



EXPORTER QUESTIONNAIRE

PRODUCT CONCERNED: Aluminium road wheels
FROM: The People's Republic of China
COMPANY: Danyang Jingyi Aluminium Industry Co.,Ltd
PERIOD OF REVIEW: 1 January 2015 to 31 December 2015
RESPONSE DUE BY: **31 March 2015**
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RETURN COMPLETED QUESTIONNAIRE TO: Director, Operations 1
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Please note that a non-confidential version of the reply to this questionnaire must also be provided.

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1. BACKGROUND

On 7 November 2011, an investigation into the alleged dumping and subsidisation of aluminium road wheels (ARW) exported to Australia from China was initiated following an application lodged by Arrowcrest Group Pty Limited (original investigation).

In that investigation, as outlined in *International Trade Remedies Report No. 181* (REP 181), it was found that:

- Aluminium road wheels exported from China to Australia were:
 - with the exception of Zhejiang Shuguang Industrial Co. Ltd., also known as PDW International Co. (PDW), dumped with margins ranging from 5.6 per cent to 29.3 per cent; and
 - with the exception of two exporters, PDW and CITIC Dicastal Wheel Manufacturing Co. Ltd. (CITIC Dicastal), subsidised with margins ranging from 2.8 per cent to 58.8 per cent;
- 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.

Accordingly, it was recommended that the then Minister for Home Affairs impose anti-dumping measures in the form of interim dumping duty (IDD) and interim countervailing duty (ICD) on the goods exported from China, with the exception of those exporters noted above. The then Minister for Home Affairs accepted these recommendations and on 5 July 2012, notice of the decision was published in Anti-Dumping Notice No. 2012/33.

On 15 September 2014, the Commissioner of the Anti-Dumping Commission (the Commissioner) initiated a review of the anti-dumping measures in respect of ARWs exported from China by all exporters. The Commissioner found that, in relation to exports to Australia of certain ARWs exported from China during the review period, there were changes to the normal values, export prices, non-injurious price (NIP) and amount of countervailable subsidies received.

In that review, as outlined in *Final Report No. 263* (REP 263), it was found that:

- Aluminium road wheels exported from China to Australia were:
 - with the exception of Jiangsu Yaozhong Aluminium Wheels Co., Ltd (Jiangsu Yaozhong), dumped with margins ranging from 7.8 per cent to 40.3 per cent; and
 - with the exception of two exporters, Jiangsu Yaozhong and CITIC Dicastal Wheel Manufacturing Co. Ltd. (CITIC Dicastal), subsidised with margins ranging from 2.5 per cent to 57.6 per cent.

On 29 January 2016, Danyang Jingyi Aluminium Industry Co.,Ltd. (Jingyi) lodged an application for an accelerated review of the dumping duty notice and countervailing duty notice as they apply to its exports from China.

2. THE GOODS UNDER CONSIDERATION

Description

The goods subject to anti-dumping measures, in the form of dumping duty and countervailing duty notices, are:

Aluminium road wheels for passenger motor vehicles, including wheels used for caravans and trailers, in diameters ranging from 13 inches to 22 inches.¹ For clarification, the goods include finished or semi-finished aluminium road wheels whether unpainted, painted, chrome plated, forged or with tyres and exclude aluminium wheels for go-carts and All-Terrain Vehicles.

Tariff classification

The goods are currently classified to the following tariff subheadings of Schedule 3 to the *Customs Tariff Act 1995*:

- 8708.70.91 (statistical code 78);
- 8708.70.99 (statistical code 80); and
- 8716.90.00 (statistical code 39).

3. REVIEW PERIOD

The review period for the accelerated review is from **1 January 2015 to 31 December 2016** (hereinafter referred to as 'the review period').

4. INSTRUCTIONS

4.1 Why you have been asked to fill out this questionnaire?

Jingyi is the applicant for this accelerated review; therefore, the Commission has forwarded this questionnaire and associated spreadsheets - '*Jingyi - exporter questionnaire - workbook*' - to provide Jingyi with the opportunity to participate and cooperate with this review.

The Commission may use the information provided by Jingyi to determine normal values and export prices (if applicable) over the review period.

¹ Australian Customs Dumping Notice No. 2011/54.

4.2 What happens if you do not respond to this questionnaire?

You do not have to complete the questionnaire. However, if you do not respond, do not provide all of the information sought, do not provide information within a reasonable time period, or do not allow the Commission to verify the information, we may terminate the review.

It is in your interest, therefore, to provide a complete and accurate submission capable of verification.

4.3 Confidential and non-confidential submissions

If you choose to respond to this questionnaire, you are **required** to lodge a 'FOR OFFICIAL USE ONLY' version and a 'PUBLIC RECORD' version of your submission by the due date (as specified on the cover page to this questionnaire).

In submitting these versions, please ensure that **each page** of the information you provide is clearly marked either 'FOR OFFICIAL USE ONLY' or 'PUBLIC RECORD'.

All information provided to the Commission is for official use only will be treated accordingly.

The Public Record version of your submission will be placed on the Public Record. The Public Record is available to all interested parties who may comment on the material on the Public Record. Other interested parties have the opportunity to comment on issues you have raised.

It is **not** expected that the Public Record version of your submission would include commercially sensitive information. However, it must contain sufficient detail to allow a reasonable understanding of the substance for the Official Use Only version. As provided for in Australia's anti-dumping legislation, all public version submissions are required to have a bracketed explanation of deleted or blacked out information. Note that if such an explanation is not provided, the Commission may disregard the information in the submission. An example of a statement to accompany deleted/blacked out text is:

[confidential information: explanation of cost allocation through the divisions].

If, for some reason, you cannot produce a Public Record version, please contact the investigation Case Manager (see contact details on the cover page of this questionnaire).

You can access the Public Record electronically online at www.adcommission.gov.au (follow the links to 'Cases and Electronic Public Record' and 'Current Cases').

4.4 Exporter's declaration

At section I, you are required to make a declaration that the information contained in your submission is complete and correct. Alternatively, if you did not export the goods during the period of investigation, you may make a declaration to that effect.

You must return a signed declaration with your response to the questionnaire.

4.5 Due date for response

You are requested to respond to this questionnaire and return it to the Commission within the time specified on the cover page. There is a statutory time limit imposed for the review. The Commission may not be able to consider submissions received after the due date.

If you cannot lodge your submission by the due date please advise the Case Manager as soon as possible.

4.6 Verification of the information that you supply

After you have submitted the questionnaire and the Commission is satisfied that the information you have provided is sufficiently complete and warrants verification, the Commission may seek to visit your company to verify the information provided.

The purpose of the visit is to verify the information submitted in response to this questionnaire. It is not meant to be a chance for you to provide new or additional information. The Commission expects your response to the questionnaire to be complete and accurate.

Verification visits may take several days. During this verification, the Commission's representatives will want to examine in detail your company's records in respect of the goods and will ask for copies of documents relating to the manufacture and sale of the goods. They will need to consult with your staff, particularly your financial controller (or accountant) and your domestic and export sales people. They may also need to see your factory, in which case they will need to consult with your operational managers.

After gathering the information, the Commission will prepare a report of the visit. Its representatives will provide you with a draft of the report and then respond to any questions you have. They will ask you to prepare a non-confidential copy of the report for the Public Record.

4.7 If you do not manufacture the goods

You may export but not produce or manufacture the goods (for example, you are a trading company, broker, or vendor dealing in the goods).

In such cases it is important that you forward a copy of this questionnaire to the relevant manufacturers **immediately**. You should also inform the investigation case officer of the contact details for these manufacturers.

You should complete those sections of the questionnaire that you are reasonably able to complete. If, for example, you are unable to supply details of production costs, you should clearly explain why the section does not apply to your company.

4.8 Outline of information required by this questionnaire

Section A General information relating to your company including financial reports

Section B	A complete list of your company's exports to Australia over the review period
Section C	A list of goods sold on the domestic market of the country of export (like goods) that may be compared to the goods under consideration (the goods)
Section D	A detailed list of all of your company's sales of like goods in your domestic market
Section E	Information to allow a fair comparison between export and domestic prices
Section F	Information in relation to your company's exports of like goods to countries other than Australia
Section G	Costs to make and sell, for exports to Australia and for the domestic market
Section H	Countervailing
Section I	Your declaration.
Section J	A checklist.
Appendix 1	A glossary of terms used in this questionnaire

4.9 Some general instructions for preparing your response

- When answering the questionnaire please carefully read all instructions. The Commission requires a response to **all** sections of this questionnaire. Please provide an explanation if a question is not relevant to your situation.
- All documents and source material submitted in response to this questionnaire, including financial statements, must be translated into English.
- Answer questions in the order presented in the questionnaire. Please ensure that information submitted conforms to the requested format and is clearly labelled. Please repeat the question to which you are responding and place your answer below it.
- Identify source documents and advise where they are kept. During on-site verification you should be prepared to substantiate all the information you have submitted. Every part of the response should be traceable to company documents that are used in the ordinary course of business.
- We recommend that you retain all work sheets used in answering the questionnaire, in particular those linking the information supplied with management and accounting records. This will help us to verify the information.
- Clearly identify all units of measurement and currencies used. Apply the same measurement consistently throughout your response to the questionnaire.

4.10 Instructions on providing electronic data

- It is important that information is submitted in electronic format. Electronic data should be submitted via email where possible. Please inform the Case Manager if there is a need for alternative arrangements, for example due to file size, this might require the files to be placed on a file sharing system, or on a CD-ROM which can be mailed to the Case Manager.
- The data must be created as spreadsheet files, preferably in Microsoft Excel, or alternatively in an Excel compatible format.
- The Excel files must be compatible to the US version.
- An Excel workbook, '*Jingyi - exporter questionnaire - workbook*' accompanies this questionnaire and forms a template for your response to the data requested. This workbook (and its spreadsheets) is referred to throughout this questionnaire as appropriate. This workbook (and the spreadsheets therein) should be completed and used to provide the requested data where possible.
- If you cannot present electronic data in the requested format contact the Case Manager as soon as possible.

