, the glass wool batts produced by the Australian industry are “like goods” to the imported goods within the meaning of s.269T(1) of the *Customs Act 1901*, being goods identical in all respects to the imported goods or, where not identical, having characteristics closely resembling those of the imported goods.

⁸ Refer Confidential Attachment A-4.4.2 for physical likeness comparisons between Australian industry and specific Chinese suppliers/Australian importers of the subject goods.

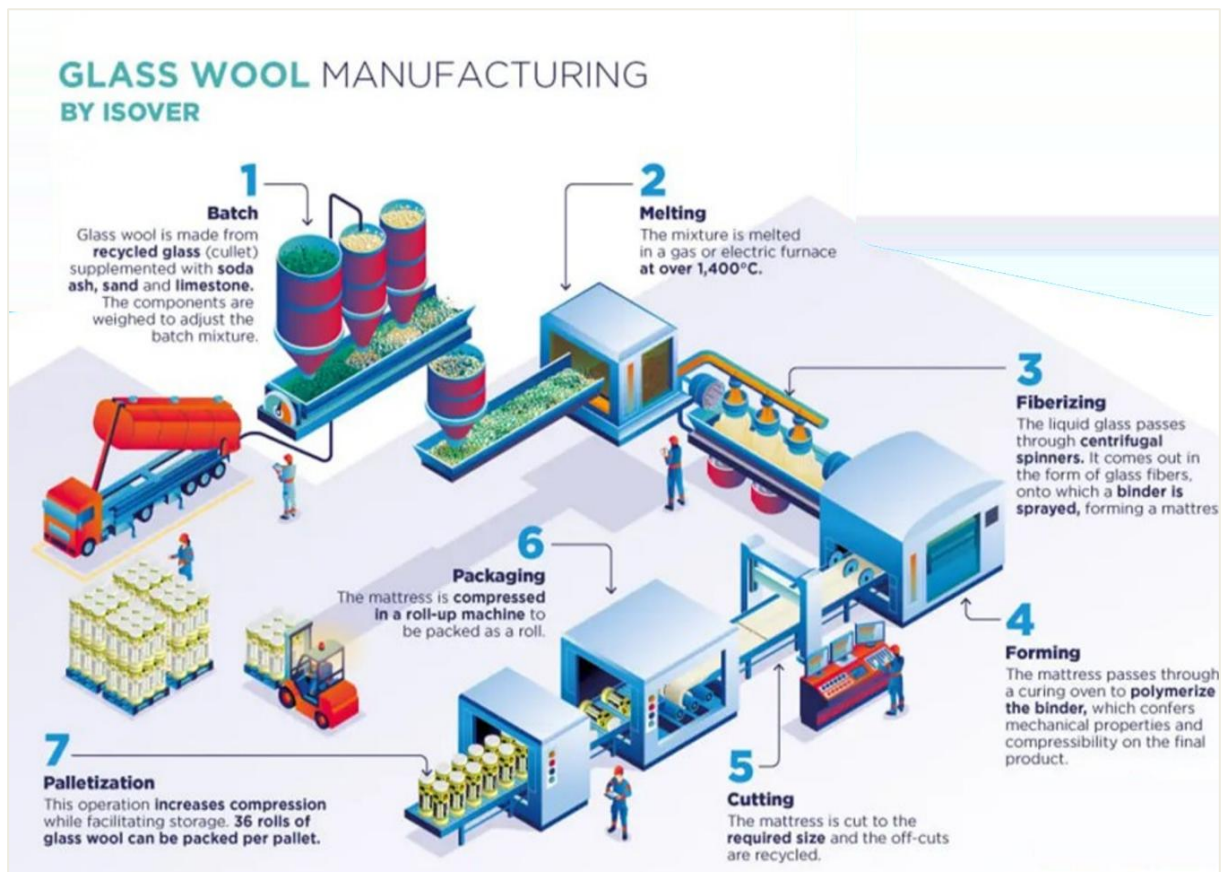
6. What is the Australian and New Zealand Standard Industrial Classification Code (ANZSIC) applicable to your product.

ANZSIC Class 2090: Other Non-Metallic Mineral Product Manufacturing.

7. Provide a summary and a diagram of your production process.

CSR

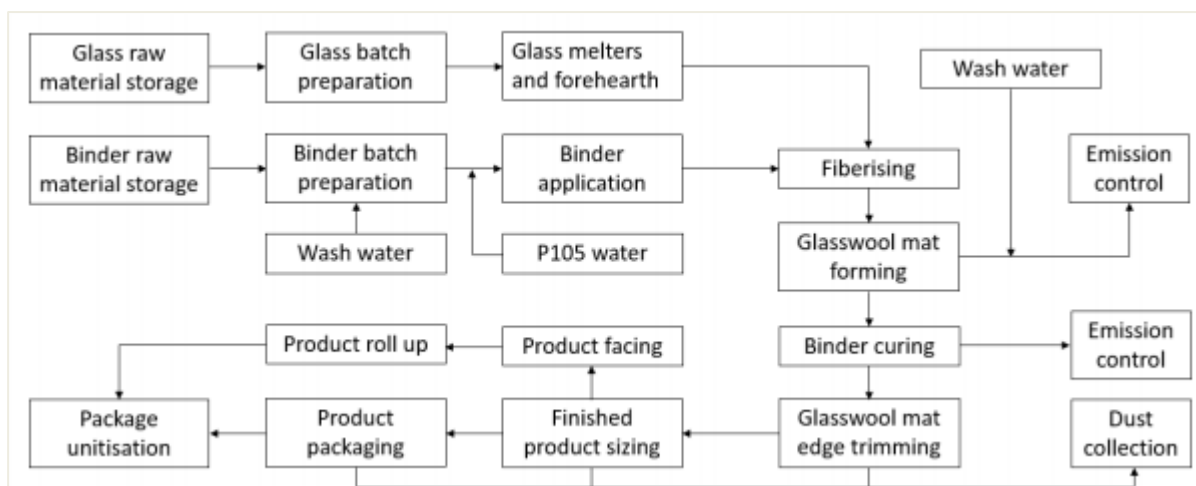
CSR's production process for the like goods and subject goods can be represented as follows:



Non-Confidential Diagram A-3.7.1: like goods production process

Fletcher

Fletcher's production process for the like goods and subject goods can be represented as follows:



Non-Confidential Diagram A-3.7.2: Fletcher like goods production process⁹

8. If your product is manufactured from both Australian and imported inputs:
- describe the use of the imported inputs; and
 - identify that at least one substantial process of manufacture occurs in Australia (for example by reference to the value added, complexity of process, or investment in capital).

The Australian industry imports certain raw materials in the manufacture of like goods.¹⁰ In addition to Australian-sourced raw materials, these are used in the substantial process of manufacturing glass wool batts.

9. If your product is a processed agricultural good, you may need to complete Part C-3 (close processed agricultural goods).

Not applicable.

10. Supply a list of the names and contact details of all other Australian producers of the product.

The Applicants comprise 100 percent of Australian production of like goods.

11. If different models can be established for the goods subject to the application:
- What are the differences in physical characteristics that give rise to distinguishable and material differences in price?

These are reflected in the below Model Control Code (MCC).

- Provide supporting documentation or analysis supporting the differences in physical characteristics that affects price comparability. Unit costs may also be used to demonstrate differences in physical characteristics where it affects price comparability.

These are reflected in Confidential Appendix A4.

⁹ Further details provided at Confidential Attachment A-4.7.1.

¹⁰ Refer Confidential Attachment A-4.8.

- In providing the list of physical differences, identify the characteristics in order of significance.

These are reflected in the below MCC.

- Identify key characteristics where the physical differences are significantly different and it is not meaningful to compare models with different physical characteristics.

These are reflected in the below MCC.

- Identify the physical characteristics that can be reported in relation to sales and cost data respectively. This should be reflected in the sales data provided in appendices A4 and A6.

These are reflected in the below MCC, Confidential Appendix A4, and Confidential Appendix A6.1.

- Complete the table below having regard to the information provided above. The Commission will consider this information in establishing a model control code structure for the investigation.

The proposed MCC for the like goods and subject goods is as follows:

No.	Category	Sub-category	Identifier	Sales	Costs
1	Declared density (kg/m ³)	≥6 to <9	D1	Mandatory	Mandatory
		≥9 to <13.5	D2		
		≥13.5 to <20	D3		
		≥20 to <30	D4		
		≥30 to ≤48	D5		
2	Declared Thermal Resistance (R)	R1.2	1.2	Mandatory	Mandatory
		R1.5	1.5		
		R1.7	1.7		
		R1.8	1.8		
		R1.9	1.9		
		R2.0	2.0		
		R2.1	2.1		
		R2.2	2.2		
		R2.5	2.5		
		R2.7	2.7		
		R2.8	2.8		
		R3.0 to ≤R3.4 (other than R3.1 acoustic)	3.0/3.4		
		R3.1 (acoustic)	3.1		
		R3.5 to ≤R3.9	3.5/3.9		
		R4.0 to ≤R4.9	4.0/4.9		
		R5.0 to ≤R5.9	5.0/5.9		
		R6.0 to ≤R6.9	6.0/6.9		
		R7.0 to ≤R7.9	7.0/7.9		
		R8.0 to ≤R8.9	8.0/8.9		

		Other	O		
		Not declared	N		
3	Ceiling/Wall/Floor	Ceiling	C	Mandatory	Mandatory
		Wall	W		
		Floor	F		
4	Thickness (mm)	≥50 to <80	T1	Mandatory	Optional
		≥80 to <120	T2		
		≥120 to <170	T3		
		≥170 to <230	T4		
		≥230 to ≤300	T5		

Non-Confidential Table A-3.11: Proposed MCC structure

A-5 The Australian market

1. Describe the end uses of both your product and the imported goods.

The Australian manufactured like goods and Chinese subject goods are designed to provide thermal and acoustic insulation in residential, commercial and industrial buildings. Both Australian-manufactured and imported batts perform the same essential function and are generally interchangeable where they meet the required Australian performance standards and specifications.

Residential applications

The largest end-use market for glass wool batts is the Australian residential construction sector. Glass wool batts are installed in:

- ceiling and roof spaces;
- external walls;
- internal partition walls for noise reduction;
- new detached housing;
- multi-residential developments;
- home renovations and energy-efficiency upgrades; and
- government-supported retrofit programs.

The primary purpose is to improve thermal performance, reduce heating and cooling costs, improve occupant comfort and reduce building energy consumption.

Commercial applications

Glass wool batts are widely used in commercial applications, including:

- office buildings;
- educational facilities;
- healthcare facilities;
- retail developments;
- hotels and hospitality projects; and
- warehouses and logistics facilities.

In commercial projects, glass wool batts contribute to energy efficiency, acoustic performance and compliance with the National Construction Code (**NCC**).

Industrial applications

Industrial users install glass wool batts in:

- manufacturing facilities;
- processing plants;
- distribution centres; and
- utility and infrastructure buildings.

Typical applications include temperature control, noise management and workplace comfort.

Functional equivalence

Imported subject goods compete directly with Australian industry products because both are used for the same building applications and are purchased according to thermal rating (R-value) and price.

2. Describe the Australian market for the Australian and imported product and the conditions of competition within the overall market. Your description could include information about:
- sources of product demand;
 - marketing and distribution arrangements;
 - typical customers/users/consumers of the product;
 - the presence of market segmentation, such as geographic or product segmentation;
 - causes of demand variability, such as seasonal fluctuations, factors contributing to overall market growth or decline, government regulation, and developments in technology affecting either demand or production;
 - the way in which the imported and Australian product compete; and
 - any other factors influencing the market.

The Australian insulation market comprises locally manufactured and imported glass wool batts supplied to the residential, commercial and industrial construction sectors. The market is highly competitive and includes manufacturers, importers, distributors, building product suppliers and retailers.

The market is influenced by building activity, housing commencements, government energy-efficiency policies, sustainability requirements and the overall health of the construction sector.

Sources of product demand

Demand for glass wool batts is primarily generated through residential and commercial construction, and industrial and infrastructure projects.

In residential construction, demand is generated through:

- new housing construction;
- apartment developments;
- renovation and extension projects; and
- home energy-efficiency upgrades.

Residential construction is the largest source of demand for glass wool batts in Australia.

In commercial construction, demand is generated through:

- office developments;
- retail projects;
- schools and universities;
- hospitals and healthcare buildings; and
- hotels and accommodation projects.

In industrial and infrastructure projects, demand is generated through:

- distribution centres;
- manufacturing facilities;
- government infrastructure buildings; and
- defence and public sector projects.

Demand can also be driven by:

- NCC energy-efficiency requirements;
- State energy-efficiency initiatives (e.g. Sustainable Household Scheme in the ACT, & VEU scheme in Victoria);
- Green Star and sustainability certification programs; and
- building owners seeking reduced operating costs.

Marketing and distribution arrangements

The Australian industry markets glass wool batts through:

- building material distributors;
- contractors;
- commercial construction supply chains;
- hardware and home-improvement retailers;
- direct sales to major builders and developers; and
- through specification channels involving architects, engineers and consultants.

Imported glass wool batts are typically sold through the same channels as locally made goods. Imported goods can also be sold and distributed through private-label arrangements, national building supply merchants, independent wholesalers, and/or retail hardware chains.

The Australian industry goes to market with positioning based on factors such as:

- product performance claims;
- thermal and acoustic ratings;
- compliance certification;
- sustainability credentials;
- brand recognition;
- technical support;
- pricing and rebate programs; and
- builder and contractor relationships.

Imported glass wool batts focus on price and stock availability, with low brand recognition/investment, and with minimal attention to compliance and technical

documentation.

Typical customers / end users / consumers

The primary customer segments include:

- Residential sector:
 - builders (volume home, project and custom home builders); and
 - renovators and homeowners.
- Commercial sector:
 - commercial builders;
 - property developers;
 - design and construct contractors;
 - government agencies; and
 - institutional building owners.
- Distribution sector:
 - building product distributors (e.g. specialised resellers & hardware);
 - construction material merchants;
 - specialist insulation installers; and
 - retail building supply businesses.

Market segmentation

Geographic segmentation is strongest within/across New South Wales, Victoria, Queensland, and Western Australia. These States account for most of the residential construction activity and population growth. Climate conditions also affect product demand as requirements vary between tropical, temperate and cooler climate zones, and noise corridors.

On product segmentation, glass wool batts are segmented by:

- glass wool or polyester batts;
- ceiling, wall or floor insulation; and
- residential or commercial focused products based on compliance requirements such as NCC, and other codes.

Customer segmentation occurs at/via:

- major national builders;
- regional builders;
- commercial and residential contractors;
- renovators; and
- retail consumers.

Causes of demand variability

Various factors influence demand:

- In construction activity, demand typically rises and falls alongside:
 - housing commencements;
 - building approvals;

- commercial project pipelines; and
- infrastructure investment.
- Relevant economic drivers/conditions include:
 - interest rates;
 - inflation;
 - consumer confidence;
 - employment levels; and
 - property market conditions.
- Demand is affected by government regulation. This includes:
 - NCC requirements;
 - energy-efficiency regulations;
 - building sustainability standards; and
 - government retrofit initiatives.

On seasonality, although insulation demand is not highly seasonal, purchasing activity may increase during periods of higher construction activity.

How imported and Australian products compete

Australian industry and imported goods compete directly. Imported goods benefit from lower manufacturing costs (subsidised), lower labour costs (subsidised), larger scale production facilities (subsidised), with limited/no dedicated resources within Australia to support products and customers. Price is a significant purchasing consideration, particularly in large residential and commercial projects.

Quality and performance

Customers often look for a declared R-Value and thickness combination, combined with competitive pricing. The validation of these claims is not always sought for imported products, and they often exhibit weaker quality standards and are subject to less stringent compliance programs. In some instances, product documentation and labelling authenticity is also questionable.

Service competition

Australian subject goods importers benefit from a focus on core products only, leaving the Australian industry to fulfil the full needs of the market to ensure a compliance with the variety of regulations and codes.

Australian importers have minimal investment/resources in the Australian market to support local customers. This contributes to lower price points, and weakens service and compliance in the market.

Both imported and Australian insulation products compete for the same projects, customers and distribution channels.

Other factors influencing the market

Additional market influences include the cost of raw materials and shipping:

- Raw material costs:

- changes in glass, polyester, packaging, energy and freight costs influence pricing and profitability.
 - Supply chain conditions:
 - global shipping costs, freight availability and international logistics disruptions can affect the competitiveness of imported products.
 - ongoing investment in local manufacturing with the continued presence and growth of the Australian industry allows the market to access the full range of like goods. The situation of significant import presence limits the range of products and solutions available in the Australian building market.
3. Identify if there are any commercially significant market substitutes for the Australian and imported product.

There are no major commercially significant substitute products that exist in the market. Certain products are substitutable in limited applications. These include:

- rigid boards (e.g., polyisocyanurate, extruded polystyrene, expanded polystyrene);
- non-glass fibre batts (e.g., mineral wool/rockwool);
- cellulose insulation;
- spray foam insulation; and
- structural insulated panel systems (limited commercial applications).

While alternative insulation materials compete for some projects, glass wool batts remain one of the most widely used insulation solutions in Australia given cost effectiveness, thermal performance, ease of installation and broad acceptance within the construction industry.

4. Complete appendix A1 (Australian production). This data is used to support your declaration at the beginning of this application.

The Applicants have completed Confidential Appendix A1 for the twelve months ending 30 June 2026.

5. Complete appendix A2 (Australian market).

The Applicants have completed Confidential Appendix A2 – Australian market for glass wool batts.

6. Use the data from appendix A2 (Australian market) to complete this table:

Indexed table of sales quantities

Year Ending June	(a) Applicant Sales	(b) Other Aust. Sales	(c) Total Aust. Sales	(d) Dumped Imports	(e) Other Imports	(f) Total Imports	Total Market
2023	100.00	100.00	100.00	100.00	100.00	100.00	100.00
2024	103.80	100.00	103.80	120.01	61.59	108.13	105.33
2025	106.06	100.00	106.06	178.42	24.58	147.11	120.57
2026	106.62	100.00	106.62	182.31	25.07	150.31	122.06

A-6 Applicant's sales

1. Complete appendix A3 (sales turnover).

The Applicants have completed Confidential Appendix A3.

2. Use the data from appendix A3 (sales turnover) to complete these tables.

Indexed table of Applicant's sales quantities

Quantity (kg)	Year Ending June			
	2023	2024	2025	2026
All Products¹¹				
Australian market	-	-	-	-
Export Market	-	-	-	-
Total	-	-	-	-
Like goods				
Australian market	100.00	103.80	106.06	106.62
Export Market	100.00	264.33	231.22	252.40
Total	100.00	104.13	106.32	106.91

Indexed table of Applicant's sales values

Sales value (\$)	Year Ending June			
	2023	2024	2025	2026
All Products				
Australian market	100.00	99.32	92.40	92.01
Export Market	100.00	284.45	249.29	184.86
Total	100.00	99.34	92.42	92.02
Like goods				
Australian market	100.00	108.69	109.16	111.08
Export Market	100.00	284.45	249.29	300.65
Total	100.00	108.90	109.33	111.30

3. Complete appendix A5 (sales of other production) if you have made any:
 - internal transfers; or
 - domestic sales of like goods that you have not produced, for example if you have imported the product or on-sold purchases from another Australian manufacturer.

The Applicants have completed Confidential Appendix A5.

4. Complete appendix A4 (domestic sales).

The Applicants have completed Confidential Appendix A4 for the twelve months ending 30 June 2026.

¹¹ Units of measure vary across Applicant product categories. Data cannot be combined into a single index.

5. If any of the customers listed at appendix A4 (domestic sales) are associated with your business, provide details of the association. Describe the price effect of the association.

The provide Appendix A4 data includes identification of whether the customer is associated with Applicant. Net selling prices do not generally differ between related and unrelated customers.

6. Attach a copy of distributor or agency agreements/contracts.

The Applicant's do not maintain distributor or agency agreements/contracts.

7. Provide copies of any price lists.

CSR

Refer Confidential Attachment A-6.7.1.

Fletcher

Refer Confidential Attachment A-6.7.2.

8. If any price reductions (for example commissions, discounts, rebates, allowances and credit notes) have been made on your Australian sales of like goods provide a description and explain the terms and conditions that must be met by the customer to qualify.
- Where the reduction is not identified on the sales invoice, explain how you calculated the amounts shown in appendix A4 (domestic sales).
 - If you have issued credit notes (directly or indirectly) provide details if the credited amount has not been reported appendix A4 (domestic sales) as a discount or rebate.

[confidential applicant responses deleted]

9. Select two domestic sales in each quarter of the data supplied in appendix A4 (domestic sales). Provide a complete set of commercial documentation for these sales. Include, for example, purchase order, order acceptance, commercial invoice, discounts or rebates applicable, credit/debit notes, long or short-term contract of sale, inland freight contract, and bank documentation showing proof of payment.

CSR

Refer Confidential Attachment A-6.9.1.

Fletcher

Refer Confidential Attachment A-6.9.2.

10. Provide a list of model control codes from appendix A4.

[Refer Confidential Appendix A4.](#)

A-7 General accounting/administration information

1. Specify your accounting period.

CSR

CSR's statutory accounting period is January to December.

Fletcher

Fletcher's statutory accounting period is July to June.

2. Provide details of the address(es) where your financial records are held.

CSR

CSR's financial records are held at 39 Delhi Road, North Ryde, NSW 2113.

Fletcher

Fletcher's financial records are held at Level 14, 275 Alfred Street North Sydney, NSW 2060.

3. To the extent relevant to the application, please provide the following financial documents for the two most recently completed financial years plus any subsequent statements:

- chart of accounts;
- audited consolidated and unconsolidated financial statements (including all footnotes and the auditor's opinion);
internal financial statements, income statements (profit and loss reports), or management accounts, that are prepared and maintained in the normal course of business for the goods.

These documents should relate to:

1. the division or section/s of your business responsible for the production and sale of the goods covered by the application, and
2. the company overall.

CSR

CSR's chart of accounts is provided at Confidential Attachment A-7.3.1. CSR's audited accounts for FY2024 and FY2025 are provided at Confidential Attachments A-2.9.1 and A-2.9.2.

Fletcher

Fletcher's chart of accounts is provided at Confidential Attachment A-7.3.2. Fletcher's audited accounts for FY2024 and FY2025 are provided at Confidential Attachments A-2.9.3 and A-2.9.4.

4. If your accounts are **not** audited, provide the unaudited financial statements for the two most recently completed financial years, together with your taxation returns. Any subsequent monthly, quarterly or half yearly statements should also be provided.

Not applicable.

5. If your accounting practices, or aspects of your practices, differ from Australian generally accepted accounting principles, provide details.

Not applicable.

6. Describe your accounting methodology, where applicable, for:
 - the recognition/timing of income, and the impact of discounts, rebates, sales returns warranty claims and intercompany transfers;

[confidential applicant responses deleted]

- provisions for bad or doubtful debts;

[confidential applicant responses deleted]

- the accounting treatment of general expenses and/or interest and the extent to which these are allocated to the cost of goods;

[confidential applicant responses deleted]

- costing methods (eg by tonnes, units, revenue, activity, direct costs etc) and allocation of costs shared with other goods or processes;

[confidential applicant responses deleted]

- the method of valuation for inventories of raw material, work-in-process, and finished goods (eg FIFO, weighted average cost);

[confidential applicant responses deleted]

- valuation methods for scrap, by-products, or joint products;

Not applicable.

- valuation methods for damaged or sub-standard goods generated at the various stages of production;

Not applicable.

