**Government Questionnaire —**

**People’s Republic of China**

**Case number:** 615

**Product:** Wind Towers

**From:** The People’s Republic of China

**Period of review:** 1 July 2021 to 31 December 2022

**Response due by:** 5 April 2023

**Email enquiries to:** [investigations@adcommission.gov.au](mailto:investigations@adcommission.gov.au)

**Anti-Dumping Commission website:** [www.adcommission.gov.au](http://www.adcommission.gov.au)

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# Section A: Background and General Instructions

## Background

On 27 February 2023, following an application by Keppel Prince Engineering Pty Ltd, the Commissioner of the Anti-Dumping Commission (the Commissioner) initiated a review into the anti-dumping measures applying to wind towers exported to Australia from the People’s Republic of China (China).

Anti-Dumping Notice (ADN) No 2023/011 outlining the details of the review and the procedures to be followed was published on 27 February 2023 on the Anti-Dumping Commission’s (the commission) website at [www.adcommissiongov.au](http://www.adcommissiongov.au).

The anti-dumping measures were initially imposed by public notice on 16 April 2014 following the publication of Anti-Dumping Commission Report No 221.

Details on the goods and existing measures is available on the Dumping Commodity Register at [www.adcommission.gov.au](http://www.adcommission.gov.au).

## Product concerned

|  |
| --- |
| **Full description of the goods the subject of the application** |
| Certain utility scale wind towers, whether or not tapered, and sections thereof (whether exported assembled or unassembled), and whether or not including an embed being a tower foundation section.  Wind turbines that have electrical power generation capacities equal to or in excess of 1.00 megawatt (MW) and with a minimum height of 50 metres measured from the base of the tower to the bottom of the nacelle (i.e. where the top of the tower and nacelle are joined) when fully assembled.  A wind tower section consists of, at a minimum, multiple steel plates rolled into cylindrical or conical shapes and welded together (or otherwise attached) to form a steel shell, regardless of coating, end-finish, painting, treatment or method of manufacture, and with or without flanges, doors, or internal or external components (e.g. flooring/decking, ladders, lifts, electrical junction boxes, electrical cabling, conduit, cable harness for nacelle generator, interior lighting, tool and storage lockers) attached to the wind tower section. |
| **Further information** |
| Goods specifically excluded from the scope are:   * nacelles and rotor blades, regardless of whether they are attached to the wind tower * any internal or external components which are not attached to the wind towers or   sections thereof. |
| **Tariff classification** |
| The goods, as per the description above, may be classified to tariff subheadings 7308.20.00 (statistical codes 03 and 04); 7308.90.00 (statistical codes 52, 53, 54, 55, 56, 63 and 65); and 8502.31.10 (statistical code 31) in Schedule 3 to the *Customs Tariff Act 1995.* |

**Table 1: Goods description and tariff classifications of wind towers**

## Review period

For the purposes of this review, the commission will examine the period from 1 July 2021 to   
31 December 2022 (the review period) to determine whether the dumping duty notice should:

1. remain unaltered, or
2. have effect in relation to a particular exporter or to exporters generally, as if different variable factors had been ascertained.

## Purpose of this questionnaire

The purpose of this questionnaire is to assist the commission to obtain information from the Government of the People’s Republic of China (GOC) it considers necessary for the review into dumping by exporters of the goods from China.

Any additional questions will be posed to the GOC using supplementary questionnaires.

Separate questionnaires have been sent to identified exporters of the goods from China.

## Response to this questionnaire

The GOC may elect not to respond to and complete the questionnaire.

However, if the GOC does not respond the commission may be required to rely on:

* information supplied by other parties (possibly information supplied by the Australian industry)
* previous findings and information before the commission in previous investigations, inquiries and reviews into wind towers exported from China or which considered the market for steel plate or flanges or the steel industry in China generally
* any other available information which the Commissioner considers relevant.

Therefore, it may be in the GOC interests, and the interest of Chinese exporters of wind towers, to provide a complete response.

If the GOC elects to respond to this questionnaire, the response is due by 5 April 2023.

## If you decide to respond

Should the GOC elect to provide a response to this questionnaire, please note the following.

### Confidential and non-confidential versions

If the GOC elects to respond to this questionnaire, you are required to lodge a confidential and a non-confidential version of your submission by the due date.

In submitting these versions, please ensure that each page of the information you provide is clearly marked either “**IN-CONFIDENCE**” or “**NON-CONFIDENTIAL**” in the header and footer.

All information provided to the commission in confidence will be treated accordingly. The non-confidential version of your submission will be placed on the Public Record, which all interested parties can access.

