



**Australian Government**  
**Australian Customs Service**

**TRADE MEASURES BRANCH**  
**CUSTOMS ACT 1901 - PART XV B**

**TRADE MEASURES REPORT No. 79**

**HOT ROLLED STRUCTURAL STEEL SECTIONS**  
**FROM THE REPUBLIC OF KOREA**

**REVIEW OF ANTI-DUMPING MEASURES**

**6 August 2004**

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**ABBREVIATIONS**

Customs	Australian Customs Service
Dongwon	Dongwon Securities Co Ltd
FOB	Free-on-board
FSC	Korean Financial Supervisory Commission
H-beams	Universal beams and columns
INI	INI Steel Company Ltd
Korea	Republic of Korea
Minister	Minister of Justice and Customs
NIP	Non-injurious price
OneSteel	OneSteel Manufacturing Pty Ltd
SEF	Statement of essential facts
Stemcor	Stemcor Australia Pty Ltd
Structural steel	Certain hot rolled structural steel sections defined in section 2.3 of this report
USP	Unsuppressed selling price

**1 SUMMARY****1.1 Overview**

INI Steel Company Ltd (INI), an exporter of certain hot rolled structural steel sections (structural steel) from the Republic of South Korea (Korea) to Australia, made an application to Customs for a review of anti-dumping measures.

On 4 March 2004, Customs initiated a review of the variable factors (normal values, export prices and non-injurious prices) relevant to the anti-dumping measures applying to structural steel exported from Korea by INI. The review period was 1 January 2003 to 31 December 2003.

Customs found that variable factors relevant to the anti-dumping measures applying to exports of structural steel by INI have changed. Customs found that export prices and normal values have generally increased, the former having increased by a greater proportion. This resulted in a finding that weighted average export price exceeded weighted average normal value for the review period.

Customs also found that non-injurious prices (NIPs) had increased, and the level of the NIP is higher than both the normal value and export price.

**1.2 Recommendation**

In determining the amount of anti-dumping measures, the Minister must ascertain an export price, a normal value and a NIP for the goods. Customs recommends that the variable factors relevant to determining the interim dumping duty applying to structural steel exported to Australia from Korea by INI be revised to reflect the findings of this review.

## 2 PROCEDURES AND BACKGROUND

### 2.1 Procedures

An affected party may apply for a review of anti-dumping measures where it considers it is appropriate to review those measures because:

- one or more of the variable factors relevant to the taking of the measures have changed; or
- if those measures had not been taken – the Minister would not be entitled to take any such measures.

Variable factors are normal value, export price and non-injurious price. Changed variable factors can affect the amount of interim dumping duty imposed, or require amendment of the terms of an undertaking.

An affected party includes a person directly concerned with the exportation or importation of the goods to which the measures relate; a person representing all or part of the Australian industry producing like goods; or the government of a country from which like goods have been exported to Australia.

### 2.2 Background

On 29 October 2001, OneSteel Manufacturing Pty Ltd (OneSteel) lodged an application with Customs requesting that anti-dumping measures be imposed on structural steel exported to Australia from Korea, South Africa and Thailand.

Customs conducted an investigation and submitted its report and recommendations to the Minister on 6 May 2002. On the basis of Customs' report, the Minister imposed anti-dumping measures on structural steel exported to Australia from Korea, South Africa and Thailand. The dumping duty notices were published on 5 July 2002.

On 12 February 2004, INI made an application for review of anti-dumping measures on the basis that there had been a change in the level of export prices and normal values. After considering the application and other information considered relevant, Customs commenced a review of the anti-dumping measures applying to exports of structural steel to Australia from Korea by INI.

Public notification of this review was published in *The Australian* newspaper on 4 March 2004. Customs notified that it would review the variable factors (normal values, export prices and non-injurious prices) relevant to the anti-dumping measures applying to structural steel exports by INI, and that it would examine the period 1 January 2003 to 31 December 2003 for this purpose.

### 2.3 The goods

The goods subject to the existing anti-dumping measures are structural steel sections exported to Australia from Korea by INI. The goods are generally quoted to Australian Standard AS/NZS 3679.1 or to an equivalent international standard.