- valuation and revaluation of fixed assets;

[confidential applicant responses deleted]

- average useful life for each class of production equipment, the depreciation method and depreciation rate used for each;

[confidential applicant responses deleted]

- treatment of foreign exchange gains and losses arising from transactions and from the translation of balance sheet items; and

[confidential applicant responses deleted]

- restructuring costs, costs of plant closure, expenses for idle equipment and/or plant shut-downs.

[confidential applicant responses deleted]

7. If the accounting methods used by your company have changed over the period covered by your application please provide an explanation of the changes, the date of change, and the reasons.

[confidential applicant responses deleted]

A-8 Cost information

1. Complete appendices A6.1 and A6.2 (cost to make and sell) for domestic and export sales.

The Applicants have completed Confidential Appendix A6.1 and A-6.2.

2. Provide a list of model control codes from appendix A6.1 and A6.2.

Applicants (consolidated)

MCC	
D1-R2.5-C-T3	D3-R1.8-W-T1
D1-R3.0-C-T2	D3-R1.9-W-T1
D1-R3.0-C-T3	D3-R2.1-W-T2
D1-R3.4-C-T3	D3-R2.2-W-T2
D1-R3.5-C-T4	D3-R2.5-F-T2
D1-R4.1-C-T2	D3-R2.5-W-T2
D1-R4.1-C-T3	D3-R3.6-W-T3
D1-R4.1-C-T4	D4-R1.2-W-T1
D2-R1.2-W-T1	D4-R1.8-W-T1
D2-R1.5-W-T1	D4-R2.0-W-T1
D2-R1.8-W-T1	D4-R2.1-F-T1
D2-R2.0-W-T1	D4-R2.1-W-T1
D2-R2.0-W-T2	D4-R2.5-F-T2
D2-R2.1-W-T2	D4-R2.5-W-T2
D2-R2.2-W-T1	D4-R2.7-W-T2
D2-R2.2-W-T2	D4-R2.8-W-T2
D2-R2.5-W-T2	D4-R3.0-C-T2
D2-R3.5-W-T3	D4-R3.1-W-T2
D2-R4.1-C-T4	D4-R4.2-W-T3
D2-R5.0-C-T4	D5-R1.5-W-T1
D2-R5.0-C-T5	D5-R1.8-W-T1
D2-R6.0-C-T5	D5-R2.2-W-T1
D2-R7.0-C-T5	D5-R2.7-W-T2
D3-R1.2-W-T1	D5-R3.0-W-T2

A-9 Injury

The principal indicators of injury are price, volume and profit effects – although not all of these must be evident. For this application, profit refers to amounts earned. Profitability is the ratio of profit to sales revenue. Where the application includes a claim of threat of material injury you must also complete question C.2.

1. Estimate the date when the material injury from dumped and/or subsidised imports commenced.

The Applicants submit that material injury in its various forms, and arising from the volume and price effects of the dumped goods from China and Malaysia, commenced from the beginning of FY2024.

Specifically, the Applicants claim, and will establish in the subsequent parts of this application, that they have experienced material injury during the proposed injury and investigation periods in the forms of:

- lost sales volumes;
- lost market share;
- price suppression;
- loss of profits;
- loss of profitability;
- decline in asset values;
- decline in capital investment;
- decline in research & development; and
- revenue foregone.

2. Using the data from appendix A6 (cost to make and sell), complete the following tables for each model control code of your production. Pⁿ is the most recent period.

Index of production variations (model control code)

CSR

MCC	FY2023	FY2024	FY2025	FY2026
MCC types	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	-	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]

	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
All	100.00	104.99	109.58	112.23

Fletcher

MCC	FY2023	FY2024	FY2025	FY2026
MCC types	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	-	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	-	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	-	[XXX]	[XXX]	[XXX]
All	100.00	102.84	91.01	96.60

Index of cost variations (model control code)

CSR

MCC	FY2023	FY2024	FY2025	FY2026
MCC types	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	-	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]

	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
All	100.00	108.41	107.32	113.26

Fletcher

MCC	FY2023	FY2024	FY2025	FY2026
MCC types	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	-	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	-	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	-	[XXX]	[XXX]	[XXX]
All	100.00	109.91	107.70	110.21

Index of price variations (model control code)

CSR

MCC	FY2023	FY2024	FY2025	FY2026
MCC types	100.00	[XXX]	[XXX]	[XXX]

	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	-	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
All	100.00	106.61	104.64	106.33

Fletcher

MCC	FY2023	FY2024	FY2025	FY2026
MCC types	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	-	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	-	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	-	[XXX]	[XXX]	[XXX]
All	100.00	102.95	100.41	101.26

Index of profit variations (model control code) (label M of Appendix A6.1)

CSR

MCC	FY2023	FY2024	FY2025	FY2026
MCC types	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	-	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
All	100.00	86.88	83.85	25.85

Fletcher

MCC	FY2023	FY2024	FY2025	FY2026
MCC types	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	-	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]

	-	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	-	[XXX]	[XXX]	[XXX]
All	100.00	61.29	51.89	43.08

Index of profitability variations (model control code)

CSR

MCC	FY2023	FY2024	FY2025	FY2026
MCC types	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	-	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
All	100.00	79.52	69.03	21.02

Fletcher

MCC	FY2023	FY2024	FY2025	FY2026
MCC types	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]

	100.00	[XXX]	[XXX]	[XXX]
	-	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	-	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	100.00	[XXX]	[XXX]	[XXX]
	-	[XXX]	[XXX]	[XXX]
All	100.00	56.98	53.48	43.36

3. Complete appendix A7 (other injury factors).

Where applicable to injury claims, prepare an indexed table for other injury factor(s) in the format above.

The Applicants have completed Confidential Appendix A7.

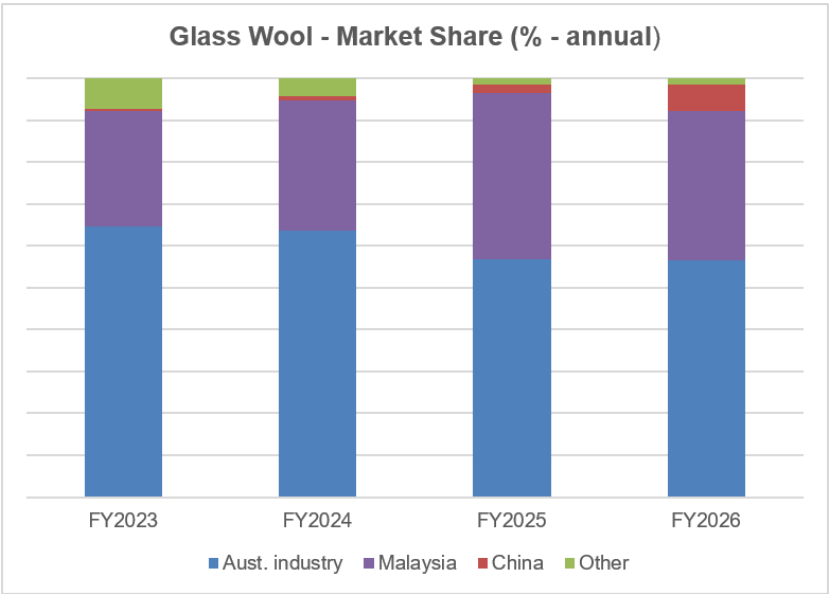
Factor	FY2023	FY2024	FY2025	FY2026
Asset values	100.00	101.08	99.43	87.34
Capital investment	100.00	95.94	40.75	29.50
Revenue	100.00	108.13	97.04	99.37
Research & development	100.00	0.00	0.00	0.00

A-10 Link between injury and dumped or subsidised imports

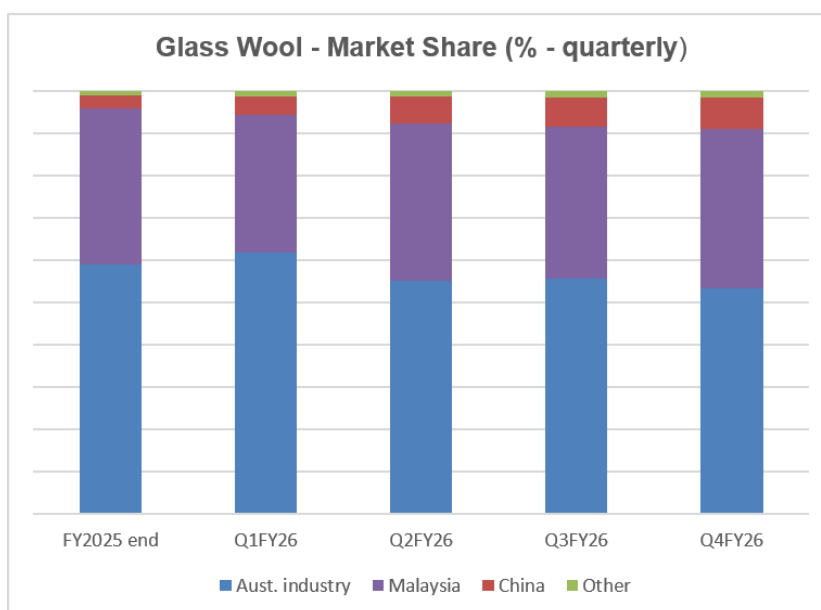
To establish grounds to initiate an investigation there must be evidence of a causal relationship between the injury and the alleged dumping or subsidisation. This section provides for an applicant to analyse the data provided in the application to establish this link. It is not necessary that injury be shown for each economic indicator.

- 1. Identify from the data at appendix A2 (Australian market) the influence of the volume of dumped and/or subsidised imports on your quarterly sales volume and market share.

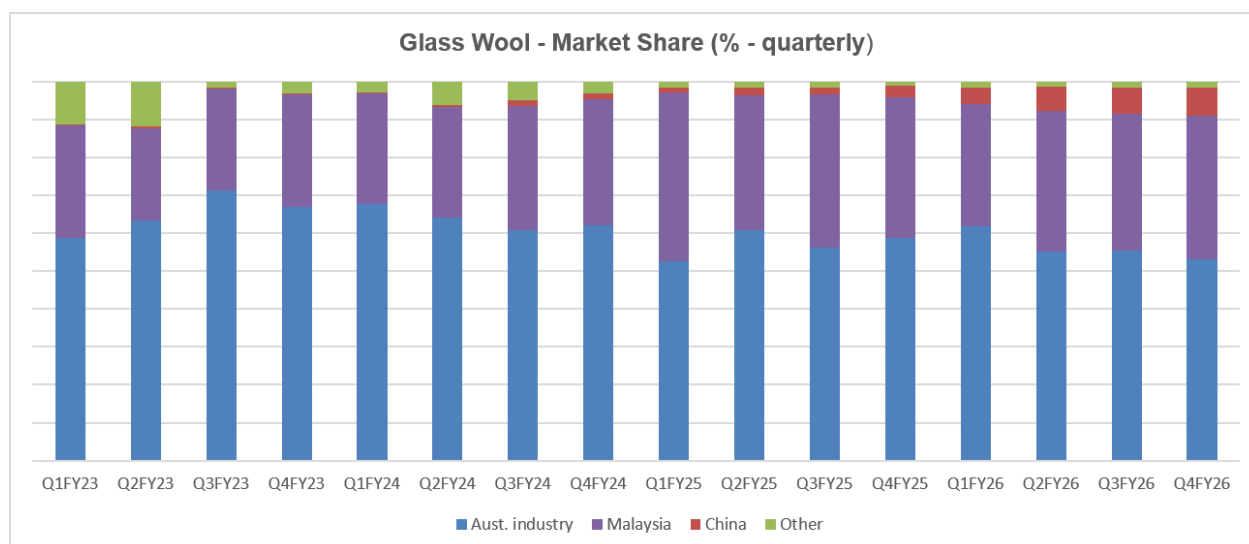
There is a direct correlation between the ongoing presence and increase in volumes of glass wool batts imported from China and Malaysia, and the Australian industry’s annual sales volume and market share for the like goods. On an annual and quarterly basis, Non-Confidential Charts A-10.1.1 to A-10.1.3 below highlight the respective shares of the total volume of glass wool batts supplied in Australia by the Australian industry, by the subject imports, and by all other imports over the proposed inquiry period:



Non-Confidential Chart A-10.1.1: Year Ending June 2023-2026 Australian share (source: Appendix A2)



Non-Confidential Chart A-10.1.2: FY2026 quarterly share compared to FY2025 average Australian share (source: Appendix A2)



Non-Confidential Chart A-10.1.3: Quarterly FY2023-2026 (source: Appendix A2)

The above shows, in a market that grew materially over the period, that growth was captured almost entirely by imports from China and Malaysia, with the Australian industry's participation and market share declining:

- total apparent consumption of in Australia rose from approximately [XX] kilograms in FY2023 to [XX] kilograms in FY2026; an increase of [XX] kilograms, or [XX] percent. The market expanded in each year of the period, with the strongest growth in FY2025 ([XX] percent);
- domestic industry sales rose only modestly, from [XX] kilograms in FY2023 to [XX] kilograms in FY2026 ([XX] kilograms, or [XX] percent). This was approximately one-fifth of the market's total expansion. Domestic volume growth all but stalled in FY2026 (up just [XX] kilograms, or [XX] percent) even as the overall market continued to grow. As a result, the Australian industry's share of its home market fell from [XX] percent in FY2023 to [XX] percent in FY2026, a loss of [XX] percentage

points.

- combined imports from China and Malaysia rose from [XX] kilograms in FY2023 to [XX] kilograms in FY2026, an increase of [XX] kilograms ([XX] percent). This increase exceeds the total growth in the market over the same period ([XX] kilograms): China and Malaysia together captured more than [XX] percent of all market growth, leaving the Australian industry and other suppliers to compete for a diminishing balance. The combined China/Malaysia share of the Australian market rose from [XX] percent to [XX] percent.
- Malaysia was the larger supply source, increasing from [XX] kilograms ([XX] percent share) in FY2023 to a peak of [XX] kilograms ([XX] percent) in FY2025, before easing to [XX] kilograms ([XX] percent) in FY2026. Even after easing, the Malaysian volume was [XX] percent higher than at the start of the period.
- China grew from a small base at an accelerating rate, increasing from [XX] kilograms ([XX] percent share) in FY2023 to [XX] kilograms ([XX] percent) in FY2026. This represented a fifteen-fold increase ([XX] percent). Chinese volume more than doubled year-on-year in each of FY2024, FY2025 and FY2026, with the sharpest increase ([XX] kilograms, [XX] percent) occurring in FY2026. As Malaysian volumes eased in FY2026, Chinese volumes filled the gap, so that combined subject volumes continued to rise.
- displacement has been borne by the domestic industry and non-subject imports. Other (non-subject) imports declined over the period, from [XX] kilograms ([XX] percent share) in FY2023 to [XX] kilograms ([XX] percent) in FY2026; a fall of [XX] percent. Subject imports have therefore grown squarely at the expense of the domestic industry, not by serving incremental demand the industry could not.

Source	FY2023	FY2024	FY2025	FY2026	Change (kg)	Change %
Australian industry	[XX]	[XX]	[XX]	[XX]	[XX]	[XX]
China	[XX]	[XX]	[XX]	[XX]	[XX]	[XX]
Malaysia	[XX]	[XX]	[XX]	[XX]	[XX]	[XX]
China + Malaysia	[XX]	[XX]	[XX]	[XX]	[XX]	[XX]
Other imports	[XX]	[XX]	[XX]	[XX]	[XX]	[XX]
Australian market	[XX]	[XX]	[XX]	[XX]	[XX]	[XX]

Confidential Table A-10.1.1: Australian market volumes by source (kg)

2. Use the data at appendix A2 (Australian market) to show the influence of the price of dumped and/or subsidised imports on your quarterly prices, profits and profitability provided at appendix A6.1 (costs to make and sell). If appropriate, refer to any price undercutting and price depression evident in the market.

Influence on prices

Price depression occurs when a company, for some reason, lowers its prices. The Commission's Dumping and Subsidy Manual (**the Manual**)¹² states that price suppression, in terms of Article 3.2 of the ADA, is where price increases for the Australian industry's products, which otherwise would have occurred, have been prevented to a significant

¹² Dumping and Subsidy Manual, December 2021.

degree.¹³ In determining whether price suppression has occurred, the Commission may examine:¹⁴

- a comparison of prices with costs to assess whether over time (e.g. the injury analysis period) or within a specified period (e.g. the investigation period) prices have not increased at the same rate as cost increases; and/or
- an assessment as to whether the prices for the Australian industry's product are lower than prices that may have been achieved in the absence of dumping.

In either case, the Commission will base its price suppression analysis on a counterfactual conclusion – assessing what trend in, or level of, prices the Australian industry would have achieved in the absence of dumping.¹⁵

The correlation between the Australian industry's quarterly selling prices and the annual FOB export prices of dumped imports demonstrates price suppression causation. The presence of dumped imports forced the Australian industry to either restrain price increases for like goods or forfeit sales volumes to import competition, resulting in share losses. This correlation exists because Australian industry pricing decisions were constrained by the competitive pressure from dumped Chinese and Malaysian imports.

The Australian industry submits that, absent imports from China and Malaysia at material margins of dumping, it would have achieved prices indicative of a level playing field in Australia, and would not have suffered the price suppression evidenced in this application.

The Applicants provide at Confidential Attachment A-10.1 (CSR) and Confidential Attachment A-10.2 (Fletcher) commercial-in-confidence customer case-study examples detailing material injury in the form of lost market share and price depression throughout the proposed injury assessment and dumping periods.

Influence on profits and profitability

The Australian industry competes on price to maintain production volume. Therefore, the Australian industry's profits (expressed as net gains or losses) and profitability are affected by factors impacting its ability to raise prices sufficient to cover costs.

Confidential Charts A-10.2.1 and A-10.2.2 below show the influence of the price of dumped imports on the Australian industry's quarterly price, profits and profitability. Broadly, during periods of export price inflation the Australian industry's price, profits and profitability grew, compared to the periods of export price deflation where the opposite occurred:

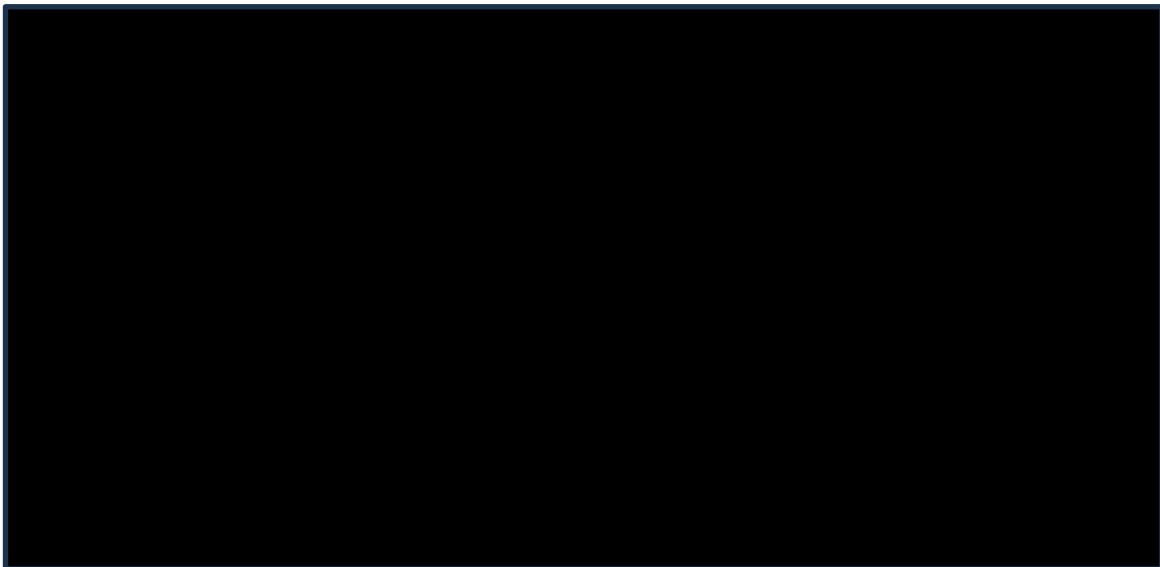
¹³ The Manual, p. 16.

¹⁴ Ibid.

¹⁵ Ibid.



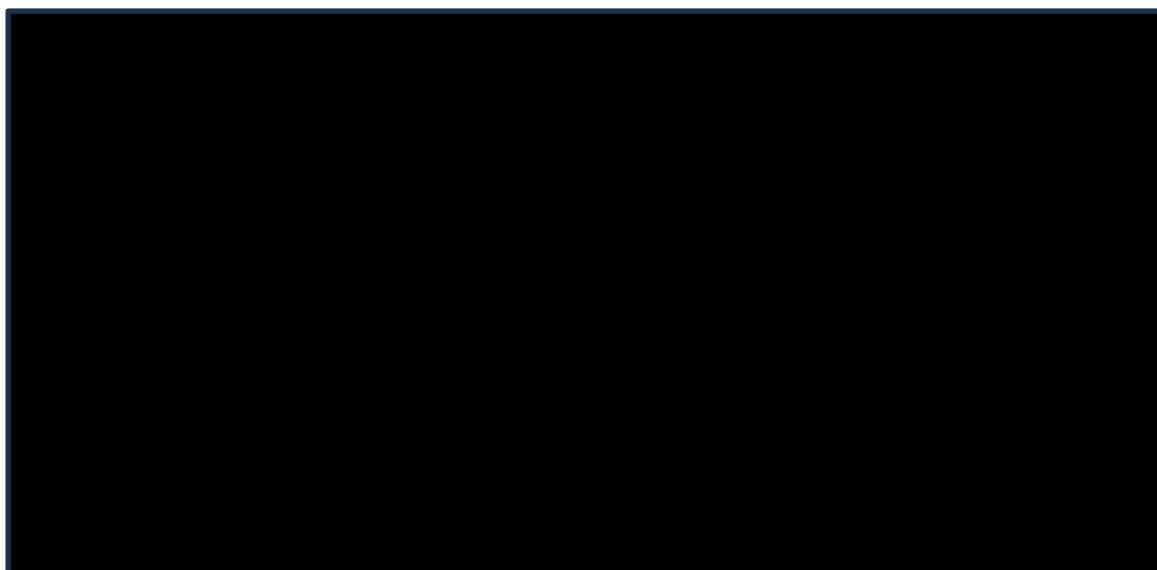
Confidential Chart A-10.2.1: Quarterly export prices of dumped goods and Australian industry price and net gain/loss (sources: Appendices A2 and A6.1)



Confidential Chart A-10.2.2: Quarterly export prices of dumped goods and Australian industry price and profitability (sources: Appendices A2 and A6.1)

3. Compare the data at appendix A2 (Australian market) to identify the influence of dumped and/or subsidised imports on your quarterly costs to make and sell at appendix A6.1 (for example refer to changes in unit fixed costs or the ability to raise prices in response to material cost increases).

Confidential Chart A-10.3.1 below indicates that the Australian industry experienced price suppression throughout the assessment period with rising import volumes from the subject countries:



Confidential Chart A-10.3.1: China/Malaysia volume influence on net prices, together with unit CTMS of Australian industry's own production; FY2023-2026 (Sources: Appendix A2 and A6.1)

4. The quantity and prices of dumped and/or subsidised imported goods may affect various economic factors relevant to an Australian industry. These include, amongst other things, the return on investment in an industry, cash flow, the number of persons employed and their wages, the ability to raise capital, and the level of investment in the industry. Describe, as appropriate, the effect of dumped and/or subsidised imports on these factors and where applicable use references to the data you have provided at [appendix A7](#) (other economic factors). If factors other than those listed at [appendix A7](#) (other economic factors) are relevant, include discussion of those in response to this question.