Please note that answers such as 'Not Applicable' or an answer that only refers to an exhibit or an attachment may not be considered by the Commission to be adequate. The Commission therefore suggests that in answering the questions you outline the key elements of your response in the primary submission document, rather than merely pointing to supporting documents of varying degrees of relevance and reliability as your answer.

4.11 Further information

Before you respond to the questionnaire you should read all the documentation enclosed with this application including the attached glossary of terms.

If you require further assistance, or you are having difficulties completing your submission, please contact the Case Manager. The Commission will need to know the reasons.

5. SECTION A COMPANY STRUCTURE AND OPERATIONS

This section requests information relating to company details and financial reports.

A-1 Identity and communication

Please nominate a person within your company who can be contacted for the purposes of this review:

Head Office:

Name:
Position in the company:
Address:
Telephone:
Facsimile number:
E-mail address of contact person:

Factory:

Address:
Telephone:
Facsimile number:
E-mail address of contact person:

A-2 Representative of the company for the purpose of review

If you wish to appoint a representative to assist you in this review, provide the following details:

Name:
Address:
Telephone:
Facsimile/Telex number:
E-mail address of contact person:

Note that in nominating a representative, the Commission will assume that confidential material relating to your company in this review may be freely released to, or discussed with, that representative.

A-3 Company information

1. What is the legal name of your business? What kind of entity is it (e.g. company, partnership, sole trader)? Please provide details of any other business names that you use to export and/or sell goods.
2. Who are the owners and/or principal shareholders? Provide details of shareholding percentages for joint owners and/or principal shareholders. (List all shareholders able to cast, or control the casting of, 5% or more of the maximum amount of votes that could be cast at a general meeting of your company).

3. If your company is a subsidiary of another company, list the principal shareholders of that company.
4. If your parent company is a subsidiary of another company, list the principal shareholders of that company.
5. Provide a diagram showing all associated or affiliated companies and your company's place within that corporate structure.
6. Are any management fees/corporate allocations charged to your company by your parent or related company?
7. Describe the nature of your company's business. Explain whether you are a producer or manufacturer, distributor, trading company, etc.
8. If your business does not perform all of the following functions in relation to the goods under consideration, then please provide names and addresses of the companies which perform each function:
 - produce or manufacture;
 - sell in the domestic market;
 - export to Australia; and
 - export to countries other than Australia.
9. Provide your company's internal organisation chart. Describe the functions performed by each group within the organisation.
10. Provide a list of your business' Board of Directors, Managing Director (or CEO) and Senior Executives.
11. Provide a copy of your most recent annual report together with any relevant brochures or pamphlets on your business activities.
12. Provide details of **all** transactions between your company and all related parties. For example:
 - supplying/selling completed or partially completed products;
 - supplying/selling raw materials;
 - performing management functions (including any financial functions);
 - processing (including toll processing) of any raw materials, intermediary or completed products; or
 - trading in products/materials supplied by related parties.

A-4 General accounting/administration information

1. Indicate your accounting period.
2. Indicate the address where the company's financial records are held.

3. Please provide the following financial documents for the two most recently completed financial years plus all subsequent monthly, quarterly or half yearly statements:
- chart of accounts;
 - audited consolidated and unconsolidated financial statements (including all footnotes and the auditor's opinion);
 - internal financial statements, income statements (profit and loss reports), or management accounts, that are prepared and maintained in the normal course of business for the goods under consideration.

These documents should relate to:

- the division or section/s of your business responsible for the production and sale of the goods under consideration; and
 - the company.
4. If you are not required to have the accounts audited, provide the unaudited financial statements for the two most recently completed financial years, together with your taxation returns. Any subsequent monthly, quarterly or half yearly statements should also be provided.
5. Do your accounting practices differ in any way from the generally accepted accounting principles in your country? If so, provide details.
6. Describe the significant accounting policies that govern your system of accounting, in particular:
- the method of valuation for raw material, work-in-process, and finished goods inventories (e.g. last in first out – LIFO, first in first out – FIFO, weighted average);
 - costing methods, including the method (e.g. by tonnes, units, revenue, direct costs etc.) of allocating costs shared with other goods or processes (such as front office cost, infrastructure cost etc.);
 - valuation methods for damaged or sub-standard goods generated at the various stages of production;
 - valuation methods for scrap, by products, or joint products;
 - valuation and revaluation methods for fixed assets;
 - average useful life for each class of production equipment and depreciation method and rate used for each;
 - treatment of foreign exchange gains and losses arising from transactions;
 - treatment of foreign exchange gains/losses arising from the translation of balance sheet items;
 - inclusion of general expenses and/or interest;

- provisions for bad or doubtful debts;
 - expenses for idle equipment and/or plant shut-downs;
 - costs of plant closure;
 - restructuring costs;
 - by-products and scrap materials resulting from your company's production process; and
 - effects of inflation on financial statement information.
7. In the event that any of the accounting methods used by your company have changed over the last two years provide an explanation of the changes, the date of change, and the reasons for it.

A-5 Income statement

Please complete the spreadsheet titled '**income statement**' within the '*Jingyi - exporter questionnaire - workbook*' provided alongside this questionnaire.

Provide the completed spreadsheet in electronic format via email with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

Explain how costs have been allocated between all products and the goods under consideration within these calculations (*goods under consideration*' (the goods) is defined in the Glossary of Terms in the appendix to this form).

This information will be used to verify the completeness of cost data that you provide in Section G. If, because of your company's structure, the allocations would not be helpful in this process, please explain why this is the case.

A-6 Sales

Please complete the spreadsheet titled '**turnover**' within the '*Jingyi – exporter questionnaire - workbook*' provided alongside this questionnaire.

State your company's net turnover (after returns and all discounts) and free of duties and taxes. Use the currency (e.g. RMB) in which your accounts are kept.

Provide the completed spreadsheet in electronic format via email with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

This information will be used to verify the cost allocations to the goods under consideration in Section G.

You should be prepared to demonstrate that sales data shown for the goods is a complete record by linking total sales of these goods to relevant financial statements.

**6. SECTION B
SALES TO AUSTRALIA (EXPORT PRICE)**

This section requests information concerning your export practices and prices to Australia (if any). You should include costs incurred beyond ex-factory. Export prices are usually assessed at free-on-board (FOB) point, but the Commission may also compare prices at the ex-factory level.

*You should report prices of **all** goods under consideration **shipped** to Australia during the review period.*

The invoice date will normally be taken to be the date of sale. If you consider:

- the sale date is not the invoice date (see 'date of sale' column in Section B-4 below); and*
- an alternative date should be used when comparing export and domestic prices,*

*then you **must** provide information in Section D on domestic selling prices for a matching period - even if doing so means that such domestic sales data predates the commencement of the review period.*

B-1 For each customer in Australia to whom you shipped goods during the review period, list:

- name;
- address;
- contact name and phone/fax number where known; and
- level of trade (for example: distributor, wholesaler, retailer, end user, original equipment).

B-2 For each customer identified in B-1, please provide the following information.

- Describe how the goods are sent to each customer in Australia, including a diagram if required.
- Identify each party in the distribution chain and describe the functions performed by them. Where commissions are paid indicate whether it is a pre or post exportation expense having regard to the date of sale.
- Explain who retains ownership of the goods at each stage of the distribution chain. In the case of delivered duty paid (DDP) sales, explain who retains ownership when the goods enter Australia.
- Describe any agency or distributor agreements or other contracts entered into in relation to the Australian market (supply copy of the agreement if possible).
- Explain in detail the process by which you negotiate price, receive orders, deliver, invoice and receive payment. If export prices are based on price lists supply copies of those lists.

- (f) State whether your firm is related to any of its Australian customers. Give details of any financial or other arrangements (e.g. free goods, rebates, or promotional subsidies) with the customers in Australia (including parties representing either your firm or the customers).
- (g) Details of the forward orders of the goods under consideration (include quantities, values and scheduled shipping dates).

B-3 Do your export selling prices vary according to the distribution channel identified? If so, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices.

B-4 Complete the spreadsheet titled '**Australian sales – if any**' within the '*Jingyi - exporter questionnaire - workbook*' provided alongside this questionnaire.

This spreadsheet should list **all** shipments to Australia (i.e. transaction by transaction) **of the goods under consideration** during the review period. Do not include non-goods items.

Provide the completed spreadsheet in electronic format via email with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

The table below provides information as to what is meant by each column heading within the spreadsheet.

COLUMN HEADING	EXPLANATION
Customer name	Names of your customers
Level of trade	The level of trade of your customers in Australia
Model/grade/type	Commercial model/grade or type (e.g. type of canned tomatoes)
Product code	Code used in your records for the model/grade/type identified. Explain the product codes in your submission
Invoice number	Invoice number
Invoice date	Invoice date
Date of sale	Refer to the explanation at the beginning of this section. If you consider that a date <i>other than</i> the invoice date best establishes the material terms of sale, report that date. For example, order confirmation, contract or purchase order date.
Order number	If applicable, show order confirmation, contract or purchase order number if you have shown a date other than the invoice date as being the date of sale.
Shipping terms	Delivery terms: e.g. CIF, C&F, FOB, DDP (in accordance with the Incoterms outlined in Appendix 1)
Payment terms	Agreed payment terms, for example 60 days = 60 etc
Quantity	Quantity in units (as shown on the invoice). Show basis, e.g. kilograms.

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Gross invoice value	Gross invoice value shown on invoice <i>in the currency of sale, excluding taxes</i>
Discounts on the invoice	If applicable, the amount of any discount deducted on the invoice on each transaction. If a % discount applies show that % discount applying in another column
Other charges	Any other charges, or price reductions, that affect the net invoice value. Insert additional columns and provide a description
Invoice currency	The currency used on the invoice
Exchange rate	Indicate the exchange rate used to convert the currency of sale to the currency used in your accounting system
Net invoice value in the currency of the exporting country	The net invoice value expressed in your domestic currency, as it is entered in your accounting system
Rebates or other allowances	The amount of any deferred rebates or allowances paid to the importer in the currency of sale
Quantity discounts	The actual amount of quantity discounts not deducted from the invoice. Show a separate column for each type of quantity discount
Ocean freight**	The actual amount of ocean freight incurred on each export shipment listed
Marine insurance	Amount of marine insurance
FOB export price**	The FOB price at the port of shipment
Packing*	Packing expenses
Inland transportation costs*	Inland transportation costs included in the selling price. For export sales, this is the inland freight from factory to port in the country of export
Handling, loading and ancillary expenses*	Handling, loading and ancillary expenses. For example, terminal handling, export inspection, wharfage and other port charges, container tax, document fees and customs brokers fees, clearance fees, bank charges, letter of credit fees and other ancillary charges incurred in the exporting country
Warranty and guarantee expenses*	Warranty and guarantee expenses
Technical assistance and other services*	Expenses for after sale services, such as technical assistance or installation costs
Commissions*	Commissions paid. If more than one type is paid, insert additional columns of data. Indicate in your response to Section B-2 whether the commission is a pre or post exportation expense having regard to the date of sale
Other factors*	Any other costs, charges or expenses incurred in relation to the exports to Australia (include additional columns as required). See Section B-5.