The shapes and sizes of structural steel are classified under the *Customs Tariff Act 1995* to the tariff subheadings shown in the table below:

<b>Shape</b>	<b>Size</b>	<b>Tariff subheading and statistical code</b>
Channels (C or U sections)	Of a depth greater than or equal to 150mm but not exceeding 380mm	72.16.31.00/30
Universal beams (I sections)	Of a nominal depth greater than or equal to 150mm but not exceeding 610mm	72.16.32.00/31
Universal columns (H sections)	Of a nominal depth greater than or equal to 100mm but not exceeding 310mm	72.16.33.00/32
Angles (L sections).	With a nominal combined leg length greater than or equal to 240mm but not exceeding 400mm	72.16.40.00/33

The rate of Customs duty for structural steel from Korea is zero.

**3 EXPORT PRICES**

Export prices are assessed under s. 269TAB of the *Customs Act 1901*.

**3.1 Sales to Australia**

During the review period, INI exported structural steel to only one Australian customer, Stemcor Australia Pty Ltd (Stemcor). INI regards, and Customs accepts, that this Australian customer is at the 'distributor' level of trade in the Australian market.

During the review period INI exported only grade RL to Australia.

**3.2 Date of sale**

Export sales and normal values are compared at a date of sale that provide for a fair comparison. The date of sale is the date that the material terms of the sale are set.

INI stated that the material terms of the export sales were established at the time INI provided its order confirmations. This was important because order confirmation date was a considerable time before invoice date.

Customs examined a selection of INI's export sales to Australia during the review investigation period and established that in all cases the invoiced price was the price on the purchase order, regardless of when the goods were shipped. The price paid by Stemcor was also verified and confirmed to be the invoiced price.

**3.2.1 OneSteel's comments**

- OneSteel questioned the change in approach to date of sale from the original investigation to this review. Specifically, OneSteel stated that in the original investigation Customs adopted the date of invoice as representing the date of sale on export sales. However, during the review, Customs accepted that the date of sale occurred on the date of order confirmation.
- OneSteel considered that in accepting INI's approach to date of sale, Customs has failed to ensure normal value is properly comparable with export price.

**3.2.2 INI's Response**

- INI stated that during the original investigation period INI sold the subject merchandise to Australia using various customers and distribution channels. INI used local (Korean) traders and Australian traders during the original investigation period. At that time, confirmation methods were different for each customer and changes could be made in the period between order date and invoice date.
- INI stated (and Customs verified) that during the review period it sold the subject merchandise to Australia using one Australian distributor and that this relationship did not allow for changes. INI stated that there could be no changes to price or goods from the date of order confirmation.

- INI stated that the decisions on price, whether for export or domestic sales, are essentially the same and are primarily based on market conditions at the time of the order confirmation.

### 3.2.3 Customs consideration

To test INI's claims that order confirmation date establishes the material terms of sale, Customs charted export prices against both the invoice date and the date of the purchase order confirmation. Customs found that price variations for a particular purchase order confirmation date could be explained by the existence of two separate purchase orders confirmed on the same day, or by exports being made from Pohang rather than Incheon. When export price was charted against the date of invoice, Customs found that there were numerous different price levels for each invoice date, and the range of prices was considerably broader than that for comparison by order confirmation.

Customs accepts that during the review period the arrangements for INI's export sales to Australia changed from those of the original investigation period. During the review period there was no company acting for INI in Korea; facilitating the export sales to Australia. All purchases by the importer, through its representative, were conducted direct with INI and supports the position that the material terms of sale were set at the date of order confirmation between INI and the Australian importer's representative. Customs verified that the price paid for structural steel exported in the review period was consistent with the price on the order confirmation.

Customs is satisfied that the material terms of the export sale were set on the date of order confirmation.

### **3.3 Conclusion – export price**

Customs considers INI to be the exporter. INI manufactures the goods and makes export arrangements in response to sales negotiations/orders with the Australian customer; and it selects the market for export. INI also arranges and pays for transport of the goods to the FOB stage.