The impact of the dumped and subsidised glass wool batts from China and Malaysia has been significant in terms of price and volume effect injury. The Australian industry can demonstrate at Confidential Appendix A7 that it has also experienced injury in other forms, including:

- decline in asset values;
- decline in capital investment;
- decline in research & development; and
- revenue foregone.

5. Describe how the injury factors caused by dumping and/or subsidisation and suffered by the Australian industry are considered to be 'material'.

The Australian industry considers that it has experienced material injury during the proposed injury assessment and dumping periods in the following forms:

- lost sales volumes;
- lost market share;
- price suppression;
- loss of profits;
- loss of profitability;
- decline in asset values;

- decline in capital investment;
- decline in research & development; and
- revenue foregone.

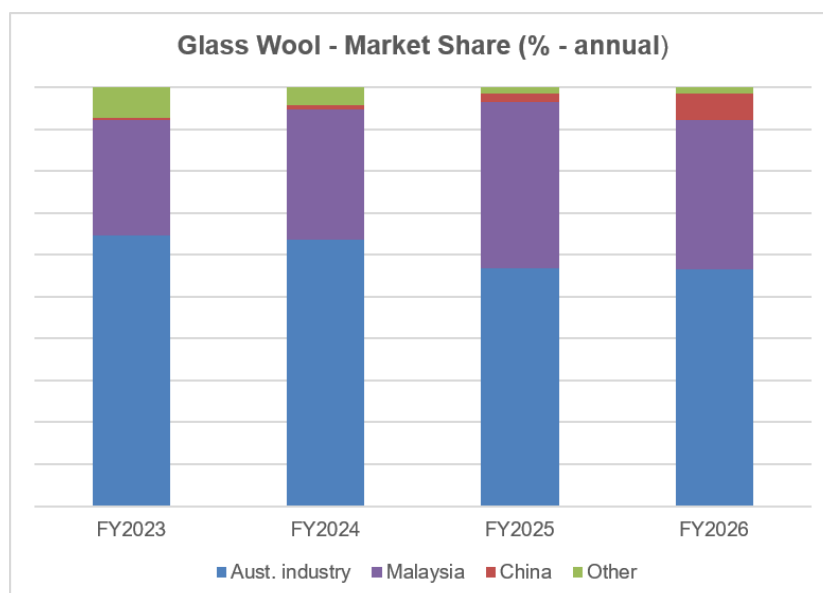
Volume/market share effects

Australian industry sales volumes stagnated by the end of FY2024, resulting in a material loss of market share to dumped and subsidised imports from China and Malaysia. The above customer-specific volume loss examples provided detail the share loss evident to the Australian industry.

Glass Wool	FY2023	FY2024	FY2025	FY2026
Sales quantity	100.00	103.80	106.06	106.62

Non-Confidential Table A-10.5.1: Index of Australian industry's sales of glass wool; FY2023-2026 (source: Appendix A6.1)

Non-Confidential Chart A-10.5.1 below shows that the Australian industry share of the Australian market for glass wool batts has declined from the end of FY2024 onwards:



Non-Confidential Chart A-10.5.1: Australian market share for glass wool (source: Appendix A2)

From the end of FY2024, Australian industry sales plateaued at approximately [XX] million kilograms and did not exceed that level, even though the market added a further [XX] million kilograms of consumption across FY2025 and FY2026. Of that additional consumption, the Australian industry captured only [XX] percent (approximately [XX] million kilograms), while China and Malaysia together captured more than the whole of it (approximately [XX] million kilograms), the remainder being taken from other imports. The domestic industry's volume therefore stagnated at the point where subject import volumes accelerated.

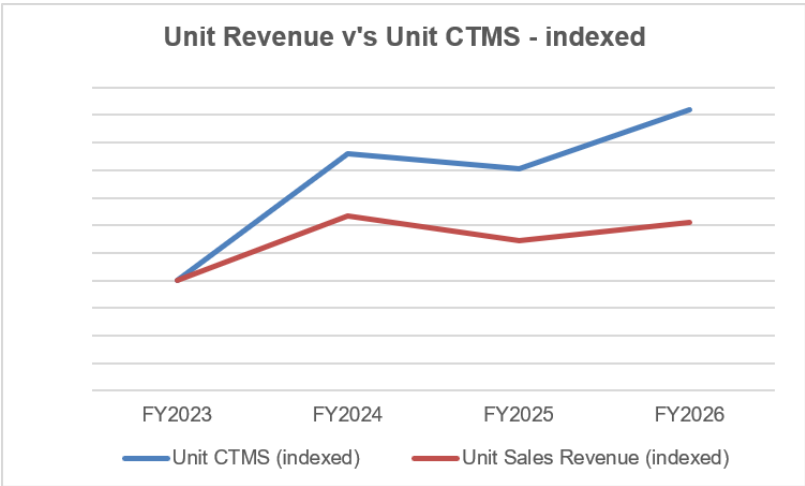
Subject imports have absorbed market growth at the expense of Australian industry. This is reinforced by the decline in non-subject imports, which fell from [XX] percent to [XX] percent of the market. Subject imports were therefore out-competing the Australian industry and other suppliers.

Foregone volume to the Australian industry represents sales that the industry was denied in an expanding market. Over the injury analysis and dumping periods, the Australian industry’s share fell from [XX] percent to [XX] percent (a loss of [XX] percentage points), while the combined China–Malaysia share rose from [XX] percent to [XX] percent.

Price depression and suppression

Price suppression occurs when price increases, which otherwise would have occurred, have been prevented. One indicator of price suppression is the margin between revenues and costs. This approach is proposed by the Applicants, as it contends that a normal business unaffected by dumping would look to increase prices to, at a minimum, cover its cost to make and sell (**CTMS**) and attempt to maximise profits.

Non-Confidential Chart A-10.5.2 and Confidential Chart A-10.5.3 below demonstrate movements in Australian industry unit net sales revenue and unit CTMS (indexed and actuals) for glass wool batts across the proposed injury analysis and dumping periods:



Non-Confidential Chart A-10.5.2: Australian industry unit selling price and CTMS; quarterly FY2023-2026 – indexed (source: Appendix A6.1)



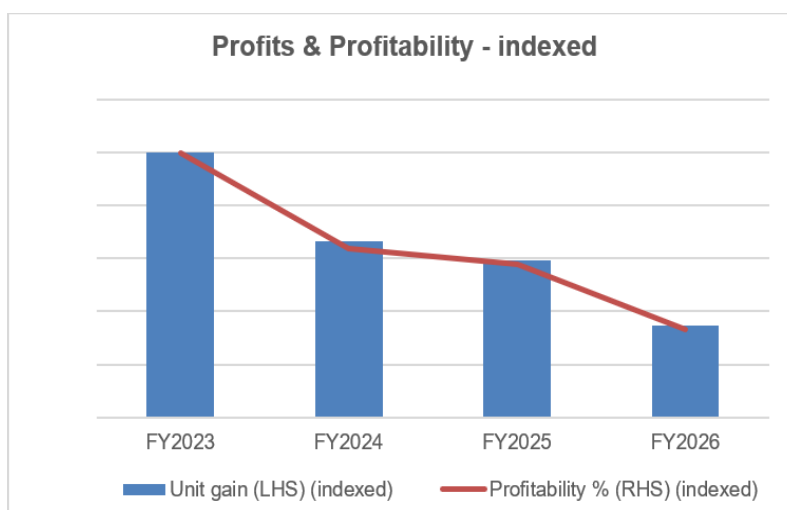
Confidential Chart A-10.5.3: Australian industry unit selling price and CTMS; quarterly FY2023-2026 – actuals (source: Appendix A6.1)

Over the four years to FY2026 the Australian industry's unit cost to make and sell rose by approximately [XX] percent (to index [XX]), while its unit selling price rose by only approximately [XX] percent (to index [XX]). Prices hence rose at approximately one-third the rate of costs. The industry was therefore largely unable to pass its cost increases through to price. This indicates price suppression: prices were prevented from rising due to subject imports. Such prices would have otherwise risen to recover rising costs.

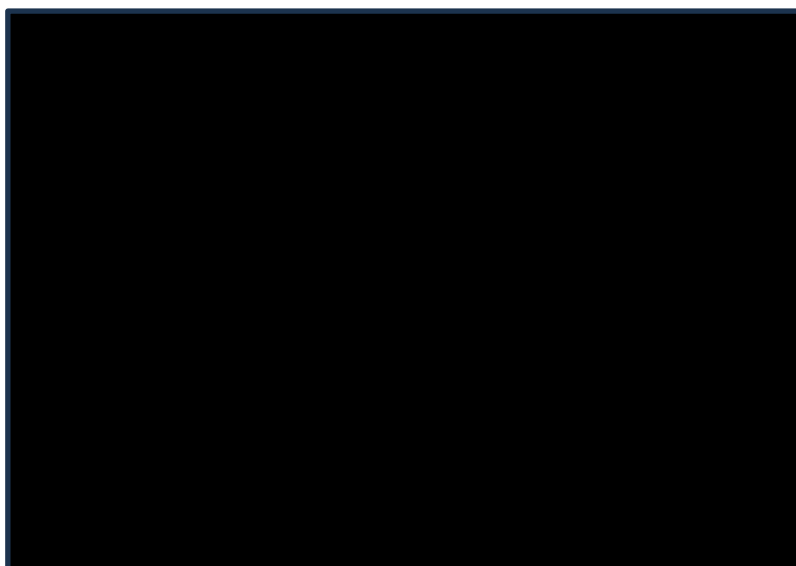
The glass wool market is contested principally on price, and the growing volume of low-priced imports from China and Malaysia set a ceiling on the prices the Australian industry could achieve. As subject import volumes increased significantly across the assessment period, the Australian industry sought to protect volume by absorbing cost increases in margin.

Profits & profitability

Non-Confidential Chart A-10.5.4 and Confidential Chart A-10.5.5 below indicate that the Australian industry experienced materially declining profits and profitability across the proposed injury analysis and dumping periods:



Non-Confidential Chart A-10.5.4: Australian industry profits and profitability – indexed (source: Appendix A6.1)



Confidential Chart A-10.5.5: Australian industry profits and profitability – actuals (source: Appendix A6.1)

The compression of the price–cost gap drove the industry’s unit profit down by approximately [XX] percent (to index [XX]) and its profitability (return on sales) down by approximately [XX] percent (to index [XX]) between FY2023 and FY2026.

The ongoing prevalence of price suppression observed has impacted negatively on the profits and profitability of the Australian industry over the proposed injury analysis and investigation periods. The Applicants consider that unit revenue and profitability would have not declined to the levels indicated above if price suppression and lost market share was not occurring. Therefore, the Applicants consider they have suffered injury in the form of reduced profits and profitability and that injury was caused by sales of glass wool batts exported from China and Malaysia at dumped and subsidised prices, and that the injury was material.

Further, due to the relatively high fixed costs required to produce glass wool batts, the loss of sales volume has resulted in fixed costs on a per unit basis being higher than they otherwise would be resulting in reduced profitability for the Applicants.

Other economic factors

The Applicants consider they have also experienced material injury across other relevant economic factors as set out in s.269TAE(3). Specifically, injury in the form of:

Factor	FY2023	FY2024	FY2025	FY2026
Asset values	100.00	101.08	99.43	87.34
Capital investment	100.00	95.94	40.75	29.50
Revenue	100.00	108.13	97.04	99.37
Research & development	100.00	0.00	0.00	0.00

Non-Confidential Table A-10.5.2: Index of other economic factors (source: Appendix A7)

Between FY2023 and FY2026 the industry’s capital investment fell by more than [XX] percent, with the steepest contraction from FY2025. Research and development expenditure ceased entirely from FY2024, reflecting an industry curtailing forward-looking investment.

Over the same period the value of the industry's assets declined by around [XX] percent, the fall concentrated in FY2026, while revenue stagnated, failing to grow notwithstanding the expansion of the overall market and the increase in the industry's own sales volumes.

These movements confirm that the injury caused by the subject imports extends beyond price, volume and profitability to the industry's investment, assets and revenues.

Materiality of Injury

In the context of the Australian conditions for glass wool batts over the proposed injury analysis and dumping periods, the Applicants contend that the injury suffered by it (and caused by the dumped imports from China and Malaysia) is greater than that likely to occur in the normal ebb and flow of business.

The Applicants have experienced declines in revenue over the injury analysis and investigation periods, alongside corresponding declines in profitability.

The Applicants have lost sales volumes and market share, and have experienced price suppression. When considered as a whole, these factors have adversely impacted like goods profits and profitability, collectively and not in isolation. When also taking account of all relevant economic factors, the Australian industry has experienced injury from trade in the subject goods from the subject countries, and such injury is considered material.

6. Discuss factors other than dumped and/or subsidised imports that may have caused or may threaten to cause injury to the industry. This may be relevant to the application in that an industry weakened by other events may be more susceptible to injury from dumping and subsidisation.

The Applicants do not consider that factors other than dumped and subsidised imports from China and Malaysia have caused the material injury alleged.

7. This question is not mandatory, but may support your application. Where trends are evident in your estimate of the volume and prices of dumped and/or subsidised imports, forecast their impact on your industry's economic condition. Use the data at appendix A2 (Australian market), appendix A6 (cost to make and sell), and appendix A7 (other economic factors) to support your analysis.

PART B

DUMPING

IMPORTANT

All questions in Part B should be answered even if the answer is 'Not applicable' or 'None' (unless the application is for countervailing duty only: refer Part C). If an Australian industry comprises more than one company/entity, Part B need only be completed once.

B-1 Source of exports

1. Identify the country(ies) of export of the dumped goods.

The goods the subject of this application are exported from China and Malaysia.

2. Identify whether each country is also the country of origin of the imported goods. If not, provide details.

The Applicants understand that the country of export is also the country of origin of the goods the subject of this application.

3. If the source of the exports is a non-market economy, or an 'economy in transition' refer to Part C.4 and Part C.5 of the application.

Not applicable.

4. Where possible, provide the names, addresses and contact details of:
 - producers of the goods exported to Australia;
 - exporters to Australia; and
 - importers in Australia.

The following are understood by the Applicants to be possible Chinese producers and exporters of glass wool batts:

Chinese exporter	Address	Contact details
Huamei Energy-Saving Technology Group Co., Ltd.	Central Beijing–Tianjin–Hebei region, China. The company operates multiple plants across four provinces; its English website does not clearly publish a single complete registered or factory street address.	+86 22 2626 2121; WeChat/mobile: +86 133 2306 8269; fax: +86 22 8668 2000 URL: huameiworld.com
China IKING Industrial Group Co., Ltd. – ISOKING	14th Floor, Zhiyun Building No. 2, Hedong District, Tianjin, China	+86 22 6076 7280; mobile/WhatsApp/WeChat: +86 133 1203 0322; fax: +86 22 5882 3477 URL: iking-glasswool.com
Hebei United Energy Tech Co., Ltd. – United Insulation	Head office: Room 510, Wanda Plaza, Xinhua Road, Langfang City, Hebei Province, China. Factory: Dacheng County, Langfang City, Hebei Province, China	Telephone not publicly displayed on the accessible contact page; email: info@unitedinsulation.cn URL: unitedinsulation.com
Langfang Henggang Energy Saving Technology Co., Ltd.	Liugezhuang Town, Dacheng County, Langfang City, Hebei Province, China	Public telephone not clearly displayed in accessible English-language material; contact is

		available through the website. URL: hgglasswool.com
Langfang Coning Energy Saving Technology Co., Ltd. / Beijing Kening Building Materials Co., Ltd. – CONING	Export office reported as Room 1709, Building 2, Wanda Plaza, Guangyang District, Langfang, Hebei Province, China. Manufacturing operations are located in Dacheng County, Langfang, Hebei Province	Public telephone not clearly displayed on the accessible official contact page; email: glasswool@139.com URL: coninginsulation.com / coning.cn
Jianxin Group	Jianxin Factory, Dongyaotou Village, Quancun Town, Dacheng County, Langfang City, Hebei Province, China	Contact telephone not clearly displayed in the accessible English-language source. URL: hbjianxin.com

Non-Confidential Table B-1.4.1: Chinese producers and exporters

The following are understood by the Applicants to be possible Malaysian producers and exporters of glass wool batts:

Malaysian exporter	Address	Contact details
PGF Insulation Sdn. Bhd. – Ecowool	2449, Lorong Perusahaan Sepuluh, Kawasan Perusahaan Perai, 13600 Perai, Penang, Malaysia	+60 4 390 8460 URL: pgfinsulation.com.my / ecowool.com.my
Knauf Insulation Sdn. Bhd. – Knauf Insulation / Earthwool	PLO 157, Jalan Teruntum 4, Tanjung Langsat Industrial Area, 81700 Pasir Gudang, Johor, Malaysia	Reported switchboard: +60 7 252 1461; email: info.my@knaufinsulation.com URL: knauf.com/en-MY / knaufinsulation.com

Non-Confidential Table B-1.4.2: Malaysia producers and exporters

The following are understood by the Applicants to be potential Australian importers of Chinese and Malaysian glass wool batts:

[confidential table deleted: disclosure of Australian importers would likely result in commercial disadvantage to the Applicants].

- If the import volume from **each** nominated country at Appendix A.2 (Australian Market) does not exceed 3% of all imports of the product into Australia refer to Part C.6 of the application.

Not applicable. Import volumes from China and Malaysia are estimated to exceed 3 percent of all imports of the goods the subject of this application.

6. In the case of an application for countervailing measures against exports from a developing country, if the import volume from **each** nominated country at Appendix A.2 (Australian Market) does not exceed 4% of all imports of the product into Australia refer to Part C.6 of the application

Not applicable as the import volumes from China and Malaysia are estimated to exceed 4 percent of all imports of the goods the subject of this application.

B-2 Export price

Possible sources of information on export price include export price lists; estimates from the Australian Bureau of Statistics; a deductive export price calculation from the Australian selling price of the imported goods; export sales quotations or invoices; foreign government export trade clearances.

1. Indicate the FOB export price(s) of the imported goods. Where there are different model control codes or levels of trade involved, an export price should be supplied for each.

The Applicants have included FOB values for the subject goods per Confidential Appendix A2, as sourced from *TradeData International*.

2. Specify the terms and conditions of the sale, where known.

The export prices for the imported goods from the subject countries are FOB, export point of sale.

3. If you consider published export prices are inadequate, or do not appropriately reflect actual prices, please calculate a deductive export price for the goods. Appendix B1 (Deductive Export Price) can be used to assist your estimation.

The researched export price data is considered adequate for the purposes of this application.

4. It is important that the application be supported by evidence to show how export price(s) have been calculated or estimated. The evidence should identify the source(s) of data.

Refer Confidential Appendix A2 for import volume and value details for the goods the subject of this application.

B-3 Selling price (normal value) in the exporter's domestic market

Possible sources of information about domestic selling prices in the country of export include: price lists for domestic sales (with information on discounts); actual quotations or invoices relating to domestic sales; published material providing information on the domestic selling prices; or market research undertaken on behalf of the applicant.

1. State the selling price for each model control code of like goods sold by the exporter, or other sellers, on the domestic market of the country of export.

China

I. Introduction

Section 269TAC(1) of the *Customs Act 1901* (Cth) (the **Act**) provides that, subject to the operation of subsections 269TAC(2) to (5C), the normal value of any goods exported to Australia is the price paid or payable for like goods sold in the ordinary course of trade for home consumption in the country of export in sales that are arms-length transactions by the exporter, or, if such sales are not available, by other sellers of like goods.¹⁶

Subsection 269TAC(2)(a)(ii) provides that the Minister cannot ascertain the normal value of goods under s.269TAC(1) where the Minister is satisfied that *...because of the situation in the market of the country of export, sales in that market are not suitable for use in determining a price under subsection (1)*.¹⁷ In such a case, the normal value must instead be determined by reference either to a constructed cost build-up under s.269TAC(2)(c), or by reference to third-country sales under s.269TAC(2)(d). This framework implements Australia's obligations under Article 2.2 of the *WTO Agreement on Implementation of Article VI of GATT 1994* (the **Anti-Dumping Agreement**).¹⁸

The Commission's *Dumping and Subsidy Manual* (the **Manual**) identifies, non-exhaustively, factors that may render domestic sales unsuitable for the purposes of s.269TAC(1), including:¹⁹

- (a) where domestic prices are "artificially low"; or
- (b) where some other condition in the market makes sales in that market "not suitable for use in determining prices under subsection 269TAC(1)".

According to the Manual:²⁰

Government influence on prices or costs could be one cause of "artificially low pricing". Government influence means influence from any level of government.

In investigating whether a market situation exists due to government influence, the Commission will seek to determine whether the impact of the government's involvement in the domestic market has materially distorted competitive conditions. A finding that competitive conditions have been materially distorted may give rise to a

¹⁶ Customs Act 1901 (Cth), s.269TAC(1).

¹⁷ Customs Act 1901 (Cth), s.269TAC(2)(a)(ii).

¹⁸ WTO Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994, Article 2.2 (the Anti-Dumping Agreement).

¹⁹ Anti-Dumping Commission, *Dumping and Subsidy Manual* (December 2021), Chapter 7, p. 29.

²⁰ *Ibid.*

finding that domestic prices are artificially low or not substantially the same as they would be if they were determined in a competitive market.

The Applicants contend that a particular market situation (**PMS**) exists in the market for glass wool batts in China. In making this claim, the Applicants rely on the following body of evidence:

- (a) the system of pervasive influence of the Government of the People's Republic of China (**GOC**) and the Chinese Communist Party (**CCP**) over the building materials sector in China generally and the glass wool batts sector specifically;
- (b) the central role of state-owned enterprises (**SOEs**), including the China National Building Material Group Co., Ltd. (**CNBM** and/or the **CNBM Group**), in the Chinese glass wool batts and fibreglass industries;
- (c) the range of national, provincial and sectoral industrial policies designating the building materials and "new building materials" industries as strategic and providing direct and indirect support;
- (d) widespread receipt by Chinese glass wool batts producers of government grants, subsidies, and preferential financing;
- (e) the location of major Chinese glass wool batts producers in development zones and industrial parks attracting preferential land, tax, infrastructure and energy treatment; and
- (f) significant cost distortions in respect of key inputs into glass wool batts production, namely silica sand, soda ash, borax/boron compounds, energy (electricity, natural gas, coal), phenol-formaldehyde and other binders, environmental compliance, labour, and land use rights.

On the basis of those distortions, the Applicants contend:

- (a) the conditions for a PMS within the meaning of s.269TAC(2)(a)(ii) of the Act and Article 2.2 of the Anti-Dumping Agreement are satisfied; therefore
- (b) domestic sales of glass wool batts in China do not permit a proper comparison with export prices, and the Commission should disregard those sales for the purposes of determining normal value; and
- (c) the Commission should ascertain normal values by reference to a constructed cost methodology under s.269TAC(2)(c) of the Act.

II. Legal Standard

Sections 269TAC(1) and TAC(2)(c) of the Act give domestic effect to Article 2.2 of the WTO's Anti-Dumping Agreement (**ADA**), which states:

When there are no sales of the like product in the ordinary course of trade in the domestic market of the exporting country or when, because of the particular market situation or the low volume of sales in the domestic market of the exporting country, such sales do not permit a proper comparison, the

margin of dumping shall be determined by comparison with ... the cost of production in the country of origin plus a reasonable amount for administrative, selling and general costs and for profits.

