



Australian Government

**Australian Customs and
Border Protection Service**

AUSTRALIAN CUSTOMS DUMPING NOTICE NO. 2013/18

Hot rolled plate steel

**Exported from the People's Republic of China, Republic of
Indonesia, Japan, the Republic of Korea and Taiwan**

Initiation of an Investigation into Alleged Dumping and Subsidisation

Customs Act 1901 – Part XVB

The Chief Executive Officer (CEO) of the Australian Customs and Border Protection Service (Customs and Border Protection) has initiated investigations following an application lodged by BlueScope Steel Limited, a manufacturer of hot rolled plate steel (plate steel) ("the goods") in Australia. The application requests the publication of a dumping duty notice in respect of plate steel exported to Australia from the People's Republic of China (China), Republic of Indonesia (Indonesia), Japan, the Republic of Korea (Korea), and Taiwan and the publication of a countervailing duty notice in respect of plate steel exported to Australia from China.

The application alleges that the goods have been exported to Australia at prices less than their normal value and that, in the case of China, countervailable subsidies have been received in respect of the goods. The application claims that the dumped and subsidised exports have caused material injury to the Australian industry through:

- loss of sales volume;
- lost market share;
- price depression;
- price suppression;
- reduced profits;
- reduced profitability;
- reduced revenues;
- reduced return on investment;
- lower employment levels; and
- reduced attractiveness for re-investment.

The non-confidential version of the application, available on the public record to interested parties (as defined by subsection 269T(1) of the *Customs Act 1901* (the Act)), contains the basis of the alleged dumping and subsidisation claims.

A notice under subsection 269TC(4) of the Act advising initiation of this investigation was published in *The Australian* newspaper on 12 February 2013.

The Goods

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

- iron;
- non-alloy steel; or
- non-heat treated alloy steel of a kind commonly referred to as Quench and Tempered (Q&T) Green Feed;

of a width greater than 600mm, 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 the investigation are:

- 250 megapascal (MPa) yield strength grades of plate steel with a thickness greater than 150mm;
- 350 MPa yield strength grades of plate steel with a thickness greater than 100mm;
- Q & T Green Feed grades of plate steel with a thickness greater than 105mm; and
- heat treated Q & T grades of plate steel.

The goods are classified to the following tariff subheadings in Schedule 3 of the Customs Tariff Act 1995:

- 7208.40.00 statistical code 39;
- 7208.51.00 statistical code 40;
- 7208.52.00 statistical code 41;
- 7225.40.00 statistical codes 22 and 24.

For tariff subheadings 7208.40.00, 7208.51.00 and 7208.52.00 the general rate of duty is 5 percent for goods imported from Japan and free for imports from China, Indonesia, Korea and Taiwan.

For goods imported under the tariff subheading 7225.40.00 the general rate of duty for goods imported from Japan, Korea and Taiwan is 5 percent and 4 percent for imports from China and Indonesia.

Investigation Process

The investigation period is 1 January 2012 to 31 December 2012. Customs and Border Protection will examine exports to Australia of the goods during that period to determine whether dumping and subsidisation has occurred. Customs and Border Protection will examine details of the Australian market from 1 January 2008 for injury analysis purposes.

Where the Minister for Home Affairs (Minister) 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;

the Minister may, by public notice, impose interim dumping duties.

Where the Minister is satisfied, as to goods of any kind, that:

- (a) a countervailable subsidy has been received in respect 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;

the Minister may, by public notice, impose interim countervailing duties.

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 and countervailing duty notices sought in the application, no later than the close of business on **25 March 2013**, addressed to:

The Director
Operations 3
International Trade Remedies Branch
Australian Customs and Border Protection Service
Customs House
5 Constitution Avenue
CANBERRA ACT 2601

Or by email itrops3@customs.gov.au, or by fax to (02) 6275 6990.

Interested parties wishing to participate in the investigation must ensure that submissions are lodged by the due date. Interested parties should note that the CEO is not obliged to have regard to a submission received by Customs and Border Protection after the date above if to do so would, in the CEO's 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 CEO must maintain a public record of each investigation. 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 investigation.

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 the CEO 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 also lodge a non-confidential version or a summary of their submission in accordance with the requirement above, which will be placed on the public record. Parties must provide two copies of each version.

Public Record

Documents included in the public record are available at <http://www.customs.gov.au/anti-dumping/cases.asp>. Alternatively, the public record may be examined at Customs House by contacting International Trade Remedies Branch on (02) 6275 6968.

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 and/or countervailing duty notice. In accordance with section 269TD of the Act, provisional measures, in the form of securities in respect of interim dumping and/or countervailing duty that may become payable on the goods, may be required 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 Customs and Border Protection to report to the Minister within the legislative timeframe. A statement of essential facts will be placed on the public record by 3 June 2013, or by such later date as the Minister may allow in accordance with section 269ZHI of the Act. The statement will set out the essential facts on which the CEO proposes to base a recommendation to the Minister. 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 Minister.

Report to the Minister

A recommendation to the Minister will be made in a report on or before 17 July 2013 (or such later date as the Minister may allow), unless the CEO terminates the investigation.

Review Officer

Certain parties will have the right to seek review with the Trade Measures Review Officer in accordance with Division 9 of Part XVB of the Act of either a decision by the CEO to terminate the investigation, or a decision of the Minister after considering the CEO's report.

Customs and Border Protection Contact

Enquiries about this notice may be directed to the case manager on telephone number (02) 6275 6544, fax number (02) 6275 6990 or e-mail itrops3@customs.gov.au.

Margaret Power
A/g National Manager Operations
International Trade Remedies Branch
CANBERRA ACT

12 February 2013