Customs found Stemcor to be the beneficial owner of the structural steel exported by INI at the time the goods arrived in the Australian port of landing. Therefore, Customs considers Stemcor is the importer.

In respect of the export transactions between INI and Stemcor, Customs found the structural steel was exported to Australia by INI and that Stemcor purchased the goods from INI. Customs also found the purchase of the structural steel by Stemcor was an arms length transaction.

Customs therefore consider export prices for such transactions involving H-beams and angles should be determined in accordance with s. 269TAB(1)(a), using the invoiced FOB prices.

There were no exports of channels in the review period. Customs considers it is reasonable to determine export prices under s. 269TAB(3), having regard to all relevant information. Specifically, Customs considers export price for channels should be calculated by increasing the existing export price by the same proportion that H-beam export prices increased from the original investigation period to the review period.

<b>4</b>	<b>NORMAL VALUE</b>
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Normal values are assessed under s. 269TAC of the *Customs Act 1901*.

#### 4.1 Domestic sales of like goods

INI provided a list of all grades of H-beams sold on the domestic market. It claimed that grade SB and grade HK were identical to the grade RL exported to Australia. Grade SB and grade HK accounted for the vast majority of domestic sales of like goods.

INI also provided a table identifying the applicable standard and specification for the various grade codes. Customs noted that this document referred to two Korean standards: KS D 3503 and KS D 3515. These standards apply to general structural and welded structural applications respectively. Customs summarised these documents and the attributes of each grade are in the following table:

Grade	Standard	Specification	Mpa
RL	AS 3679.1		280 - 320
SB	KS D 3503	SS 400	215 - 245
HK	KS D 3515	SM 490A	285 – 325

INI did not have any domestic sales of grades with a specification of SS490.

The structural steel sections sold on the domestic market are not identical in physical characteristics to the goods exported to Australia. However, they conform to equivalent international standards, are produced by a similar production process, and end-user perception is that they are substitutable in structural applications.

Customs considers the domestic grades of H-beams identified by INI, i.e. the grade SB and grade HK, could be considered like goods in terms of s. 269T(1).

OneSteel claims the grade SB sold on the Korean domestic market is not comparable with the grade RL exported to Australia due to differences in specification. INI maintains that there is little difference in specification, cost or price. Customs compared costs and prices of the grade SB and grade HK sold on the domestic market and found the grade HK costs and prices to be slightly higher.

Customs found the specifications of the exported grade RL and domestic grade HK to be very similar, and considers the grade HK is the most appropriate for comparison with the exported grade RL. Customs calculated normal values using domestic sales of only grade HK.

INI did not supply any information in respect of domestic sales of channels and angles as it claimed it had only exported a very small quantity, representing a small proportion of total exports during the review period. Customs verified this claim during the visit to INI and this was consistent with the information contained in Customs commercial database. Customs agreed

with INI that it was not necessary that domestic sales information for channels and angles be provided.

INI provided details of its domestic sales of H-beams and explained that its domestic customers are distributors and end-users. Customs calculated normal values using only the domestic sales to distributors to ensure proper comparison with export sales to an Australian customer at distributor level.

#### 4.2 Suitability of sales

Section 269TAC(2) provides that certain domestic sales may be unsuitable for use in determining normal values because of a factor in the market. One such factor is where there is an absence, or low volume, of sales of like goods in the domestic market. Section 269TAC(14) provides a measure of 'low volume' as less than 5% of the volume of goods the subject of the application that are exported to Australia by the exporter.

Domestic sales of grade HK H-Beams exceed 5% of the volume of exports of grade RL to Australia in each month. Customs considers that there are no factors that make the domestic sales unsuitable for use in determining normal values.