Notes:

* All of these costs are further explained in Section E-1.

** FOB export price and ocean freight:

FOB export price: an FOB export price must be calculated for each shipment - regardless of the shipping terms. FOB price includes inland transportation to the port of exportation, inland insurance, handling and loading charges. It excludes post exportation expenses such as ocean freight and insurance. Use a formula to show the method of the calculation on each line of the export sales spreadsheet.

Ocean freight: as ocean freight is a significant cost, it is important that the **actual** amount of ocean freight incurred on each exportation be reported. If estimates must be made, you must explain the reasons and set out the basis - estimates must reflect changes in freight rates over the review period.

Freight allocations must be checked for consistency.

B-5 If there are any other costs, charges or expenses incurred in respect of the exports listed above which have not been identified in the table above, add a column (see 'other factors' in question B-4) for each item, and provide a description of each item. For example, other selling expenses (direct or indirect) incurred in relation to the export sales to Australia.

B-6 For each type of discount, rebate, allowance offered on export sales to Australia:

- provide a description; and
- explain the terms and conditions that must be met by the importer to obtain the discount.

Where the amounts of these discounts, rebates etc. are not identified on the sales invoice, explain how you calculated the amount shown in your response to question B-4. If they vary by customer or level provide an explanation.

B-7 If you have issued credit notes (directly or indirectly) to the customers in Australia, in relation to the invoices listed in the detailed transaction by transaction listing in response to question B-4, provide details of each credit note if the credited amount has **not** been reported as a discount or rebate.

B-8 If the delivery terms make you responsible for arrival of the goods at an agreed point within Australia (e.g. delivered duty paid), insert additional columns in the spreadsheet for all other costs incurred. For example:

Import duties	Amount of import duty paid in Australia
Inland transport	Amount of inland transportation expenses within Australia included in the selling price
Other costs	Customs brokers, port and other costs incurred (itemise)

B-9 Select **two** shipments, in different quarters of the review period, and provide a **complete** set of all of the documentation related to the export sale. For example:

- the importer's purchase order, order confirmation, and contract of sale;
- commercial invoice;
- bill of lading, export permit;
- freight invoices in relation to movement of the goods from factory to Australia, including inland freight contract;
- marine insurance expenses; and
- letter of credit, and bank documentation, proving payment.

The Commission may select additional shipments for payment verification at the time of the visit.

**7. SECTION C
EXPORTED GOODS AND LIKE GOODS**

Although the Commission intends to construct normal values as part of this accelerated review (refer to section H-1 for more information), we request that you complete this section to ensure that – if export CTMS is not available or suitable for constructing normal values – the Commission is able to consider the suitability of using other means to construct a normal value, such as domestic CTMS or domestic selling prices.

- C-1** Fully describe all of the goods you have exported to Australia (if any) during the review period. Include specification details and any technical and illustrative material that may be helpful in identifying, or classifying, the exported goods.
- C-2** List each type (e.g. model) of goods exported to Australia (these types should cover all types listed in the spreadsheet titled ‘**Australian sales**’ – see section B of this questionnaire).
- C-3** If you sell like goods on the domestic market, for each type (e.g. model) that your company has exported to Australia during the review period, list the most comparable model(s) sold domestically and provide a detailed explanation of the differences where those goods sold domestically (i.e. the like goods – see explanation in glossary) are not identical to goods exported to Australia. Make sure that you identify the grade of each model/type that is sold domestically.

An example of how this information can be presented is provided in the table below:

EXPORTED TYPE	DOMESTIC TYPE	IDENTICAL?	DIFFERENCES
Product code of each model of the goods exported to Australia	Product code of comparable model sold on the domestic market of the country of export	If goods are identical indicate ‘YES’, otherwise ‘NO’	Where the good exported to Australia is not identical to the like goods, describe the specification differences

- C-4** Please provide any technical and illustrative material that may be helpful in identifying or classifying the goods that your company sells on the domestic market.

8. SECTION D DOMESTIC SALES

This section seeks information about the sales arrangements and prices in the domestic market of the country of export.

*All domestic sales of **like goods** (to the goods under consideration) made during the review period must be listed transaction by transaction. If there is an extraordinarily large volume of sales data and you are unable to provide the complete listing electronically you **must** contact the Case Manager **before** completing the questionnaire.*

If the Case Manager agrees that it is not possible to obtain a complete listing he or she will consider a method for sampling that meets the Commission's requirements. If agreement cannot be reached as to the appropriate method, the Commission may not visit your company.

The Commission will normally take the invoice date as being the date of sale in order to determine which sales fall within the review period.

*If, in response to Section B-4 (Sales to Australia, Export Price), you have reported that the date of sale is not the invoice date and you consider that this alternative date should be used when comparing domestic and export prices you **must** provide information on domestic selling prices for a matching period - even if doing so means that such domestic sales data predates the commencement of the review period.*

If you do not have any domestic sales of like goods you must contact the Case Manager who will explain the information the Commission requires for determining a normal value using alternative methods.

D-1 Please provide:

- a detailed description of your distribution channels to domestic customers, including a diagram if appropriate;
- information concerning the functions/activities performed by each party in the distribution chain; and
- a copy of any agency or distributor agreements, or contracts entered into.

If any of the customers listed are associated with your business, provide details of that association. Describe the effect, if any, that association has upon the price.

D-2 Do your domestic selling prices vary according to the distribution channel identified? If so, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices.

D-3 Explain in detail the sales process, including:

- the way in which you set the price, receive orders, make delivery, invoice and finally receive payment; and the terms of the sales; and
- whether price includes the cost of delivery to customer.

If sales are in accordance with price lists, provide copies of the price lists.

D-4 Complete the spreadsheet titled '**domestic sales**' within the '*Jingyi - exporter questionnaire - workbook*' provided with this questionnaire

This spreadsheet is to list **all domestic sales of like goods** (i.e. transaction by transaction) made during the review period. Do not include non-goods items.

Provide the completed spreadsheet in electronic format via email with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

The table below provides information as to what is meant by each column heading within the spreadsheet.

COLUMN HEADING	EXPLANATION
Customer name	Names of your customers. If an English version of the name is not easily produced from your automated systems show a customer code number and in a separate table list each code and name.
Level of trade	The level of trade of your domestic customer
Model/grade/type	Commercial model/grade or type of the goods
Product code	Code used in your records for the model/grade/type of the goods identified. Explain the product codes in your submission.
Invoice number	Invoice number
Invoice date	Invoice date
Date of sale	Refer to the explanation at the beginning of this section. If you consider that a date <i>other than</i> the invoice date best establishes the material terms of sale and should be used, report that date. For example, order confirmation, contract, or purchase order date.
Order number	Show order confirmation, contract or purchase order number if you have shown a date other than invoice date as being the date of sale.
Delivery terms	E.g. ex-factory, free on truck, delivered into store
Payment terms	Payment terms agreed with the customer eg. 60 days=60 etc
Quantity	Quantity in units shown on the invoice eg kg.
Gross Invoice value	Gross value shown on invoice <i>in the currency of sale</i> , net of taxes.
Discounts on the Invoice	The amount of any discount deducted on the invoice on each transaction. If a % discount applies show that % discount applying in another column.
Other charges	Any other charges, or price reductions, that affect the net invoice value. Insert additional columns and provide description.
Net invoice value in the currency of the exporting country	The net invoice value expressed in your domestic currency as recorded in your accounting system
Rebates or other Allowances	The actual amount of any deferred rebates or allowances in the currency of sale
Quantity discounts	The actual amount of quantity discounts not deducted from the invoice. Show a separate column for each type of quantity discount.
Packing*	Packing expenses
Inland transportation Costs*	Amount of inland transportation costs included in the selling price.
Handling, loading And ancillary Expenses*	Handling, loading & ancillary expenses.
Warranty & Guarantee expenses*	Warranty & guarantee expenses
Technical assistance & other services*	Expenses for after sale services such as technical assistance or installation costs.
Commissions*	Commissions paid. If more than one type is paid insert additional columns of data.

Other factors*	Any other costs, charges or expenses incurred in relation to the domestic sales (include additional columns as required). See question D5.
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Notes:

Costs marked with * are explained in section E-2.

D-5 If there are any other costs, charges or expenses incurred in respect of the sales listed which have not been identified in the table in question D-4 above add a column for each item (see 'other factors'). For example, certain other selling expenses incurred.

D-6 For each type of commission, discount, rebate, allowance offered on domestic sales of like goods:

- provide a description; and
- explain the terms and conditions that must be met by the customer to qualify for payment.

Where the amounts of these discounts, rebates etc. are not identified on the sales invoice, explain how you calculated the amounts shown in your response to question D-4.

If you have issued credit notes, directly or indirectly to the customers, provide details if the credited amount has **not** been reported as a discount or rebate.

D-7 Select two domestic sales, in different quarters of the review period, that are at the same level of trade as the export sales.

Provide a **complete** set of documentation for those two sales. Include, for example:

- purchase order;
- order acceptance;
- commercial invoice;
- discounts or rebates applicable;
- credit/debit notes;
- long or short term contract of sale;
- inland freight contract; and
- bank documentation showing proof of payment.

The Commission may select additional sales for verification at the time of our visit.

9. SECTION E FAIR COMPARISON

Section B sought information about the export prices to Australia and Section D sought information about prices on your domestic market for like goods (i.e. the normal value).