Your non-confidential submission must contain sufficient detail to allow a reasonable understanding of the substance of the confidential version. If, for some reason, you cannot produce a non-confidential summary, contact the investigation case officer (see contact details on Page 1 of this questionnaire).

### Declaration

You are required to make a declaration that the information contained in the GOC’s response is complete and correct. You must return the signed declaration of an authorised GOC official at Section D of this questionnaire with the GOC’s response.

### Coordination of responses

In completing the questionnaire, if a question requires information from other authorities (e.g. provincial or local governments, state owned entities, etc.) please forward the questions to the correct source.

However, it is the responsibility of the GOC to ensure that a full and complete response to all sections of the questionnaire is submitted, and that responses from all levels of governments, agencies and/or other applicable entities are collated and coordinated in the one response.

### Consultants/parties acting on your behalf

If you intend to have another party acting on your behalf please advise the commission of the relevant details.

The commission will generally require a written authorisation from the GOC for any party acting on its behalf.

### Provision of documents

Numerous documents are requested from the GOC throughout this questionnaire. In many cases, the titles or description of these documents within the questionnaire may not correlate to the official title that the GOC has granted each document, but is rather a descriptor of the document to the best of the commission’s knowledge.

If the listed title is unknown to the GOC but a document that appears to be similar to the requested document, relates to a similar topic area, or otherwise would be considered to contain useful information is identified by the GOC, please provide this document.

Further, when providing requested documents, please indicate whether the documents:

* are current/in force;
* were current/in force during the investigation period; or
* have been repealed, revised or superseded.

Where the documents have been repealed, revised or superseded, where applicable:

* indicate when this revision occurred;
* provide any notice of repeal;
* provide the revised version;
* provide the document that supersedes the requested document; and
* indicate whether the revised version was in force during the investigation period.

### Lodgement

You may lodge your response by mailing it to the address for lodgement shown on the front cover of this questionnaire.

Alternatively, you are welcome to lodge your response by email. The email address for lodgement is shown on the front cover of this questionnaire. If you lodge by email you are still required to provide a confidential and a non-confidential version of your submission by the due date.

In completing any lists of names and addresses requested throughout this questionnaire, electronic responses in a Microsoft Excel spreadsheet would be preferred. If lodging your response in hard copy, please include these lists in electronic format.

### General matters

Responses to questions should:

* be as accurate and complete as possible, and attach all relevant supporting documents,[[1]](#footnote-2) even where not specifically requested in this questionnaire;
* be in English (with fully translated versions of all requested and other applicable documents submitted);
* list your source(s) of information for each question;
* identify all units of measurement used in any tables, lists and calculations;
* show any amounts in the currency in which they were originally denominated.

Please note that answers such as "Not Applicable", or an answer that only refers to an exhibit or an attachment without any explanation, may be considered to be inadequate by the commission. We therefore suggest that in answering the questions you outline the key elements of your response in the primary submission document, and not merely refer to supporting documents the relevance and reliability of which has not been explained in your answer.

### Clarification

If you have any difficulties in completing the questionnaire, or require clarification on any questions asked, contact the case manager as soon as possible (contact details are provided on the cover page of this questionnaire).

# Section B: General Questions

#### Identify the administration co-ordinating the response to this questionnaire and provide the names and contact details of the official(s) (including email addresses). Please note that the commission may have further inquiries concerning the questionnaire response and a contact must be available to respond to any further information requests.

#### Describe the nature and structure of the wind towers market sector in China.

Without limiting your response, include information concerning:

1. the size and output (value and quantity) of these industries for the period of   
   1 July 2021 to 31 December 2022, indicating:
2. Details regarding the following:
   1. domestic production by type of enterprise (e.g. state-invested, foreign invested, domestic private);
   2. total imports (including source of imports);
   3. total exports;
   4. the identity of key domestic manufacturers;
   5. growth indications;
   6. the extent of vertical integration in the industries;
   7. the extent of the reliance on imported steel plate, flanges and steel making raw materials (including upstream raw materials if applicable); and
   8. government involvement at each level of the industry including the extent of any restrictions, quotas or limits on the production volumes of these industries.

#### Provide a list of all Chinese wind tower producers and/or exporters that have produced and/or exported wind towers destined for Australia during the review period. If possible, please provide this listing in Microsoft Excel format.

This listing will be referred to as ‘your response to Question B-3’ throughout this questionnaire.

Within this list, indicate the following:

* the business’ address (including the city/town and province);
* whether the business is a producer, producer/exporter or trader of wind towers; and
* the ownership structure of the business, including indirect ownership through associated companies (i.e. SIE, private, co-operative, FIE or joint venture); and if the business is not an SIE, whether it is otherwise associated with the GOC.