#### 4.3 Adjustments

Customs considers the following adjustments to domestic selling prices, in accordance with s. 269TAC(8), are necessary to ensure the normal value is properly comparable with the export price of the goods:

Adjustment	Add to or deduct from domestic selling price
Domestic credit terms	Deduct
Domestic inland freight	Deduct
Duty drawback	Deduct
Export inland freight	Add
Export finance costs	Add
Export handling and other charges to FOB	Add

#### 4.4 OneSteel's submission

- OneSteel provided copies of INI financial data that INI had submitted to the Korean Financial Supervisory Commission (FSC). OneSteel stated that this data corroborates the domestic sales data sourced from other independent sources and further supports OneSteel's position that data submitted by INI to Customs is not satisfactory for establishing normal values.
- OneSteel stated that the FSC data also shows an average selling price for exports of H-Beam that supports OneSteel's assertion that INI continue to dump H-Beam on the Australian market.
- OneSteel provided Customs with average domestic sales price data for H-Beams in Korea for 2003, based on data obtained from several

“independent sources”. OneSteel claimed that this price information was provided by INI directly to the source. The sources OneSteel provided to Customs included:

- Korea Steel Association;
  - Korean Price Research Centre;
  - Dongwon Securities Co Ltd (Dongwon); and
  - two other stock analysts.
- OneSteel suggested the price in Korea of structural steel imported from Japan (constructed using cost-insurance-freight [CIF] plus estimates of costs to free-into-store [FIS]) suggests INI prices consistent with the prices obtained from the independent sources above.
  - OneSteel stated that INI failed to address the differences between the average domestic selling price from the independent sources and the verified domestic sales data. As OneSteel are not privy to the normal value information verified by Customs, it has calculated normal values, export prices and dumping margins based on the above sources of information. The dumping margin calculated by OneSteel is different to Customs calculations.
  - OneSteel considers that Customs should only be investigating changes in relevant facts, not changes in interpretation or administration of the Act.
  - OneSteel claimed that the same categories of adjustments should be applied in the review as were applied in the original investigation. In OneSteel’s opinion, only the quantum of the adjustments should be taken into account. Specifically, OneSteel questioned two adjustments (Customs regards only the second of these as an issue relevant to normal value adjustments and the regards the first as an issue in the context of establishing INI’s costs):
    - allocation of INI corporate expenses: the exclusion of certain corporate expenses on the basis that they were not directly related to the production of H-Beams.
    - INI inventory carrying costs: the inclusion of an adjustment for the opportunity costs associated with carrying inventory for domestic sales. OneSteel stated that it had calculated timing differences between production for domestic sales and production and despatch of export sales for the review period. This difference was calculated by OneSteel to be three months.
  - OneSteel commented on the comparison of domestic and export sales. OneSteel stated that the significant increases in relation to the price of scrap steel, particularly in the last quarter 2003, should be considered when making comparisons between domestic and export sales.
  - OneSteel also stated that its preference is for Customs to consider only the last quarter of data for establishing dumping. OneSteel stated that s. 269TACB(2A)(a) allows for Customs to use part of an investigation period for establishing dumping.
  - OneSteel stated that as INI did not provide information on angles and channels, and because OneSteel considers the normal value information

verified by Customs unreliable, that Customs should assess normal values under s. 269TAC(6) using information provided by OneSteel.

#### 4.5 INI's response

- INI stated the price data on the FSC report was incorrectly reported because INI is a market leader and that the actual price information may lead to complaint of unfair trade from other small competitors. Therefore, INI stated, it provides retail market price information.
- INI advised that data submitted to the FSC is in such a form that true weighted average H-beam price is not stated, and cannot be calculated.
- INI stated it does not disclose average selling prices in response to market surveys, whether it be by stock analysts, industry journals or other organisations. INI stated that when contacted by companies seeking market information relating to selling prices it only confirms whether a price suggested by these organisations is a reasonable approximation. INI further stated that the price is only confirmed if it falls within the price range charged to customers during that period. INI stated that the information confirmed is never the average selling prices charged to all customers.
- INI reviewed the report provided by OneSteel from Dongwon. INI stated that the information is generally correct. However, it also stated that it checked the H-Shape quoted in Dongwon's report and found that it was mistakenly translated to large scale H-Beam. INI stated it contacted a representative from Dongwon and was advised that INI did not directly disclose that information to Dongwon.
- INI stated that the adjustment for inventory carrying costs was allowed in the original investigation and that Customs had not changed the methodology for calculation.

