



Australian Government
**Department of Industry,
Innovation and Science**

**Anti-Dumping
Commission**

ANTI-DUMPING NOTICE NO. 2018/141

Customs Act 1901 – Part XVB

Application for an accelerated review of a dumping duty notice
and a countervailing duty notice

Submitted by Zhejiang Huada New Materials Co., Ltd

applying to certain zinc coated (galvanized) steel exported to
Australia from the People's Republic of China, the Republic of
Korea and Taiwan

17 September 2018

Introduction

I, Dale Seymour, the Commissioner of the Anti-Dumping Commission, have commenced an accelerated review of the anti-dumping measures applying to certain zinc coated (galvanized) steel exported to Australia from the People's Republic of China (China), the Republic of Korea and Taiwan, in so far as they relate to a new exporter from China, Zhejiang Huada New Materials Co., Ltd (the applicant).

The lodgement date of **29 August 2018** is the commencement date of the accelerated review.¹

The goods

The goods subject to anti-dumping measures (the goods), in the form of a dumping duty notice and a countervailing duty notice (the notices), are outlined in the table below.

| Full description of the goods the subject of the application |
|--|
| <ul style="list-style-type: none">• <i>flat rolled products of iron and non-alloy steel of a width less than 600mm and, equal to or greater than 600mm, plated or coated with zinc; and</i>• <i>flat rolled iron or steel products containing alloys of a width less than 600mm and, equal to or greater than 600mm, plated or coated with zinc exported from:</i><ul style="list-style-type: none">○ <i>China by Angang Steel Co, Ltd or Benxi Iron and Steel (Group) International Economic & Trading Co., or</i>○ <i>Taiwan by Yieh Phui Enterprise Co., Ltd.</i> <p>Galvanised steel of any width is included.</p> |

¹ Subsection 269ZF(2) states that an application for accelerated review is taken to have been lodged when the application is first received by a Commission staff member doing duty in relation to applications for accelerated reviews. Subsection 269ZF(3) states that the day on which an application is taken to be lodged must be recorded on the application.

Further information

Additional information in relation to the goods

Zinc coated (galvanized) steel is commonly referred to as galvanised steel. The amount of zinc coating on the steel is described as its coating mass and is nominated in grams per meter squared (g/m²) with the prefix being Z (Zinc) or ZF (Zinc converted to a Zinc/Iron alloy coating). Common coating masses used for zinc coating are: Z350, Z275, Z200, Z100, and for zinc/iron alloy coating are: ZF100, ZF80 and ZF30 or equivalents based on international standards and naming conventions.

Product Treatment

Surface treatments can include but are not be limited to; passivated or not passivated (often referred to as chromated or unchromated), oiled or not oiled, skin passed or not skin passed, phosphated or not phosphated (for zinc iron alloy coated steel only).

Excluded goods

Painted galvanised steel, pre-painted galvanised steel, electro-galvanised plate steel and corrugated galvanised steel are not covered by the measures.

Tariff classification of the goods

Goods identified as galvanised steel, as per the description above, are generally, but not exclusively, classified to the following tariff subheadings in Schedule 3 to the Customs Tariff Act 1995:²

| Tariff Subheading | Statistical Code(s) |
|-------------------|---------------------|
| 7210.49.00 | 55, 56, 57 and 58 |
| 7212.30.00 | 61 |
| 7225.92.00* | 38* |
| 7225.99.00* | 71* |

* These tariff subheadings only apply to the following exporters/suppliers:

- All exporters from India, Malaysia and Vietnam
- Angang Steel Co. Ltd (China);
- Benxi Iron and Steel (Group) International Economic and Trading Co. (China); and
- Yieg Phui Enterprise Co. Ltd (Taiwan).

Further details on the goods and existing measures is available on the Dumping Commodity Register on the Anti-Dumping Commission's (the Commission) website (www.adcommission.gov.au).