Where the normal value and the export price are not comparable adjustments may be made. This section informs you of the fair comparison principle and asks you to quantify the amount of any adjustment.

As prices are being compared, the purpose of the adjustments is to eliminate factors that have unequally modified the prices to be compared.

To be able to quantify the level of any adjustment it will usually be necessary to examine cost differences between sales in different markets. The Commission must be satisfied that those costs are likely to have influenced price. In practice, this means that the expense item for which an adjustment is claimed should have a close nexus to the sale. For example, the cost is incurred because of the sale, or because the cost is related to the sale terms and conditions.

Conversely, where there is not a direct relationship between the expense item and the sale a greater burden is placed upon the claimant to demonstrate that prices have been affected, or are likely to have been affected, by the expense item. In the absence of such evidence the Commission may disallow the adjustment.

Where possible, the adjustment should be based upon actual costs incurred when making the relevant sales. However, if such specific expense information is unavailable, cost allocations may be considered. In this case, the party making the adjustment claim must demonstrate that the allocation method reasonably estimates costs incurred.

A party seeking an adjustment has the obligation to substantiate the claim by relevant evidence that would allow a full analysis of the circumstances, and the accounting data, relating to the claim.

The investigation must be completed within strict time limits therefore you must supply information concerning claims for adjustments in a timely manner. Where an exporter has knowledge of the material substantiating an adjustment claim, that material is to be available at the time of the verification visit. The Commission will not consider new claims made after the verification visit.

E-1 Costs associated with export sales

These cost adjustments will relate to your responses made at question B-4, 'Australian sales'.

1. Transportation

Explain how you have quantified the amount of inland transportation associated with the export sale ('Inland transport'). Identify the general ledger account where the expense is located. If the amount has been determined from contractual arrangements, not from an account item, provide details and evidence of payment.

2. Handling, loading and ancillary expenses

List all charges that are included in the export price and explain how they have been quantified ('handling & other'). Identify the general ledger account where the expenses are located. If the amounts have been determined using actual observations, not from a relevant account item, provide details.

The various export related ancillary costs are identified in the table at question B-4, for example:

- terminal handling;
- wharfage and other port charges;
- container taxes;
- document fees and customs brokers fees;
- clearance fees;
- bank charges, letter of credit fees
- other ancillary charges.

3. Credit

The cost of extending credit on export sales is not included in the amounts quantified at question B-4. However, the Commission will examine whether a credit adjustment is warranted and determine the amount. Provide applicable interest rates over each month of the review period. Explain the nature of the interest rates most applicable to these export sales e.g., short term borrowing in the currency concerned.

If your accounts receivable shows that the average number of collection days differs from the payment terms shown in the sales listing, *and if* export prices are influenced by this longer or shorter period, calculate the average number of collection days. See also item 4 in section E-2 below.

4. Packing costs

List material and labour costs associated with packing the export product. Describe how the packing method differs from sales on the domestic market, for each model. Report the amount in the listing in the column headed '**packing**'.

5. Commissions

For any commissions paid in relation to the export sales to Australia:

- provide a description; and
- explain the terms and conditions that must be met.

Report the amount in the sales listing in question B-4 under the column headed '**comm**'. Identify the general ledger account where the expense is located.

6. Warranties, guarantees, and after sales services

List the costs incurred. Show relevant sales contracts. Show how you calculated the expenses ('**warranty expenses**' and '**technical support**'), including the basis of any allocations. Include a record of expenses incurred. Technical services include costs for the service, repair, or consultation. Where these expenses are closely related to the sales in question, an adjustment will be considered. Identify the ledger account where the expense is located.

7. Other factors

There may be other factors for which an adjustment is required if the costs affect price comparability – these are identified in the column headed ‘**other costs**’. For example, other variable or fixed selling expenses, including salesmen’s salaries, salesmen’s travel expenses, advertising and promotion, samples and entertainment expenses. Your consideration of questions asked at Section G, concerning domestic and export costs, would have alerted you to such other factors.

8. Currency conversions

In comparing export and domestic prices a currency conversion is required. Fluctuations in exchange rates can only be taken into account when there has been a ‘sustained’ movement during the period of investigation (see article 2.4.1 of the WTO Agreement). The purpose is to allow exporters 60 days to adjust export prices to reflect ‘sustained’ movements. Such a claim requires detailed information on exchange movements in your country over a long period that includes the review period.

E-2 Costs associated with domestic sales

These cost adjustments will relate to your responses made at question D-4, ‘**domestic sales**’.

The following items are not separately identified in the amounts quantified at question D-4. However, you should consider whether any are applicable.

1. Physical characteristics

The adjustment recognises that differences such as quality, chemical composition, structure or design, mean that goods are not identical and the differences can be quantified in order to ensure fair comparison.

The amount of the adjustment shall be based upon the market value of the difference, but where this is not possible the adjustment shall be based upon the difference in cost plus the gross profit mark-up (i.e. an amount for selling general and administrative costs (SG&A) plus profit).

The adjustment is based upon actual physical differences in the goods being compared and upon the manufacturing cost data. Identify the physical differences between each model. State the source of your data.

2. Import charges and indirect taxes

If exports to Australia:

- are partially or fully exempt from internal taxes and duties that are borne by the like goods in domestic sales (or on the materials and components physically incorporated in the goods); or
- if such internal taxes and duties have been paid and are later remitted upon exportation to Australia;

then the price of like goods must be adjusted downwards by the amount of the taxes and duties.

The taxes and duties include sales, excise, turnover, value added, franchise, stamp, transfer, border, and excise taxes. Direct taxes such as corporate income tax are not included as such taxes do not apply to the transactions.

Adjustment for drawback is not made in every situation where drawback has been received. Where an adjustment for drawback is appropriate you must provide information showing **the import duty borne by the domestic sales**. That is, it is not sufficient to show the drawback amount and the export sales quantity to Australia. For example, you may calculate the duty borne on domestic sales by quantifying the total amount of import duty paid and subtracting the duty refunded on exports to all countries. The difference, when divided by the domestic sales volume, is the amount of the adjustment.

In substantiating the drawback claim the following information is required:

- a copy of the relevant statutes/regulations authorising duty exemption or remission, translated into English;
- the amount of the duties and taxes refunded upon *exportation* and an explanation how the amounts were calculated and apportioned to the exported goods;
- an explanation as to how you calculated the amount of duty payable on imported materials is borne by the goods sold *domestically* but is not borne by the exports to Australia;

Substitution drawback systems

Annex 3 of the WTO *Agreement on Subsidies and Countervailing Measures* provides:

“Drawback systems can allow for the refund or drawback of import duties on inputs which are consumed in the production process of another product and where the export of this latter product contains domestic inputs having the same quality and characteristics as those substituted for the imported inputs”

If such a scheme operates in the country of export adjustments can also be made for the drawback payable on the substituted domestic materials, provided the total amount of the drawback does not exceed the total duty paid.

3. **Level of trade**

Question D-4 asks you to indicate the level of trade to the domestic customer. To claim an adjustment for level of trade differences, you will need to quantify the amount by which level of trade influences price.

Trade level is the level a company occupies in the distribution chain. The trade level to which that company in turn sells the goods and the functions carried out distinguish a level of trade. Examples are producer, national distributor, regional distributor, wholesaler, retailer, end user and original equipment manufacturer.

It may not be possible to compare export prices and domestic prices at the same level of trade. Where relevant sales of like goods at the next level of trade must be used to determine normal values an adjustment for the difference in level of trade may be required where it is shown that the difference affects price comparability.

The information needs to establish that there are real trade level differences, not merely nominal differences. Real trade level differences are characterised by a consistent pattern of price differences between the levels and by a difference in functions performed. If there is no real trade level differences all sales are treated as being at the same level of trade.

A real difference in level of trade may be adjusted for using either of the following methods:

(a) *Costs arising from different functions*

The amount of the costs, expenses etc. incurred by the seller in domestic sales of the like goods resulting from activities that would not be performed were the domestic sales made at the same level as that of the importer.

This requires the following information:

- a detailed description of each sales activity performed in selling to your domestic customers (for example sales personnel, travel, advertising, entertainment etc.);
- the cost of carrying out these activities in respect of like goods;
- for each activity, whether your firm carries out the same activity when selling to importers in Australia;
- an explanation as to why you consider that you are entitled to a level of trade adjustment; or

(b) *Level discount*

The amount of the discount granted to purchasers who are at the same level of trade as the importer in Australia. This is determined by an examination of price differences between the two levels of trade in the exporter's domestic market, for example sales of like goods by other vendors or sales of the same general category of goods by the exporter.

For this method to be used, it is important that **a clear pattern** of pricing be established for the differing trade levels. Such pattern is demonstrated by a general availability of the discounts to the level - isolated instances would not establish a pattern of availability.

4. **Credit**

The cost of extending credit on domestic sales is not included in the amounts quantified at question D-4. However, the Commission will examine whether a credit adjustment is warranted and determine the amount. An adjustment for credit is to be made even if funds are not borrowed to finance the accounts receivable.

The interest rate on domestic sales in order of preference is:

- the rate, or average of rates, applying on actual short term borrowings by the company; or

- the prime interest rate prevailing for commercial loans in the country for credit terms that most closely approximate the credit terms on which the sales were made; or
- such other rate considered appropriate in the circumstances.

Provide the applicable interest rate over each month of the review period.

If your accounts receivable shows that the average number of collection days differs from the payment terms shown in the sales listing, and if domestic prices are influenced by this longer or shorter period, calculate the average number of collection days.

Where there is no fixed credit period agreed at the time of sale the period of credit is determined on the facts available.

For example, where payment is made using an open account system², the average credit period may be determined as follows:

a) Calculate an accounts receivable turnover ratio

This ratio equals the total credit sales divided by average accounts receivable. It is a measure of how many times the average receivables balance is converted into cash during the year.

In calculating the accounts receivable turnover ratio, credit sales should be used in the numerator whenever the amount is available from the financial statements. Otherwise, net sales revenue may be used in the numerator.

An average accounts receivable over the year is used in the denominator. This may be calculated by:

- using opening accounts receivable at beginning of period plus closing accounts receivable at end of period divided by 2, or
- total monthly receivables divided by 12.

b) Calculate the average credit period

The average credit period equals 365 divided by the accounts receivable turnover ratio determined above at a).