The WTO Panel (**the Panel**) in *Australia – Anti-Dumping Measures on A4 Copy Paper (A4 Copy Paper)* interpreted this provision to mean that ...the phrases ‘particular market situation’ and ‘permit a proper comparison’ work together to constitute a condition under which an investigating authority may set aside domestic-market sales as the basis for normal value.²¹

The Panel’s reading establishes a two-step, case-specific and fact-driven analysis²² in which the authority must determine, sequentially: (1) whether a PMS exists in the domestic market of the exporting country; and (2) if so, whether, as a consequence of that PMS, the individual exporter’s domestic sales fail to permit a proper comparison between domestic and export prices.²³

The Panels in *A4 Copy Paper* and in *European Union – Cost Adjustment Methodologies and Certain Anti-Dumping Measures on Imports from Russia (Second Complaint)* (“**EU-Cost Adjustment Methodologies (Second)**”) elaborated this framework with the following additional guidance:

- the wording of Article 2.2 cannot be read as restricting the phrase “particular market situation” to any single, defined situation.²⁴
- the phrase “particular market situation” is not a definition capable of foreseeing every set of circumstances an investigating authority may confront in which a proper comparison cannot be made. In the Panel’s view, the use of such an expression must be treated as intentional. The expression is bounded by its qualifiers “particular” and “market”, but for that reason cannot be construed in a way that exhaustively details the circumstances or arrangements which would amount to a situation that an investigating authority may need to assess.²⁵
- the market situation must be distinct, individual, single, or specific, but this does not necessarily render it unusual or out of the ordinary.²⁶
- neither the text nor the operation of Article 2.2 supports a PMS assessment as necessarily relating exclusively to a country “as a whole”.²⁷
- the Panel identified no basis for the argument that, when examining a PMS allegation, an investigating authority is precluded from analysing ...*whether prices are ‘artificially low’ on the basis of an examination of supply and demand signals in markets, of alleged market distortions, or of product or input prices as compared to prices in world markets or representative markets.*²⁸

²¹ Non-Confidential Attachment B-3.1: Panel Report, *Australia – Anti-Dumping Measures on A4 Copy Paper (A4 Copy Paper)*, WT/DS529/R, para. 7.27.

²² *Ibid.*, at para. 7.21.

²³ *Ibid.*, at para. 7.91.

²⁴ Non-Confidential Attachment B-3.2: Panel Report, *European Union – Cost Adjustment Methodologies and Certain Anti-Dumping Measures on Imports from Russia (Second Complaint) (EU-Cost Adjustment Methodologies (Second))*, WT/DS494/R, para. 7.181.

²⁵ Non-Confidential Attachment B-3.1: *A4 Copy Paper*, at para. 7.21.

²⁶ *Ibid.*, at para. 7.22.

²⁷ Non-Confidential Attachment B-3.2: *EU-Cost Adjustment Methodologies (Second)* at para. 7.195, Annex 4.

²⁸ *Ibid.*, at para. 7.197, Annex 4.

- a determination of ‘particular market situation’ based on the existence of low input prices, on a factual finding concerning a situation that allegedly did not exclusively affect domestic sales, or on certain government policies affecting the input sector does not render the determination inconsistent with Article 2.2 of the AD Agreement.²⁹
- the term “particular market situation” does not require or contemplate an *in abstracto* analysis of whether the situation is capable of preventing domestic sales from permitting a proper comparison. That assessment is already properly and adequately performed by the words “because of” and “not permit a proper comparison” in Article 2.2.³⁰
- where the investigating authority has determined that a PMS exists, it must then examine whether a proper comparison between domestic and export prices is or is not permitted. The proper comparison requires an assessment of the differences between domestic and export prices.³¹
- although the proper comparison referred to in Article 2.2 is the comparison between domestic and export prices, a comparison based only on the numerical relationship between those two prices may disclose nothing about whether the domestic price can be properly compared with the export price. What is required, instead, is a qualitative comparison of the two prices.³²
- the Panel observed:³³

In our view, the way in which the domestic prices and export prices of an individual exporter respond to an equal reduction in input costs is likely to depend significantly on a range of factors, including the conditions of competition prevailing in each market and the existing relationship between price and cost. We consider that an exporter may have different options as to how to take advantage of a decrease in input cost depending on the market conditions in each market. This is similar to a circumstance in which a cost increase occurs and the exporter encounters different market conditions in the domestic and the export markets such that the exporter can pass on the cost increase to customers in one market but cannot do so in the other. We are therefore not persuaded that a low-priced input used identically to produce merchandise for both the domestic and export markets will necessarily have the same effect on domestic and export prices and will therefore necessarily permit a proper comparison. We find rather that whether the exporter’s domestic sales permit a proper price comparison with the export price is a question that can only be resolved through an examination of the relevant factual circumstances.

²⁹ Non-Confidential Attachment B-3.2: A4 Copy Paper, at paras. 7.32, 7.40, 7.56, and 7.57.

³⁰ Ibid, at para. 7.27.

³¹ Ibid, at para. 7.73.

³² Ibid, at para. 7.75.

³³ Ibid, at paras. 7.80 and 7.81.

III. A PMS exists in the Chinese Glass Wool Batts Market

III.A Government influence over the Chinese building materials sector and the glass wool batts industry

China is a “socialist market economy” in which the CCP exercises pervasive guidance and control over economic decision-making at the central, provincial, municipal and enterprise levels.³⁴ As the European Commission concluded in the *Commission Staff Working Document on Significant Distortions in the Economy of the People’s Republic of China for the Purposes of Trade Defence Investigations (EC 2024 Distortions Report)*, SWD(2024) 91 final (10 April 2024):³⁵

China's economic system is unique, with a particular role of the State and of the CCP. The doctrine of social market economy is one of those elements that embodies China's specific socio-economic setup. The basic features of the socialist market economy are dominant State-ownership an extensive and sophisticated economic planning system, as well as interventionist industrial policies and a broad array of other tools to pursue political and economic objectives set by the Party.

The European Commission, citing Chinese government statistics, has found that as of recent years approximately 70 percent of private enterprises in China have established CCP cells, and that the CCP has institutionalised mechanisms for influencing the operational and strategic decision-making of those enterprises.³⁶ In Commission Implementing Regulation (EU) 2021/635 (hot-rolled steel from China), the Commission specifically observed that CCP cells within both state-owned and private enterprises interfere with business decisions.³⁷ The legal basis for this institutional party influence is well established:

- (a) Article 33 of the CCP Constitution requires that Primary-level Party organisations in state-owned enterprises play a leadership role and discuss and decide on major issues of their enterprise. In non-public economic entities, primary-level Party organisations are mandated to ensure implementation of Party policy, supervise enterprises in observing the laws of the State, and provide political guidance to management.³⁸
- (b) Article 18 of the Company Law of the People’s Republic of China (2023 Revision) provides that *In the company, in accordance with the provisions of the Constitution of the Communist Party of China, an organisation of the Communist Party of China shall be established to carry out party activities. The company shall provide necessary conditions for the activities of party organisations.*³⁹
- (c) The China Securities Regulatory Commission’s *Code of Corporate Governance for Listed Companies* (revised 2018) requires listed SOEs to incorporate Party-

³⁴ Constitution of the People’s Republic of China (as amended 2018), Article 1 (describing China as a “socialist state”); see also Article 6 (on socialist public ownership of the means of production). Refer

https://english.www.gov.cn/archive/lawsregulations/201911/20/content_WS5ed8856ec6d0b3f0e9499913.html

³⁵ Non-Confidential Attachment B-3.3: European Commission, Commission Staff Working Document on Significant Distortions in the Economy of the People’s Republic of China for the Purposes of Trade Defence Investigations, SWD(2024) 91 final (10 April 2024), Chapter 2 (Socialist Market Economy).

³⁶ Ibid, Chapter 3 (Chinese Communist Party).

³⁷ Non-Confidential Attachment B-3.4: Commission Implementing Regulation (EU) 2021/635 of 16 April 2021 imposing a definitive anti-dumping duty on imports of certain welded tubes and pipes of iron or non-alloy steel originating in Belarus, the People’s Republic of China and Russia, recital 119 (p. 15).

³⁸ Non-Confidential Attachment B-3.5: Seafarer, Prevailing Winds, *Party Committees in Chinese Companies*, June 2021.

³⁹ Non-Confidential Attachment B-3.6: Company Law of the People’s Republic of China (2023 Revision), Article 18.

building principles into their articles of association and to formalise the role of Party organisations in corporate governance.⁴⁰

The Applicants identify the following as among the largest known producers of glass wool batts and related insulation products in China, against which CCP and SOE influence may be demonstrated through public information:

- Taishan Fiberglass Inc. (**CTG**): greater than 800,000 mt/yr fibreglass capacity; ~1.4 million metric tonnes/annum total (including subsidiaries); wholly-owned subsidiary of Sinoma Science & Technology Co., Ltd., CNBM Group (SASAC) controlled.⁴¹
- Beijing New Building Material Public Limited Company (**BNBM**): a major producer of mineral wool boards, insulation systems; ~3.3 billion m² gypsum board capacity; CNBM-controlled.⁴²
- China Jushi Co., Ltd.: a major fibreglass producer (multi-million tonnes capacity); CNBM-affiliated through CNBM Holdings.⁴³
- Sinoma Science & Technology Co., Ltd.: parent of Taishan Fiberglass; advanced materials, fibreglass; CNBM Group (SASAC).⁴⁴
- Luyang Energy-Saving Materials Co., Ltd.: a major ceramic fibre and insulation wool producer (listed); SOE involvement throughout the proposed inquiry period.⁴⁵
- China IKING Industrial Group Co., Ltd.: a major glass wool and rock wool exporter located in a coastal industrial cluster.⁴⁶
- Huamei Energy-Saving Technology Group: glass wool insulation manufacturer; private, significant export presence.⁴⁷
- Hebei Gerui Glass Wool Products Co., Ltd.: glass wool products; Hebei industrial cluster.⁴⁸

The Applicants emphasise that this producer list is not exhaustive. The Chinese glass wool and mineral wool insulation industry comprises a large number of private regional producers

⁴⁰ Non-Confidential Attachment B-3.7: China Securities Regulatory Commission, Code of Corporate Governance for Listed Companies (revised 30 September 2018).

⁴¹ Wholly-owned subsidiary of Sinoma Science & Technology Co., Ltd. (SZ:002080), within CNBM Group (SASAC-supervised). Capacity 800,000+ mt/yr fibreglass products: <https://www.ctgf.com/English/channels/145.html>. CNBM's SASAC status: http://en.sasac.gov.cn/2020/08/22/c_2141.htm.

⁴² Listed stock code SZ:000786; CNBM's "new materials platform": <https://www.bnbm.com/category/introduction.html>. Parent BNBM Group profile: <https://en.bnbmf.com/about/index.html>.

⁴³ Listed stock code SH:600176; "core enterprise in the fibreglass business division of [CNBM]": <https://www.jushi.com/en/>. 2023 Annual Report disclosed government subsidies of approximately USD 37 million: <https://globaltradealert.org/intervention/135146>.

⁴⁴ Listed stock code SZ:002080; parent of Taishan Fiberglass; controlled by CNBM Group following the State Council-approved 22 August 2016 reorganisation: http://www.sinomatech.com/en/p_s/gfaip/309.html; http://en.sasac.gov.cn/2020/08/22/c_2141.htm.

⁴⁵ Listed stock code SZ:002088; production bases in Shandong (Zibo HQ), Inner Mongolia, Xinjiang, Guiyang, Suzhou; ceramic fibre and rock wool products. Acquired by Unifrax via tender offer in 2022: <https://www.luyangwool.com/about-us>.

⁴⁶ Privately held; established 1995; headquartered Tianjin with factories in Tianjin, Langfang and Shijiazhuang. 13 glass wool production lines; brand "ISOKING"; AS/NZS certified for the Australian market: <https://www.ikinggroup.com/about/en/about-us.html>; <https://www.ikingglasswool.com/>.

⁴⁷ Privately held; headquartered Shijiazhuang (Hebei); 10 production plants across Hebei, Sichuan, Guangdong and Jiangxi; capacity 400,000+ tonnes/yr fibreglass wool: <https://www.huameiworld.com/about-us/>.

⁴⁸ Privately held; established 1995; Hebei Province producer of glass wool felt, acoustic products, and pipe insulation: <http://www.geruicn.com/en/>.

in addition to those identified above. The Applicants invite the Commission to use Australian Border Force import data and the producer/exporter questionnaire process to identify all relevant exporters of the subject goods to Australia during the proposed investigation period.

The Applicants draw to the Commission's attention the following specific evidence of CCP and Party Committee roles overlapping with senior management at major Chinese glass wool / fibreglass / mineral wool producers:

- (a) CNBM Group: the CNBM Group's published Management Team identifies the Chairman of CNBM as also serving as "Secretary of the Party Committee" of CNBM, and a series of Vice Presidents and Deputy General Managers as members of the "Standing Committee of the Party Committee". CNBM publicly describes itself as a *...state-owned enterprise directly supervised by the State-owned Assets Supervision and Administration Commission of the State Council (SASAC)*.⁴⁹
- (b) CNBM Co., Ltd.: as reported by CNBM in its 2022 annual results conference, Zhou Yuxian holds the roles of "Party Secretary and Chairman of CNBM Group" and "Party Secretary and Chairman of CNBM Co., Ltd." Multiple senior managers are publicly identified as exercising overlapping Party and management functions.⁵⁰
- (c) BNBK: identifies itself as the *...new materials platform...* of CNBM.⁵¹ BNBK's senior management has historically included Party Secretary–Chairman dual office holders (e.g., the published CNBM management biographies confirm the prior service of CNBM's current Deputy General Manager as "Secretary of the Party Committee and Chairman of Beijing New Building Material Group Co., Ltd.").⁵²
- (d) China Jushi Co., Ltd.: describes itself as a *...core enterprise in the fibreglass business division of China National Building Material Company Limited...* and is integrated into the CNBM Group governance structure.⁵³
- (e) Taishan Fiberglass Inc. / Sinoma Science & Technology: Taishan Fiberglass is a wholly-owned subsidiary of Sinoma Science & Technology, which is itself part of the CNBM Group (SASAC-supervised). Its corporate governance is accordingly subject to the SOE Party-building requirements articulated in the *Regulations on the Work of Grassroots Organisations of State-owned Enterprises of the Chinese Communist Party*, under which the Party organisation *performs the primary responsibility of party building* and party members in the board of directors, board of supervisors and management actively support and participate in the party building work of the enterprise.⁵⁴

⁴⁹ Non-Confidential Attachment B-3.8: CNBM, "Management Team". See also <https://www.cnbm.com.cn/EN/0000001600070008002/>.

⁵⁰ Non-Confidential Attachment B-3.9: Extract from CNBM 2022 Annual Results Announcement. CNBM, *2022 Annual Results Announcement Conference of CNBM Co., Ltd. Successfully Held in Hong Kong*. (<https://www.cnbm.com.cn/EN/00000016000165074.html>).

⁵¹ Non-Confidential Attachment B-3.10: BNBK corporate introduction page. BNBK, *Introduction* (<https://www.bnbk.com/category/introduction.html>).

⁵² See CNBM Management Team biographies, above.

⁵³ Non-Confidential Attachment B-3.11: China Jushi Company Profile. See also (<https://www.jushi.com/en/>).

⁵⁴ Non-Confidential Attachment B-3.12: *Central Committee of the Chinese Communist Party, Regulations on the Work of Grassroots Organisations of State-owned Enterprises of the Chinese Communist Party (for Trial Implementation)* (30 December 2019), Article 33 and related provisions. See also <https://www.knowde.com/stores/taishan-fiberglass>

The Applicants submit that this overlap of CCP and management functions in the largest producers of glass wool batts and related fibreglass insulation products in China is not a benign circumstance. As confirmed by the EC 2024 Distortions Report at section 3 (*Chinese Communist Party*) and section 5 (*State Owned Enterprises*),⁵⁵ such overlap operates to ensure that operational decisions on production volumes, pricing, capacity expansion, supplier and customer relationships, and access to capital are aligned with CCP and GOC industrial policy. This influence is a foundational element of the PMS the Applicants contend exists in the Chinese glass wool batts market.

III.B State ownership & industrial concentration in the building materials sector

The China National Building Material Group Co., Ltd. is a centrally administered SOE directly supervised by SASAC of the State Council. The CNBM Group describes itself as “China’s largest comprehensive building materials industry group” and is listed in the Fortune Global 500. Through its listed flagship CNBM Co., Ltd., CNBM controls a vertically integrated portfolio spanning cement, gypsum board, glass fibre / glass wool, “new building materials”, and related engineering services.⁵⁶

CNBM is owned directly and indirectly (approximately 41.27 percent) by the CNBM parent entity, which is in turn wholly owned by SASAC.⁵⁷ As approved by the State Council, in 2016 the CNBM Group was created through the merger of China National Building Materials Group Corporation and China National Materials Group Corporation, and in 2018 the listed subsidiaries (CNBM Co., Ltd. and Sinoma Co., Ltd.) were merged in a State Council–approved “supply-side reform” exercise designed to consolidate state ownership of the building materials sector.⁵⁸

The vertically integrated CNBM structure relevant to glass wool batts production includes the following key entities:

- (a) Sinoma Science & Technology Co., Ltd.: a listed company controlled by CNBM Group, parent of Taishan Fiberglass;
- (b) Taishan Fiberglass Inc. (CTG): described by CNBM as *...one of the world’s top 5 and China’s top 3 fibreglass manufacturers...*, with capacity of greater than 800,000 mt/year of fibreglass products and total group capacity (with subsidiaries) of approximately 1.4 million mt/year;⁵⁹
- (c) China Jushi Co., Ltd.: described in CNBM’s filings as a *...core enterprise in the fibreglass business division of CNBM*;⁶⁰
- (d) Beijing New Building Material Public Limited Company: described by CNBM as its *...new materials platform...*, which manufactures glass wool, mineral wool board, thermal insulation systems and other PUC-relevant products.⁶¹

The Applicants contend that the centralised, SASAC-controlled CNBM Group is the dominant force in the Chinese glass wool batts / fibreglass / mineral wool industries. Its central and

⁵⁵ EC 2024 Distortions Report, Chapters 3 and 5.

⁵⁶ Non-Confidential Attachment B-3.8.

⁵⁷ See, SEC filing of CNBM circular regarding Sinoma merger (https://www.sec.gov/Archives/edgar/data/1716532/000114420417053515/tv477392_ex99-3.htm).

⁵⁸ Ibid.

⁵⁹ See Taishan Fiberglass Inc., *Welcome to Taishan Fiberglass* (<https://www.ctgf.com/English/>).

⁶⁰ Non-Confidential Attachment B-3.11: China Jushi Company Profile.

⁶¹ Non-Confidential Attachment B-3.10: BNBm corporate introduction page.

vertically integrated position permits coordination of capacity additions, input procurement, and pricing decisions across the value chain in a manner that a private, market-based organisation and corporate group could replicate. This concentration is itself a feature of the PMS in the Chinese market.

The EC 2024 Distortions Report at Chapter 5 (*State Owned Enterprises*) and the relevant sectoral chapters confirms that SOEs continue to dominate strategic and “pillar” industries in China, including the building materials and chemicals sectors that underpin glass wool batts production, and that this dominance creates systemic distortions in input prices, capital allocation, and the prevailing conditions of competition.⁶² The OECD’s body of work on Chinese SOEs and industrial subsidies similarly documents that direct government grants alone to Chinese listed industrial firms exceeded 0.5 percent of revenues, with below-market borrowings exceeding 2.5 percent of revenues, vastly in excess of the corresponding ratios in OECD economies.⁶³

III.C Industrial policy framework: building materials, new building materials, & energy efficiency

The GOC has issued a substantial body of industrial policy and planning documents that designate the building materials industry, including the “new building materials” sector to which glass wool batts belong, as a strategic and prioritised industry. The Applicants rely in particular on the following documents:

- (a) *Outline of the 14th Five-Year Plan for National Economic and Social Development and Vision 2035* (the **14th FYP**), which expressly identifies “petrochemicals, iron and steel, nonferrous metals, **building materials**, and other raw material industries” as priority industries for “transformation and upgrade”, “structural adjustment”, and the development of “leading enterprises” and “single-product specialist” champions.⁶⁴
- (b) *14th Five-Year Plan for the Development of the Raw Materials Industry* (MIIT, NDRC and Ministry of Science and Technology, jointly published 2021) — designates building materials (including glass wool / fibreglass / mineral wool insulation) for strategic development.⁶⁵
- (c) *14th Five-Year Plan for Industrial Green Development* (MIIT, December 2021), which sets binding targets for energy-saving and emission reduction in “key products including cement, glass, and ceramics” and prioritises the green transformation of the building materials industry.⁶⁶
- (d) *14th Five-Year Plan for Energy Conservation and Emission Reduction* (State Council, 2022), and the *Action Plan for Carbon Dioxide Peaking before 2030* (State Council, October 2021), both of which specifically prioritise the deployment of energy-saving building materials, including thermal insulation products, in new construction and retrofit.

⁶² EC 2024 Distortions Report, Chapter 5 (State-Owned Enterprises) and Chapter 14 (Chemicals) for input markets.

⁶³ Non-Confidential Attachment B-3.13: OECD, Measuring Distortions in International Markets: Government Support in Industrial Sectors (2023 update), p. 18.

⁶⁴ Refer https://wb.fujian.gov.cn/English/usefulinformation/NewInitiatives/202108/t20210809_5666236.htm

⁶⁵ MIIT, NDRC and Ministry of Science and Technology, 14th Five-Year Plan for the Development of the Raw Materials Industry (2021).

⁶⁶ MIIT, 14th Five-Year Plan for Industrial Green Development (Dec 2021); State Council, “China to further promote green growth in building materials” (8 Nov 2022):

https://english.www.gov.cn/statecouncil/ministries/202211/08/content_WS636a204ac6d0a757729e2b2f.html.

- (e) *Implementation Plan for Promoting the High-Quality Development of the Building Materials Industry* (MIIT, NDRC, 2022), which expressly directs financial, regulatory and industrial-policy support to the building materials sector, including ...new energy-saving materials...
- (f) *Several Opinions on Accelerating the Green Development of New Building Materials* (MIIT, MOHURD, NDRC, 2020): sets capacity targets, designates “champion enterprises” in the new building materials sector, and directs preferential credit, land and tax treatment to designated firms. Notably, BNBM has described itself as ...China’s largest new green building materials industrial group... and has received the “China Grand Awards for Industry” (a State Council-approved industrial honour).⁶⁷
- (g) GB 55015-2021: the “General Code for Building Energy Efficiency and Renewable Energy Utilisation” (issued by MOHURD, mandatory from 1 April 2022). This mandates thermal performance standards for building envelopes that effectively require the installation of thermal insulation such as glass wool batts in residential and public buildings throughout China.⁶⁸
- (h) *Made in China 2025*: lists green building materials among its ten priority sectors and directs the development of national champions, R&D subsidies, and preferential procurement.⁶⁹
- (i) The *13th Five-Year Plan for the Building Materials Industry* (its predecessor 2016–2020 plan) established the strategic precedent and continued direction of state guidance over the sector.

The combination of (i) a mandatory national building code that creates effectively assured demand for insulation products, (ii) state-directed industrial policy that subsidises and prioritises supply, and (iii) SOE dominance of the principal upstream and integrated producers, gives rise to the type of PMS addressed by Article 2.2 of the Anti-Dumping Agreement and s.269TAC(2)(a)(ii) of the Act.

III.D Access to capital, subsidies, & grants received by Chinese glass wool / fibreglass producers

China requires listed companies to disclose direct government subsidies received in their annual reports. Those disclosures, in respect of the principal Chinese glass wool / fibreglass producers, demonstrate the size and routine nature of direct state financial support to the sector:

- (a) China Jushi Co., Ltd.: in its 2023 Annual Report, China Jushi disclosed receipt of government subsidies of approximately USD\$37 million (RMB equivalent in excess of CNY 260 million).⁷⁰ The receipt of grants of comparable magnitude was disclosed in prior years.