² These tariff classifications and statistical codes may include goods that are both subject and not subject to the anti-dumping measures. The listing of these tariff classifications and statistical codes are for convenience or reference only and do not form part of the goods description. Please refer to the goods description for authoritative detail regarding goods subject to the anti-dumping measures.

Accelerated reviews

The legislative framework that underpins the making of, and my consideration of, an application for accelerated review of dumping duty and countervailing duty notices is contained in Divisions 1 and 6 of Part XVB of the *Customs Act 1901*.³

If I do not reject an application or terminate an accelerated review, pursuant to subsections 269ZG(1) and (2) I must, no later than 100 days after the application is lodged, provide the Minister for Innovation, Science and Technology (Minister) a report recommending:

- (a) that the dumping duty notice and countervailing duty notice the subject of the application remain unaltered; or
 - (b) that the dumping duty notice and countervailing duty notice the subject of the application be altered so as to apply to the applicant as if different variable factors had been fixed;
- and set out my reasons for so recommending.

In relation to this application, this recommendation must be made no later than **7 December 2018**.

There is no legislative requirement to maintain a public file for accelerated reviews. However, in the interests of transparency, a public record will be maintained. This notice, along with a non-confidential version of the application, response to the exporter questionnaire and any non-confidential submissions that are received, will be published on the public record, available at www.adcommission.gov.au.

Submissions

Written submissions concerning this accelerated review must be lodged by **15 October 2018** via email to investigations3@adcommission.gov.au.

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**" on each page. A non-confidential version, or a summary, of the submission must also be lodged, clearly marked "**PUBLIC RECORD**" on each page.

Circumstances in which an accelerated review may be sought

Section 269ZE sets out the circumstances in which an accelerated review may be sought. If the circumstances of subsection 269ZE(2) are met, I may reject the application.

| Requirement | Finding |
|--|---|
| Applicant meets the definition of new exporter (subsection 269ZE(1)). ⁴ | There is no evidence of exports by the applicant during the investigation period for the original |

³ Unless stated otherwise, all legislative references in this notice are to the *Customs Act 1901*.

⁴ A new exporter is defined in subsection 269T(1) as, in relation to the goods the subject of the application for a dumping notice or like goods, an exporter who did not export such goods to Australia at any time during the

| Requirement | Finding |
|---|---|
| To fall within the definition of a new exporter, the period within which the applicant must not have exported the goods to Australia is 1 July 2011 to 30 June 2012 (the investigation period for the original investigations). | investigations (INV190 – dumping and INV193 countervailing). A search of the Australian Border Force's import database did not reveal the applicant as a supplier of the goods during this period. ⁵ Accordingly, I consider that the applicant should be considered a new exporter for the purposes of the accelerated review. |
| Declaration has not already been made in respect of the applicant under subsection 269ZG(3)(b) (subsection 269ZE(1)). | No such declaration has been made. |
| The applicant did not refuse to co-operate, in relation to the application for publication of the notices (subsection 269ZE(2)(a)) | There is no evidence of exports by the applicant during the investigation period for the original investigations and, therefore, cooperation was not required from the applicant during the original investigations as the applicant would not have been identified as an exporter. Accordingly, the applicant did not refuse to cooperate with the original investigations. |
| The applicant is not related to an exporter whose exports were examined in relation to the application for publication of the notice (subsection 269ZE(2)(b)) <i>Subsection 269ZE(4) provides that, for the purposes of section 269ZE, an exporter is taken to be related to another exporter if the two exporters are associates of one another under subsection 269TAA(4).</i> | To determine whether subsection 269ZE(2)(b) applies, preliminary background research of the applicant was conducted to ascertain the existence of any relationship or connection between the applicant and an exporter whose exports were examined during the original investigations. The Commission examined information contained in the application and publicly available in relation to the applicant, information from the original investigations and the Australian Border Force's import data for the original investigation period. There is no evidence to suggest that the applicant is related to an exporter whose exports were examined during the original investigations. |

For the reasons set out above, I consider that the application complies with subsection 269ZE(1). As there are presently no grounds to reject the application under subsection 269ZE(2), I have not rejected it.

