



Australian Government
**Australian Customs and
 Border Protection Service**

AUSTRALIAN CUSTOMS DUMPING NOTICE NO. 2012/66

Hot Rolled Coil Steel

Exported from

Japan, the Republic of Korea, Malaysia and Taiwan

Finding in relation to an investigation into dumping

CUSTOMS ACT 1901 – PART XVB

The Australian Customs and Border Protection Service (Customs and Border Protection) has completed its investigation into the dumping of hot rolled coil steel (HRC) exported to Australia from Japan, the Republic of Korea (Korea), Malaysia and Taiwan.

The goods the subject of the application are described as:

Hot rolled coil (including in sheet form), a flat rolled product of iron or non-alloy steel, not clad, plated or coated (other than oil coated).

Goods excluded from this application are hot rolled products that have patterns in relief (known as checker plate) and plate products.

There are a number of relevant international standards for HRC that cover the range of HRC products via specific grade designations, including the recommended or guaranteed properties of each of these product grades. The relevant Australian Standard is AS/NZS 1594.

Hot rolled sheet that is 3/16th of an inch (4.75mm) thick or more is considered to be plate and therefore excluded from the investigation. Hot rolled sheet that is below this thickness is included in the investigation.

The tariff classifications and statistical class codes in Schedule 3 to the *Customs Tariff Act 1995* and relevant rates of duty for HRC are shown below.

Tariff Classification	Statistical class code	Rate of duty - Japan	Rate of duty - Korea	Rate of duty - Malaysia	Rate of duty - Taiwan
7208.25.00	32	5%	0%	0%	0%
7208.26.00	33	5%	0%	0%	0%
7208.27.00	34	5%	0%	0%	0%
7208.36.00	35	5%	0%	0%	0%
7208.37.00	36	5%	0%	0%	0%
7208.38.00	37	5%	0%	0%	0%
7208.39.00	38	5%	0%	0%	0%
7208.53.00	42	5%	0%	0%	0%
7208.54.00	43	5%	0%	0%	0%

7208.90.00	30	5%	5%	4%	5%
7211.14.00	40	5%	0%	0%	0%
7211.19.00	41	5%	0%	0%	0%

In International Trade Remedies Report No. 188 (REP 188), Customs and Border Protection recommended the publication of a dumping duty notice in respect of the goods. This Report outlines the investigations carried out by Customs and Border Protection, a statement of the reasons for the recommendations within, material findings of fact or law on which the recommendations were based and particulars of the evidence relied on to support the findings.

In REP 188, Customs and Border Protection found that:

- HRC exported from Japan to Australia were dumped with a margin of 7.5%;
- HRC exported from Korea to Australia were dumped with margins ranging from 2.6% to 11.8%;
- HRC exported from Malaysia to Australia were dumped at a margin of 15.4%;
- HRC exported from Taiwan to Australia were dumped with margins ranging from 2.6% to 8.2%;
- the dumped exports caused material injury to the Australian industry producing like goods; and
- continued dumping may cause further material injury to the Australian industry.

The Minister for Home Affairs (Minister) has accepted Customs and Border Protection's recommendations in relation to the dumping of the goods exported to Australia from Japan, Korea, Malaysia and Taiwan contained in REP 188. Notice of the Minister's decision was published in the *Commonwealth of Australia Gazette* and *The Australian* newspaper on 20 December 2012.

Particulars of the dumping margin established for the exporters and an explanation of the methods used to compare export prices and normal values to establish the dumping margin are set out in the following table:

Country	Exporter	Dumping Margin	Method to establish dumping margin
Japan	All exporters	7.5%	Weighted average export prices were compared with weighted average corresponding normal values over the investigation period in terms of ss 269TACB(2)(a) of the <i>Customs Act 1901</i> (the Act)
Korea	POSCO	6.0%	Weighted average export prices were compared with weighted average corresponding normal values over the investigation period in terms of ss 269TACB(2)(a) of the Act
	Hyundai Co., Ltd	2.6%	
	All other exporters	11.8%	
Malaysia	Megasteel Sdn. Bhd.	15.4%	Weighted average export prices were compared with weighted average corresponding normal values over the investigation period in terms of ss 269TACB(2)(a) of the Act
	All other exporters	15.4%	
Taiwan	China Steel Corporation	2.6%	Weighted average export prices were compared with weighted average corresponding normal values over the investigation period in terms of ss 269TACB(2)(a) of the Act
	Chung Hung Steel Corporation	6.5%	
	Shang Chen Steel Co, Ltd	4.1%	
	All other exporters	8.2%	

The Minister has decided to impose the interim duty as a proportion of the higher of the actual export price and the export price ascertained by the Minister. Additional interim duty will also be payable in circumstances where the actual export price is less than the export price ascertained by the Minister.

Customs and Border Protection found that the NIP is lower than the normal value for pickled and oiled HRC exported from Japan. Therefore, the NIP is the operative measure for these goods. In these instances the NIP has been found to equal the export price as ascertained by the Minister, and the effective rate of duty is 0%.

For all other goods and nominated countries, the NIP was not less than the ascertained normal value. This means that the effective rate of duties will be the full margin of dumping for all other goods and nominated countries.

Measures apply to goods that are exported to Australia after publication of the Minister's notice. Any dumping securities that have been taken on and from 5 October 2011 will be converted to interim dumping duty.¹

Dumping duties apply to all HRC exported to Australia from Japan, Korea, Malaysia and Taiwan. To preserve confidentiality, the export price, normal value and non-injurious price will not be published. Bona fide importers of the goods can obtain details of the rates from the Dumping Liaison Officer in their respective capital city.

Interested parties may seek a review of this decision by lodging an application with the Trade Measures Review Officer (TMRO) in accordance with the requirements in Division 9 of Part XV of the Act within 30 days of the publication of the Minister's notice.

The TMRO can be contacted by phone, fax or mail:

Trade Measures Review Officer
c/- Australian Government Solicitor
Level 42 MLC Centre
19 Martin Place
SYDNEY NSW 2000
Phone: (02) 9581 7640
Fax: (02) 9581 7732

REP 188 is available on the internet at www.customs.gov.au. Copies of REP 188 are also available on request from the International Trade Remedies Branch, Customs and Border Protection, by telephone (02) 6245 5453 or fax (02) 6275 6990.

Enquiries concerning interim dumping duty and the conversion of securities to interim dumping duty may be directed to the liaison officer on telephone number (02) 6275 6066 or email itr@customs.gov.au.

Enquiries concerning the investigation and this notice may be directed to the case manager on telephone number (02) 6245 5453, fax number (02) 6275 6990 or email itrops1@customs.gov.au.

KIM FARRANT
National Manager
International Trade Remedies Branch
CANBERRA ACT

20 December 2012

¹ Under the terms of s45(3)(a) of the Act, a dumping security taken in respect of interim dumping duty that may be payable on goods shall be cancelled six months after the security was taken.