⁶⁷ BNBM Introduction page: <https://www.bnbm.com/category/introduction.html> (won China’s highest industrial award – China Grand Awards for Industry, 2016).

⁶⁸ GB 55015-2021, General Code for Building Energy Efficiency and Renewable Energy Utilisation, MOHURD (effective 1 April 2022): <https://www.chinesestandard.net/PDF/English.aspx/GB55015-2021>.

⁶⁹ State Council, *Made in China 2025* (May 2015), priority sectors including “green building materials”.

⁷⁰ China Jushi Co., Ltd., 2023 Annual Report (Shanghai Stock Exchange, listing 600176), as summarised in Global Trade Alert intervention listing No. 135146 (USD ~37m of government subsidies disclosed), <https://globaltradealert.org/intervention/135146>

- (b) Sinoma Science & Technology Co., Ltd.: the parent of Taishan Fiberglass; its annual report discloses receipt of government grants categorised by purpose: “interest subsidies”, “R&D special funds”, “technological transformation subsidies”, “green manufacturing special funds”, “energy conservation and emission reduction funds”, and “capacity restructuring and upgrading subsidies”.⁷¹
- (c) CNBM Co., Ltd.: disclosures in its consolidated financial statements include “other income” comprising government grants and subsidies received across cement, gypsum board, fibreglass, and new building materials operating segments.⁷²
- (d) Beijing New Building Material Public Limited Company: disclosures in its annual report and quarterly reports lodged with the Shenzhen Stock Exchange include line-item disclosures of government subsidies, R&D grants, and tax preferences.⁷³

The categories of subsidy disclosed by listed Chinese glass wool / fibreglass producers correspond directly to subsidy programmes documented by the Commission in its prior investigations into Chinese products.⁷⁴

The Applicants respectfully rely on the body of academic and OECD research that demonstrates that direct grants disclosed on Chinese listed-company balance sheets capture only a fraction of total state financial support to such enterprises, as substantial additional support is delivered through indirect mechanisms (below-market borrowings, captive supplier relationships, tax expenditures, regulatory preferences) that are not subject to disclosure.⁷⁵

III.E Development zones, industrial parks, & preferential treatment

The Ministry of Commerce of the PRC (**MOFCOM**) administers a complex hierarchy of state-recognised industrial development zones, including National Economic and Technological Development Zones (**NETDZs**), High and New Technology Industrial Development Zones (**HIDZs**), Special Economic Zones, and Free Trade Zones. Enterprises located in such zones receive preferential treatment, including:

- (a) reduced corporate income tax rates;
- (b) reduced land use rights or zero-cost land allocation;

⁷¹ Sinoma Science & Technology Co., Ltd., 2023 Annual Report (Shenzhen Stock Exchange, listing 002080), Note V Government Grants. SZSE disclosure portal: <http://www.szse.cn/disclosure/listed/notice/index.html>? Corporate site: <http://www.sinomatech.com/>.

⁷² CNBM Co., Ltd. (HKEX:3323), 2023 Annual Report, consolidated financial statements (government grants in “other income”). HKEX news portal: <https://www.hkexnews.hk/>.

⁷³ BNBm, 2023 Annual Report (Shenzhen Stock Exchange, listing 000786). SZSE disclosure portal: <http://www.szse.cn/disclosure/listed/notice/index.html>? Corporate site: <https://www.bnbm.com/>.

⁷⁴ By way of example these include: (i) preferential income tax treatment for “high and new technology enterprises”; (ii) preferential income tax treatment in development zones; (iii) “Two Free, Three Half” tax holidays; (iv) interest subsidies under technological renovation programs; (v) “Famous Brands” subsidies; (vi) export-credit subsidies and export insurance; (vii) “Energy Conservation and Emission Reduction” special funds; and (viii) “Green Manufacturing System” rewards.

⁷⁵ Branstetter, Li and Ren, “Picking Winners? Government Subsidies and Firm Productivity in China”, *Journal of Comparative Economics* 51(4): 1186–1199 (2023); OECD, *Measuring Distortions in International Markets: Below-Market Finance*, OECD Trade Policy Papers No. 247 (2021): <https://doi.org/10.1787/a1a5aa8a-en>; OECD, *Measuring Distortions in International Markets: Below-Market Energy Inputs*, TAD/TC(2022)3/FINAL: https://www.oecd.org/content/dam/oecd/en/publications/reports/2023/02/measuring-distortions-in-international-markets-below-market-energy-inputs_1243c42e/b26140ff-en.pdf; Chimits, CEPII Policy Brief No. 42 (July 2023): http://www.cepii.fr/PDF_PUB/pb/2023/pb2023-42.pdf.

- (c) preferential treatment in respect of utilities (including electricity, water and natural gas tariffs);
- (d) infrastructure subsidies;
- (e) preferential customs treatment for imports of capital equipment and inputs;
- (f) targeted talent and R&D subsidies;
- (g) export rebates and export promotion support; and
- (h) preferential financing through local government financing vehicles and “industrial guidance funds”.⁷⁶

Major Chinese glass wool / fibreglass producers are concentrated in such development zones:

- Taishan Fiberglass is located in the Tai'an Economic Development Zone (Shandong);⁷⁷
- China Jushi operates major facilities in Tongxiang Economic Development Zone and Chengdu Economic and Technological Development Zone;
- BNBM operates facilities in multiple national-level development zones; and
- numerous regional producers operate in provincial economic development zones in Hebei, Jiangsu, Anhui and Shandong.

The pricing of industrial land use rights in China is non-market in nature. All urban land in China is owned by the State and rural land by collectives.⁷⁸ Local governments hold a monopoly over the primary market for industrial land allocation. Research demonstrates that local governments systematically allocate industrial land at below-market prices in order to attract investment, recovering the gap through future tax revenue streams.⁷⁹ This subsidisation is a feature of the Chinese industrial economy that affects manufacturing cost structures and is an indicator of a PMS.

III.F Credit risk distortions & preferential financing

China's financial system remains dominated by state-owned banks (“Big Five” commercial banks and policy banks including China Development Bank and Export-Import Bank), which collectively hold the majority share of all corporate lending.⁸⁰ These banks operate under direct or indirect Party guidance and, as documented by the EC 2024 Distortions Report at

⁷⁶ MOFCOM, National Economic and Technological Development Zones policy framework: <http://www.mofcom.gov.cn/article/swfg/swfgbh/202304/20230403406569.shtml>. U.S. State Department, 2024 Investment Climate Statement: China: <https://www.state.gov/reports/2024-investment-climate-statements/china>.

⁷⁷ Taishan Fiberglass Inc., corporate profile (location at Tai'an Economic Development Zone, Shandong): <https://www.ctgf.com/English/channels/145.html>.

⁷⁸ Constitution of the People's Republic of China (as amended 2018), Article 10 (state and collective ownership of land). Official text: http://www.npc.gov.cn/zgrdw/englishnpc/Constitution/node_2825.htm

⁷⁹ Z. He, S. Nelson et al., Zoning for Profits: How Public Finance Shapes Land Supply in China, NBER Working Paper No. 30504 (October 2022): https://www.nber.org/system/files/working_papers/w30504/w30504.pdf

⁸⁰ EC 2024 Distortions Report, Chapter 11 (Capital).

Chapter 11 (“Capital”), routinely allocate credit on the basis of state industrial policy rather than purely commercial considerations.⁸¹

The annual reports of CNBM Co., Ltd., BNBK, China Jushi and Sinoma Science & Technology disclose substantial credit lines, debt facilities, and bond issuances from state-owned banks, as well as the granting of state-bank loans on favourable terms in support of capacity expansions, R&D projects, and “green transformation” programs. Where these terms reflect a state policy preference for the building materials and fibreglass sectors, rather than commercial pricing of credit risk, they constitute a benefit that is reflected (and partially obscured) in the recorded financial costs of the Chinese producers.

III.G Major distortions in critical cost areas; glass wool batt-specific inputs

The following are among the major input cost categories in the production of glass wool batts. The Applicants submit that the GOC influences the cost of each in ways that distort domestic price formation and render Chinese cost records an unreliable benchmark of competitive market cost.

III.G.1 Silica sand / quartz sand

Silica sand is the primary mineral input for glass wool batts production. China is, on aggregate, both a substantial producer and a substantial consumer of silica sand (95 million tonnes consumed in 2024).⁸² The Applicants submit that the price of silica sand in China is distorted by:

- (a) environmental restrictions and provincial mining quotas, which have created significant supply restrictions in certain provinces and arbitrary differences between provincial sub-markets;
- (b) long-standing export bans on natural silica sand and quartz sand maintained by MOFCOM since 2007 (with periodic adjustments), which have insulated domestic prices from international price discovery and created a price wedge between domestic and international markets;⁸³
- (c) captive supply arrangements between major glass wool / fibreglass producers and CNBM-affiliated or local-government-affiliated quartz mining operations, which result in transfer pricing that does not reflect arm’s-length market prices; and
- (d) VAT and resource tax treatments that diverge between domestic and export use of silica sand.

III.G.2 Soda ash / sodium carbonate

Soda ash is a substantial input into the glass wool batt fibreisation process. China is the world’s largest producer and exporter of soda ash, with 2024 production of approximately 38.19 million tonnes and capacity reaching 43.45 million tonnes — an increase of approximately 3.45 million tonnes year-on-year, alongside a further 2.2–3 million tonnes of

⁸¹ Ibid.

⁸² IndexBox, China Silica Sands Market Report 2026 (95 Mt consumption / 89 Mt production in 2024): <https://www.indexbox.io/store/china-silica-sands-quartz-sands-or-industrial-sands-market-analysis-forecast-size-trends-and-insights/>

⁸³ MOFCOM Notice on Resumption of Export Ban on Silica Sand and Quartz Sand (effective 1 March 2007); subsequent bans on natural sand exports to Taiwan (Aug 2022): <https://www.glassonline.com/china-and-indonesia-to-implement-silica-sand-export-bans/>

capacity scheduled for 2025.⁸⁴ In the first half of 2025 alone, Chinese soda ash exports surged 126.54 percent, while imports declined to negligible levels.⁸⁵

The Chinese soda ash market is characterised by:

- significant and growing overcapacity, with first-half 2025 capacity utilisation having declined to 85.01 percent and falling further;⁸⁶
- State coordination of capacity additions through development-zone allocations and provincial industrial planning (e.g., the Inner Mongolia Berun natural soda ash project of 5 million tonnes capacity and the State-administered allocation of the Naiman Qi trona reserve in Tongliao);
- VAT export rebate and tax adjustments influencing the relative attractiveness of domestic versus export channels; and
- recent anti-dumping investigations by India (with anti-dumping duties recommended in 2025 on soda ash imports from the U.S., Russia, Iran and Turkey, in part reflecting global concerns about supply distortion).⁸⁷

Chinese soda ash production is concentrated in companies including Tangshan Sanyou Chemical Industries (in which Tangshan SASAC has historical equity interests), Shandong Haihua, and the new natural-alkali producers in Inner Mongolia. State influence in this market is comprehensively documented in the EC 2024 Distortions Report.⁸⁸

III.G.3 Borax / boron compounds

Borax and other boron compounds are essential to the fibreisation of glass wool, providing fluxing properties and influencing the durability and chemical properties of the finished fibre. China is a significant producer and consumer of boron compounds, and Chinese boron market pricing is influenced by State-directed mining quotas and licensing, by environmental enforcement against artisanal mining operations, and by the proximity of major boron deposits to State-owned mining conglomerates. The Applicants submit these features result in domestic boron prices that do not reflect competitive arm's-length pricing.

III.G.4 Energy – electricity, natural gas, coal

Glass wool batts production is energy-intensive, requiring substantial electricity, natural gas, and (in some plants) coal-derived heat for furnace operations and curing ovens.

Regarding electricity, the GOC has, since 2004, operated a “Differential Electricity Pricing” (DEP) regime under which energy-intensive industries are classified into “encouraged”, “permitted”, “restricted” and “eliminated” categories, with corresponding electricity

⁸⁴ S&P Chemical Market Analytics, Soda Ash: When Will Demand Catch Up to New Capacity? (2025): <https://chemicalmarketanalytics.com/insights/soda-ash-when-will-demand-catch-up-to-new-capacity/>; China Report Hall, 2025–2030 China Soda Ash Industry Project Research and Market Prospect Forecast Assessment Report.

⁸⁵ Hongzhengchemicals industry report (1H 2025 exports +126.54%; capacity utilisation 85.01%): <https://www.hongzhengchemicals.com/news/779029162904911908.html>.

⁸⁶ Ibid.

⁸⁷ DGTR (India) recommendation of anti-dumping duty (USD 17–113/tonne) on soda ash from US, Russia, Iran, Turkey (May 2025): <https://informistmedia.com/MoneyWire/36792>.

⁸⁸ EC 2024 Distortions Report, Chapter 16 (Chemical Industrial Sector).

surcharges. The regime was strengthened in 2007 and 2010.⁸⁹ The classification of any specific glass wool producer depends on factors including its production technology, location and product mix. Relevantly:

- electricity pricing for industrial consumers in China is not market-based;
- it is administratively determined by reference to NDRC and provincial price authorities;
- “encouraged” industries (which on policy reading include green building materials) qualify for preferential rates and exclusion from surcharges; and
- industrial consumers located in development zones routinely receive further discounts through “captive power” or grid arrangements with local governments.

Regarding natural gas, the Applicants submit that China operates a “dual-track” pricing system, with regulated price ceilings for residential and certain industrial uses, and market-tracking pricing for other uses. Significant cross-subsidisation between user categories distorts the industrial input price.

Regarding coal, the Chinese coal market is subject to extensive government coordination of supply and price, including through the National Energy Administration’s directives on coal “long-term contracts”, price-band mechanisms (the “two zones” regime), and state-owned producer dominance.

The Applicants also note that the United Kingdom’s Trade Remedies Authority, in Case AD0012 (aluminium extrusions from China), made a finding that distorted energy pricing in China was a material consideration supporting trade remedy action.⁹⁰

The Anti-Dumping Commission (**the Commission**) has likewise, in successive aluminium extrusions investigations (REP 248, REP 482, REP 657, REP 672), found state-induced subsidy distortions in the Chinese electricity, primary aluminium, and broader industrial energy markets sufficient to support PMS findings.⁹¹

III.G.5 Binders and chemicals: phenol-formaldehyde resins, urea-formaldehyde resins, bio-based binders

The standard binder used to consolidate glass wool batts is a phenol-formaldehyde resin, often urea-extended. The cost of this binder is driven by upstream chemical prices (phenol, formaldehyde, urea, methanol). China is the world’s largest producer of methanol, formaldehyde, urea, and related petrochemicals, and each of these markets is subject to substantial state ownership, state directive, and overcapacity-driven distortion as documented by the EC 2024 Distortions Report at Chapter 14.⁹² In particular:

⁸⁹ NDRC [2004] No. 2198 (Nov 2004); NDRC [2006] No. 1290 (Jun 2006); NDRC/MIIT [2010] No. 1417 (Jun 2010); NDRC Price [2021] No. 1093; NDRC Price [2025] No. 136. NDRC official portal: <https://www.ndrc.gov.cn/>. See also OECD, Measuring Distortions in International Markets: Below-Market Energy Inputs (2022): https://www.oecd.org/content/dam/oecd/en/publications/reports/2023/02/measuring-distortions-in-international-markets-below-market-energy-inputs_1243c42e/b26140ff-en.pdf.

⁹⁰ UK Trade Remedies Authority, Case AD0012 (Aluminium Extrusions from China), Final Determination (December 2022) and Reconsideration Report (February 2024): <https://www.trade-remedies.service.gov.uk/public/case/AD0012/>.

⁹¹ ADC REP 482 (Sept 2019): https://www.industry.gov.au/sites/default/files/adc/public-record/482-063_report_-_rep_482.pdf. ADC REP 672 (Aug 2025): https://www.industry.gov.au/sites/default/files/adc/public-record/2025-08/672_-_3_-_report_-_adc_-_final_report_672.pdf. See also REP 248 and REP 657 (Aluminium Extrusions from China) on the public record.

⁹² EC 2024 Distortions Report, Chapter 16.

- methanol: state-directed coal-to-methanol projects in Inner Mongolia and Shanxi have created persistent overcapacity;
- phenol: produced by SOE-affiliated petrochemical groups (Sinopec, CNPC, CNOOC subsidiaries) with substantial cross-subsidisation; and
- urea/ammonia: subject to state-administered VAT export rebate adjustments and seasonal export restrictions that influence domestic prices.

III.G.6 Environmental compliance costs and waste disposal

The Applicants submit that differential environmental enforcement between China and Australia is a relevant input cost distortion. Glass wool batts production generates significant volumes of furnace dust, off-spec fibre, dust collector residues, packaging waste and wastewater. Chinese environmental enforcement is uneven across provinces and over time, and Chinese waste disposal costs are systematically below international benchmarks.⁹³ Where Chinese producers do not bear the same environmental compliance and waste disposal costs that an Australian producer must bear (under EPA licences, etc), the resulting cost differential is not a reflection of underlying competitive equivalency.

III.G.7 Land

As noted above, all land in China is owned by the State or by collective entities, and industrial land use rights are allocated by local governments at administratively determined prices, often at substantial discounts to international land values. This subsidisation is reflected in lower depreciation and amortisation costs in Chinese producer financial statements.

IV. Due to the PMS, domestic sales in China do not permit a proper comparison

Even after a PMS is established under the first limb of Article 2.2 and *Australia – A4 Copy Paper*, the second limb requires that the investigating authority be satisfied that because of that PMS, domestic sales do not permit a proper comparison with export prices. The *Australia – A4 Copy Paper* Panel emphasised that the question is qualitative and is to be assessed by reference to the relationship between price and cost, the prevailing conditions of competition, and the differences between the markets in question.⁹⁴ The Applicants respectfully submit that the second limb is satisfied here, for the following reasons.

IV.A Different pricing practices between domestic and export markets

To the extent direct evidence of differential price-setting by Chinese glass wool batts producers is available, it is principally located within those producers' confidential commercial records. The Applicants request the Commission obtain that information through PMS-specific questionnaires.

Notwithstanding the limits of publicly available information, the Applicants submit that there are clear structural reasons to consider that Chinese glass wool batts producers set domestic and export prices differently.

Domestic prices are constrained by the high concentration of (largely CNBM-affiliated) producers, by State coordination of capacity and pricing through industrial policy, and by the recipient-effect of subsidies that flow disproportionately to firms participating in domestic

⁹³ For example, refer: <https://onlinelibrary.wiley.com/doi/abs/10.1111/j.1467-9930.2009.00309.x>

⁹⁴ *Australia – A4 Copy Paper*, WT/DS529/R, paras 7.73, 7.75, 7.80–7.81, 7.91.

market structures favoured by the CCP and SASAC. The result is a band of low domestic prices in which all major producers cluster.

In contrast, export prices are formed by reference to the international market price in destination countries, and by the strategic objective of maintaining export market share against non-Chinese producers. Where Chinese producers face the prospect of stranded capacity in the domestic market, export prices may be set well below domestic prices and well below the level that an arms-length and market based cost-based comparison would yield.

The pricing behaviour of Chinese glass wool batts producers in third country markets has resulted in trade remedy action globally (see below), which is prima facie evidence that export pricing diverges from a competitive cost-based norm.

IV.B Prevailing conditions of competition; China v's Australia

The Chinese glass wool batts market is characterised by:

- significant and growing overcapacity (the Chinese glass fibre industry overcapacities are publicly assessed by industry associations as exceeding 100 percent of EU market demand, with further capacity additions announced by Jushi/Taishan and CPIC expected to take overcapacity above 200 percent of EU demand);⁹⁵
- state-driven capacity expansion, including capacity additions announced for 2024 - 2026 at multiple CNBM Group facilities (including the 600,000 mt/year Shanxi project for Taishan Fiberglass);⁹⁶
- a narrow and artificially low domestic price range, reflecting the structural subsidisation described above; and
- the systemic PMS distortions described above.

The Australian glass wool batts market, by contrast, is characterised by:

- a small number of domestic producers (the Australian market is supplied by the Applicants);
- products manufactured to the AS/NZS 4859.1 standard for thermal insulation, with mandatory R-value labelling under the NCC;
- a competitive market structure in which prices are formed by reference to commercial costs, including the costs of feedstock, energy, labour, environmental compliance, and capital; and
- imports increasingly capturing market share, with Chinese imports operating as the price leader at the low end of the market.

Trade remedy action in third countries strongly supports the conclusion that Chinese export pricing of glass-fibre products is systematically below competitive norms, and that trade diversion to Australia is a present and foreseeable risk:

⁹⁵ Glass Fibre Europe, "Trade Defence – China – Glass Fibre": <https://glassfibreeurope.eu/policy-areas/trade/trade-defence-china/>.

⁹⁶ Sinpro-Fiberglass news, Taishan glass fiber 600,000 t/yr Shanxi project: <https://www.sinpro-fiberglass.com/news/taishan-glass-fiber-intelligent-production-line-project-with-an-annual-output-of-600000-tons-of-glass-fiber-landed-in-shanxi-comprehensive-reform-demonstration-zone/>.

- the EU has maintained definitive anti-dumping duties on continuous filament glass fibre products from China since 2011, most recently extended for a further five years;⁹⁷
- the EU has imposed countervailing duties on continuous filament glass fibre products from China⁹⁸ and on certain producers in Egypt;
- the EU has imposed anti-dumping and countervailing duties on glass fibre fabrics from China and Egypt (Commission Implementing Regulations of April and June 2020), extended to imports consigned from Morocco in 2022 by reason of circumvention;⁹⁹
- the EU has imposed definitive anti-dumping duties on glass fibre yarns from China (Commission Implementing Regulation of 18 March 2025), with duties ranging from 26.3 percent to 56.1 percent;¹⁰⁰
- the EU has maintained anti-dumping duties on open mesh fabrics of glass fibres from China, as used in external thermal insulation and other building applications; and¹⁰¹
- the United Kingdom (Case AD0012, aluminium extrusions from China) has likewise found significant cost and pricing distortions in the Chinese building materials supply chain.¹⁰²

The Applicants submit that the existing EU and U.S. trade defence framework against Chinese glass fibre and related building materials products creates a strong incentive for Chinese producers to redirect surplus capacity to unprotected markets. Australia, with its growing demand for insulation products under the NCC energy-efficiency provisions, is a logical target.

IV.C Relationship between price; the distortive effects

The *Australia – A4 Copy Paper* Panel confirms that one of the proper qualitative considerations under the second limb of Article 2.2 is the relationship between price and cost.¹⁰³ Applied here, the Applicants submit:

⁹⁷ Commission Implementing Regulation (EU) 2023/1452 of 13 July 2023 (definitive AD duty following expiry review): https://eur-lex.europa.eu/eli/reg_impl/2023/1452/oj/eng. Predecessor Reg (EU) 248/2011 (March 2011); Reg (EU) 2017/724 (April 2017 sunset review). See also Reg (EU) 2025/2337 (24 Nov 2025 partial interim review): https://eur-lex.europa.eu/eli/reg_impl/2025/2337/oj.

