



ANTI-DUMPING NOTICE NO. 2015/40

Hot Rolled Plate Steel

Exported from Republic of Korea and Taiwan

Initiation of an Investigation into Alleged Dumping

Customs Act 1901 – Part XVB

I, Dale Seymour, the Commissioner of the Anti-Dumping Commission (the Commissioner) have initiated an investigation following an application lodged by BlueScope Steel Limited (BlueScope), a manufacturer of hot rolled plate steel (plate steel) in Australia. The application seeks the publication of a dumping duty notice in respect of plate steel exported to Australia from the Republic of Korea (Korea) (by Hyundai Steel Company (Hyundai) and POSCO Steel (POSCO)) and Taiwan.

The application alleges that the goods have been exported to Australia at prices less than their normal value and that the dumping has caused material injury to the Australian industry through:

- loss of sales volume;
- loss of market share;
- price depression;
- price suppression;
- reduced profits;
- reduced profitability;
- reduced capital expenditure;
- reduced return on investment;
- reduced capacity utilisation; and
- reduced employment.

The non-confidential version of the application, which contains the basis of the alleged dumping, is available on the public record.

A notice under subsection 269TC(4) of the *Customs Act 1901* (the Act) advising initiation of this investigation was published in *The Australian* newspaper on 31 March 2015.

PUBLIC RECORD

The Goods

The goods subject of the application (the goods) are flat rolled products of:

- iron;
- non-alloy steel; or
- other alloy steel;

of a width greater than 600 millimetres (mm), with a thickness equal to or greater than 4.75mm, not further worked than hot rolled, not in coils, with or without patterns in relief.

Goods excluded from this application are:

- 250 megapascal (MPa) grades of plate steel with a thickness greater than 150mm;
- 350 MPa grades of plate steel with a thickness greater than 100mm;
- Q&T greenfeed grades of plate steel (Q&T Greenfeed is supplied only in the 'non heat-treated' condition); and
- heat treated Q&T grades of plate steel.

The goods are typically classified to the following tariff subheadings in schedule 3 to the Customs Tariff Act 1995.

- Tariff subheading 7208.40.00 with statistical code 39
- Tariff subheading 7208.51.00 with statistical code 40
- Tariff subheading 7208.52.00 with statistical code 41
- Tariff subheading 7225.40.00 with statistical codes 22 and 24

Goods imported from Korea and Taiwan classified to tariff subheadings 7208.40.00, 7208.51.00 and 7208.52.00 are free of duty. Goods imported under tariff subheading 7225.40.00 attract a 5 per cent rate of duty for Taiwan. Following the signing of the Korea-Australia Free Trade Agreement (KAFTA) the duty rate applicable to imports from Korea under tariff subheading 7225.40.00 reduced to 4 per cent on 13 December 2014, and then reduced again to 3 per cent from 1 January 2015.

Investigation Process

The investigation period is 1 January 2014 to 31 December 2014. The Anti-Dumping Commission (the Commission) will examine exports to Australia of the goods during that period to determine whether dumping has occurred. The Commission will examine details of the Australian market from 1 July 2010 for injury analysis.

Where the Parliamentary Secretary to the Minister for Industry and Science (the Parliamentary Secretary) is satisfied, as to goods of any kind, that:

- (a) the amount of the export price of the goods that have already been exported to Australia is less than the normal value of those goods, and the amount of the export price of like goods that may be exported to Australia in the future may be less than the normal value of the goods; and
- (b) because of that, material injury to an Australian industry producing like goods has been or is being caused or is threatened, or the establishment of an Australian industry producing like goods has been or may be materially hindered;

PUBLIC RECORD

the Parliamentary Secretary may, by public notice, impose interim dumping duties.

Where there are grounds for the Parliamentary Secretary to publish a dumping notice in respect of the goods, the Commission will examine whether the trade in the dumped goods give rise to retrospective notices being published pursuant to section 269TN of the Act, and make recommendation of the Parliamentary Secretary accordingly.

