



ADRP Conference Summary

Review No. 170 – Certain railway wheels exported from the People’s Republic of China and the French Republic

Panel Member	Sharon Henrick
Review type	Review of Minister’s decision
Date	19 November 2024
Participants	<u>Baowu Group MTM Rail Transit Materials Technology Co Ltd (MTM)</u> <ul style="list-style-type: none">• [REDACTED] J.Bracic & Associates <u>Anti-Dumping Commission:</u> <ul style="list-style-type: none">• [REDACTED] – A/g Director, Investigations• [REDACTED] - Assistant Director, Legal and Regulatory Affairs
Time opened	4:30pm AEDT
Time closed	9:00am AEDT 21 November 2024

Purpose

The purpose of this conference was to obtain further information in relation to the review before the Anti-Dumping Review Panel (Review Panel) in relation to certain railway wheels exported from the People’s Republic of China.

The conference was held pursuant to section 269ZZHA of the *Customs Act 1901* (the Act).

In the course of the conference, I was able to ask parties to clarify any argument, claim or specific detail contained in their application or submission. The conference was not a formal hearing of the review and was not an opportunity for parties to argue their case before me.

In accordance with section 269ZZHA(2), in making a recommendation under subsection 269ZZK(1), I may have regard to:

- (a) further information provided at this conference to the extent that it relates to “relevant information” within the meaning of section 269ZZK(6) of the Act;
- (b) any conclusions reached at this conference based on “that relevant information”.

At the time of the conference, I advised the participant:

- That the conference was being recorded and transcribed by Loghic Events, and that the recording would capture everything said during the conference.
- That the conference was being recorded for the Review Panel to have regard to



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when preparing a conference summary. The conference summary would then be published on the Review Panel's website.

- Any confidential information discussed during the conference would be redacted from the conference summary prior to publication.

Prior to the conference, participants were provided with a copy of the Review Panel's Privacy Statement. The Privacy Statement outlines who the conference recording and transcript may be disclosed to. The Privacy Statement is available on the Review Panel's website [here](#). The participant indicated that they understood the Privacy Statement and consented to:

- The recording of the conference; and
- The recording being dealt with as set out in the Privacy Statement.

Further information requested

The specific information that the Review Panel sought in this conference was:

The Review Panel asked the applicant to describe, should they wish to do so, the unnamed cases it referred to in its written submissions to the Review Panel on 23 October 2024. Those cases relate to MTM's second ground of review which is that the Minister ought to have applied an uplift to MTM's steel scrap offset cost which corresponds to the uplift the Minister applied to MTM's cost of steel billet.

MTM's representative said they had provided a note describing the cases to the Secretariat on Friday, 15 November 2024 when they were not able to dial into a conference scheduled for that date due to local network issues. The Review Panel said they would approach the Secretariat to obtain the information and leave the conference open while they obtained the information.

The Review Panel received the information from the Secretariat, which was in a written note, as part of the conference. The content of the written note was discussed by the Review Panel and MTM's representative at a subsequent conference, held on 27 November 2024.

During the conference, MTM's representative said they had considered the previous cases, in which they had been involved, where the Commission used a benchmark.

MTM's representative said they considered those cases to ascertain whether the Commission made a decision to only uplift the main raw material or whether the Commission



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made a decision to uplift both the raw material and the scrap component, or whether they made a decision to uplift only one cost, because the exporter in the particular case didn't split out the consumed input and then the scrap generated.

MTM's representative said they found five cases which involved one of the three circumstances described in the previous paragraph. They said that, of those five cases, only one of the cases involved applying an uplift to the scrap component where the scrap component was recorded in a separate column to the raw material cost in the accounts of the manufacturer. They said that the other four cases did involve an uplift to the scrap component, but it was indirect because the exporter had not split out the two components in their reported raw material costs.

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The Review Panel asked MTM's representative if, in MTM's first ground, whether the heading in its application, which states that the Minister erred in rejecting MTM's cost of the steel billet, was the actual ground or whether, in substance, the ground is that the Minister erred by adding a Gross Margin to MIS's full cost of manufacturing the steel billet.

MTM confirmed that its first ground is the latter and not what is stated in the heading.

The Review Panel asked MTM's representative whether they were contending that the Minister replicated the errors in the WTO's Dispute Settlement Panel's report DS603.

MTM's representative said MTM is not contending that the Minister replicated the errors in the WTO's Dispute Settlement Panel's report DS603.

MTM's representative dialed out of the conference.

The Review Panel asked the representatives of the Commission a question about a part of its confidential information, which had been touched on at an earlier conference. The representatives of the Commission said they would need to check their confidential files. The Review Panel said it would leave the conference open to allow the Commission to do so and to provide an answer to the question to the Review Panel in an email, which the Review Panel would receive in the conference.

The Commission provided the confidential information in an email the following day.



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The Review Panel then closed the conference.