⁹⁸ Commission Implementing Regulation (EU) 2021/328 of 24 February 2021 imposing a definitive countervailing duty on imports of continuous filament glass fibre products originating in the People's Republic of China following an expiry review pursuant to Article 18 of the Regulation (EU) 2016/1037 of the European Parliament and of the Council: https://eur-lex.europa.eu/eli/reg_impl/2021/328/oj/eng

⁹⁹ Commission Implementing Regulation (EU) 2020/492 of 1 April 2020 (definitive AD duties on woven/stitched glass fibre fabrics from China and Egypt): https://eur-lex.europa.eu/eli/reg_impl/2020/492/oj. Morocco circumvention extension by Commission Implementing Regulation (EU) 2022/302: https://policy.trade.ec.europa.eu/news/eu-acts-stop-chinese-glass-fibre-fabrics-circumventing-eu-tariffs-morocco-2022-02-25_en.

¹⁰⁰ Commission Implementing Regulation (EU) 2025/501 of 18 March 2025 (definitive AD duties of 26.3%–56.1% on glass fibre yarns from China): https://eur-lex.europa.eu/eli/reg_impl/2025/501/oj. Provisional Regulation (EU) 2024/2673 of 11 October 2024: https://eur-lex.europa.eu/eli/reg_impl/2024/2673/oj/eng. EC press release (19 March 2025): https://policy.trade.ec.europa.eu/news/eu-imposes-duties-dumped-glass-fibre-yarns-china-2025-03-19_en.

¹⁰¹ Commission Implementing Regulation (EU) 2024/357 of 23 January 2024 imposing a definitive anti-dumping duty on imports of certain open mesh fabrics of glass fibres originating in the People's Republic of China as extended to imports consigned from India, Indonesia, Malaysia, Taiwan and Thailand following an expiry review pursuant to Article 11(2) of Regulation (EU) 2016/1036 of the European Parliament and the Council: https://eur-lex.europa.eu/eli/reg_impl/2024/357/oj/eng.

¹⁰² UK Trade Remedies Authority, Case AD0012 Final Determination, as above.

¹⁰³ *Australia – A4 Copy Paper*, WT/DS529/R, paras 7.80–7.81, 7.91.

- the input cost categories addressed above (silica sand, soda ash, energy, binders/chemicals, environmental compliance and waste, and land) collectively constitute the major part of the CTMS of glass wool batts production;
- each of those input cost categories is, on the evidence summarised above, materially distorted by GOC influence; and
- Chinese domestic prices for glass wool batts therefore reflect a cost base that is not representative of competitive market costs.

The cumulative effect is that any comparison between Chinese domestic prices and Australian export prices would not be a proper comparison within the meaning of Article 2.2 and s.269TAC(2)(a)(ii). The proper course is for the Commission to disregard Chinese domestic sales and to construct normal values by reference to non-distorted benchmark costs.

V. Conclusion

For the reasons set out above, the Applicants respectfully contend that a PMS exists in the Chinese glass wool batts market and that domestic sales in China do not permit a proper comparison with export prices. The Applicants therefore request the Commission find a positive PMS under s.269TAC(2)(a)(ii) of the Act and construct normal values for Chinese exporters under s.269TAC(2)(c) of the Act using undistorted benchmarks.

Malaysia

The Applicants have assessed Malaysian normal values for glass wool batts by reference to observed domestic selling prices of equivalent product in the Malaysian market. In the absence of published ex-factory price lists from the Malaysian producer (PGF Capital Berhad), the Applicants have referenced a verified domestic price point for comparable glass wool products and converted to a per-kilogram basis using product dimensions and nominal density, yielding a domestic price of approximately RM[XX]/kg at the retail level of trade.

To arrive at an ex-works normal value, the Applicants have adjusted this price to remove costs and charges not present at the ex-works point. Specifically, the Applicants have deducted an amount for the distributor and retailer margin embedded in the observed price, and have deducted the 10 percent Malaysian Sales and Service Tax (**SST**). As SST is a tax levied at the manufacturer's point of sale, the margin has been removed before the tax. Applying a distributor-and-retailer margin of [XX] percent, this methodology equates to an estimated ex-works domestic price of approximately RM[XX]/kg.

The Applicants have converted the Malaysian normal value to Australian dollars using the Australian Taxation Office's official monthly foreign exchange rates, averaged over the proposed FY2026 investigation period. On this basis (an average of MYR 2.7636 per A\$1), the Malaysian ex-works normal value equates to approximately A\$[XX]/kg.

2. Specify the terms and conditions of the sale, where known.

Where known, these have been documented at Confidential Attachment B-4.1.

3. Provide supporting documentary evidence.

Where available, supporting documentary evidence has been provided at Confidential Attachment B-4.1.

4. List the names and contact details of other known sellers of like goods in the domestic market of the exporting country.

Not applicable.

B-4 Estimate of normal value using another method

This section is not mandatory. It need only be completed where there is no reliable information available about selling prices in the exporter's domestic market. Other methods of calculating a normal value include:

- the cost to make the exported goods plus the selling and administration costs (as if they were sold in the exporter's domestic market) plus an amount for profit (if applicable);
OR
- the selling price of like goods from the country of export to a third country.

1. Indicate the normal value of the like goods in the country of export using another method (if applicable, use appendix B2 Constructed Normal Value).

China

As outlined in Section B-3 above, due to a PMS in the Chinese domestic market, the Applicants do not consider that domestic selling prices are suitable for establishing normal values under subsection 269TAC(1) of the Act. In the absence of suitable domestic sales, the Applicants have sought to construct normal values.

Given the submitted evidence referenced in section B-3 demonstrating that key raw materials are impacted and distorted by Chinese Government interventions, the Applicants have constructed normal values on the basis of costs that reasonably reflect competitive market costs. The Applicants have relied on their own cost to make data for this purpose.

For conversion costs, and selling, general and administration (SG&A) expenses, the Applicants do not have access to Chinese costs. In the absence of this information, the Applicants have utilised its own conversion and SG&A costs, with adjustment made where relevant economic benchmarks are available.¹⁰⁴ A level of profit of 5.24 percent has been applied, sourced from the financial statements of CNBM Co. Ltd.

2. Provide supporting documentary evidence.

Supporting documentation has been provided at Confidential Attachment B-4.1.

¹⁰⁴ A downwards adjustment has been made for Chinese labour costs.

B-5 Adjustments

A fair comparison must be made between the export price and the normal value. Adjustments should be made for differences in the terms and circumstances of the sales such as the level of trade, physical characteristics, taxes or other factors that affect price comparability.

1. Provide details of any known differences between the export price and the normal value. Include supporting information, including the basis of estimates.

Normal values nominated in this application have been determined at the ex-factory level. Export prices for the goods exported to Australia from the subject countries have been determined at the FOB point, country of export.

Adjustments will be required for, inter-alia and specific to each exporter, domestic and export credit terms, and domestic and export packing, etc. The Applicants do not have details of such costs for subject exporters.

2. State the amount of adjustment required for each and apply the adjustments to the domestic prices to calculate normal values. Include supporting information, including the basis of estimates.

The above-noted adjustments have not been included.

B-6 Dumping margin

1. Subtract the export price from the normal value for each model control code of the goods (after adjusting for any differences affecting price comparability).

The Applicants have calculated prima facie dumping margins for the subject goods exported from the subject countries for the 12 months ending June 2026 as follows:

China

Quarter	Dumping Margin – A\$/kg	Dumping Margin – % of export price
Jul. – Sept. 2025	\$(XX)	46.41%
Oct. – Dec. 2025	\$(XX)	47.47%
Jan. – Mar. 2026	\$(XX)	80.03%
Apr. – Jun. 2026	\$(XX)	79.06%

Non-Confidential Table B-6.1.1: Chinese dumping margins

Malaysia

Quarter	Dumping Margin – A\$/kg	Dumping Margin – % of export price
Jul. – Sept. 2025	\$(XX)	24.31%
Oct. – Dec. 2025	\$(XX)	21.62%
Jan. – Mar. 2026	\$(XX)	14.93%
Apr. – Jun. 2026	\$(XX)	14.92%

Non-Confidential Table B-6.1.2: Malaysian dumping margins

2. Show dumping margins as a percentage of the export price.

As shown above.

PART C

SUPPLEMENTARY SECTION

IMPORTANT

Replies to questions in Part C are not mandatory in all instances but may be mandatory for certain applications.

C-1 Subsidy

This section must be completed where countervailing duties are sought to offset foreign government assistance through subsidies to exporters or producers.

If the application is for countervailing duty alone, the domestic price information required by Part B of the application need not be supplied.

Responses to questions A-9 will need to identify the link between subsidisation and injury.

1. Identify the subsidy paid in the country of export or origin. Provide supporting evidence including details of:
 - (i) the nature and title of the subsidy;
 - (ii) the government agency responsible for administering the subsidy;
 - (iii) the recipients of the subsidy; and
 - (iv) the amount of the subsidy.

Countervailable Subsidies: China

I. Introduction

The Applicants submit that producers and exporters of glass wool batts in China have received, and continue to receive, countervailable subsidies from the GOC within the meaning of the *Customs Act 1901* (Cth) (**the Act**)¹⁰⁵ and the *WTO Agreement on Subsidies and Countervailing Measures* (the SCM Agreement).¹⁰⁶

The Applicants submit that the Chinese glass wool industry is the beneficiary of central and provincial government support, such as grants, tax preferences, preferential lending, equity infusions, the provision of raw materials at less than adequate remuneration (**LTAR**), and a range of export-contingent programs, that confer countervailable benefits on the goods exported to Australia.

The Commission has consistently identified countervailable subsidies in the Chinese economy across a wide range of industries since 2010, including aluminium extrusions, hollow structural sections, hot-rolled coil, plate steel, metallic coated steel, upstream steel derivative items, and other manufactured goods.

Equally, the United States Department of Commerce (**USDOC**) and the European Commission have, in recent investigations into analogous products such as float glass, glass fibre, glass fibre fabrics and yarns, and fiberglass door panels, found numerous

¹⁰⁵ Customs Act 1901 (Cth), section 269T (definition of “subsidy”); section 269TAAC (countervailable subsidy).

¹⁰⁶ WTO Agreement on Subsidies and Countervailing Measures, Articles 1.1 (definition of subsidy: financial contribution by government conferring a benefit) and 2 (specificity). Available at: https://www.wto.org/english/docs_e/legal_e/24-scm.pdf.

countervailable subsidies received by Chinese producers, with country-wide and adverse-facts-available rates ranging from below 10 percent to in excess of 900 percent.¹⁰⁷

The Applicants have relied on direct evidence and on the established findings of third-country investigating authorities. The Applicants further submit that the Commission should apply the WTO Appellate Body's settled "public body" doctrine, developed in U.S. – Anti-Dumping and Countervailing Duties (China), U.S. – Carbon Steel (India) and U.S. – Countervailing Measures (China), under which state-owned enterprises (**SOEs**) and state-owned commercial banks (**SOCBs**) in China are properly treated as public bodies where the evidence shows they possess, exercise or are vested with governmental authority.¹⁰⁸

This is particularly significant for the glass wool industry, where the four principal producers (Taishan Fiberglass, BNBM, CNBM and Sinoma S&T) are all majority-owned, directly or indirectly, by China National Building Material Group Co., Ltd. (**CNBM Group**), a central state-owned enterprise under the State-owned Assets Supervision and Administration Commission of the State Council (**SASAC**).¹⁰⁹

The Applicants further note that the Chinese glass wool / glass fibre industry has been identified as an *encouraged* industry in successive editions of the NDRC's *Guidance Catalogue for Industrial Restructuring*, as a priority sector under *Made in China 2025*, and as a strategic new material industry under the *14th Five-Year Plan for the Development of the Raw Materials Industry* (MIIT [2021] No. 215).¹¹⁰ Such industrial-policy designation is itself probative of de facto specificity within the meaning of Article 2.1(c) of the SCM Agreement and s 269TAAC of the Act.

The OECD and other international bodies have documented, in detail, the scale and pervasiveness of industrial subsidies in the Chinese economy.¹¹¹ The Applicants also rely on this body of work as context for the specific evidence set out below.

II. Previous Commission Findings

Over the past 15 years, the Commission has made affirmative subsidy findings in numerous Chinese investigations, identifying recurring subsidy categories, including LTAR provision of

¹⁰⁷ See e.g. USDOC, Float Glass from the PRC, Final CVD Determination, 91 FR 5708 (9 February 2026):

<https://www.federalregister.gov/documents/2026/02/09/2026-02493/certain-float-glass-products-from-the-peoples-republic-of-china-final-affirmative-countervailing>; USDOC, Fiberglass Door Panels from the PRC, Final CVD Determination, 90 FR 40818 (21 August 2025); USDOC, Tin Mill Products from China, 89 FR 1530 (10 January 2024); Commission Implementing Regulation (EU) 2021/328 of 24 February 2021 (continuous filament glass fibre, China): http://data.europa.eu/eli/reg_impl/2021/328/oj.

¹⁰⁸ Appellate Body Report, United States — Definitive Anti-Dumping and Countervailing Duties on Certain Products from China, WT/DS379/AB/R (adopted 25 March 2011); Appellate Body Report, United States — Countervailing Measures on Certain Hot-Rolled Carbon Steel Flat Products from India, WT/DS436/AB/R (adopted 19 December 2014); Appellate Body Report, United States — Countervailing Duty Measures on Certain Products from China, WT/DS437/AB/R (adopted 16 January 2015). Available via: https://www.wto.org/english/tratop_e/dispu_e/dispu_status_e.htm.

¹⁰⁹ SASAC, announcement of the merger of CNBM Group and China National Materials Group Corporation Limited (Sinoma) (August 2016): http://en.sasac.gov.cn/2020/08/22/c_2141.htm. SASAC remains the controlling shareholder of CNBM Group.

¹¹⁰ NDRC, Guidance Catalogue for the Adjustment of Industrial Structure (current edition 2024): https://www.ndrc.gov.cn/xxgk/zcfb/fzggwl/202312/t20231229_1362999.html; State Council, Notice on Issuing Made in China 2025, Guofa [2015] No. 28 (8 May 2015): https://www.gov.cn/zhengce/content/2015-05/19/content_9784.htm; MIIT, NDRC and Ministry of Science and Technology, 14th Five-Year Plan for Raw Materials Industry, MIIT [2021] No. 215 (21 December 2021): https://www.gov.cn/zhengce/zhengceku/2021-12/29/content_5665166.htm.

¹¹¹ OECD, Measuring Distortions in International Markets: Below-Market Finance, OECD Trade Policy Papers No. 247 (2021): <https://doi.org/10.1787/a1a5aa8a-en>; OECD, Measuring Distortions in International Markets: Below-Market Energy Inputs (2022): https://www.oecd.org/content/dam/oecd/en/publications/reports/2023/02/measuring-distortions-in-international-markets-below-market-energy-inputs_1243c42e/b26140ff-en.pdf; CSIS, Red Ink: Estimating Chinese Industrial Policy Spending in Comparative Perspective (May 2022): <https://www.csis.org/analysis/red-ink-estimating-chinese-industrial-policy-spending-comparative-perspective>; Chimits, "Maze and

primary inputs, preferential energy and electricity pricing, preferential lending by SOCBs treated as public bodies, industrial land use rights for LTAR, tax preferences (particularly the HNT 15% rate), grants under “Famous Brands” and similar programs, and VAT export rebate distortions. The methodologies developed in steel and the aluminium extrusions are particularly directly applicable to this present application, given the overlapping industrial policy framework, the use of constructed external benchmarks, and the treatment of SOCBs as public bodies.

III. Source Evidence

Given the difficulty in obtaining direct evidence of Chinese government subsidy programs, the Applicants rely on the published determinations by the USDOC and the European Commission. Both apply WTO-consistent subsidy definitions and have conducted detailed verification of Chinese subsidy programs with on-site review of company records and government correspondence in recent investigations directly involving glass-fibre or analogous products.

USDOC determination	Case number	Selected CVD rate(s)	Relevance
Float Glass Products from China – Final Affirmative CVD Determination (9 Feb 2026)	C-570-176; 91 FR 5708	Above-de minimis; multiple programmes	Soda ash LTAR, silica sand, energy, lending
Fiberglass Door Panels from China – Final CVD (21 Aug 2025)	C-570-180; 90 FR 40818	59.17%, 71.37% (mandatory); 921.42% (AFA)	Directly related: fibre product
Tin Mill Products from China – CVD (10 Jan 2024)	C-570-145; 89 FR 1530	Multiple programmes found	Steel-sector subsidies as cross-cutting evidence
Aluminium Extrusions from China – CVD (5 Apr 2011)	C-570-968; 76 FR 18521	374.15% AFA rate	Foundational catalogue of PRC programmes

Non-Confidential Table C-1.A: Selected relevant international CVD determinations against Chinese exporters

In addition to the determinations summarised above, the Applicants rely on: (i) the European Commission's investigations and expiry reviews on continuous filament glass fibre; woven and stitched glass fibre fabrics; and glass fibre yarns;¹¹² (ii) the European Commission's *Staff Working Document on Significant Distortions in the Economy of the PRC*;¹¹³ (iii) the UK Trade Remedies Authority's determination in Case AD0012 (aluminium extrusions);¹¹⁴ (iv)

Daze: An Assessment of China's Industrial Policy”, CEPII Policy Brief No. 42 (July 2023): http://www.cepii.fr/PDF_PUB/pb/2023/pb2023-42.pdf; NBER Working Paper No. 30504, Zoning for Profits: How Public Finance Shapes Land Supply in China (Oct 2022): https://www.nber.org/system/files/working_papers/w30504/w30504.pdf.

¹¹² Commission Implementing Regulation (EU) 2021/328 (CVD continuous filament glass fibre): http://data.europa.eu/eli/reg_impl/2021/328/oj; Reg (EU) 2023/1452 (definitive AD): https://eur-lex.europa.eu/eli/reg_impl/2023/1452/oj/eng; Reg (EU) 2025/2328 (partial interim review): https://eur-lex.europa.eu/eli/reg_impl/2025/2328/oj; Reg (EU) 2020/492 (glass fibre fabrics): http://data.europa.eu/eli/reg_impl/2020/492/oj; Reg (EU) 2025/501 (yarns definitive): https://eur-lex.europa.eu/eli/reg_impl/2025/501/oj; Reg (EU) 2024/2673 (yarns provisional): https://eur-lex.europa.eu/eli/reg_impl/2024/2673/oj/eng.

¹¹³ European Commission Staff Working Document on Significant Distortions in the Economy of the People's Republic of China for the Purposes of Trade Defence Investigations, SWD(2024) 91 final (10 April 2024): [https://ec.europa.eu/transparency/documents-register/detail?ref=SWD\(2024\)91&lang=en](https://ec.europa.eu/transparency/documents-register/detail?ref=SWD(2024)91&lang=en). ADC public-record copy: https://www.industry.gov.au/sites/default/files/adc/public-record/2025-06/non-confidential_attachment_10_-_ec_china_significant_distortions_working_document_-_apr_2024.pdf.

¹¹⁴ UK Trade Remedies Authority, Case AD0012 (Aluminium Extrusions from China), Final Determination (December 2022) and Reconsideration Report (February 2024): <https://www.trade-remedies.service.gov.uk/public/case/AD0012/>.

audited financial statements of listed Chinese producers; and (v) the WTO subsidy notification record.

IV. Countervailable Subsidies received by Chinese Glass Wool Producers

A countervailable subsidy under s 269T(1) of the Act exists where (a) the government of the country of export provides a financial contribution; (b) the financial contribution confers a benefit; and (c) the subsidy is specific within the meaning of s 269TAAC.

LTAR – Provision of Goods or Services at Less Than Adequate Remuneration

Where countervailable subsidies are received by upstream input suppliers (e.g. soda ash producers, silica sand producers, electricity generators), the benefit may pass through to the downstream glass wool producer to the extent that the input is purchased at a price reflecting the subsidy. The Applicants submit pass-through is established where (i) the upstream supplier is affiliated with, or under common control with, the downstream producer; or (ii) the input is purchased at less than its undistorted market value. Both conditions are alleged to be satisfied in the Chinese glass wool industry, given the SOE-dominated upstream supply chain and the documented LTAR pricing of soda ash and silica sand.

The Applicants identify four distinct categories of input that are provided to Chinese glass wool producers by the GOC (directly or through SOEs treated as public bodies) at less than adequate remuneration:

- silica sand;
- soda ash;
- borax / boron-bearing minerals; and
- energy (electricity, natural gas and steam).

In each case the input is, or is closely associated with, an SOE-dominated upstream sector, and the GOC controls supply through licensing, capacity allocation, export restrictions, or differential pricing. The prevailing in-country price does not reflect the price that would prevail in an undistorted market, and an out-of-country benchmark can be constructed to measure the benefit.

Silica Sand

Silica sand is the principal raw material in glass wool by mass. The Chinese silica sand industry is highly concentrated, with the GOC controlling supply through three main mechanisms: (i) the long-standing MOFCOM export ban on natural silica sand (effective from March 2007, with periodic extensions); (ii) provincial-level production quotas allocated by the relevant Departments of Natural Resources; and (iii) the inclusion of silica sand mining in the NDRC *Guidance Catalogue* as a sector subject to restriction or encouragement depending on quality and end use.¹¹⁵

The combination of the export ban and quota system creates a captive domestic supply at administratively suppressed prices. The USDOC in the recent Float Glass investigation

¹¹⁵ MOFCOM Notice on the Resumption of the Export Ban on Silica Sand and Quartz Sand (effective 1 March 2007), with subsequent extensions including the August 2022 ban on natural sand exports to Taiwan. See: <https://www.glassonline.com/china-and-indonesia-to-implement-silica-sand-export-bans/>. Chinese consumption ~95 Mt; production ~89 Mt (2024) per IndexBox China Silica Sands Market Report: <https://www.indexbox.io/store/china-silica-sands-quartz-sands-or-industrial-sands-market-analysis-forecast-size-trends-and-insights/>.

found the provision of silica sand for LTAR to be a countervailable subsidy.¹¹⁶ The benchmark methodology applied by USDOC was a constructed price based on comparable third-country prices adjusted for quality.

Soda ash

Soda ash (sodium carbonate) is the second-largest input by mass. The Chinese soda ash industry is dominated by SOEs, and is characterised by structural overcapacity, administratively-influenced pricing, and substantial reported government grants to producers.¹¹⁷

The USDOC in Float Glass and Fiberglass Door Panels found the provision of soda ash for LTAR to be countervailable. The Indian DGTR's May 2025 anti-dumping recommendation against soda ash from the U.S., Russia, Iran and Turkey illustrates how rapidly Chinese export volumes have grown into third-country markets as overcapacity has been monetised.¹¹⁸

Borax / boron bearing minerals

Boron-bearing minerals (borax, colemanite) are used as a flux and to confer specific thermal properties on the finished glass wool fibre. World borax production is concentrated in Turkey and the western U.S., with China's domestic production modest in global terms. To the extent Chinese glass wool producers source borax domestically, the Applicants allege that the input is supplied predominantly by SOE producers (notably Tibet Mineral and SOEs within the Inner Mongolia and Liaoning supply complexes) at non-market prices reflecting domestic energy and labour subsidies.

The Applicants recognise that the borax-pass-through analysis is more complex than for silica sand or soda ash, and will depend on the specific sourcing of each Chinese exporter. The Commission should assess borax LTAR by reference to (i) the exporter questionnaire responses; (ii) U.S. Geological Survey benchmark borax prices; and (iii) Turkish official export prices as a market-driven benchmark.¹¹⁹

Energy – electricity, natural gas, steam

Glass wool manufacture is highly energy-intensive: furnaces must operate at high temperatures, fiberisation requires substantial additional energy, and curing ovens consume significant gas or electricity.