For all companies that are SIEs, indicate the percentage ownership held by the GOC during the review period.

For all companies that are otherwise associated with the GOC, explain this association as it was during the review period.

#### Provide a list of all manufacturers/producers in China that produced steel plate and flanges during the review period. If possible, please provide this listing in Microsoft Excel format.

This listing will be referred to as ‘your response to Question B4’ throughout this questionnaire.

Within this list, indicate the following:

* the business’ address (including the city/town and province);
* the ownership structure of the business, including indirect ownership through associated companies (i.e. SIE, private, co-operative, FIE or joint venture); and
* if the business is not an SIE, whether it is otherwise associated with the GOC.

For all companies that are SIEs, indicate the percentage ownership held by the GOC during the review period.  
  
For all companies that are otherwise associated with the GOC, explain this association as it was during the review period.

#### Are any of the companies listed in your response to Question B3 located in an area or *economic zone which entitles them to preferential tax or other preferential policies provided* by the GOC including those provided by regional, provincial or municipal authorities?

If so provide the following information:

* a listing of the names of all such zones, areas, or other regions in China;
* an explanation of each such type of zone, area or other region in China; and
* a listing and explanation of what location in each zone makes businesses eligible for (including any GOC assistance or differential treatment).

#### Are any of the entities listed in your response to Question B3 located in an area, zone or other region listed in your response to B-4 above? If so identify which entities and which particular zone or area the entity is located in.

#### Provide the names and addresses of all national, provincial and regional producer organisations that represent the interests of wind tower manufacturers and traders in China.

#### Provide total volume and value of the following (sourced from official government statistics) for the period **1 July 2021 to 31 December 2022**, in domestic currency and Australian dollars.

Indicate the source of the information

1. exports of wind towers to Australia, in total;
2. exports of wind towers to Australia, by company;
3. all exports of steel plate; and
4. all imports of steel plate.

For export and import values, specify if the value is based on ex-factory, F.O.B. (port, shipping point, etc.), C.I.F. or some other value.

#### Specify and provide supporting documentation for the standard corporate tax rate during the review period for:

1. companies that manufacture wind towers;
2. companies that trade in wind towers;
3. companies that manufacture plate steel;
4. companies that trade in plate steel.

#### Specify and provide supporting documentation for the corporate tax rates applicable in all provincial or local jurisdictions in China for those types of companies listed in (a) to (d) of Question B-8 above.

# Section C: Particular Market Situation

*In Report No. 487, the commission was of the view that GOC involvement and influence over the steel industry and the market for raw materials used in the production of steel in China created distortions that meant exporter records were not determined in competitive market conditions, and did not reasonably reflect competitive market costs associated with the production of wind towers.[[2]](#footnote-3)*

*This review will seek to determine whether, during the period of review, there was a situation in the Chinese wind towers market such that sales within that market are unsuitable for determining normal values.*

**ORGANISATION OF THE GOVERNMENT**

#### Identify and provide an explanation of the specific roles and responsibilities of government departments, agencies or institutions, which are either directly or indirectly involved in economic policy development, economic regulation and decision-making activities with respect to the wind towers and steel plate industries.

#### Identify any government departments, agencies or institutions that are involved in the manufacture, sale, purchase or acquisition of wind towers and steel plates and explain the nature of their involvement.

#### Provide details of any GOC policies that require different corporate tax rates to be applied to producers within the wind towers and steel plate sectors. For example, for producers in any of these specific sectors, do taxation rates differ due to sales revenue, location, export / domestic market orientation etc. Detail any industry specific tax exemptions or tax rebates such as R&D expenditures.

#### Provide a detailed description of the domestic Chinese wind towers industry and the relevant upstream industries, including the steel plate industries. The response should include details of:

1. distribution channels
2. any vertical integration
3. any changes over the last 5 years (such as mergers and acquisitions)
4. any changes to the government laws and regulations after 1 July 2017.

#### Provide quarterly data (using Microsoft Excel format) over the last 5 calendar years of:

1. import quantity (by volume and value) of
2. steel plate
3. wind towers
4. export quantity (by volume and value) of
5. steel plate
6. wind towers

For export and import values, specify if the value is based on ex-factory, F.O.B. (port, shipping point, etc), C.I.F. or some other value.