The resulting average credit period should be tested against randomly selected transactions to support the approximation.

The following items are identified in the amounts quantified at question D-4:

² Under an open account system, following payment the balance of the amount owing is carried into the next period. Payment amounts may vary from one period to the next, with the result that the amount owing varies.

5. Transportation

Explain how you have quantified the amount of inland transportation associated with the domestic sales ('**Inland transport**'). Identify the general ledger account where the expense is located. If the amount has been determined from contractual arrangements, not from an account item, provide details and evidence of payment.

6. Handling, loading and ancillary expenses

List all charges that are included in the domestic price and explain how they have been quantified ('**Handling & other**'). Identify the general ledger account where the expense is located. If the amounts have been determined using actual observations, not from a relevant account item, provide details.

7. Packing

List material and labour costs associated with packing the domestically sold product. Describe how the packing method differs from sales on the domestic market, for each model. Report the amount in the listing in the column headed '**Packing**'.

8. Commissions

For any commissions paid in relation to the domestic sales:

- provide a description; and
- explain the terms and conditions that must be met.

Report the amount in the sales listing under the column headed '**Comm**'. Identify the general ledger account where the expense is located.

9. Warranties, guarantees, and after sales services

List the costs incurred. Show relevant sales contracts. Show how you calculated the expenses ('**Warranty expenses**' and '**Technical support**'), including the basis of any allocations. Include a record of expenses incurred. Technical services include costs for the service, repair, or consultation. Where these expenses are closely related to the sales in question, an adjustment will be considered. Identify the ledger account where the expense is located.

10. Other factors

There may be other factors for which an adjustment is required if the costs affect price comparability – these are identified in the column headed '**Other costs**'. List the factors and show how each has been quantified in per unit terms. For example:

- *inventory carrying cost*: describe how the products are stored prior to sale and show data relating to the average length of time in inventory. Indicate the interest rate used;
- *warehousing expense*: an expense incurred at the distribution point;
- *royalty and patent fees*: describe each payment as a result of production or sale, including the key terms of the agreement;
- *advertising*; and
- *bad debt*.

E-3 Duplication

In calculating the amount of the adjustments you must ensure that there is no duplication.

For example:

- adjustments for level of trade, quantity or other discounts may overlap, or
- calculation of the amount of the difference for level of trade may be based upon selling expenses such as salesperson's salaries, promotion expenses, commissions, and travel expenses.

Separate adjustment items must avoid duplication.

An adjustment for quantities may not be granted unless the effect on prices for quantity differences is identified and separated from the effect on prices for level of trade differences.

**10. SECTION F
EXPORT SALES TO COUNTRIES OTHER THAN AUSTRALIA
(THIRD COUNTRY SALES)**

Your response to this part of the questionnaire may be used by the Commission to select sales to a third country that may be suitable for comparison with exports to Australia.

Sales to third countries may be used as the basis for normal value in certain circumstances. The Commission may seek more detailed information on particular third country sales where such sales are likely to be used as the basis for determining normal value.

F-1 Using the column names and column descriptions below provide a summary of your export sales to countries other than Australia.

Complete the spreadsheet titled '**third country sales**' within the '*Jingyi - exporter questionnaire - workbook*' provided alongside this questionnaire.

This spreadsheet should list **all** export sales of like goods (i.e. transaction by transaction) to countries other than Australia in the review period. Do not include non-goods items.

Provide the completed spreadsheet in electronic format via email with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

The table below provides information as to what is meant by each column heading within the spreadsheet.

Column heading	Explanation
Country	Name of the country that you exported like goods to over the review period.
Number of customers	The number of different customers that your company has sold like goods to in the third country over the review period.
Level of trade	The level of trade that you export like goods to in the third country.
Quantity	Indicate quantity, in units, exported to the third country over the review period.
Unit of quantity	Show unit of quantity e.g. kg
Value of sales	Show net sales value to all customers in third country over the review period
Currency	Currency in which you have expressed data in column SALES
Payment terms	Typical payment terms with customer(s) in the country e.g. 60 days=60 etc.
Shipment terms	Typical shipment terms to customers in the third country e.g. CIF, FOB, ex-factory, DDP etc.

F-2 Please identify any differences in sales to third countries which may affect their comparison to export sales to Australia.

SECTION G COSTING INFORMATION AND CONSTRUCTED VALUE

The information that you supply in response to this section of the questionnaire will be used for various purposes including:

- *testing the profitability of sales of like goods on the domestic market;*
- *determining a constructed normal value of the goods under consideration – i.e. of the goods exported to Australia (refer to section H-1 for more information); and*
- *making certain adjustments to the normal value.*

You will need to provide the cost of production of both the exported goods (the goods) and for the like goods sold on the domestic market. You will also need to provide the SG&A costs relating to goods sold on the domestic market, the finance expenses and any other expenses (e.g. non-operating expenses not included elsewhere) associated with the goods.

In your response please include a worksheet showing how the SG&A expenses, the finance expenses and any other expenses have been calculated.

If, in response to Section B-4 (Sales to Australia, Export Price) you:

- *reported that the date of sale is not the invoice date and consider that this alternative date should be used when comparing domestic and export prices; and*
- *provided information on domestic selling prices for a matching period as required in the introduction to Section D (Domestic Sales),*

then you must provide cost data over the same period as these sales even if doing so means that such cost data predates the commencement of the review period.

At any verification meeting you must be prepared to reconcile the costs shown to the accounting records used to prepare the financial statements.

G-1 Production process and capacity

1. Describe the production process for the goods. Provide a flowchart of the process. Include details of all products manufactured using the same production facilities as those used for the goods. Also specify all scrap or by-products that result from producing the goods.
2. Complete the spreadsheet titled '**production**' within the '*Jingyi - exporter questionnaire - workbook*' provided alongside this questionnaire.

Provide the completed spreadsheet sheet in electronic format via email with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

G-2 Cost accounting practices

1. Outline the management accounting system that you maintain and explain how that cost accounting information is reconciled to your audited financial statements.

2. Is your company's cost accounting system based on standard (budgeted) costs? State whether standard costs were used in your responses to this questionnaire. If they were state whether all variances (i.e. differences between standard and actual production costs) have been allocated to the goods and describe how those variances have been allocated.
3. Provide details of any significant or unusual cost variances that occurred during the review period.
4. Describe the profit/cost centres in your company's cost accounting system.
5. For each profit/cost centre describe in detail the methods that your company normally uses to allocate costs to the goods under consideration. In particular specify how, and over what period, expenses are amortised or depreciated, and how allowances are made for capital expenditures and other development costs.
6. Describe the level of product specificity (models, grades etc.) that your company's cost accounting system records production costs.
7. List and explain all production costs incurred by your company which are valued differently for cost accounting purposes than for financial accounting purposes.
8. State whether your company engaged in any start-up operations in relation to the goods under consideration. Describe in detail the start-up operation giving dates (actual or projected) of each stage of the start-up operation.
9. State the total cost of the start-up operation and the way that your company has treated the costs of the start-up operation in its accounting records.

G-3 Cost to make and sell on domestic market

This information is relevant to testing whether domestic sales are in the ordinary course of trade.³

Complete the spreadsheet titled '**domestic CTMS**' within the '*Jingyi - exporter questionnaire - workbook*' provided alongside this questionnaire.

Provide the completed spreadsheet in electronic format via email with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

In doing so, provide the actual unit cost to make and sell **each** model/type (identified in Section C) of the like goods sold on the domestic market. Please specify unit of currency.

Provide this cost data for each quarter over the review period. If your company calculates costs monthly, provide monthly costs.

³ The Commission applies the tests set out in s.269TAA of the *Customs Act 1901* to determine whether goods are in the ordinary course of trade. These provisions reflect the WTO anti-dumping agreement – see Article 2.2.1.

Indicate the source of cost information (account numbers etc.) and/or methods used to allocate cost to the goods. Provide documentation and worksheets supporting your calculations.

If you are unable to supply this information in this format, please contact the Case Manager for this investigation.

G-4 Cost to make and sell goods under consideration (goods exported to Australia – if any)

Complete the spreadsheet titled '**Australian CTMS**' within the '*Jingyi - exporter questionnaire - workbook*' provided alongside this questionnaire.

Provide the completed spreadsheet in electronic format via email with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

In doing so, provide the actual unit cost to make and sell **each** model/type (identified in Section C) of the like goods sold on the domestic market. Please specify unit of currency.

Provide this cost data for each quarter over the review period. If your company calculates costs monthly, provide monthly costs.

Indicate the source of cost information (account numbers etc.) and/or methods used to allocate cost to the goods. Provide documentation and worksheets supporting your calculations.

If you are unable to supply this information in this format, please contact the Case Manager for this investigation.

This information is relevant to calculating the normal values based on costs. It is also relevant to calculating certain adjustments to the normal value.

1. Where there are cost differences between goods sold to the domestic market and those sold for export, give reasons and supporting evidence for these differences.
2. Give details and an explanation of any significant differences between the costs shown, and the costs as normally determined in accordance with your general accounting system. Reference should be made to any differences arising from movements in inventory levels and variances arising under standard costing methods.
3. In calculating the unit cost to make and sell, provide an explanation if the allocation method used (e.g. number, or weight etc.) to determine the unit cost differs from the prior practice of your company.

G-5 Major raw material costs

List major raw material costs, which individually account for 10% or more of the total production cost.

For these major inputs:

- identify materials sourced in-house and from associated entities;
- identify the supplier; and
- show the basis of valuing the major raw materials in the costs of production you have shown for the goods (e.g. market prices, transfer prices, or actual cost of production).

Where the major input is produced by an associate of your company the Commission will compare your purchase price to a normal market price. If the associate provides information on the cost of production for that input such cost data may also be considered.

Normal market price is taken to be the price normally available in the market (having regard to market size, whether the input is normally purchased at 'spot prices' or under long-term contracts etc.).

The term associate is defined in section 269TAA of the *Customs Act 1901*. Included in that definition are companies controlled by the same parent company (a company that controls 5% or more of the shares of another is taken to be an associated company); companies controlled by the other company; and companies having the same person in the board of directors.