Application for accelerated review – compliance with section 269ZF

Subsection 269ZF(1) requires that an application for accelerated review must:

- be in writing and be lodged in a manner approved under section 269SMS (subsection 269ZF(1));
- contain a description of the goods to which the dumping duty notice and countervailing duty notice relates (subsection 269ZF(1)(a)); and
- contain a statement of the basis on which the exporter considers that the particular notice is inappropriate so far as the exporter is concerned (subsection 269ZF(1)(b)).

Investigation period in relation to the application. Subsection 269T(1) also defines 'application' in relation to a dumping duty notice as meaning an application for the publication of such a notice.

⁵ Confidential Attachment 1 refers.

| Requirement | Finding |
|---|---|
| Lodged with the Commissioner in writing and in a manner approved under section 269SMS | The application was in writing and lodged in a manner approved in an instrument made under section 269SMS, being by email to the Commission's nominated email address. |
| Contains a description of the goods to which the dumping duty notice and countervailing duty notice relates | The application contained a description of the goods to which the dumping duty notice and countervailing duty notice relates. |
| Contains a statement of the basis on which the applicant considers that the particular notices are inappropriate in so far as the exporter is concerned | <p>The application contains a statement of the basis on which the notices are considered inappropriate.</p> <p>The applicant stated that they are subject to the non-cooperative rate, which was not determined in relation to their own costs and domestic sales, but rather derived from the lowest export price and highest normal value in regards to other exporters, and therefore inappropriate in assessing the variable factors, so far as the applicant is concerned.</p> |

Based on the information submitted by the applicant, I consider that the application complies with subsection 269ZF(1).

Conclusion

I am satisfied that, on the basis of currently available information in the application:

- the circumstances in which an accelerated review can be sought under subsection 269ZE(1) have been satisfied;
- the conditions for rejection under subsection 269ZE(2) are not satisfied; and
- the application satisfies the requirements of section 269ZF.

In view of the above, I have decided that the application should not be rejected. My decision has been made on the basis of all currently available information. If, during the accelerated review, evidence becomes available that satisfies me that the requirements of either subsection 269ZE(2) or subsection 269ZE(3) are met, I may reject the application or terminate the accelerated review.

The review period for the accelerated review is set as **1 July 2017 to 30 June 2018**.

Securities

When an application for an accelerated review of a dumping duty notice or countervailing duty notice is lodged, subsection 269ZH(a) provides that no interim duty can be collected from the applicant in respect of consignments of goods, to which the application relates, entered for home consumption after the application is lodged and until the completion of the review.

However, pursuant to subsection 269ZH(b), the Commonwealth may require and take securities under section 42 in respect of interim dumping duty and interim countervailing duty that may be payable on importation of the goods to which the application relates.

I declare that the Commonwealth will require and take securities, as shown in the confidential table at **Confidential Attachment 2**, under section 42 from **29 August 2018** in respect of interim dumping duty and interim countervailing duty that may be payable on the importation of the goods to which the application under subsection 269ZE(1) relates.

The interim dumping duty that has been determined is an amount that has been worked out in accordance with the combination of fixed and variable duty method pursuant to subsection 5(2) of the *Customs Tariff (Anti-Dumping) Regulation 2013*.

The interim countervailing duty that has been determined is an amount that has been ascertained as a proportion of the export price of those particular goods, pursuant to subsection 10(3B)(a) of the *Customs Tariff (Anti-Dumping) Act 1975*.

Contact

Enquiries about this notice may be directed to the Case Manager by email to Investigations3@adcommission.gov.au, or telephone number +61 3 8539 2437.

Dale Seymour

Commissioner of the Anti-Dumping Commission

17th day of September 2018

Appendices and attachments

| | |
|----------------------------------|--|
| Confidential Attachment 1 | Australian Border Force Import Data |
| Confidential Attachment 2 | Confidential Table 1 - Ascertained variable factors and rates of duty for the collection of securities |