#### Provide a schedule for the last 5 years of:

1. the corporate tax rate in relation to:
2. steel plate manufacturers/importers/traders
3. wind towers manufacturers/importers/traders
4. import tariff rates and/or import quotas applicable to:
5. steel plate
6. wind towers
7. export tariff rates and/or export quotas applicable to:
8. steel plate
9. wind towers
10. value added tax (VAT) export rebates applicable to exports of:
11. steel plate
12. wind towers

#### If export quotas applied to any of the items at Question 6(c) above, identify which agency of the GOC legislates and monitors the quotas.

#### The following series of questions concern the *Price Law of the People’s Republic of China* (the Price Law).These questions are based on the text of the Price Law, as provided to the commission by the GOC in the past.

1. For completeness, please provide a translated copy of the current Price Law. In relation to the Price Law:
2. What form does the ‘price regulation fund’ take generally and what department of the GOC is responsible for the fund?
3. What ‘price regulation fund’ regulations have applied to the wind towers since   
   1 July 2017?
4. To the extent the Price Law refers to the control of prices and price monitoring system to monitor changes in the prices of major merchandises and services:
5. What price monitoring system has been established generally and what department is responsible?
6. What ‘price monitoring’ has applied to wind towers and steel plate/flange inputs since 1 July 2017?

If the Price Law does not apply to wind towers, or any of the raw materials used in its manufacture, including steel plate and flanges, please provide evidence of this.

#### Provide a list and copies of any specific laws, decrees, rules, promulgations, edicts, opinions, measures, regulations and/or directives regarding:

1. The regulation of the price of wind towers, or any of the raw materials used to manufacture those products; and
2. Investment in projects related to wind towers, or any of the raw materials used to manufacture those products:
3. Identify the specific government department or institution responsible for the above-mentioned laws and regulations above.

#### Identify and document any financial assistance provided by the GOC since 2017 in support of the wind tower production or inputs of steel plate and flanges.

#### Has the GOC (at any level of government) issued or participated in the issuance of any debt or equity instruments[[3]](#footnote-4) in any business entity associated with the wind tower, steel plate or flange industries in the last 5 years?

If so:

1. provide the names and address of the business entities
2. explain the reasons for using a particular financial instrument(s);
3. provide full details (such as number of shares and value of bonds), including the period of investments and the rate of return(s) (and/or expected yields)
4. are any of these instruments or securities listed in any securities exchange in China or overseas?

If so:

1. provide the name(s) of the securities of exchange
2. identify any trading restrictions by the business entity and/or the securities exchange

#### Provide details (quantify the value) of any government guarantee provided for any commercial loans by a business entity associated with wind tower, steel plate or flange industries in the last 5 years.

#### Do enterprises need to be verified by the GOC prior to being approved entry to the wind tower, steel plate or flanges industries?

#### Are wind tower, steel plate or flange producers in China required to hold any types of licences for production? If so, provide details and documentary evidence.

#### Are there any production limits and/or export limits placed on wind tower, steel plate or flange producers? If so, provide documentary evidence.

#### Are there any price restrictions on wind tower, steel plate or flange domestic sales? If so, provide details.

#### Identify any GOC initiatives and/or policies that affect the wind tower, steel plate or flange indsutries. Provide all documentary evidence.

#### Describe and explain whether the national, provincial or local governments (including ministries or offices of those governments, or any quasi-governmental organisation identified) explicitly or implicitly recognises the industries that produces wind tower, steel plate or flange industries more generally, as a national provincial and/or local development objective, or otherwise directs the development of any of those industries.

#### Provide copies of the following documents:

1. Directory Catalogue on Readjustment of Industrial Structure
2. China Nonferrous Metals Yearbooks for the years 2017, 2018, 2019, 2020, 2021 and 2022
3. 13th and 14th Five-Year plans including (and any subsequent plan if applicable):
   * Plans for the Raw Materials Industry;
   * Further Promoting the Economy of the Western Regions; and
   * the two most recent five-year plans at all levels of the GOC (including, central, regional, provincial and for any special zones, areas or other such regions), as well as the original Chinese versions.

#### What percentage of total production capacity in the wind tower, steel plate or flange industries have SOEs and SIEs accounted for over the last 5 years?

#### Describe the process for transferring shares in SOEs in the wind tower, steel plate or flange industries and the involvement of the State-owned Assets Supervision and Administration commission (SASAC) in this process.

#### What percentage of the total volume of sales of wind tower, steel plate or flange by SOEs and SIEs over the last 5 years have been unprofitable?

#### What has been the percentage share of loss-making SOEs and SIEs in the wind tower, steel plate or flange industries over the last 5 years?

#### What has been the percentage share of loss-making enterprises generally in the wind tower, steel plate or flange industries over the last 5 years?

#### Describe any support provided by the GOC to loss-making enterprises in the wind tower, steel plate or flange industries in the last 5 years.