Important note: If the major input is sourced as part of an integrated production process, you should provide detailed information on the full costs of production of that input.

11. SECTION H COUNTERVAILING

In the original investigation and subsequent review of measures, the Commission found that producers in China of aluminium road wheels and upstream suppliers have benefited from a number of subsidies granted by the Government of China (meaning any level of government – including central, provincial, municipal, county or any other level of government (refer to the Glossary of Terms for further information), and that these subsidies are countervailable.

INVESTIGATED PROGRAMS

In the review of measures (REP 263), 39 subsidy programs were investigated. Of those, Customs and Border Protection found that aluminium road wheels exported from China to Australia received financial contributions in respect of the goods that conferred a benefit under 32 programs. These were (according to the numbering from the review):

Program 1: Aluminium provided by government at less than fair market value;

Program 4: Preferential income tax for hi-tech enterprises;

Program 5: Preferential tax policies for western development "Go west" strategy;

Program 13: Preferential tax policies for enterprises transferring technology;

Program 14: Preferential tax policies for enterprises making little profit;

Program 21: Grants for encouraging the establishment of headquarters and regional headquarters with foreign investment;

Program 29: Patent award of Guangdong Province;

Program 31: Exemption of tariff and import VAT for imported technologies and equipment;

Program 35: Matching funds for international market development for SMEs;

Program 36: Innovative Experimental Enterprise Grant;

Program 37: Special Support Fund for non-State-owned enterprises (NSOEs);

Program 38: Venture Investment Fund for Hi-Tech Industry;

Program 39: Superstar Enterprise Grant;

Program 40: One-time awards to enterprises whose products qualify for "Well-Known Trademarks of China" or "Famous Brands of China";

Program 41: Technology assist;

Program 42: Export subsidies;

Program 43: SME assist;

Program 44: Environmental subsidies;

Program 46: Government Incentives for the Top Taxpayer of the Year-Qinhuangdao City;

Program 47: Financial Support from China Postdoctoral Science Foundation;

Program 48: Foreign Trade Public Service Platform Development Fund;

Program 50: Patent Application Fee Subsidy;

Program 51: Enterprise Development;

Program 53: New Product Trial Production;

Program 56: Patent Grants;

Program 57: Government quality award;

Program 58: Award to open economy;

Program 59: Assistance to importer & exporter fair trade program;

Program 60: Assistance fund for import;

Program 61: Award for the growth of local income tax;

Program 62: Refund of local water conservancy fund;

Program 63: Award for IPO.

Please answer the questions within parts H-1 to H-4 in relation to these programs, except program 59 (noting only exporters that participated in the original investigation were eligible for this program).

PART H-1 Aluminium provided by government at less than fair market value (Program 1)

In the original investigation and review of measures, Customs and Border Protection and the Commission found that public bodies (in the form of SOEs/ SIEs⁴) were supplying aluminium⁵, directly or indirectly, to manufacturers of aluminium road wheels at less than fair value.

These findings were associated with the market situation finding made in both the review and original investigation, in which it was determined that the Government of China influence in the Chinese aluminium sector ultimately distorted the prices of aluminium road wheels sold in China's domestic market.

Noting the findings made in the recent review of measures, the Commission will not revisit or reconsider whether a market situation applies to the goods, as part of this review. Instead, the Commission will work on the assumption that a market situation applies to the goods – and will hence construct normal values⁶ as a result.

This will involve replacing aluminium costs with a competitive cost benchmark (refer to the recent review of measures for an indication as to the nature of this cost benchmark).

Please answer the following questions:

1. Did your business or any company/entity related to your business receive any benefit under the above program during the review period **1 January 2015 to 31 December 2015**?
2. Does your business purchase primary aluminium or aluminium alloy from SOE/SIEs?
3. Provide a list, including a contact name and address, of all your suppliers of aluminium. Indicate whether the supplier is a SOE/SIE and whether they supply pure aluminium, aluminium alloy, or both.
4. Provide a listing showing the purchase price of aluminium from each supplier during each month of the review period.

Prepare this information in the attached spreadsheet named "**Aluminium Purchases**" included as part of the '*Jingyi - exporter questionnaire - workbook*' provided alongside this questionnaire.

Please add more space for additional suppliers and aluminium categories as required.

5. Did your business receive any reduction/reduced price for the purchase of these goods/services during the review period? If so, describe the eligibility

⁴ The term SOE or SIE is defined in the glossary of this questionnaire (Appendix 1).

⁵ Aluminium is defined as all forms of aluminium, whether in pure form or alloyed.

⁶ As permitted under subs. 269TAC(2)(c).

criteria that your business had to meet in order to qualify for any reduction in the price paid for the goods/services.

6. Did your business import any raw material during the review period? If yes, please provide details of all such imports, including date, source, type, amount and price.

Explain the basis upon which prices are determined for any purchases of aluminium (and/or aluminium alloy), and provide supporting evidence (e.g. a sample sales contract) to demonstrate this pricing arrangement.

7. Did your business import any raw material during the review period? If yes, please provide details of all such imports, including date, source, type, amount and price.

Explain the reason/s for your business' decision to purchase imported over domestic raw materials, including the key factors affecting the decision such as price, availability etc.

PART H-2 PREFERENTIAL INCOME TAX PROGRAMS (PROGRAMS 4, 13, 14 AND 22)

1. Did your business or any company/entity related to your business receive any benefit under the following programs during the review period (1 October 2014 to 30 September 2015):

Program 4: Preferential income tax for hi-tech enterprises;

Program 13: Preferential tax policies for enterprises transferring technology;

Program 14: Preferential tax policies for enterprises making little profit;

2. It is our understanding that the general tax rate for enterprises in China during the review period was 25%. Confirm whether this is correct and if not, please identify the general tax rate for enterprises in China during the review period.
3. If your business currently pays corporate income tax at a rate less than 25% (or whatever the rate of general tax is as discussed above), or paid at a rate less than that during the review period, please indicate whether the reduced rate relates to any of the preferential income tax programs identified above.
4. If the income tax rate of less than the general rate does not relate to any of the programs identified above, please provide an explanation for the reduced income tax rate and answer the questions in Part H-2 above in relation to the income tax rate reduction.
5. Provide a copy, bearing the official stamp of the appropriate level of the Government of China of all:

- corporate income tax acknowledgement form(s) and the income tax return(s) that your company filed for the last three completed financial years; and
- income tax instalment payment receipts, and all applicable income tax forms and schedules for the last three completed financial years.

Note: If your company did not file an income tax return in any of the tax years indicated, provide an explanation stating the reasons why you were exempt from filing such a return and the applicable section[s] of the Income Tax Act under which you were exempt from doing so.

For **each program** that you have identified above as conferring benefit on your entity, answer the following.

6. Provide complete details of the amount of the benefit received, including whether it was received in total or in instalments.
7. Indicate which goods you produced that benefited from the program (e.g. the program may have benefited all production or only certain products that have undergone research and development).
8. Describe the application and approval procedures for obtaining a benefit under the program.
9. Where applicable, provide copies of the application form or other documentation used to apply for the program, all attachments and all contractual agreements entered into between your business and the Government of China in relation to the program.
10. Outline the fees charged to, or expenses incurred by your business for purposes of receiving the program.
11. Outline the eligibility criteria your business had to meet in order to receive benefits under this program.
12. State whether your eligibility for the program was conditional on one or more of the following criteria:
 - a) whether or not your business exports or has increased its exports;
 - b) the use of domestic rather than imported inputs;
 - c) the industry to which your business belongs; or
 - d) the region in which your business is located.
13. If the benefit was provided in relation to a specific activity or project of your entity, please identify the activity and provide supporting documentation.
14. What records does your business keep regarding each of the benefits received under this program? Provide copies of any records kept in relation to the program.
15. Indicate where benefits under this program can be found in your accounting system (i.e. specify the ledgers or journals) and financial statements.

16. To your knowledge, does the program still operate or has it been terminated?

17. If the program has been terminated, please provide details (when, why).
When is the last date that your business could apply for or claim benefits under the program? When is the last date that your business could receive benefits under the program?

If the program terminated has been substituted for by another program, identify the program and answer all the questions in Part H-2 in relation to this programme.

18. For each of your last three taxation years, complete the table as described below.

Prepare this information in the attached spreadsheet named "**Income Tax**" included as part of the '*Jingyi - exporter questionnaire - workbook*' provided alongside this questionnaire.

PART H-3 GRANTS and Preferential policies (PROGRAMS 5, 21, 29, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 46, 47, 48, 50, 51, 53, 56, 57, 58, 60, 61, 62, 63)

In the review of measures, the Commission determined that grants were provided to enterprises under the following identified programs:

Program 5: "Go west" strategy;

Program 21: Grants for encouraging the establishment of headquarters and regional headquarters with foreign investment;

Program 29: Patent award of Guangdong Province;

Program 35: Matching funds for international market development for SMEs;

Program 36: "*Innovative Experimental Enterprise Grant*";

Program 37: Special Support Fund for non-State-owned enterprises (NSOEs);

Program 38: "*Venture Investment Fund for Hi-Tech Industry*";

Program 39: Superstar Enterprise Grant;

Program 40: One-time awards to enterprises whose products qualify for "*Well-Known Trademarks of China*" or "*Famous Brands of China*";

Program 41: Technology assist;

Program 42: Export subsidies;

Program 43: SME assist;

Program 44: Environmental subsidies;

Program 46: Government Incentives for the Top Taxpayer of the Year-Qinhuangdao City;

Program 47: Financial Support from China Postdoctoral Science Foundation;

Program 48: Foreign Trade Public Service Platform Development Fund;

Program 50: Patent Application Fee Subsidy;

Program 51: Enterprise Development;

Program 53: New Product Trial Production;

Program 56: Patent Grants;

Program 57: Government quality award;

Program 58: Award to open economy;

Program 60: Assistance fund for import;

Program 61: Award for the growth of local income tax;

Program 62: Refund of local water conservancy fund; and

Program 63: Award for IPO.

1. Did your business or any company/entity related to your business receive any benefit under the above programs during the period **1 January 2015 to 31 December 2015**?
2. Did your business receive benefits under any other grant (including awards, prizes, funds) program during the period **1 January 2015 to 31 December 2015**?