#### 4.6 Customs consideration

##### 4.6.1 Data submitted by INI to the Korean FSC

Customs paid particular attention to the data contained in the INI reports to the Korean FSC. This is because INI was unquestionably the source of the data.

This is contrary to other data provided by OneSteel that was obtained from independent, but secondary, sources. The data from the independent sources comprised estimates of INI's price, or constructions of price based on certain assumptions. In addition, the other data provided by OneSteel was gathered by different types of organisations, and was reported for various purposes.

Customs sought assistance in understanding the FSC and the reporting obligations of Korean manufacturing companies to that organisation. PricewaterhouseCoopers was engaged for this purpose and its advice to Customs included the following points:

- Korean listed companies are required to submit an annual report and quarterly reports along with their audit report to FSC using the 'Data Analysis, Retrieval and Transfer System' (DART);

- all FSC reporting should be based on Korean GAAP;
- the information should be reconciled with the financial statements;
- the FSC performs monitoring and compliance checks;
- compliance with Korea's FSC reporting obligations is an important issue for listed Korean companies;
- the FSC rules do allow some choice in the calculation of average selling prices (simple average, weighted average, year-end price, and other). However, for a manufacturing business, the reporting of retail values for products appears unusual; and
- in its annual FSC report, INI disclosed that it adopted weighted average selling price.

Having established that the FSC data should generally be reliable, Customs decided to revisit INI and explore the apparent discrepancies between the INI data reported to the FSC and that provided to Customs.

INI provided Customs with a detailed explanation of the data submitted to the FSC, and the exact reasons for any differences to data submitted to Customs for the purposes of assessing H-beam normal values. Customs concluded the FSC data is not an accurate indication of actual net weighted average selling price for specific product groups.

Customs is confident the domestic price data (for H-beams in 2003) that INI submitted to Customs for the purposes of this review were relevant, complete and accurate.

#### 4.6.2 Other independent sources of H-beam prices in Korea

Customs contacted some of the independent sources of average domestic selling prices provided by OneSteel. Customs requested information regarding their sources of information for INI's average selling prices. The responses received are summarised below:

- a stock analyst advised that it obtains price data, including scrap and product prices, from EBN news.
- Dongwon Securities advised that they source their data from the Korean International Trade Association.

Customs assessed the average selling price information contained in OneSteel's submission. Customs noted that there was some uniformity in the trends of the average monthly selling prices, however there were disparities between the different sources of monthly average selling prices. For example, the Japanese import data showed a dramatic rise in average selling prices over 2003. In contrast, the average selling prices derived from a stock analyst report indicated a moderate increase over 2003.

Similarly, Customs compared the average monthly selling prices and found disparities between the different sources. For example, Customs noted that for December 2003 average selling prices the Japanese export data was substantially higher than the December average selling prices derived from a stock analyst report.

The independent data in respect of H-beam selling prices in Korea for 2003, as submitted by OneSteel, is often unclear as to what level of trade, or what volume of sales, the data represents. It has often been obtained indirectly by the reporting organisation, or if INI has been involved it only confirms what is a reasonable approximation of price. Customs considers the data is unconvincing, particularly in light of the specific Customs requirement for actual net domestic selling prices by INI, for H-beam in 2003, at the distributor level of trade.

#### 4.6.3 Inventory carrying cost adjustment in calculating normal value

Customs re-examined the inventory carrying cost adjustment when it conducted its second visit to INI. Customs established that, although the order, production and delivery arrangements are quite different between domestic and export sales, INI carries export inventory for a similar period to domestic inventory. Accordingly, Customs considers that an adjustment for inventory carrying cost is not necessary to ensure the normal value is properly comparable to export price.

#### 4.6.4 Other issues

Customs rejects OneSteel's claims that it has interpreted and/or administered the Act differently during the review. Customs made a revised assessment of the facts relevant to calculating variable factors and did so in accordance with legislation and policy.

