



AUSTRALIAN CUSTOMS DUMPING NOTICE NO.2012/01

Certain Hollow Structural Sections

Exported from the People's Republic of China, the Republic of Korea, Malaysia, Taiwan and the Kingdom of Thailand

Imposition of Securities

CUSTOMS ACT 1901 – PART XV B

Background and preliminary affirmative determination (PAD)

On 19 September 2011 the Chief Executive Officer (CEO) of the Australian Customs and Border Protection Service (Customs and Border Protection) initiated an investigation following an application lodged by OneSteel Australian Tube Mills Pty Ltd, a manufacturer of hollow structural sections (HSS) in Australia. The application requests the publication of a dumping duty notice in respect of certain HSS exported to Australia from the People's Republic of China (China), the Republic of Korea (Korea), Malaysia, Taiwan and the Kingdom of Thailand (Thailand), and the publication of a countervailing duty notice in respect of certain HSS exported to Australia from China.

The goods the subject of the application (the goods) are certain electric resistance welded pipe and tube made of carbon steel, comprising circular and non-circular hollow sections in galvanised and non-galvanised finishes. The goods are normally referred to as either CHS (circular hollow sections) or RHS (rectangular or square hollow sections). The goods are collectively referred to as HSS (hollow structural sections). Finish types for the goods include in-line galvanised (ILG), pre-galvanised, hot-dipped galvanised (HDG) and non-galvanised HSS.

Sizes of the goods are, for circular products, those exceeding 21mm up to and including 165.1mm in outside diameter and, for oval, square and rectangular products those with a perimeter up to and including 1277.3mm. Categories of HSS excluded from the goods are conveyor tube; precision RHS with a nominal thickness of less than 1.6mm; and air heater tubes to Australian Standard (AS) 2556.

In accordance with s.269TD of the *Customs Act 1901* (Cth) (the Act) the Chief Executive Officer (CEO) of Customs and Border Protection made a PAD on 23 December 2011 that there appeared to be sufficient grounds for the publication of a dumping duty notice in respect of the goods exported to Australia from China, Korea, Malaysia and Taiwan. PAD Report 177 (PAD177) explains the reasons for making this PAD, and is available online at www.customs.gov.au.

At the time of making the PAD, the CEO determined that securities should be required and taken under s.42 of the Act in respect of interim dumping duty that may become payable in respect of the goods from China, Korea, Malaysia and Taiwan, being satisfied that it is necessary to require and take securities in order to prevent material injury occurring to the Australian industry while the investigation continues.

The PAD and decision to impose the securities was notified in Australian Customs Dumping Notice (ACDN) 2011/62 and *The Australian* newspaper on 23 December 2011.

At the time of making this notification, Customs and Border Protection advised that the date from which securities will be taken would be subject to subsequent notification. Customs and Border Protection hereby advises that it will require and take securities under s.42 of the Act in respect of any interim dumping duty that may become payable in respect of the goods entered for home consumption on or after 10 January 2012.

Level of securities

Securities will be imposed at the levels in the below table.

Country/ region & exporters	Rate (% of export price at free-on-board (FOB))
China	
Dalian Steelforce Hi-Tech Co., Ltd	No securities
Hengshui Jinghua Steel Pipe Co., Ltd	9.2%
Huludao City Steel Pipe Industrial Co., Ltd	6.3%
Qingdao Xiangxing Steel Pipe Co., Ltd	10.5%
Zhejiang Kingland Pipeline & Technologies Co., Ltd	No securities
Other Chinese exporters that provided responses to the Exporter Questionnaire:	
- Jiedong Economic Development Testing Zone Tai Feng Qiao Metal Products Co., Ltd	8.7%
- Tianjin Jinshengde Steel Tube Produce Co., Ltd	
- Zibo Litong Steel Pipe Co., Ltd	
All other Chinese exporters	10.5%
Korea	
All exporters	11.5%
Malaysia	
All exporters	15.0%
Taiwan	
All exporters	15.7%
Thailand	
No securities	

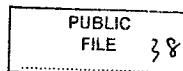
Clarification of the goods and tariff classification

Further information on the nature of the goods and their applicable tariff classifications was published by Customs and Border Protection in PAD177, as well as in other reports published during the investigation. This has included information as to the British and Australian standards that the goods are generally produced to.

Following initiation of the investigation, the relevant tariff classifications for the goods have been amended. The goods may now be classified to the following subheadings in Schedule 3 of the *Customs Tariff Act 1995* (Cth):

- 7306.30.00 (statistical codes 31, 32, 33, 34, 35, 36 and 37)
- 7306.61.00 (statistical codes 21, 22 and 25)
- 7306.69.00 (statistical code 10)

Further, during its investigation, Customs and Border Protection has become aware of some confusion by interested parties as to the scope of the goods subject of this investigation. Specifically, some parties consider the investigation may only be in respect of steel pipe and tube that meet particular industry standards (e.g. AS1163).



For clarification, although the goods are described collectively as hollow structural sections, Customs and Border Protection considers the goods include all electric resistance welded pipe and tube made of carbon steel that meets the above goods description, regardless of whether or not the pipe or tube meets a particular industry standard or is used in structural applications.

Enquiries concerning this notice may be directed to the case manager on telephone number (02) 6275 6173, fax number (02) 6275 6990 or email tmops3@customs.gov.au.

Justin Wickes
A/g National Manager
International Trade Remedies Branch
CANBERRA ACT

10 January 2012