



AUSTRALIAN CUSTOMS DUMPING NOTICE NO. 2012/62

Zinc coated (galvanised) steel and aluminium zinc coated steel Exported from the People's Republic of China, the Republic of Korea and Taiwan

Clarification of the goods subject to dumping and countervailing investigations

Background

On 5 September 2012, the Chief Executive Officer (CEO) of the Australian Customs and Border Protection Service (Customs and Border Protection) initiated two investigations into the alleged dumping of zinc coated (galvanised) steel (Investigation No. 190a) and aluminium zinc coated steel (Investigation No. 190b). The investigations followed separate applications lodged by BlueScope Steel Limited (BlueScope), the Australian industry producing like goods. A public notice regarding the initiation of the investigations was published in *The Australian* newspaper on 5 September 2012. Australian Customs Dumping Notice (ACDN) No. 2012/40 also refers.

On 26 November 2012, the CEO of Customs and Border Protection initiated two investigations into the alleged subsidisation of galvanised steel (Investigation No. 193a) and aluminium zinc coated steel (Investigation No. 193b). The investigations followed separate applications lodged by BlueScope. A notice public regarding the initiation of the investigations was published in *The Australian* newspaper on 26 November 2012. ACDN No. 2012/56 also refers.

Following the initiation of the investigations a number of interested parties sought clarification regarding goods that are subject to the investigations. The intent of this ACDN is to provide clarification regarding the goods that are covered by the investigations. This ACDN does not alter the description of the goods as described in the applications.

This ACDN should also be read in conjunction with the initiation notices, Consideration Reports 190 and 193, ACDN 2012/40 and ACDN 2012/56.

The goods – as described in the applications

Galvanised steel

The imported goods the subject of the *Galvanised Steel Application* are:

“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”

The goods the subject of this application are generically called galvanised steel (referring to zinc coated steel).

Galvanised steel is classified to tariff subheadings 7210.49.00 (statistical codes 55, 56, 57 and 58) and 7212.30.00 (statistical code 61) of Schedule 3 to the *Customs Tariff Act 1995* (Tariff Act).

Aluminium zinc coated steel

The imported goods the subject of the *Aluminium Zinc Coated Steel Application* are:

*“flat rolled products of iron and non-alloy steel of a width equal to or greater than 600mm, plated or coated with aluminium-zinc alloys, **not painted** whether or not including resin coating”.*

The goods the subject of this application are generically called aluminium zinc coated steel.

Aluminium zinc coated steel is classified to tariff subheading 7210.61.00 (statistical codes 60, 61, and 62) of Schedule 3 to the Tariff Act.

Clarification – goods that are subject to the current investigations

BlueScope have clarified that the scope of the applications was intended to cover all metallic coated product options that can be produced from metallic coated production lines. These include all grades/models of metallic coated steel, all coating mass classes, and all surface treatments available (as described below).

Investigation Nos. 190a and 193a - galvanised steel

In respect of galvanised steel the applications cover galvanised steel whether or not including any (combination of) surface treatment, for instance; whether 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).

Investigation Nos. 190b and 193b - aluminium zinc coated steel

In respect of aluminium zinc coated steel the applications cover aluminium zinc coated steel whether or not including any (combination of) surface treatment, for instance; whether passivated or not passivated, (often referred to as chromated or unchromated), resin coated or not resin coated (often referred to as Anti Finger Print (AFP) or not AFP), oiled or not oiled, skin passed or not skin passed.

Clarification – goods that are not subject to the current investigations - exclusions

Based on advice and verified information obtained during visits to the premises of BlueScope, Customs and Border Protection clarifies that the following products are not covered by the current investigations:

Investigation Nos. 190a and 193a - galvanised steel

- painted galvanised steel;
- pre-painted galvanised steel; and
- electro-galvanised plate steel.

Investigation Nos. 190b and 193b - aluminium zinc coated steel

- painted aluminium zinc coated steel; and
- pre-painted aluminium zinc coated steel.

Interested parties seeking clarification regarding whether imported goods are subject to the investigations should contact Customs and Border Protection (details provided below).

Exemptions

In the event that dumping and/or countervailing duties are imposed on galvanised steel and/or aluminium zinc coated steel imported from the nominated countries, all grades, types and models of the goods that conform to the goods description (as clarified) will be subject to the

dumping duty notice and/or countervailing duty notice unless the Minister exempts particular goods.

Sub-sections 8(7) and 10(8) of the *Customs Tariff (Anti-Dumping) Act 1975* provide that the Minister may exempt goods from interim dumping duty and interim countervailing duty if:

- like or directly competitive goods are not offered for sale in Australia on equal terms under like conditions to all purchasers;
- a Tariff Concession Order (TCO) applies to the goods;
- a Customs by-law applies to the goods and suitably equivalent goods produced or manufactured in Australia are not reasonably available;
- either the duty payable on the goods is zero, or the rate payable is equivalent to a special concessional rate applicable to the goods and suitably equivalent goods produced or manufactured in Australia are not reasonably available; or
- the goods are samples for the purposes of promotion.

The exemption power could be exercised when the Minister makes a decision to impose anti-dumping measures following an investigation.

A party seeking exemption from the dumping and/or countervailing duty may apply to Customs and Border Protection setting out reasons to support the application. As part of considering the request Customs and Border Protection will send out a questionnaire to the Australian industry asking whether, in their opinion, substitutable goods are offered or available for sale. The information provided may be verified. Customs and Border Protection will then undertake a comparative analysis between the local and the imported goods in question in order to determine whether like, or competitive goods, are offered for sale by the local industry. Customs and Border Protection may also examine whether the terms and conditions attached to any offer to supply are in keeping with its normal business practices.

Customs and Border Protection is currently investigating exemption claims already put forward by certain interested parties and will provide public advice / findings as appropriate.

Customs and Border Protection contact

Enquiries concerning this notice may be directed to the case manager on telephone number (02) 6275 5965, facsimile number (02) 6275 6990 or e-mail itrops2@customs.gov.au.

Kim Farrant
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International Trade Remedies Branch
CANBERRA ACT

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