#### Please describe the situation with respect to capacity utilisation in the wind tower, steel plate or flange industries over the last 5 years.

# Section E: Declaration

The undersigned certifies that all information supplied herein in response to the questionnaire (including any data supplied in an electronic format) is complete and correct to the best of his/her knowledge and belief.

|  |  |  |
| --- | --- | --- |
| **Date** |  | **Signature of authorised official** |
|  |  |  |
|  |  | **Name of authorised official** |
|  |  |  |
|  |  | **Title of authorised official** |

# Appendix Glossary of terms

This glossary is intended to provide you with a basic understanding of technical terms that appear in the questionnaire.

***Associated Persons and/or Companies***

Persons shall be deemed to be associates of each other if:

1. both being natural persons:
2. they are connected by a blood relationship or by marriage or adoption; or
3. one of them is an officer or director of a body corporate controlled, directly or indirectly, by the other;
4. both being bodies corporate:
5. both of them are controlled, directly or indirectly, by a third person (whether or not a body corporate); or
6. both of them together control, directly or indirectly, a third body corporate; or
7. the same person (whether or not a body corporate) is in a position to cast, or control the casting of, 5% or more of the maximum number of votes that might be cast at a general meeting of each of them; or
8. one of them, being a body corporate, is, directly or indirectly, controlled by the other (whether or not a body corporate); or
9. one of them, being a natural person, is an employee, officer or director of the other (whether or not a body corporate); or
10. they are members of the same partnership.

***Enterprise***

“Enterprise" includes a group of enterprises, an industry and a group of industries.

***Foreign Invested Enterprise (FIE)***

An FIE may be:

1. Chinese-foreign equity joint venture:

Joint venture between a Chinese company, enterprise, or other business organisation and a foreign company, enterprise, business organisation or individual set up in the form of a Chinese limited liability company.

The characteristics of a Chinese-foreign equity joint venture are joint investment, joint operation, and the participants share profits, risks and losses in proportion to their respective contributions to the registered capital of the joint venture.

The proportion of the investment by the foreign party is no less than 25% in the registered capital of equity joint venture.

2. Chinese-foreign contractual joint venture:

A joint venture established between foreign enterprises and other economic organisations or individuals, and Chinese enterprises or other economic organisations within the territory of China. The rights and obligations of each party are determined in accordance with the agreement specified in the contractual joint venture contract. The investment or conditions for cooperation contributed by the Chinese and foreign parties may be provided in cash or in kind, or may include the right to the use of land, industrial property rights, non‑patent technology or other property rights.

3. Wholly foreign owned enterprises:

A wholly foreign owned enterprise is established by foreign enterprises and other economic organisations or by individuals pursuant to the Chinese laws within the territory of China. All of the wholly foreign owned enterprise’s capital is invested by foreign investors. It may also be referred to as a Foreign Enterprise (FE).

***Government of the People’s Republic of China (GOC)***

For the purposes of this questionnaire, GOC refers to all levels of Government, i.e., central, provincial, regional, city, special economic zone, municipal, township, village, local, legislative, administrative or judicial, singular, collective, elected or appointed.

It also includes any person, agency, enterprise, or institution acting for, on behalf of, or under the authority of any law passed by, the Government of that country or that provincial, state or municipal or other local or regional Government.

***State Invested Enterprises (SIE), also known as a State Owned Enterprises (SOE)***

For the purposes of this questionnaire, SIE refers to any company or enterprise that is wholly or partially owned by the GOC as defined above (either through direct ownership or through association) including:

* ‘enterprises with state investment’
* ‘state-owned assets’
* ‘state-invested enterprises’
* ‘enterprises under the supervision of SASAC’

For the purposes of this questionnaire, SIE refers to any and all of the above types of enterprises.

1. This includes, but is not limited to, any laws, decrees, regulations, statements of policy, or other administrative guidelines. In each case, include any legislative history as well as other descriptive materials and explanations of the criteria underlying the decisions relating to each of the programmes mentioned in this questionnaire. If applicable, a sample of each of the applications that a company must complete to participate in each of the programs should also be included. [↑](#footnote-ref-2)
2. Report No. 487 – Inquiry into the continuation of anti-dumping measures applying to wind towers exported to Australia from the People’s Republic of China and the Republic of Korea, available at www.adcommission.gov.au. [↑](#footnote-ref-3)
3. Examples of such instruments include ordinary shares (including initial public offers), preferential shares, rights issue, bonds, quasi-government bonds warrants, debentures, sub-ordinate loans. [↑](#footnote-ref-4)