For each program identified in your answer to H-3.1 and H-3.2 above, answer the following.

3. Provide complete details involving the amount of the grant received, including whether the grant was received in a lump sum or multiple instalments.
4. Indicate which goods you produced that benefited from the program (e.g. the program may have benefited all production or only certain products that have undergone research and development).
5. Describe the application and approval procedures for obtaining a benefit under the program.

6. Where applicable, provide copies of the application form or other documentation used to apply for the program, all attachments and all contractual agreements entered into between your business and the Government of China in relation to the program.
7. Outline the fees charged to, or expenses incurred by your business for purposes of receiving the program.
8. Outline the eligibility criteria your business had to meet in order to receive benefits under this program.
9. State whether your eligibility for the program was conditional on one or more of the following criteria:
 - a) whether or not your business exports or has increased its exports;
 - b) the use of domestic rather than imported inputs;
 - c) the industry to which your business belongs; or
 - d) the region in which your business is located.
10. If the benefit was provided in relation to a specific activity or project of your entity, please identify the activity and provide supporting documentation.
11. What records does your business keep regarding each of the benefits received under this program? Provide copies of any records kept in relation to the program.
12. Indicate where benefits under this program can be found in your accounting system (i.e., specify the ledgers or journals) and financial statements.
13. To your knowledge, does the program still operate or has it been terminated?
14. If the program has been terminated, please provide details (when, why). When is the last date that your business could apply for or claim benefits under the program? When is the last date that your business could receive benefits under the program?

If the program terminated has been substituted for by another program, identify the program and answer all the questions in Part H-3 in relation to this programme.
15. Identify the body responsible for administering the grant.
16. Identify the date of approval of the grant and the date the grant was received.
17. Indicate where the grant was accounted for on your business' financial statements.

PART H-4 Tariff and VAT Exemptions on Imported Materials and Equipment (Program 31)

It is our understanding that certain enterprises in China are eligible for exemption from the payment of import duty and import VAT on imported inputs, technologies and equipment including the following identified program:

Program 31: Exemption of tariff and import VAT for imported technologies and equipment.

If your business or any company/entity related to your business received benefits under any such program during the period **1 July 2005 to 31 December 2015**, please answer the following questions.

1. Provide complete details involving the exemption of tariff and import VAT received, for any imported technologies and equipment.
2. Provide complete details involving the amount of the VAT refund received, including whether the refund was received in a lump sum or multiple instalments. Prepare this information in the attached spreadsheet named '**VAT & Tariff**' included as part of the '*Jingyi - exporter questionnaire - workbook*'.
3. Describe the application and approval procedures for obtaining a benefit under these programs.
4. Where applicable, provide copies of the application form or other documentation used to apply for these programs, all attachments and all contractual agreements entered into between your business and the Government of China in relation to the program.
5. Outline the fees charged to, or expenses incurred by your business for purposes of receiving these programs.
6. Outline the eligibility criteria your business had to meet in order to receive benefits under these programs.
7. State whether your eligibility for these programs was conditional on one or more of the following criteria:
 - a) whether or not your business exports or has increased its exports;
 - b) the use of domestic rather than imported inputs;
 - c) the industry to which your business belongs; or
 - d) the region in which your business is located.
8. If the benefit was provided in relation to a specific activity or project of your entity, please identify the activity and provide supporting documentation.
9. What records does your business keep regarding each of the benefits received under these programs? Provide copies of any records kept in relation to the program.

10. Indicate where benefits under these programs can be found in your accounting system (i.e., specify the ledgers or journals) and financial statements.
11. To your knowledge, do these programs still operate or have they been terminated?
12. If these programs have been terminated, please provide details (when, why). When is the last date that your business could apply for or claim benefits under the program? When is the last date that your business could receive benefits under the program?
13. If any of these programs has been terminated and is being substituted for by another program, identify the program and answer all the questions in Part H-4 in relation to this programme.
14. Were the materials and/or equipment that were entitled to a refund of VAT used in the production of the goods during the review period? If yes, provide the following information:
 - (a) type of inputs;
 - (b) cost of inputs;
 - (c) quantity of inputs; and
 - (d) amount of VAT refunded.

Has your company received exemption from payment of or refunds of import duty and import VAT for imported material inputs including technologies and equipment at any time that were used in the production of the goods during the review period? If yes, provide the following information:

- (a) description of imported product;
 - (b) country of origin;
 - (c) quantity of imported product;
 - (d) purchase price;
 - (e) terms of purchase (f.o.b., c.i.f., etc);
 - (f) ocean freight;
 - (g) value for duty of imported product;
 - (h) regular rate of taxes and duties;
 - (i) concessionary rate of taxes and duties;
 - (j) amount of duties and taxes normally applicable;
 - (k) amount of duties and taxes paid;
 - (l) amount of duties and taxes exempt;
 - (m) date of importation;
 - (n) tariff classification number;
 - (o) customs entry number; and
 - (p) application fee.
15. Explain if (and how) the Government of China determines which imported inputs are consumed by your business in the production of the subject goods and in what amounts, and the amount of duty paid or payable on the inputs (including any allowance for waste).

16. Explain how the Government of China determined the percentage rate of duty exemption.

Please note that goods consumed in the production of exported goods (inputs) include:

- (a) goods incorporated into the exported goods; and
- (b) energy, fuel, oil and catalysts that are used or consumed in the production of the exported goods.

17. Provide a representative sample of copies of import entry documents (for example: bill of entry, invoice from supplier, etc.) for each type of importation covering duty-exempt inputs and duty-paid inputs imported for use in the manufacturing of the subject goods.

18. In addition to the import entry documents, you must also provide copies, if applicable, of any applications submitted to and/or approval document received from the Government of China relating to the exemption from the payment of import duty and import VAT on imported inputs and in relation to the VAT that is refunded on the exportation of the subject goods.

19. Provide copies of reports and audits by the Government of China authority responsible for administering the duty rebate or duty drawback scheme with respect to the verification of the importation and use of inputs and the remittance or drawback of the related duty paid or payable.

PART H-5 ANY OTHER PROGRAMS

If the Government of China, any of its agencies or any other authorised body has provided any other benefit under any other assistance programs to your entity not previously addressed, identify the program(s).

This may have included:

- the provision of grants, awards or prizes;
- the provision of goods or services at a reduced price (e.g. electricity, gas, raw materials (including, for example, transport, etc.));
- the reduction of tax payable including income tax and VAT;
- reduction in land use fees;
- loans from Policy Banks at below-market interest rates; or
- any other form of assistance.

For each program that you have identified above as conferring benefit on your entity, answer the following.

1. Indicate which goods you produced that benefited from the program (e.g. the program may have benefited all production or only certain products that have undergone research and development).
2. Describe the application and approval procedures for obtaining a benefit under the program.

3. Where applicable, provide copies of the application form or other documentation used to apply for the program, all attachments and all contractual agreements entered into between your business and the Government of China in relation to the program.
4. Outline the fees charged to, or expenses incurred by your business for purposes of receiving the program.
5. Outline the eligibility criteria your business had to meet in order to receive benefits under this program.
6. State whether your eligibility for the program was conditional on one or more of the following criteria:
 - a) whether or not your business exports or has increased its exports;
 - b) the use of domestic rather than imported inputs;
 - c) the industry to which your business belongs; or
 - d) the region in which your business is located.
7. If the benefit was provided in relation to a specific activity or project of your entity, please identify the activity and provide supporting documentation.
8. What records does your business keep regarding each of the benefits received under this program? Provide copies of any records kept in relation to the program.
9. Indicate where benefits under this program can be found in your accounting system (i.e., specify the ledgers or journals) and financial statements.
10. To your knowledge, does the program still operate or has it been terminated?
11. If the program has been terminated, please provide details (when, why). When is the last date that your business could apply for or claim benefits under the program? When is the last date that your business could receive benefits under the program?

If the program terminated has been substituted for by another program, identify the program and answer all the questions in Part H-5 in relation to this programme.

**12. SECTION I
EXPORTER'S DECLARATION**

I hereby declare that.....(company) did not, during the new exporter period (1 July 2010 to 26 April 2012), export the goods under consideration to Australia and have completed the attached questionnaire and, having made due inquiry, certify that the information contained in this submission is complete and correct to the best of my knowledge and belief.

I hereby declare that.....(company) did, during the new exporter period (1 July 2010 to 26 April 2012), export the goods under consideration to Australia and therefore have not completed the attached questionnaire.

Name :.....

Signature :.....

**Position in
Company** :.....

Date :.....

**13. SECTION J
CHECKLIST**

This section is an aid to ensure that you have completed all sections of this questionnaire.

Section	Please tick if you have responded to all questions
Section A – general information	<input type="checkbox"/>
Section B – export price	<input type="checkbox"/>
Section C – like goods	<input type="checkbox"/>
Section D – domestic price	<input type="checkbox"/>
Section E – fair comparison	<input type="checkbox"/>
Section F – exports to third countries	<input type="checkbox"/>
Section G – costing information	<input type="checkbox"/>
Section H – Countervailing	<input type="checkbox"/>
Section I – Declaration	<input type="checkbox"/>

Electronic Data JINGYI - exporter questionnaire - workbook	Please tick if you have provided spreadsheet
INCOME STATEMENT	<input type="checkbox"/>
TURNOVER – sales summary	<input type="checkbox"/>
AUSTRALIAN SALES – list of sales to Australia	<input type="checkbox"/>
DOMESTIC SALES – list of all domestic sales of like goods	<input type="checkbox"/>
THIRD COUNTRY SALES – third country sales	<input type="checkbox"/>
PRODUCTION – production figures	<input type="checkbox"/>
DOMESTIC CTMS – costs of goods sold domestically	<input type="checkbox"/>
AUSTRALIAN CTMS – costs of goods sold to Australia	<input type="checkbox"/>
ALUMINIUM PURCHASES – aluminium raw material purchases	<input type="checkbox"/>
INCOME TAX – income tax paid, exempted or refunded	<input type="checkbox"/>
VAT AND TARIFF – details of VAT refunded	<input type="checkbox"/>

14. APPENDIX GLOSSARY OF TERMS

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

Adjustments

To enable a fair comparison between the export price and the normal value, Australian legislation provides for the adjustment of the domestic price paid for like goods. Adjustments are made to account for sales occurring at different times, specification differences and differences in the terms or circumstances of the sales. The adjustment to the normal value may be upward or downward. Areas where you believe an adjustment is necessary should be identified. Section E of the questionnaire refers.