In relation to OneSteel's claim that only the last quarter of 2003 should be considered when making comparisons between domestic and export sales, Customs policy is to take the entire review period into consideration when making assessments of the variable factors. However, Customs tested OneSteel's claims that the increase in imported scrap prices had impacted on INI's cost to make and sell in the last quarter of 2003. Customs found no significant trend or change to suggest this quarter was unusual in the context of the full one-year review period. Similarly, Customs found that domestic selling prices (and therefore normal values) in the last quarter of 2003 were not materially different to those over the whole review period.

### **4.7 Conclusion – normal value**

#### 4.7.1 H-beams

Based on the information provided by INI, and the verification processes conducted on site on two occasions, the sales of grade HK H-beams by INI to distributors in the domestic market were found to be in transactions that were arms length, and at prices that were in the ordinary course of trade. The price paid for the goods in those domestic sales was satisfactorily verified.

Customs is satisfied that prices paid in respect of those domestic sales of grade HK are suitable for assessing normal value under s.269TAC(1). Customs calculated normal values using data in respect of domestic sales to distributors of grade HK, and adjusted those prices under s.269TAC(8) in accordance with the items listed in section 4.3 above.

#### 4.7.2 Angles and channels

As was the case in the original investigation, INI did not provide domestic sales information and costs in respect of angles and channels. Customs considers normal values should be established for these types of the goods, in terms of s. 269TAC(6), having regard to all relevant information.

Customs calculated normal values for angles using the weighted average export price in the review period for angles and adding the weighted average dumping margin that was established in respect of H-beams.

In relation to channels Customs calculated normal values using the export price established in this review and adding the weighted average dumping margin that was established in respect of H-beams.

**5 NON-INJURIOUS PRICES****5.1 Unsuppressed selling price**

In the original investigation Customs considered that changes in the Australian and world markets for structural steel made it undesirable to base the unsuppressed selling price (USP) on data that was over five years old. Customs position did not change in the previous review of anti-dumping measures involving structural steel exported from Thailand. Customs still considers that it is undesirable to base the USP on data over seven years old.

In the previous review, Customs used OneSteel's weighted average net selling price in the three months to the end of August 2002 as the USP for the following reasons:

- OneSteel's price reflected prices achieved following Customs' initial investigation; and
- the Australian market was relatively unaffected by dumped imports of structural steel.

In its SEF, Customs noted that it considered the use of selling prices from 2002 was a reasonable option for establishing USP in this review. It also considered using a profit from the three months ending 31 August 2002 as a means for assessing profit in a constructed USP. In the SEF, Customs noted it was not in possession of verified cost to make and sell data from that period. This was not correct and Customs is in possession of suitable cost to make and sell data and price data for calculating a profit margin from that three-month period.

**5.2 OneSteel's submission**

OneSteel submitted that for the establishment of USPs, it believes it would be preferable to use profit margins for the three months to the end of August 2002. OneSteel believes it would be appropriate to apply these profit margins to OneSteel's full cost to make and sell in the most recent quarter of verified data, that being the three months to the end of March 2004.

**5.3 Custom's consideration of USP**

Having regard to the substantial changes in costs and prices since 2002, Customs accepts OneSteel's argument that selling price in 2002 may not be relevant in today's market. Therefore, Customs considers that USP should be established on a constructed basis, using OneSteel's cost to make and sell from the three months to the end of March 2004, plus an amount for profit derived from the rate of profit achieved in the three months to end of August 2002.

**5.4 Non-injurious price**

In calculating the non-injurious price, Customs deducted from the USP verified amounts for post-FOB costs and an amount for importer's selling expenses and profit.

**6 SUBMISSIONS RECEIVED IN RESPONSE TO THE SEF**

Submissions received in response to the SEF have been considered by Customs in making its recommendations to the Minister. The following interested parties made submissions:

- OneSteel; and
- INI.

