



## **AUSTRALIAN CUSTOMS DUMPING NOTICE NO. 2012/31**

### **Certain Hollow Structural Sections**

#### **Exported from**

**The People's Republic of China, the Republic of Korea,  
Malaysia, Taiwan and the Kingdom of Thailand**

#### **Finding in relation to a dumping and subsidisation investigation**

##### ***CUSTOMS ACT 1901 – PART XVB***

The Australian Customs and Border Protection Service (Customs and Border Protection) has completed its investigation into the alleged dumping of certain hollow structural sections (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 alleged subsidisation of certain HSS exported to Australia from China.

The goods are classified to tariff subheadings 7306.30.00 (statistical codes 31, 32, 33, 34, 35, 36 and 37), 7306.61.00 (statistical codes 21, 22 and 25) and 7306.69.00 (statistical code 10) in Schedule 3 of the *Customs Tariff Act 1995*.

In International Trade Remedies Report No. 177 (REP 177) Customs and Border Protection recommended the publication of a dumping duty notice in respect of the goods exported to Australia from China, Korea, Malaysia and Taiwan and a countervailing duty notice in respect of the goods exported to Australia from China. REP 177 outlines the investigations carried out by Customs and Border Protection, a statement of the reasons for the recommendations contained in REP 177, material findings of fact or law on which Customs and Border Protection's recommendations were based and particulars of the evidence relied on to support the findings.

On 6 June 2012, Customs and Border Protection terminated its dumping investigation into the goods exported from Thailand and its subsidy investigation with respect to two Chinese exporters, Huludao City Steel Pipe Industrial Co., Ltd (Huludao) and Qingdao Xiangxing Steel Pipe Co., Ltd. (Qingdao Xiangxing). Termination Report No. 177 sets out the reasons for these terminations.

In REP 177, Customs and Border Protection found that:

- HSS exported from China to Australia were:
  - dumped with margins ranging from 10.1% to 57.1%; and
  - with the exception of two exporters, Huludao and Qingdao Xiangxing, subsidised with margins ranging from 2.2% to 54.8%;
- HSS exported from Korea to Australia were dumped with margins ranging from 3.2% to 8.9%;
- HSS exported from Malaysia to Australia were dumped with margins ranging from 3.0% to 20.0%;
- HSS exported from Taiwan to Australia were dumped with margins ranging from 2.4% to 5.3%;

- the dumped and subsidised exports caused material injury to the Australian industry producing like goods; and
- continued dumping and subsidisation may cause further material injury to the Australian industry.

Particulars of the dumping and countervailing margins established for each of the exporters are set out in the following tables:

Exporter	Dumping Margin	Subsidy Margin	Effective rate of combined interim countervailing duty and interim dumping duty*	
<i>China</i>				
Dalian Steelforce Hi-Tech Co. Ltd	13.4%	11.1%	All finishes	13.4%
Hengshui Jinghua Steel Pipe Co., Ltd	23.7%	4.6%	All finishes	23.7%
Huludao City Steel Pipe Industrial Co., Ltd	10.1%	Negligible	All finishes	10.1%
Qingdao Xiangxing Steel Pipe Co., Ltd	18.0%	Negligible	All finishes	18.0%
Zhejiang Kingland Pipeline & Technologies Co. Ltd	10.2%	2.2%	All finishes	10.7%
Jiedong Economic Development Testing Zone Tai Feng Qiao Metal Products Co., Ltd	32.0%	7.9%	All finishes	32.0%
Selected non-cooperating exporters**	57.1%	54.8%	Black	100.8%
			Pre-galvanised	43.9%
			Hot dipped galvanised	100.8%
			Painted	99.5%
			Other	43.9%

\* The calculation of combined dumping and countervailing duties is not simply a matter of adding the dumping and subsidy margins together for any given exporter, or group of exporters. Rather, the collective interim dumping duty and interim countervailing duty imposed in relation to HSS from China, is the sum of:

- the subsidy rate calculated for all countervailable programs, including 'Program 20 – hot rolled steel provided by government at less than adequate remuneration'; and
- the dumping rates calculated, less an amount for the subsidy rate applying to Program 20.

\*\* Where the non-injurious price (NIP) is the operative measure, the lesser duty rule has taken effect to reduce the duties to a level sufficient to remove the injury caused by dumping and subsidisation. This happens only in the case of certain finishes for selected non-cooperating exporters from China. The operative measure in relation to selected non-cooperating Chinese exporters is a mixture of the NIP and normal value, depending on the finish category.

Exporter	Dumping Margin
<i>Korea</i>	
Kukje Steel Co., Ltd	3.2%
Selected non-cooperating exporters	8.9%
<i>Malaysia</i>	
Alpine Pipe Manufacturing SDN BHD	3.0%
Selected non-cooperating exporters	20.0%

<i>Taiwan</i>	
Shin Yang Steel Co., Ltd	2.8%
Ta Fong Steel Co., Ltd	2.4%
Selected non-cooperating exporters	5.3%

The Minister has accepted Customs and Border Protection's recommendations in relation to the alleged dumping of the goods from China, Korea, Malaysia and Taiwan and subsidisation of the goods exported to Australia from China contained in REP 177. Notice of the Minister's decision was published in *The Government Notices Gazette* and *The Australian* newspaper on 3 July 2012.

Measures apply to goods that are exported to Australia after publication of the Ministers notice. Any dumping securities that have been taken on and from 23 December 2011, will be converted to interim dumping duty.<sup>1</sup> Importers will be contacted by the Regional Securities Officer in their respective capital city detailing the required conversion action for each security taken.

Anti-dumping duties apply to all HSS exported to Australia from China, Korea, Malaysia and Taiwan. Countervailing duties apply to all HSS exported to Australia from China, except HSS exported by Huludao and Qingdao Xiangxing.

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 in accordance with the requirements in Division 9 of Part XVB of the Act within 30 days of the publication of the Minister's notice (i.e by 2 August 2012).

REP 177 is available on the internet at [www.customs.gov.au](http://www.customs.gov.au). Copies of REP 177 are also available on request from the International Trade Remedies Branch, Customs and Border Protection, by telephone (02) 6275 6547 or fax (02) 6275 6990.

Enquiries concerning this notice may be directed to the Case Manager on telephone (02) 6275 6173, fax (02) 6275 6990 or email [itrops3@customs.gov.au](mailto:itrops3@customs.gov.au).

KIM FARRANT  
National Manager  
International Trade Remedies Branch  
CANBERRA ACT

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<sup>1</sup> 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.