The Applicants submit that the Chinese energy market is comprehensively distorted, in three relevant respects:

- differential electricity pricing for encouraged vs restricted industries: the NDRC has, in a sequence of notices spanning 2004 to 2025, established a system of differential electricity prices under which encouraged industries (including new materials and

¹¹⁶ USDOC, Float Glass Products from China, Final CVD Determination, 91 FR 5708 (9 Feb 2026), Issues & Decision Memorandum ("Float Glass IDM"), Comments 4 addressing silica sand LTAR. URL: <https://www.federalregister.gov/documents/2026/02/09/2026-02493/certain-float-glass-products-from-the-peoples-republic-of-china-final-affirmative-countervailing>.

¹¹⁷ S&P Chemical Market Analytics, Soda Ash: When Will Demand Catch Up to New Capacity? (2025): <https://chemicalmarketanalytics.com/insights/soda-ash-when-will-demand-catch-up-to-new-capacity/>; Hongzhengchemicals industry data (capacity utilisation 85.01% 1H 2025): <https://www.hongzhengchemicals.com/news/779029162904911908.html>.

¹¹⁸ USDOC Float Glass IDM (above n. 24); USDOC Fiberglass Door Panels IDM (90 FR 40818 of 21 Aug 2025). India DGTR https://dgtr.gov.in/sites/default/files/2025-09/FF_NCV_Soda%20Ash_29.09.25.pdf

¹¹⁹ USGS Mineral Commodity Summaries, Boron (latest edition): <https://pubs.usgs.gov/periodicals/mcs2024/mcs2024-boron.pdf>.

energy-conserving building materials) receive electricity at preferential rates, while “restricted” and “eliminated” categories pay surcharges.¹²⁰

- natural gas pricing: piped industrial natural gas in China is supplied predominantly by SOE operators (CNPC, Sinopec, CNOOC and provincial gas SOEs) at administratively-set prices that systematically diverge from import-parity prices for LNG, generating an implicit subsidy to gas-intensive manufacturing.¹²¹
- industrial steam supplied by combined-heat-and-power SOE complexes: where glass wool plants are co-located with industrial parks, process steam is frequently supplied by SOE CHP operators at below-cost rates as part of the LTAR provision of industrial-park services discussed in D.3.5 below.

The USDOC has found electricity for LTAR to be a countervailable subsidy in multiple Chinese investigations including aluminium extrusions, tin mill products, and float glass. The Commission has likewise found this across, for example, China-specific aluminium extrusions inquiries. The Applicants submit the same benchmark methodology (out-of-country industrial electricity tariffs adjusted for purchasing-power parity, or alternatively a constructed cost-plus benchmark) should apply here.

Other actionable Subsidies

The Applicants identify the further categories of countervailable subsidy set out below. The existence, design and operation of each programme (including supporting evidence and citations) are established by the sources identified above, principally the published determinations of USDOC and the European Commission, the OECD market-distortion studies, the relevant GOC legal instruments, and the listed-company disclosures analysed further below. The categories are:

- grants;
- tax preferences;
- preferential lending;
- equity programs;
- provision of land, water and steam at LTAR;
- export programmes; and
- provincial-level programs.

Grant programs

Chinese listed-company financial statements disclose extensive receipt of government grants, reported under government subsidies or other income in audited Notes. The principal programs documented in the USDOC determinations and listed-company disclosures relied upon include the “Famous Brands” and “Key Enterprises” programmes,¹²² the Energy Conservation Special Fund and Energy-Saving Technical Renovation grants, the Green Manufacturing Special Fund, Technical Renovation / Industrial Transformation grants, special-purpose grants for innovation centres and intelligent-manufacturing demonstration

¹²⁰ NDRC [2004] No. 2198 (Nov 2004); NDRC [2006] No. 1290 (Jun 2006); NDRC and MIIT Joint Notice [2010] No. 1417 (Jun 2010); NDRC Price [2021] No. 1093; NDRC Price [2025] No. 136. NDRC portal: <https://www.ndrc.gov.cn/>. The OECD Below-Market Energy Inputs study quantifies the resulting price gap for Chinese energy-intensive sectors: https://www.oecd.org/content/dam/oecd/en/publications/reports/2023/02/measuring-distortions-in-international-markets-below-market-energy-inputs_1243c42e/b26140ff-en.pdf.

¹²¹ EC 2024 Distortions Report, Chapter 10 (Energy), provides extensive documentation of natural gas price formation in China.

¹²² The USDOC has consistently found provincial Famous Brands programmes to be specific and countervailable. See e.g. Aluminium Extrusions IDM, C-570-968, 76 FR 18521 (5 April 2011).

projects, and R&D grants administered by MOST and provincial science and technology bureaus.

Tax preferences

China's income tax system contains a series of preferential rates and deductions of particular benefit to the Chinese glass wool industry, including the High and New Technology Enterprise (HNTE) reduced rate of 15 percent (versus the statutory 25 percent),¹²³ the R&D super-deduction (currently a 100 percent additional deduction on qualifying R&D expenses), residual Two-Free Three-Half preferences persisting at provincial and zone level, VAT export rebates and exemptions for enterprises in encouraged categories, Western Development tax preferences relevant to capacity in Inner Mongolia, Sichuan and Yunnan, and various municipal property tax, urban construction tax and education-surcharge reductions or refunds.

Preferential lending

As set out above, the principal SOCBs and policy banks are properly characterised as public bodies. Lending by these institutions to Chinese glass wool producers at interest rates systematically below those obtainable from a commercial benchmark lender constitutes a financial contribution conferring a benefit.

The OECD has quantified below-market finance benefits to large Chinese industrial firms at 100-300 basis points below comparable market benchmarks, most pronounced in firms with more than 25 percent government investment.¹²⁴ This description that fits each of CNBM Group's principal glass wool subsidiaries.

Equity programs

The GOC and SASAC, directly and through their controlled holding entities, periodically inject equity into central SOEs at non-market terms; such injections are countervailable where the price paid for the equity exceeds that which an arms-length investor would pay given the risk-adjusted return profile.

China also operates an extensive network of "government guidance funds" at central and provincial level, with aggregate committed capital reported in the trillions of RMB, investing in encouraged-sector companies at non-market terms. The Applicants ask the Commission to

¹²³ Enterprise Income Tax Law of the PRC, Article 28(2) (15 percent reduced rate for HNTE enterprises). Implementing measures issued by MOST, MOF and SAT. The USDOC has consistently found HNTE to be a specific and countervailable subsidy.

¹²⁴ OECD, Below-Market Finance, OECD Trade Policy Papers No. 247 (2021): <https://doi.org/10.1787/a1a5aa8a-en>, and https://www.oecd.org/content/dam/oecd/en/publications/reports/2021/05/measuring-distortions-in-international-markets-below-market-finance_ef463ae3/a1a5aa8a-en.pdf see in particular Section 4, beginning p. 41.

investigate equity injections from such funds into glass wool producers as countervailable subsidies.¹²⁵

Land, water and steam at LTAR

All urban land in China is state-owned and all rural land collective-owned; industrial enterprises obtain land use rights from local government departments at administratively-determined benchmark prices that systematically diverge from market value.¹²⁶

Export programs

Three principal export-contingent programmes are relevant: Sinosure short-term export credit insurance, which the USDOC has consistently found countervailable under a “net operating losses” benchmark methodology; the Export Buyer’s Credit Programme operated by the Export-Import Bank of China, to which the USDOC has applied adverse facts available where the GOC declined to produce the underlying programme documentation; and the MOFCOM Foreign Trade Development Special Fund and provincial export-stimulus grant programmes, including export-rebate top-ups, brand-promotion grants for exporters and trade-fair subsidies.

Provincial and municipal programs

Chinese glass wool capacity is concentrated in particular provinces, each operating its own ecosystem of provincial and municipal subsidy programs. This includes Shandong (home to Taishan Fiberglass at Tai’an and several Sinoma S&T subsidiaries), Zhejiang (China Jushi’s principal production base at Tongxiang), Jiangsu (Sinoma S&T and other glass fibre producers), Hebei (BNBM facilities), Sichuan (Sinoma Jianan and other western producers, who additionally benefit from Western Development tax and tariff preferences), and Inner Mongolia, Hubei and Beijing (further CNBM Group subsidiaries).

The Applicants submit that the Commission should issue exporter questionnaires seeking comprehensive disclosure of all provincial and municipal grants received during the investigation period, supported by audited financial statements.

Direct evidence from listed-company disclosures

The four principal CNBM Group listed entities each disclose substantial government grant receipts in their audited annual reports. The Notes to the financial statements typically itemise individual grant programmes by name, amount, granting authority and accounting treatment (deferred income vs immediate recognition).

The Applicants rely on these disclosures as direct source evidence of the existence and operation of the subsidy programs addressed above.

Producer / listing	Group structure	FY2023 government grants disclosed	Source URL
China Jushi Co., Ltd.	CNBM Group affiliate; Zhejiang base	~USD 37 million (multiple grants; Note V)	FY2023 government grants in P&L: RMB 258,529,259.64 (~USD 36.4m)

¹²⁵ Documented in EC 2024 Distortions Report, Chapter 11 (Capital).

¹²⁶ Constitution of the PRC (as amended 2018), Article 10: http://www.npc.gov.cn/zgrdw/englishnpc/Constitution/2007-11/15/content_1372963.htm and http://www.npc.gov.cn/zgrdw/englishnpc/Constitution/node_2825.htm.

Producer / listing	Group structure	FY2023 government grants disclosed	Source URL
Sinoma Science & Technology Co. Ltd.	CNBM Group; controls Taishan Fiberglass	Material grants reported (Note V Government Grants)	FY2023 government grants in P&L (p. 8): RMB 506,901,324.95
China National Building Material Co. Ltd.	CNBM Group H-share listing	Material grants in “other income”	FY2023 financial statements, beginning at Note 3.12 (p. 138).
BNBM Public Limited Co.	CNBM Group; new building materials	Material grants in Note V	FY2023 government grants in P&L (p. 9): RMB 72,238,751.98 (~¥72.24m)

Non-Confidential Table C-1.B: Listed-company government grant disclosures (CNBM Group glass fibre / glass wool entities)

V. China’s Subsidy Notification

China’s 30 June 2025 notification is its most recent and full notification to the WTO’s Committee on Subsidies and Countervailing Measures. This notification, pursuant to Article XVI:1 of the GATT 1994 and Article 25 of the SCM Agreement, advises the Committee of China’s subsidisation policies. However, WTO members have publicly questioned China about the lack of transparency of its subsidy programs, as well as the comprehensiveness of its subsidy notification.¹²⁷

In this notification, China identifies subsidies available at the central and sub-central levels of government which take the form of cash grants, land-use rights, discounted inputs, preferential loans and directed credit, special tax rebates, and VAT and tariff exemptions. Publicly available evidence indicates that these programs may confer countervailable subsidies to producers of the subject goods in China, as they are financial contributions, provide benefits, and are specific.

In particular, the Applicants requests that the Commission investigate whether Chinese glass wool producers benefit from several of the subsidies listed in the Notification.

VI. Conclusion – China

The Applicants have set out a comprehensive case that Chinese exporters of glass wool batts benefit from a substantial range of countervailable subsidies. The programs operate at various GOC levels (central, provincial and municipal) and across various categories (LTAR, grants, tax preferences, preferential lending, and equity and export programs).

Direct evidence of subsidy receipt is available from listed-company disclosures. Program-level evidence (including evidence of design, specificity, benefit calculation methodology, and observed rates) is available from contemporaneous USDOC and European Commission determinations directly addressing glass fibre and analogous products.

The GOC’s systemic failure to honour its SCM Article 25 notification obligations means that direct primary-source evidence of many programmes is unavailable through the WTO mechanism.

¹²⁷ Refer Simon Lester, *WTO Members Discuss Transparency of China’s Subsidy Notification*, China Trade Monitor, (December 15, 2021), at <https://www.chinatradermonitor.com/wto-members-discuss-transparency-of-chinas-subsidy-notifications/>

By this application therefore, the Applicants requests that the Commission commence an investigation into the Chinese subsidisation of glass wool batts, as applicable to exports to the Australian market.

Countervailable Subsidies: Malaysia

I. Introduction

The Applicants submit that producers and exporters of glass wool batts in Malaysia, and in particular the principal Malaysian producer PGF Capital Bhd and its operating subsidiaries (collectively **PGF**), have received, and continue to receive, countervailable subsidies.

PGF manufactures glass mineral wool insulation under the “Ecowool” brand at its plant at Perai (Prai), Penang, and is constructing a new plant at the Kulim East Industrial Park, Kulim, Kedah, under an expansion to which the company has allocated capital expenditure of RM200 million.¹²⁸

Wherever the evidence reasonably supports an allegation that a program exists and confers a benefit to PGF and others, it is alleged. Where the quantum or application of a program to PGF or others cannot be established from public sources, the Applicants identify the matter as one to be resolved by the issue of exporter and Government of Malaysia (**GOM**) questionnaires.

II. Prior Treatment of Malaysian Subsidy Programs

Malaysian Government subsidy programmes have repeatedly been found to be actionable and countervailable by investigating authorities.

On 9 February 2026 the USDOC published its final affirmative countervailing duty determination in Float Glass Products from Malaysia (case C-557-833), finding countervailable subsidies and imposing subsidy measures of 17.25 percent (Jinjing), 28.45 percent (Xinyi) and 101.99 percent (NSG), with an all-others rate of 27.32 percent.¹²⁹ The float glass investigation concerned a glass product of the same broad HS Chapter 70 family as the goods, produced in the same country, under the same suite of Malaysian Government programmes. It is the most directly relevant prior determination available.

The float glass determination was preceded by an initiation (8 January 2025) on twenty alleged programmes,¹³⁰ a preliminary affirmative determination (19 May 2025),¹³¹ culminating in a countervailing duty order (6 April 2026).¹³² In the critical-circumstances analysis (24 July 2025), the USDOC recorded that it had initiated on, among other things, the Pioneer Status

¹²⁸ PGF Capital Bhd, Initiation of Coverage, Mercury Securities, 28 July 2025 (company profile; capital expenditure and debt funding of the Kulim expansion; export concentration in the Oceania region): <https://www.mercurysecurities.com.my/wp-content/uploads/2025/07/PGF-Capital-Initiation-Coverage-20250728.pdf>.

¹²⁹ USDOC, Float Glass Products from Malaysia: Final Affirmative Countervailing Duty Determination, 91 FR 5720 (9 February 2026), case C-557-833: <https://www.federalregister.gov/documents/2026/02/09/2026-02491/float-glass-products-from-malaysia-final-affirmative-countervailing-duty-determination>.

¹³⁰ USDOC, Float Glass Products from the People's Republic of China and Malaysia: Initiation of Countervailing Duty Investigations, 90 FR 1443 (8 January 2025): <https://www.federalregister.gov/documents/2025/01/08/2025-00187/float-glass-products-from-the-peoples-republic-of-china-and-malaysia-initiation-of-countervailing>.

¹³¹ USDOC, Float Glass Products from Malaysia: Preliminary Affirmative Countervailing Duty Determination, 90 FR 21278 (19 May 2025): <https://www.federalregister.gov/documents/2025/05/19/2025-08822/float-glass-products-from-malaysia-preliminary-affirmative-countervailing-duty-determination-and>.

¹³² USDOC, Float Glass Products from the People's Republic of China and Malaysia: Countervailing Duty Orders, 91 FR 17253 (6 April 2026): <https://www.federalregister.gov/documents/2026/04/06/2026-06649/float-glass-products-from-the-peoples-republic-of-china-and-malaysia-countervailing-duty-orders>.

direct tax incentives and the Double Deduction for Promotion of Exports, observing that the latter provides a deduction on expenses related to the export of goods (an export-contingent program) which would render it inconsistent with the SCM Agreement.¹³³

Malaysian subsidy programs have also been found countervailable in Utility Scale Wind Towers from Malaysia (9 June 2021),¹³⁴ in which the USDOC initiated on seven Malaysian programmes including LTAR, direct and indirect tax, preferential lending and grant programmes.¹³⁵ In the 2022 administrative review of that order, the USDOC found continued countervailable subsidisation, examining among other programmes Land for LTAR, an Import Duty Exemption programme, and electricity and water benchmarks.¹³⁶

In Crystalline Silicon Photovoltaic Cells from Malaysia (25 April 2025), the USDOC examined import-duty and sales-tax exemptions conferred through Licensed Manufacturing Warehouses and Free Industrial Zones.¹³⁷ Earlier determinations, including Ferrosilicon from Malaysia and Carbon Steel Wire Rod from Malaysia, reached the same general conclusion that the GOM maintains and confers countervailable subsidies on its manufacturing exporters.

As a matter of repeated administrative finding, these determinations establish the specific programs tabled below are operative, and have been measured as conferring benefits in closely comparable glass and manufacturing industries. Table C-2.A below summarises the principal Malaysian subsidy categories respect of which the Applicants make allegations in this section.

Program category	Administering authority	Alleged subsidy form	SCM character
Northern Corridor Economic Reform (NCER) tax incentive package (5+5-year tax holiday)	NCIA; Ministry of Finance	Revenue forgone (income-tax exemption)	Regionally specific
Pioneer Status	MIDA (Promotion of Investments Act 1986)	Revenue forgone (income-tax exemption)	Specific (promoted products)
Investment Tax Allowance	MIDA; PIA 1986 / ITA 1967	Revenue forgone (allowance)	Specific (promoted products)
Reinvestment Allowance	IRB; Schedule 7A, ITA 1967	Revenue forgone	Specific (manufacturing reinvestment)

¹³³ USDOC, Float Glass Products from Malaysia: Preliminary Negative Critical Circumstances Determination, 90 FR 34844 (24 July 2025) (recording initiation on, inter alia, Pioneer Status direct tax incentives and the Double Deduction for Promotion of Exports as an export-contingent programme): <https://www.federalregister.gov/documents/2025/07/24/2025-13947/float-glass-products-from-malaysia-preliminary-negative-critical-circumstances-determination-in-the>.

¹³⁴ USDOC, Utility Scale Wind Towers from Malaysia: Final Affirmative Countervailing Duty Determination, 86 FR 30593 (9 June 2021): <https://www.federalregister.gov/documents/2021/06/09/2021-12024/utility-scale-wind-towers-from-malaysia-final-affirmative-countervailing-duty-determination>.

¹³⁵ USDOC, Initiation of Countervailing Duty Investigations (utility scale wind towers), identifying seven Malaysian programmes including LTAR, direct and indirect tax, preferential lending and grant programmes: <https://www.trade.gov/press-release/us-department-commerce-initiates-antidumping-duty-and-countervailing-duty-13>.

¹³⁶ USDOC, Utility Scale Wind Towers from Malaysia: Final Results and Partial Rescission of Countervailing Duty Administrative Review; 2022, 90 FR 25230 (16 June 2025) (Land for LTAR, an Import Duty Exemption programme and electricity and water benchmarks examined): <https://www.federalregister.gov/documents/2025/06/16/2025-10945/utility-scale-wind-towers-from-malaysia-final-results-and-partial-rescission-of-countervailing-duty>.

¹³⁷ USDOC, Crystalline Silicon Photovoltaic Cells from Malaysia: Final Affirmative Countervailing Duty Determination, 90 FR 17385 (25 April 2025) (examining Licensed Manufacturing Warehouse and Free Industrial Zone import-duty and sales-tax exemptions): <https://www.federalregister.gov/documents/2025/04/25/2025-07136/crystalline-silicon-photovoltaic-cells-whether-or-not-assembled-into-modules-from-malaysia-final>.

Program category	Administering authority	Alleged subsidy form	SCM character
Green Investment Tax Allowance / Green Income Tax Exemption	MGTC / MIDA	Revenue forgone	Specific (green technology)
Green Technology Financing Scheme	MGTC / Credit Guarantee Corporation	Loan guarantee plus interest rebate	Specific
Free Industrial Zone / LMW duty, excise and sales-tax exemptions	Royal Malaysian Customs (Free Zones Act 1990)	Revenue forgone (duty/tax exemption)	Specific / export-contingent
Preferential lending by State development financial institutions	Bank Pembangunan; SME Bank; EXIM Bank	Direct transfer of funds	Specific
EXIM export credit, export-credit insurance and buyer/supplier financing	EXIM Bank Malaysia	Direct transfer / contingent liability	Export-contingent
Provision of electricity for LTAR / subsidised industrial tariff	TNB; Energy Commission	Provision of a good or service for LTAR	Specific
Provision of natural gas for LTAR	PETRONAS; Energy Commission	Provision of a good for LTAR	Specific
Government grants for plant and machinery upgrade	Federal and State agencies	Direct transfer of funds (grant)	Specific
MATRADE Market Development Grant; Double Deduction for Promotion of Exports	MATRADE; IRB	Grant / revenue forgone	Export-contingent
Land / industrial-zone benefits at concessional prices	Kedah/Penang State; KTPC; NCIA	Provision of land for LTAR	Regionally specific

Non-Confidential Table C-2.A: Malaysia subsidy categories

III. Countervailable Subsidies received by Malaysia Glass Wool Producers

LTAR – Provision of Goods or Services at Less Than Adequate Remuneration

Electricity

Malaysia has maintained among the lowest and most stable electricity tariffs globally from 1990 to 2023, supported by a regulated electricity supply industry and substantial fossil-fuel subsidies.¹³⁸ Electricity is supplied to industrial users by Tenaga Nasional Berhad under tariffs gazetted by the Energy Commission, with an Imbalance Cost Pass-Through mechanism. The Applicants allege that the provision of electricity to PGF and others at regulated industrial tariffs below an undistorted market benchmark is a financial contribution (the provision of a good or service) conferring a benefit, and is specific to industrial consumers.

In the Malaysian wind towers review, the USDOC examined and applied an electricity benchmark to a Malaysian producer. *Budget 2025* recorded targeted-subsidy savings of approximately RM4 billion from the electricity sector, a governmental acknowledgement that

¹³⁸ Tan et al., Electricity supply industry transformation and decarbonisation in Peninsular Malaysia, Energy Reports (2025) (Malaysia maintained among the lowest and most stable electricity tariffs globally from 1990 to 2023, supported by a regulated electricity supply industry and fossil-fuel subsidies): <https://www.sciencedirect.com/science/article/pii/S2352484725006286>.

the tariff regime embedded a subsidy.¹³⁹

Natural gas

Malaysia historically regulated downstream gas prices below market parity, with the GOM committed to phasing them to parity only gradually.¹⁴⁰ Gas to industrial users is benchmarked to an administered reference price. To the extent Malaysian producer glass-melting furnaces consume natural gas supplied at regulated or subsidised prices by PETRONAS (a State-owned public body), the Applicants allege the provision of a good for LTAR conferring a specific benefit. Glass mineral wool manufacture is energy-intensive, so any gas and electricity benefits would be material.

Land

The USDOC found land for LTAR countervailable in the Malaysian wind towers proceeding and applied adverse facts available to that program in the 2022 review. PGF, through its wholly owned subsidiary *NetZero Technology Sdn Bhd*, acquired 96,720 m² (approximately 23.9 acres) of industrial land in the Kulim East Industrial Park, Kedah, for RM40 million for its expansion (which increases capacity by 40,000 tonnes, from 25,000 to 65,000 tonnes per annum).¹⁴¹

The Kulim Hi-Tech Park and adjacent Kedah industrial parks are developed and administered by Kulim Technology Park Corporation, a wholly owned subsidiary of the Kedah State Development Corporation,¹⁴² and the broader Kulim corridor is the subject of explicit government support and incentives.¹⁴³ The Applicants allege that, to the extent PGF acquired or leased land in a government-developed industrial zone at a concessional price below a market benchmark, a financial contribution (the provision of land) conferring a regionally specific benefit arises. This would also apply in other localities for other producers.