**6.1 OneSteel's submission**

OneSteel lodged a comprehensive submission in response to the SEF. Below is a summary of the issues raised by OneSteel:

- Information used by Customs to establish normal value
  - H-beam prices in Korea as obtained from independent sources;
  - INI's failure to address Customs' queries;
  - Additional financial reporting information provided by INI.
- Incorrect approach by Customs on key issues
  - Scope of the review;
  - Investigating changes in relevant facts, not changes in interpretation or administration of the Act;
  - Date of sale;
  - Opportunity cost of inventory;
  - Exclusion of corporate expenses;
  - Angles and channels;
  - Last quarter of review period for establishing normal value;
- Establishing the USP;
- Inconsistencies in INI's position.

**6.2 INI's Response**

INI lodged a submission in response to the claims made by OneSteel.

In addition, Howard Hahn Consulting Group (Howard Hahn), acting on behalf of INI, lodged a submission in response to the SEF stating that Stemcor, INI's only Australian customer, is a seller at the wholesale level of trade selling to distributors. Howard Hahn described a distributor as one who takes possession, stocks and on-sells to their user customer requirements.

**6.3 Customs considerations**

The issues raised are discussed in the relevant sections of this report.

**7 IMPACT OF THE REVIEW**

An interim duty is collected on each importation of goods subject to anti-dumping measures. In determining the amount of interim dumping duty payable, the Minister must ascertain an export price, a normal value and a NIP for the goods. The interim duty is based on the difference between the ascertained export price and the lower of the ascertained normal value and the ascertained NIP.

The anti-dumping measures currently applying to INI represent the difference in the export prices and the normal values ascertained in the original investigation.

Customs is recommending revisions to the ascertained export price, normal value and NIP – the variable factors relevant to the anti-dumping measures applying to structural steel exported by INI.

As the normal value was found to be less than the export price, Customs has recommended that the ascertained export price be set at the level of the ascertained normal value. This means no interim dumping duty will be payable unless the actual export price falls below the ascertained export price. In such cases the interim dumping duty would be equal to the amount by which the ascertained export price exceeds the actual export price.

The new ascertained export prices are higher than those ascertained during the initial investigation.

Details of Customs' recommended ascertained export price, ascertained normal value and ascertained NIP are attached.

**8 RECOMMENDATIONS****Customs recommends that the Minister be satisfied:**

- in accordance with s. 269TAB(3), sufficient information has not been furnished or is not available to enable the export price of channels exported to Australia from Korea by INI to be established under any preceding section of s. 269TAB; and
- in accordance with s. 269TAC(6), sufficient information has not been furnished or is not available to enable the normal value of angles and channels exported to Australia from Korea by INI to be established under any preceding section of s. 269TAC.

**Customs recommends that the Minister determine:**

- in accordance with s. 269TAB(3), having regard to all relevant information, the export price of channels; and
- in accordance with s. 269TAC(6), having regard to all relevant information, the normal value of angles and channels.

**Customs recommends that the Minister direct:**

- in accordance with s. 269TAC(8), adjustments are necessary to ensure a fair comparison with the export price of the goods for domestic credit terms, differences between inland freight for domestic and export sales, export finance costs, and export handling and other charges to FOB.

**Customs recommends that the Minister:**

- consider the report and, if agreed;
- declare, by public notice under s. 269ZDB, that the variable factors relevant to determining the interim dumping duty applying to structural steel exported to Australia from Korea by INI be amended.

<b>9 EVIDENCE RELIED UPON</b>
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In formulating the recommendations in this report, Customs had regard to:

<b>Topic</b>	<b>Section of report detailing facts relied upon</b>	<b>Evidence relied upon</b>
Goods under review	2.3	Industry submission and Standards Australia specifications.
Export price	3	Exporter submission; information gathered during importer and exporter visits, and Customs commercial database.
Normal value	4	Exporter submission and information gathered during exporter visit.
Non injurious price	5	Industry submissions; information gathered and verified during previous review.

**10 CONFIDENTIAL APPENDICES**

1. Export sales summary
2. Domestic sales summary
3. Normal value (including adjustments) and dumping margin calculations
4. USP and NIP calculations
5. Revised export prices, normal values and NIPs

Confidential appendices are not included in the report that is available to the public.