

16 April 2013

Ms Joanne Reid
Director, Operations 3
International Trade Remedies Branch
Australian Customs and Border Protection Service
Customs House
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CANBERRA ACT 2601

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Dear Ms Reid

For Public File

Aluminium Zinc Coated Steel and Galvanized Steel exported from the People's Republic of China, the Republic of Korea, and Taiwan – BlueScope comments re POSCO submission

I refer to the submission on behalf of POSCO dated 8 April 2013.

BlueScope Steel Limited ("BlueScope") provides the following comments in respect of the four key matters addressed by POSCO. Three of the four matters raised by POSCO relate to requested exemptions from anti-dumping measures for consideration by Customs and Border Protection in making recommendations to the Minister. The fourth matter relates to ascertained export prices determined by Customs and Border Protection for POSCO.

1. Requests for Exemption

POSCO has requested exemptions from anti-dumping measures for the following:

- automotive zero-spangle galvanized steel;
- non-automotive zero-spangle hot rolled coil galvanized steel; and
- certain non-automotive zero-spangle hot rolled coil galvanized steel.

BlueScope does not oppose the granting of an exemption from anti-dumping measures for zero-spangle galvanized steel used in the automotive industry. BlueScope understands that the zero spangle galvanized steel is for use in automotive panels. BlueScope has been assisting GM Holden and Toyota Australia in advancing appropriate Tariff Concession Orders ("TCOs") for zero spangle galvanized steel.

POSCO's request for an exemption for zero-spangle hot rolled coil galvanized steel for use in non-automotive applications represents a request for a broad range of products to which it is considered by BlueScope that the locally produced minimum spangle product is substitutable. At the very least, the locally produced minimum spangle hot rolled coil galvanized steel has characteristics closely resembling the imported zero-spangle hot rolled coil galvanized steel and is therefore a like good to the imported goods.

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¹ Characteristics closely resembling includes physical likeness, commercial likeness, functional likeness, and production likeness.

BlueScope therefore requests Customs and Border Protection to <u>not</u> recommend an exemption for hot rolled coil galvanized steel as sought by POSCO for zero-spangle hot rolled coil used in non-automotive applications.

2. Separate ascertained export prices for cold rolled and hot rolled galvanized steel

POSCO has requested that Customs and Border Protection consider separate ascertained export prices for cold rolled galvanized steel and hot rolled galvanized steel exported to Australia. BlueScope understands that Customs and Border Protection has calculated an ascertained export price for all of POSCO's exports of galvanized steel exported during the investigation period.

BlueScope recommends that Customs and Border Protection exercise cautions in its consideration of separate ascertained export prices for goods exported to Australia based upon raw material feeds. BlueScope is concerned that separate ascertained export prices for cold rolled galvanized steel and hot rolled galvanized steel could potentially result in the circumvention of any applicable measures.

BlueScope, therefore, does not support separate ascertained export prices for hot rolled and cold rolled galvanized steel.

3. Conclusions

BlueScope has indicated that it supports the exemption from measures via TCOs for zero spangle galvanized steel for the automotive sector. BlueScope, however, does <u>not</u> support exemptions for zero-spangle hot rolled galvanized coil for use in non-automotive sector applications as like goods are available from the Australian industry to the imported goods.

BlueScope does not support separate ascertained export prices for hot rolled and cold rolled galvanized steel due to possible circumvention concerns.

BlueScope requests Customs and Border Protection to consider BlueScope's comments in respect of the claims made by POSCO. If you have any questions concerning this letter, please do not hesitate to contact me on (02) 4275 4638.

Yours sincerely

Chad Uphill International Trade

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