Public Record

I must maintain a public record of each inquiry. Documents included in the public record may be examined at the Commission office by contacting the Case Manager on the details provided below. Alternatively, the public record is available at www.adcommission.gov.au.

The public record will contain, among other things, a copy of the application, Consideration Report No. 284 and a copy of all submissions from interested parties.

Lodgement of Submissions

Interested parties, as defined by subsection 269T(1) of the Act, are invited to lodge submissions concerning the publication of the dumping duty notice sought in the application, by no later than the close of business on **11 May 2015** addressed to:

The Director
Operations 4
Anti-Dumping Commission
1010 La Trobe Street
DOCKLANDS VIC 3008

Or by email operations4@adcommission.gov.au or by fax to +61 3 9244 8902.

Interested parties wishing to participate in the investigation must ensure that submissions are lodged by the due date. Interested parties should note that under subsection 269TDAA(3) of the Act, I am not obliged to have regard to a submission received by the Commission after the date above if to do so would, in my opinion, prevent the timely placement of the statement of essential facts on the public record.

Interested parties may reply to matters raised by other parties during the course of the investigation and in response to the statement of essential facts.

The public record must contain, among other things, a copy of all submissions from interested parties. Letters and electronic mail are generally regarded as submissions if they contain information relevant to the inquiry.

Interested parties claiming that information contained in their submission is confidential, or that the publication of the information would adversely affect their business or commercial interests, must:

- (i) provide a summary containing sufficient detail to allow a reasonable understanding of the substance of the information that does not breach that confidentiality or adversely affect those interests, or
- (ii) satisfy me that there is no way such a summary can be given to allow a reasonable understanding of the substance of the information.

PUBLIC RECORD

Submissions containing confidential information must be clearly marked "FOR OFFICIAL USE ONLY".

Interested parties must lodge a non-confidential version or a summary of their submission in accordance with the requirement above (clearly marked "PUBLIC RECORD").

Provisional Measures

A preliminary affirmative determination may be made not earlier than 60 days after the date of initiation provided that there appears to be sufficient grounds for the publication of a dumping duty notice. In accordance with section 269TD of the Act, provisional measures, in the form of securities in respect of interim dumping duty that may become payable on the goods, may be imposed where a preliminary affirmative determination has been made.

Statement of Essential Facts

The dates specified in this notice for lodging submissions must be observed to enable the Commission to report to the Parliamentary Secretary within the legislative timeframe. A statement of essential facts will be placed on the public record by **20 July 2015**, or by such later date as the Parliamentary Secretary may allow in accordance with section 269ZHI of the Act. The statement will set out the essential facts on which I propose to base a recommendation to the Parliamentary Secretary. That statement will invite interested parties to respond to the issues raised within 20 days of the statement being placed on the public record.

Submissions received in response to the statement of essential facts will be taken into account in completing the report and recommendation to the Parliamentary Secretary.

Report to the Parliamentary Secretary

A recommendation to the Parliamentary Secretary will be made in a report on or before **2 September 2015** (or such later date as the Parliamentary Secretary may allow), unless I terminate the investigation.

The Parliamentary Secretary must, under subsection 269TLA(2) of the Act, decide whether or not to publish a dumping duty notice within 30 days after receiving the report, or due to special circumstances, such longer period as the Parliamentary Secretary considers appropriate.

Anti-Dumping Review Panel

Certain parties will have the right to seek review with the Anti-Dumping Review Panel in accordance with Division 9 of Part XVB of the Act of either a decision by me to terminate the investigation, or a decision of the Parliamentary Secretary after considering my final report.

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Anti-Dumping Commission Contact

Enquiries about this notice may be directed to the Case Manager on telephone number +61 3 9244 8259, fax number +61 3 9244 8902 or email operations4@adcommission.gov.au.

Dale Seymour
Commissioner
Anti-Dumping Commission

27 March 2015