Examples of adjustments that may be made include:

- sales occurring at different times (it is sometimes necessary to compare domestic and export sales made at different times – in these circumstances an adjustment may be made to reflect price movements during that time);
- specification differences;
- packaging;
- taxes;
- level of trade;
- advertising;
- servicing/warranty;
- inland freight;
- warehousing;
- export charges;
- credit terms;
- duty drawback; and
- commissions.

Adjustments may also be required where the normal value is based upon costs to make and sell.

Arms length

Sales are not considered to be at 'arms length' on your domestic market if there is any consideration payable for the goods other than their price or there is an association between the buyer and the seller which affects the price, or there will be a reimbursement, compensation or benefit for, or in respect of, the price.

Constructed value

In cases where domestic prices paid for the goods under consideration in the country of export cannot be used for the determination of normal value, i.e. when there are no or insufficient sales or where such sales were not made in the ordinary course of trade, normal value may be based on a constructed value. Constructed value is calculated on the basis of the cost of production of the goods under consideration plus a reasonable amount for SG&A costs and for profits that are associated with sales on the domestic market of the country of export.

Cost of production/manufacturing

The cost of production or manufacture consists of all manufacturing costs associated with the goods. It is the sum of direct materials, direct labour and factory overheads.

Cost to make and sell

The cost to make and sell is the sum of the cost of production or manufacture and the SG&A costs associated with the sale of those goods.

Country of origin

The country in which the last significant process in the manufacture or production of the goods was performed.

Date of sale

The Commission will normally use the invoice date, as recorded in the exporter or producer's records. Another date may be used if this better reflects the material terms of sale. The questionnaire directs attention to matching data sets of domestic and export sales where some other date is used, as well as matching cost information.

Direct labour cost

Direct labour is categorised as a variable cost, i.e. the value varies with the level of production.

Dumping

Dumping occurs when the products of one country are exported to another country at a price less than their normal value.

Dumping margin

Where the export price is less than the normal value the dumping margin is the amount of the difference. It can be expressed as a value or as a percentage of the export price.

Export price

The export price of the goods is usually the price paid or payable to the exporter in arms length transactions, in most instances calculated at the FOB level.

Exporting country

The country of export is normally the country of origin from which the goods are shipped. The country of export may be an intermediate country, except where the products are merely transhipped through that country, or the products concerned are not produced in that country, and there is no comparable price in that country.

Factory overheads

Factory overheads consist of variable costs, i.e. power, supplies and indirect labour, as well as fixed costs, i.e. factory rent, insurance and depreciation.

Financial Contribution

There is a "financial contribution" by a government where:

- (a) a government practice involves a direct transfer of funds (grants, loans, and equity infusion), potential direct transfer of funds or liabilities (e.g. loan guarantees);
- (b) government revenue that is otherwise foregone or not collected (e.g. fiscal incentives such as tax credits);
- (c) the government provides goods or services, other than general governmental infrastructure, or purchases goods; or
- (d) a government makes payments to a funding mechanism, or entrusts or directs a private body to carry out one or more of the type of functions illustrated in (a) to (c) above which would normally be vested in the government and the practice, in no real sense, differs from practices normally followed by the government.

Goods under consideration (the goods)

The goods to which the application for anti-dumping action relates. That is, the goods that you have exported to Australia allegedly at dumped prices.

Incoterms

The following abbreviations are commonly used (comment is provided concerning costs that are normally borne by the seller):

EXW ex works (the seller's minimum obligation as costs relate to goods being made available at the sellers premises)

- FCA** free carrier (main carriage not paid by seller. Pay costs until such time that the goods have been delivered at the named point into custody of a carrier named by the seller. Customs formalities, taxes etc. paid if required)
- FAS** free alongside ship (main carriage not paid by seller. Deliver the goods alongside the ship)
- FOB** free on board (main carriage not paid by seller. Deliver the goods on board, provide export clearance if required, pay loading costs to the point the goods have passed the ship's rail, pay customs formalities, taxes etc. payable upon exportation)
- CFR** cost and freight (main carriage paid by seller. Pay all costs until delivered as well as freight, loading and unloading, pay customs formalities, taxes etc payable upon exportation)
- CIF** cost, insurance and freight (main carriage paid by seller. Pay all costs as under CFR as well as marine insurance). *The terms CFR and CIF are only used where goods are carried by sea or waterway transport*
- CPT** carriage paid to
- CIP** carriage and insurance paid to. *The terms CPT and CIP are used as alternatives to CFR and CIF where the goods are carried by air, road, rail etc.*
- DAF** delivered at frontier (goods carried by rail or road and cleared for export at the named place at the frontier. Pay costs until delivered at the frontier plus any discharge costs incurred to place the goods at the customers disposal)
- DES** delivered ex ship (goods made available to the buyer on board the ship uncleared for import at the named port of destination. Pay all costs incurred in placed at the disposal of the buyer, pay customs formalities, taxes etc. payable upon exportation, and where necessary for transit through another country)
- DDU** delivered duty unpaid (Pay all costs for carriage to the agreed point, pay customs formalities, taxes etc. payable upon exportation, and where necessary for transit through another country)
- DDP** delivered duty paid (goods made available at the named place in the country of importation – all risks and costs being incurred by the seller including duties, taxes etc. incurred upon importation)

Review period

A period defined by the Commission over which importations of the goods are examined.

Like goods

Like goods are goods sold on the domestic market of the country of export (or to a third country) that are identical in all respects to the goods under consideration or that, although not alike in all respects have characteristics closely resembling those of the goods under consideration. The term 'like goods' also refers to the goods produced by the Australian industry allegedly being injured by dumped imports.

Normal value

Australian legislation sets out several ways to assess 'normal value'.

The preferred method is to use the price paid for like goods sold for domestic consumption in the country of export. Usually, these sales are made by you, but there may be circumstances where it is appropriate to use sales made by other sellers on the domestic market.

Sale prices must be at arm's length and in the ordinary course of trade. In the absence of relevant or suitable domestic sales, the normal value may be determined by constructing a price based upon all costs to make and sell the goods. Profit may also be included if the sales on the domestic market are profitable. Alternatively, the normal value may be ascertained using the price paid for like goods sold in the ordinary course of trade at arm's length to customers in a country other than Australia, however this option is rarely used.

Finally, when a normal value cannot be ascertained by any of the above methods, or if no information is provided, the Commission will determine the normal value by considering all the relevant information, including the applicant's information. This allows the applicant's information to be used where sufficient information has not been furnished or is not available.

Where domestic price generally and the trade of the exporting country are determined or substantially influenced by the government of the exporting country, an alternative/surrogate market economy is selected by the Commission and the normal value is determined as if the surrogate country were the export source.

Ordinary course of trade

Testing for 'ordinary course of trade' includes a comparison of the selling price and the unit cost to make and sell for the same period. If sales in respect of a substantial quantity of goods over an extended period of time, usually 12 months, do not recover all costs and these losses are not likely to be recovered within a reasonable period of time (again usually 12 months), then the sales are regarded as being not in the ordinary course of trade.

There may be circumstances where it is appropriate to use a period other than 12 months in assessing whether sales are in the ordinary course of trade.

Unprofitable sales are to be taken to have occurred in substantial quantities during an extended period where the unprofitable sales amount to 20% or more of the total volume of sales of the goods by the exporter over the period. An extended period of time is usually taken to be a period not less than 12 months. Where unprofitable sales are rejected, normal value is based upon remaining profitable sales provided they occur in sufficient number. Where all sales have been made at a loss, or profitable sales are insufficient, the normal value may be constructed from costs to make and sell.

Primary Aluminium

Raw material inputs of aluminium (including billets and ingots).

Related Parties

See "Associated Companies" above.

Selling, general and administration expenses (SG&A)

The selling, general and administration expenses includes all selling, distribution, general and administration expenses including finance costs that would be incurred if the goods were sold for domestic consumption in the country of export. The amounts are determined in each case using all the available information and may include expenses incurred in:

- domestic sales of like goods;
- sale of goods of the same general category by the exporter; or
- sales in the industry in the country of export.

However, the expenses must reflect the selling, general and administration costs of the goods. Administrative and selling expenses include: director's fees, management salaries and benefits, office salaries and benefits, office supplies, insurance, promotion, entertainment, depreciation and corporate overheads.

State Owned Enterprises (SOE)/ State Invested Enterprise

For the purposes of this questionnaire, SOE/ SIE refers to any company or enterprise that is operating under the direct or indirect control or influence of the Government of China (as defined above). This includes any company which is effectively controlled by the Government of China through laws, orders, regulations, directives or other similar mechanisms; or is operating in a partnership or joint venture capacity with the Government of China; or whose shares, whether or not they are publicly traded, are wholly or majority owned by the Government of China.

Subsidy

In relation to goods that are exported to Australia, means:

- (a) a financial contribution:
 - (1) by a government of the country or export or country of origin of those goods; or
 - (2) by a public body of that country or of which government is a member; or

- (3) by a private body entrusted or directed by that government or public body to carry out a governmental function;

that is made in connection with the production, manufacture or export of those goods and that involves:

- (4) a direct transfer of funds from that government or body to the enterprise by whom the goods are produced, manufactured or exported; or
- (5) a direct transfer of funds from that government or body to that enterprise contingent upon particular circumstances occurring; or
- (6) the acceptance of liabilities, whether actual or potential, of that enterprise by that government body; or
- (7) the forgoing, or non-collection, of revenue (other than an allowable exemption or remission) due to that government or body by that enterprise; or
- (8) the provision by that government or body of goods or services to that enterprise otherwise than in the course of providing normal infrastructure; or
- (9) the purchase by that government or body of goods provided by that enterprise; or

- (b) any form of income or price support as referred to in Article XVI of the General Agreement Tariffs and Trade 1994, that is received from such a government or body;

if that financial contribution or income or price support confers a benefit in relation to those goods.