Input materials

The Applicants do not press a strong allegation that the GOM provides silica sand or soda ash for LTAR, because PGF's stated cost advantage is its use of up to 80 percent recycled glass cullet sourced as an industrial end-product.¹⁴⁴ The Applicants nonetheless reserve the allegation in respect of any virgin minerals, fluxes or chemicals PGF or other producers

¹³⁹ ISEAS, The Economics and Politics of Malaysia's Petrol Subsidy Reform, ISEAS Perspective 2025/68 (Budget 2025 recording targeted-subsidy savings of approximately RM4 billion from the electricity sector): https://www.iseas.edu.sg/wp-content/uploads/2025/08/ISEAS_Perspective_2025_68.pdf.

¹⁴⁰ Malaysian Gas Association, Market Reforms (describing historically regulated downstream gas prices below market parity and a gradual move toward market parity): <https://malaysiagas.com/marketreforms/>.

¹⁴¹ PGF acquires land in Kulim for new plant set to more than triple capacity, The Edge Malaysia / The Star, 13 September 2024 (acquisition through NetZero Technology Sdn Bhd of 96,720 m² in the Kulim East Industrial Park, Kedah, from Senam Jaya Sdn Bhd for RM40 million; capacity to rise from 25,000 to 65,000 tonnes per annum; RM200 million total expansion): <https://pgfcapital.com.my/pgf-acquires-land-in-kulim-for-new-plant-set-to-more-than-triple-capacity/>.

¹⁴² Kulim Hi-Tech Park is developed and administered by Kulim Technology Park Corporation, a wholly owned subsidiary of the Kedah State Development Corporation: https://en.wikipedia.org/wiki/Kulim_Hi-Tech_Park.

¹⁴³ MIDA, Kulim Industrial Corridor (government support and incentives, competitive investment cost, and federal, state and local government collaboration): <https://www.mida.gov.my/wp-content/uploads/2022/09/FINAL-KULIM-INDUSTRIAL-CORRIDOR--E10.pdf>.

¹⁴⁴ PGF Insulation, High Recycled Content (Ecowool manufactured from up to 80% recycled glass cullet sourced as industrial waste): <https://pgfinsulation.com.au/why-pgf-insulation/high-recycled-content/>.

purchase.

Other actionable Subsidies

Northern Corridor Economic Region (NCER) tax incentive package

The Applicants allege this to be the most concrete subsidy applying to PGF. In April 2025, PGF announced that it had received formal approval for the NCER tax incentive package for its new Kulim plant, granting it five-plus-five years of corporate tax exemption, the concession beginning when the new plant achieves production to 30 percent of installed capacity. TA Research calculated total tax savings of RM86.2 million over a period of ten years.¹⁴⁵

The NCER is a development region covering the four northern States (Perlis, Kedah, Perak and Penang) administered by the Northern Corridor Implementation Authority; its incentives include income-tax exemption, investment tax allowance, and stamp-duty and import-duty exemptions.¹⁴⁶ The Applicants allege this is a financial contribution conferring a benefit equal to the corporate tax otherwise payable at 24 percent, and is specific both regionally and by enterprise and industry eligibility. The RM86.2 million estimated saving is a direct, quantified measure of the benefit, and is prospective (commencing on the capacity increase of the Kulim plant).

Pioneer Status (PS)

Under the Promotion of Investments Act 1986, a company granted PS in respect of a promoted product enjoys exemption of 70 to 100 percent of statutory income for five years (extendable to ten).¹⁴⁷ The USDOC initiated on the Pioneer Status direct tax incentives in the float glass investigation.¹⁴⁸ The Applicants allege PS is a financial contribution, conferring a benefit, specific because it is limited to gazetted promoted products and activities.

Investment Tax Allowance (ITA)

As an alternative to PS, ITA grants an allowance of 60 – 100 percent of qualifying capital expenditure incurred within five to ten years, set off against up to 70 percent (or 100 percent) of statutory income.¹⁴⁹ Given PGF's capital-intensive RM200 million Kulim expansion, ITA is a logical fit and should be specifically assessed. The benefit is the tax foregone; specificity

¹⁴⁵ Tax incentive a positive for PGF Capital, The Star (Malaysia), 30 April 2025 (NCER five-plus-five-year corporate tax exemption for the Kulim plant; TA Research estimate of RM86.2 million in tax savings over ten years; FY2025 net profit of RM33.9 million on revenue of RM155.02 million); <https://www.thestar.com.my/business/business-news/2025/04/30/tax-incentive-a-positive-for-pgf-capital>.

¹⁴⁶ Northern Corridor Economic Region (NCER), Tax Incentives (income-tax exemption, investment tax allowance, and stamp-duty and import-duty exemptions for qualifying projects in the four northern States): <https://www.ncer.com.my/invest-in-ncer/ecosystem-support-and-incentives/ncer-tax-incentives/>.

¹⁴⁷ Promotion of Investments Act 1986 (Malaysia), Chapter 1 (legal basis for Pioneer Status and the Investment Tax Allowance): https://www.commonlii.org/my/legis/consol_act/poia1986315/.

¹⁴⁸ USDOC, Float Glass Products from Malaysia: Preliminary Negative Critical Circumstances Determination, 90 FR 34844 (24 July 2025) (recording initiation on, inter alia, Pioneer Status direct tax incentives and the Double Deduction for Promotion of Exports as an export-contingent programme): <https://www.federalregister.gov/documents/2025/07/24/2025-13947/float-glass-products-from-malaysia-preliminary-negative-critical-circumstances-determination-in-the>.

¹⁴⁹ MIDA, Invest in Malaysia — Incentives (Pioneer Status; Investment Tax Allowance; prevailing corporate income tax rate of 24%): <https://www.mida.gov.my/setting-up-content/incentives/>.

arises from the promoted-product and activity limitation.

Green Investment Tax Allowance (GITA) and Green Income Tax Exemption (GITE)

Administered by MGTC and MIDA, GITA provides up to 100 percent allowance on qualifying green-technology capital expenditure set off against 70 percent of statutory income. The GITE exempts 70 – 100 percent of the statutory income of green service providers.¹⁵⁰

PGF positions Ecowool as a green product made from up to 80 percent recycled content, is certified by Global GreenTag (whose mark is recognised under MGTC's MyHIJAU program),¹⁵¹ and its insulation directly serves energy-efficiency objectives. The Applicants allege PGF is placed to qualify for GITA and that any such allowance is a specific financial contribution conferring a benefit.

Green Technology Financing Scheme (GTFS)

The GTFS, administered by MGTC with the Credit Guarantee Corporation, provides a 60 – 80 percent government guarantee of the green-component cost financed by participating financial institutions, together with (in versions to GTFS 4.0) a rebate on the financing rate.¹⁵²

A government loan guarantee is a financial contribution (a potential direct transfer of funds), and the rate rebate is revenue foregone or a direct transfer. Both confer a benefit (cheaper capital than is commercially available) and are specific to certified green projects. The Applicants allege PGF and potentially others, as producers of green technology, would be eligible.

Free Industrial Zone (FIZ) and Licensed Manufacturing Warehouse (LMW) exemptions

Under the *Free Zones Act 1990*, goods may be brought into, produced or manufactured in a free zone without payment of customs duty, excise duty, sales tax or service tax. The statute also gazettes a Free Industrial Zone at Prai (Seberang Perai), Penang – the location of PGF's existing plant.^{153 154}

The USDOC found import-duty and sales-tax exemptions through FIZs and LMWs countervailable, or applied adverse facts available for failure to provide information about them, in both the float glass¹⁵⁵ and solar cells¹⁵⁶ investigations from Malaysia. The Applicants allege that exemptions from import duty, excise, sales and service tax on

¹⁵⁰ MGTC, Green Investment Tax Allowance (GITA) and Green Income Tax Exemption (GITE): <https://www.mgtc.gov.my/what-we-do/green-incentives/green-investment-tax-incentives-gita-gite/>.

¹⁵¹ Global GreenTag, PGF Glasswool Insulation certification (recognised under MGTC's MyHIJAU ecolabelling programme): <https://www.globalgreentag.com/products/pgf-glasswool-insulation/>.

¹⁵² MGTC, Green Technology Financing Scheme (GTFS) (a Government guarantee of 60%–80% of the green-component financing, with an interest/profit-rate rebate in versions to GTFS 4.0): <https://www.mgtc.gov.my/services/green-technology-financing-scheme-gtfs/>.

¹⁵³ Free Zones Act 1990 (Malaysia), section 4 (goods may be brought into, produced or manufactured in a free zone without payment of customs duty, excise duty, sales tax or service tax); the Prai (Seberang Perai) area of Penang is gazetted as a Free Industrial Zone: https://www.commonlii.org/my/legis/consol_act/fza1990125/.

¹⁵⁴ Free Zones Act 1990 (consolidated text), Invest Malaysia portal: <https://www.investmalaysia.gov.my/media/r00jypsc/free-zones-act-1990.pdf>.

¹⁵⁵ USDOC, Float Glass Products from Malaysia: Preliminary Negative Critical Circumstances Determination, 90 FR 34844 (24 July 2025) (recording initiation on, inter alia, Pioneer Status direct tax incentives and the Double Deduction for Promotion of Exports as an export-contingent programme): <https://www.federalregister.gov/documents/2025/07/24/2025-13947/float-glass-products-from-malaysia-preliminary-negative-critical-circumstances-determination-in-the>.

¹⁵⁶ USDOC, Crystalline Silicon Photovoltaic Cells from Malaysia: Final Affirmative Countervailing Duty Determination, 90 FR 17385 (25 April 2025) (examining Licensed Manufacturing Warehouse and Free Industrial Zone import-duty and sales-tax exemptions): <https://www.federalregister.gov/documents/2025/04/25/2025-07136/crystalline-silicon-photovoltaic-cells-whether-or-not-assembled-into-modules-from-malaysia-final>.

imported machinery, equipment, spare parts and raw materials enjoyed by PGF (and possibly others) are financial contributions, conferring a benefit, and are specific and/or export-contingent.

Preferential lending by State development financial institutions

Bank Pembangunan Malaysia, SME Bank and EXIM Bank Malaysia are wholly State-owned development financial institutions operating under government mandates, and are public bodies.¹⁵⁷

To the extent PGF (and others) have obtained financing, revolving credit, or contract financing from any of these institutions at preferential rates, the Applicants allege a financial contribution (a direct transfer of funds) conferring a benefit measured against a commercial benchmark, specific because such mandated finance is directed to targeted sectors.

The float glass and wind towers determinations both examined Malaysian preferential-lending allegations. PGF disclosed total borrowings of RM29.5 million as at the end of FY2024, rising with the Kulim expansion.¹⁵⁸

EXIM Bank export credit, export-credit insurance and buyer/supplier financing

EXIM Bank Malaysia offers export credit refinancing, buyer financing, supplier financing, and trade credit takaful and insurance.¹⁵⁹ As more than 70 percent of PGF's export volume is directed to the Oceania region,¹⁶⁰ export financing and export-credit insurance provided by a State export-credit agency on terms more favourable than the market, or at premium rates inadequate to cover the long-term operating costs and losses of the program, constitute export subsidies and are deemed specific. The Applicants allege Malaysian exporter use of any EXIM Bank facility is countervailable and export-contingent.

Government grants for plant and machinery upgrade

PGF's disclosures confirm receipt of a Malaysian Government grant: in FY2024 PGF recognised a grant of RM5.76 million which was recognised as deferred income over the eight-year remaining useful life of the upgraded plant and machinery.¹⁶¹ The Applicants allege this grant is countervailable and that PGF must identify the granting agency and program.

MATRADE Market Development Grant and Double Deduction for Promotion of Exports

MATRADE administers a Market Development Grant, a reimbursable grant for

¹⁵⁷ The Export-Import Bank of Malaysia Berhad is a wholly owned subsidiary of the Minister of Finance (Incorporated), mandated by the Government to provide credit facilities to finance and support exports and imports: <https://asianeximbanks.org/content/member/member-institutions/Export-Import-Bank-of-Malaysia>.

¹⁵⁸ PGF Capital sees record profit on new Aussie insulation rules, data centre cooling needs, The Edge Malaysia, 30 July 2024 (RM5.76 million government grant reclassified to deferred income over the eight-year remaining useful life of upgraded plant and machinery; FY2023 and FY2024 results; total borrowings of RM29.5 million): <https://theedgemaalaysia.com/node/719993>.

¹⁵⁹ EXIM Bank Malaysia, Programmes (export credit, buyer and supplier financing, and trade credit takaful/insurance): <https://www.exim.com.my/products-services/programmes/>.

¹⁶⁰ PGF Capital Bhd, Initiation of Coverage, Mercury Securities, 28 July 2025 (company profile; capital expenditure and debt funding of the Kulim expansion; export concentration in the Oceania region): <https://www.mercurysecurities.com.my/wp-content/uploads/2025/07/PGF-Capital-Initiation-Coverage-20250728.pdf>

¹⁶¹ PGF Capital sees record profit on new Aussie insulation rules, data centre cooling needs, The Edge Malaysia, 30 July 2024 (RM5.76 million government grant reclassified to deferred income over the eight-year remaining useful life of upgraded plant and machinery; FY2023 and FY2024 results; total borrowings of RM29.5 million): <https://theedgemaalaysia.com/node/719993>.

export-promotion activities,¹⁶² while the Inland Revenue Board administers a Double Deduction for Promotion of Exports for export-promotion expenses.¹⁶³

The USDOC found in the float glass critical-circumstances analysis that the Double Deduction for Promotion of Exports is export-contingent and would be inconsistent with the SCM Agreement. The Applicants allege both programs are financial contributions that are export-contingent.

Company-Specific Evidence (PGF Capital Bhd listed disclosures)

PGF Capital Bhd is a Bursa Malaysia Market-listed company (stock code 8117), formerly Poly Glass Fibre (M) Bhd, that designs, manufactures and distributes glass mineral wool insulation under the Ecowool brand, with more than 70 percent of its export volume directed to the Oceania region.¹⁶⁴ Its listed status means that its financial statements, quarterly results and Bursa announcements are on the public record and provide the evidentiary basis for a subsidy allegation:

- NCER tax holiday: PGF has publicly confirmed receipt of the NCER five-plus-five-year corporate tax holiday for its Kulim plant, with TA Research quantifying the benefit at RM86.2 million over ten years. This is direct, company-sourced evidence of a specific, quantified subsidy.¹⁶⁵
- Government grant: PGF's FY2024 results disclose the RM5.76 million government grant reclassified to deferred income over eight years (paragraph above).¹⁶⁶ This is direct, company-sourced evidence of a grant subsidy.
- Effective tax rate: The Applicants have examined PGF's reported results for the financial years ended February 2023, 2024 and 2025. Revenue rose from RM91.1 million (FY2023) to RM128.64 million (FY2024) to RM155.02 million (FY2025), with net profit of approximately RM16.3 million, RM10.5 million and RM33.9 million respectively.^{167 168} At a headline level, PGF's group effective tax rate in those three years was at or above the 24 percent statutory rate,¹⁶⁹ indicating that PGF was not yet enjoying a material income-tax holiday on its existing Perai operations during that period. Going forward, however, the Applicants allege a below-statutory effective rate that the NCER holiday will reduce PGF's effective rate materially once the Kulim plant

¹⁶² MATRADE, Market Development Grant: <https://www.matrade.gov.my/en/export-to-the-world/trade-facilitation-page/market-development-grant>.

¹⁶³ Inland Revenue Board of Malaysia (LHDN), Double Deduction for Promotion of Exports: <https://www.hasil.gov.my/en/company/incentives/double-deduction-for-promotion-of-exports/>.

¹⁶⁴ PGF Capital Bhd, Initiation of Coverage, Mercury Securities, 28 July 2025 (company profile; capital expenditure and debt funding of the Kulim expansion; export concentration in the Oceania region): <https://www.mercurysecurities.com.my/wp-content/uploads/2025/07/PGF-Capital-Initiation-Coverage-20250728.pdf>.

¹⁶⁵ Tax incentive a positive for PGF Capital, The Star (Malaysia), 30 April 2025 (NCER five-plus-five-year corporate tax exemption for the Kulim plant; TA Research estimate of RM86.2 million in tax savings over ten years; FY2025 net profit of RM33.9 million on revenue of RM155.02 million): <https://www.thestar.com.my/business/business-news/2025/04/30/tax-incentive-a-positive-for-pgf-capital>.

¹⁶⁶ PGF Capital sees record profit on new Aussie insulation rules, data centre cooling needs, The Edge Malaysia, 30 July 2024 (RM5.76 million government grant reclassified to deferred income over the eight-year remaining useful life of upgraded plant and machinery; FY2023 and FY2024 results; total borrowings of RM29.5 million): <https://theedgemaalaysia.com/node/719993>.

¹⁶⁷ Tax incentive a positive for PGF Capital, The Star (Malaysia), 30 April 2025 (NCER five-plus-five-year corporate tax exemption for the Kulim plant; TA Research estimate of RM86.2 million in tax savings over ten years; FY2025 net profit of RM33.9 million on revenue of RM155.02 million): <https://www.thestar.com.my/business/business-news/2025/04/30/tax-incentive-a-positive-for-pgf-capital>.

¹⁶⁸ PGF Capital sees record profit on new Aussie insulation rules, data centre cooling needs, The Edge Malaysia, 30 July 2024 (RM5.76 million government grant reclassified to deferred income over the eight-year remaining useful life of upgraded plant and machinery; FY2023 and FY2024 results; total borrowings of RM29.5 million): <https://theedgemaalaysia.com/node/719993>.

¹⁶⁹ MIDA, Invest in Malaysia — Incentives (Pioneer Status; Investment Tax Allowance; prevailing corporate income tax rate of 24%): <https://www.mida.gov.my/setting-up-content/incentives/>.

ramps up, and that the precise composition of PGF's tax reconciliation (including any PS, ITA or RA claims, deferred-tax movements relating to incentives, and the treatment of the RM5.76 million grant) must be tested via questionnaire.

IV. Malaysia's Subsidy Notifications

The SCM Agreement requires every Member to notify all specific subsidies, at all levels of government, every three years, with updating notifications in the intervening years. The record shows both that Malaysia maintains numerous notifiable subsidy programs and that the notification regime is incomplete, supporting the inference that programmes conferring benefits on PGF and others may be under-disclosed.

The WTO SCM Committee records show Malaysia among the Members whose subsidy notifications have been under continuing review: the Committee reviewed Malaysia's subsidy notifications across its 2021 and 2022 meetings,¹⁷⁰ and continued its review of Malaysia's 2023 notification in October 2024, at which the Chair emphasised the critical importance of transparency and expressed concern over persistently low compliance with subsidy-notification obligations.¹⁷¹

V. Conclusion – Malaysia

The Applicants submit that there is sufficient evidence that producers and exporters of glass wool batts in Malaysia, and PGF Capital Bhd in particular, have received countervailable subsidies.

By this application therefore, the Applicants requests that the Commission commence an investigation into the Malaysian subsidisation of glass wool batts, as applicable to exports to the Australian market.

¹⁷⁰ WTO, SCM Committee meeting of 4 May 2022 (review of Malaysia's subsidy notifications): https://www.wto.org/english/news_e/news22_e/scm_04may22_e.htm.

¹⁷¹ WTO, Members review transparency and notification compliance, SCM Committee meeting of 29 October 2024 (continued review of Malaysia's 2023 subsidy notification; concern over persistently low compliance with subsidy-notification obligations): https://www.wto.org/english/news_e/news24_e/scm_29oct24_e.htm.

C-2. Threat of material injury

You must complete this section if the application includes a claim that material injury is threatened to an Australian industry because of the exportation of goods into the Australian market.

Not applicable.

1. Identify the change(s) in circumstances that would make material injury foreseeable and imminent unless dumping or countervailing measures were imposed, for example by having regard to:
 - (i) the rate of increase of dumped/subsidised imports;
 - (ii) changes to the available capacity of the exporter(s);
 - (iii) the prices of imports that will have a significant depressing or suppressing effect on domestic prices and lead to further imports;
 - (iv) inventories of the product to be investigated;
 - (v) for applications claiming subsidisation, the nature of the subsidies in question and the trade effects likely to arise therefrom; or
 - (vi) any other relevant factor(s).
2. If appropriate, include an analysis of trends (or a projection of trends) and market conditions illustrating that material injury is both foreseeable and imminent.

C-3. Close processed agricultural goods

Where it is established that the like (processed) goods are closely related to the locally produced (unprocessed) raw agricultural goods, then – for the purposes of injury assessment – the producers of the raw agricultural goods form part of the Australian industry. This section is to be completed only where processed agricultural goods are the subject of the application.

Applicants are advised to contact the Commission's client support section before completing this section.

1. Fully describe the locally produced raw agricultural goods.
2. Provide details showing that the raw agricultural goods are devoted substantially or completely to the processed agricultural goods.
3. Provide details showing that the processed agricultural goods are derived substantially or completely from the raw agricultural goods.
4. Provide information to establish **either**:
 - a close relationship between the price of the raw agricultural goods and the processed agricultural goods; **or**

- that the cost of the raw agricultural goods is a significant part of the production cost of the processed agricultural goods.

C-4. Exports from a non-market economy

Complete this section only if exports from a non-market economy are covered by the application. The domestic price information required by Part B of the application need not be supplied if this question is answered.

Normal values for non-market economies may be established by reference to selling prices or to costs to make and sell the goods in a comparable market economy country.

1. Provide evidence the country of export is a non-market economy. A non-market economy exists where the government has a monopoly, or a substantial monopoly, of trade in the country of export and determines (or substantially influences) the domestic price of like goods in that country.
2. Nominate a comparable market economy to establish selling prices.
3. Explain the basis for selection of the comparable market economy country.
4. Indicate the selling price (or the cost to make and sell) for each model control code of the goods sold in the comparable market economy country. Provide supporting evidence.

C-5 Exports from an 'economy in transition'

An 'economy in transition' exists where the government of the country of export had a monopoly, or substantial monopoly, on the trade of that country (such as per question C-4) and that situation no longer applies.

Complete this section only if exports from an 'economy in transition' are covered by the application.

Applicants are advised to contact the Commission's client support section before completing this section

1. Provide information establishing that the country of export is an 'economy in transition'.
2. A price control situation exists where the price of the goods is controlled or substantially controlled by a government in the country of export. Provide evidence that a price control situation exists in the country of export in respect of like goods.
3. Provide information (reasonably available to you) that raw material inputs used in manufacturing/producing the exported goods are supplied by an enterprise wholly owned by a government, at any level, of the country of export.
4. Estimate a 'normal value' for the goods in the country of export for comparison with export price. Provide evidence to support your estimate.

C-6 Aggregation of Volumes of dumped goods

Only answer this question if required by question B-1.5 of the application and action is sought against countries that individually account for less than 3% of total imports from all countries (or 4% in the case of subsidised goods from developing countries). To be included in an investigation, they must collectively account for more than 7% of the total (or 9% in the case of subsidised goods from developing countries).

	Quantity	%	Value	%
All imports into Australia		100%		100%
Country A*				
Country B*				
etc*				
Total				

* Only include countries that account for less than 3% of all imports (or 4% in the case of subsidised goods from developing countries). Use the data at [Appendix A.2](#) (Australian Market) to complete the table.

APPENDICES

Appendix A1	Australian Production
Appendix A2	Australian Market
Appendix A3	Sales Turnover
Appendix A4	Domestic Sales
Appendix A5	Sales of Other Production
Appendix A6.1	Cost to Make and Sell (& profit) Domestic Sales
Appendix A6.2	Cost to Make and Sell (& profit) Export Sales
Appendix A7	Other Injury Factors
Appendix A8	Authority to Deal With Representative
~~Appendix B1~~	~~Deductive Export Price~~
~~Appendix B2~~	~~Constructed Normal Value~~