



Anti-Dumping Notice No. 2018/105

Customs Act 1901 – Part XVB

Wire rope

Exported to Australia from the Republic of South Africa

Initiation of an anti-circumvention inquiry

Public notice under subsection 269ZDBE(4) of the Customs Act 1901

I, Dale Seymour, the Commissioner of the Anti-Dumping Commission, have initiated an anti-circumvention inquiry in relation to wire rope (the goods) exported to Australia from the Republic of South Africa (South Africa). This follows an application made under section 269ZDBC of the *Customs Act 1901* (the Act) by Bekaert Wire Ropes Pty Ltd (BBRG), a manufacturer of the goods in Australia. BBRG claims that a circumvention activity in the form of '*slight modification of goods exported to Australia*' in order to avoid existing anti-dumping measures has occurred, within the meaning of subsection 48(2) of the *Customs International (Obligations) Regulation 2015* (the Regulation).

Particulars of the reasons for the decision to initiate this inquiry are shown in *Anti-Dumping Commission Consideration Report No. 483*, which has been placed on the Anti-Dumping Commission (the Commission) public record.¹

The date of initiation of this inquiry is the date of publication of this notice.

The goods the subject of the original notice

The goods the subject of the original notice are:

stranded wire rope, alloy or non-alloy steel, whether or not coated or impregnated, having both of the following:

- *Not greater than 8 strands;*
- *Diameter not less than 58mm and not greater than 200mm, with or without attachments.*

¹ Available at www.adcommission.gov.au.

Further information regarding the goods:

- (i) *Stranded steel wire rope is rope and strand made of high carbon wire (whether or not containing alloys);*
- (ii) *The strand or rope can also be sheathed or impregnated and sheathed respectively in plastic or composites;*
- (iii) *The wires can be layered-up in various configurations in order to give the strand or rope the desired physical properties;*
- (iv) *Variances can include:*
 - *strand diameter;*
 - *number of wires;*
 - *wire finish (e.g. typically black but may be galvanised);*
 - *wire tensile grade;*
 - *type of lubricant;*
 - *strand or rope length; and*
 - *whether or not an attachment is included (but not limited to ferrules and/or beackets).*
- (v) *Cores may be made of:*
 - *natural or synthetic fibre; or*
 - *Independent Wire Rope Cores (“IWRC”), which may or may not be sheathed or impregnated in plastic.*

Typical uses include applications such as dragline hoist, drag and dump ropes, and shovel hoist, crowd and retract ropes.

Goods excluded from the measures are:

- *stranded wire rope that is stainless steel as defined under Note (e) “Stainless steel” to the Tariff;*
- *stranded wire rope with more than 8 strands, regardless of diameter; and*
- *stranded wire rope less than 58mm or greater than 200mm in diameter, regardless of the number of strands.*

The alleged circumvention goods

The goods the subject of the application are wire rope consisting of nine strands (“the circumvention goods”).

BBRG claims that subsequent to the measures being imposed, South African exporter Scaw South Africa (Proprietary) Limited (Scaw SA) has begun to promote and export nine-strand wire rope. As the original dumping duty notice applies only to wire rope consisting of up to eight strands, the circumvention goods are not covered by the original dumping duty notice. Additionally, BBRG claims that the circumvention goods exported from South Africa to Australia are being employed in the same use and manner as that pertaining to wire rope consisting of six to eight strands.

The alleged circumvention goods are currently classified to the tariff subheading 7312.10.00 (statistical code 93) of Schedule 3 to the *Customs Tariff Act 1995*.

The anti-dumping measures

Anti-dumping measures in the form of a dumping duty notice apply to wire rope from South Africa and were first imposed on 19 December 2017 following consideration of *Anti-Dumping Commission Report No. 401* by the then Assistant Minister for Industry, Innovation, and Science and Parliamentary Secretary to the Minister for Industry, Innovation and Science.

ADN No. 2017/172, in notifying the findings of REP 401, specified an effective rate of interim dumping duty for all exporters of 28.9% using the combination duty method.

The current inquiry

An application has been made under section 269ZDBC of the Act for an anti-circumvention inquiry in relation to the export of the goods the subject of the original dumping notice to Australia by Scaw SA from South Africa. The application was lodged by BBRG, a member of the Australian industry who manufactures the goods. The non-confidential version of the application, which contains the basis of the alleged circumvention activity, is available on the public record.

The anti-circumvention inquiry will examine exporters from South Africa that have engaged in a circumvention activity as outlined in subsection 48(2) of the Regulation.

Exports to Australia during the period from 1 January 2016 will be examined to determine whether the alleged circumvention activity has occurred.

After concluding the inquiry, I will recommend to the Assistant Minister for Science, Jobs and Innovation (the Assistant Minister)² that the original dumping duty notice:

- (i) remain unaltered; or
- (ii) be altered because I am satisfied that circumvention activities in relation to the original notice have occurred, and the alterations to be made to the original notice.

Public record

I must maintain a public record of each inquiry. Documents included in the public record may be examined at www.adcommission.gov.au or at the Commission's office by contacting the case manager using the contact details provided below.

Lodgment of submissions

Interested parties, as defined by subsection 269T(1) of the Act, are invited to lodge written submissions concerning this inquiry, preferably by email to investigations2@adcommission.gov.au, no later than 12 August 2018.

² For the purposes of this inquiry, the Minister is the Assistant Minister for Science, Jobs and Innovation.

Submissions can also be sent via fax to +61 3 8539 2499 or by mail addressed to:

The Director
Investigations 2
Anti-Dumping Commission
GPO Box 2013
Canberra ACT 2601

Interested parties wishing to participate in the inquiry must ensure that submissions are lodged promptly. Interested parties should note that I am not obliged to have regard to a submission received after the date mentioned above if to do so would, in my opinion, prevent the timely placement of the statement of essential facts (SEF) on the public record.

The public record must contain, among other things, a copy of all submissions from interested parties.

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.

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").

Statement of essential facts

The dates specified in this notice for lodging submissions must be observed to enable me to report to the Assistant Minister within the legislative timeframe. A SEF will be placed on the public record by 24 October 2018, or as allowed in accordance with section 269ZHI of the Act.³ The SEF will set out the essential facts on which I propose to base a recommendation to the Assistant Minister. The SEF will invite interested parties to respond to the issues raised within 20 days of the SEF being placed on the public record.

³ On 14 January 2017, the Parliamentary Secretary to the Minister for Industry, Innovation and Science delegated the powers and functions of the Minister under section 269ZHI of the Act to the Commissioner of the Anti-Dumping Commission. Refer to Anti-Dumping Notice No. 2017/10 for further information.

Report to the Assistant Minister

Submissions received in response to the SEF will be taken into account in completing the report and recommendation to the Assistant Minister.

A recommendation to the Assistant Minister will be made in a report on or before 8 December 2018 (or such later date as is allowed).

The Assistant Minister must make a declaration within 30 days after receiving the report, or due to special circumstances, such longer period as the Assistant Minister considers appropriate.

Anti-Dumping Commission contact

Enquiries about this notice may be directed to the Case Manager on telephone number +61 3 8539 2511 or email investigations2@adcommission.gov.au.

Dale Seymour
Commissioner
Anti-Dumping Commission

6 July 2018
