



AUSTRALIAN CUSTOMS DUMPING NOTICE NO. 2013/35

Certain Hollow Structural Sections

Exported from the People's Republic of China, the

Republic of Korea, Malaysia and Taiwan

Reinvestigation Findings: Variation of Decision to Impose Measures

Customs Act 1901 – Part XVB

The Australian Customs and Border Protection Service (Customs and Border Protection) has completed the reinvestigation into certain findings made in International Trade Remedies Report No.177 in respect of certain hollow structural sections (HSS) exported to Australia from the People's Republic of China (China), the Republic of Korea (Korea), Malaysia and Taiwan.

International Trade Remedies Report No. 203 (REP 203) sets out the findings affirmed and new findings made by Customs and Border Protection as a result of the reinvestigation.

Customs and Border Protection Report

Following the reinvestigation Customs and Border Protection affirms its original findings that:

- government influence in the Chinese economy has resulted in a situation in the iron and steel market that renders sales of HSS to be not suitable for use in determining a normal value for Chinese HSS exporters under s.269TAC(1) of the *Customs Act 1901* (the Act);
- the method used for constructing a normal values for HSS producers in China under s.269TAC(2)(c) of the Act was reasonable given that a market situation had been found;
- the calculation of the export price for exporters was reasonable based on the information gathered during the original investigation;
- non-cooperating exporters from China, Korea, Malaysia and Taiwan were investigated and therefore meet the definition of "selected exporter" pursuant to section 269T of the Act, so that export prices and normal values can be determined for the exportations of non-cooperating exporters pursuant to s.269TAB(3) and 269TAC(6) of the Act;

- State- Invested enterprises (SIEs) are exercising government functions and the government exercises meaningful control over SIEs and are therefore considered to be public bodies for the purpose of the definition of 'subsidy';
- Hot rolled coil steel and/or narrow strip was supplied to HSS producers for less than adequate remuneration by SIEs and therefore this constitutes a subsidy.

Customs and Border Protection makes the following new finding that:

- Dalian Steelforce Hi-Tech Co., Ltd's normal value should be altered to not include an amount for profit.

Ministerial Decision

The Minister for Home Affairs (the Minister) considered, and accepted, the recommendations of Customs and Border Protection, the reasons for these recommendations, and the material findings of fact or law on which the recommendations are based as detailed in REP 203.

To give effect to this decision the Minister has published a new notice under s.269ZZM of the Act. This notice is in substitution of the dumping duty notice¹ (the earlier notice), published in respect of certain hollow structural sections exported to Australia from China, Korea, Malaysia and Taiwan which was notified on 3 July 2012 in *The Australian* and the *Gazette*. The new notice revokes the earlier notice to the extent of any inconsistency.

Notice of the Minister's decision was published in *The Australian* on 13 May 2013.

¹ Under s.269TG(2) of the Act

Effective Rates of Duty

The effective rates of duty are:

Exporter	Dumping Margin	Subsidy Margin	Effective rate of combined interim countervailing duty and interim dumping duty*	
<i>China</i>				
Dalian Steelforce Hi-Tech Co. Ltd	10.60%	11.10%	All finishes	11.10%
Hengshui Jinghua Steel Pipe Co., Ltd	23.70%	4.60%	All finishes	23.70%
Huludao City Steel Pipe Industrial Co., Ltd	10.10%	Negligible	All finishes	10.10%
Qingdao Xiangxing Steel Pipe Co., Ltd	18.00%	Negligible	All finishes	18.00%
Zhejiang Kingland Pipeline & Technologies Co. Ltd	10.20%	2.20%	All finishes	10.70%
Jiedong Economic Development Testing Zone Tai Feng Qiao Metal Products Co., Ltd	32.00%	7.90%	All finishes	32.00%
Selected non-cooperating exporters**	57.10%	54.80%	Black	100.80%
			Pre-galvanised	43.90%
			Hot dipped galvanised	100.80%
			Painted	99.50%
			Other	43.90%

* The calculation of combined dumping and countervailing duties is not simply a matter of adding the dumping and subsidy margins together for any given exporter, or group of exporters. Rather, the collective interim dumping duty and interim countervailing duty imposed in relation to HSS from China, is the sum of:

- the subsidy rate calculated for all countervailable programs, including ‘Program 20 – hot rolled steel provided by government at less than adequate remuneration’; and
- the dumping rates calculated, less an amount for the subsidy rate applying to Program 20.

** Where the non-injurious price (NIP) is the operative measure, the lesser duty rule has taken effect to reduce the duties to a level sufficient to remove the injury caused by dumping and subsidisation. This happens only in the case of

certain finishes for selected non-cooperating exporters from China. The operative measure in relation to selected non-cooperating Chinese exporters is a mixture of the NIP and normal value, depending on the finish category.

Exporter	Dumping Margin
<i>Korea</i>	
Kukje Steel Co., Ltd	3.2%
Selected non-cooperating exporters	8.9%
<i>Malaysia</i>	
Alpine Pipe Manufacturing SDN BHD	3.0%
Selected non-cooperating exporters	20.0%
<i>Taiwan</i>	
Shin Yang Steel Co., Ltd	2.8%
Ta Fong Steel Co., Ltd	2.4%
Selected non-cooperating exporters	5.3%

The actual duty liability may be higher than the effective rate of duty due to a number of factors. Affected parties should contact International Trade Remedies Branch on +61 2 6275 6066 or at itr@customs.gov.au for further information regarding the actual duty liability calculation in their particular circumstance.

Refund Provisions

Parties that have paid interim duty on certain hollow structural sections exported to Australia by Dalian Steelforce Hi-Tech Co., Ltd from 3 July 2013 may apply for a refund of this interim duty under Division 3 of Part VIII of the Act. Customs and Border Protection will send affected parties further information about the refund process shortly.

Right of Review

Interested parties may seek a review of this decision by lodging an application with the Federal Court of Australia, in accordance with the requirements in the *Administrative Decisions Judicial Review Act 1975*, within 28 days of the publication of the notice i.e. by 10 June 2013.

Customs and Border Protection contact

REP 203 and other 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 the case manager on the details provided below.

Enquiries about this notice may be directed to the case manager on telephone number 02 6275 6403, fax number 02 6275 6990 or itrops1@customs.gov.au

SCOTT WILSON
A/g National Manager Operations
International Trade Remedies Branch

13 May 2013