



REVIEW OF MEASURES 461

**REVIEW OF MEASURES OF
STAINLESS STEEL SINKS
EXPORTED BY
GUANGDONG YINGAO KITCHEN UTENSILS CO., LTD
FROM
THE PEOPLE'S REPUBLIC OF CHINA**

DESKTOP VERIFICATION REPORT - EXPORTER

GUANGDONG YINGAO KITCHEN UTENSILS CO. LTD

THIS REPORT AND THE VIEWS OR RECOMMENDATIONS CONTAINED THEREIN
WILL BE REVIEWED BY THE CASE MANAGEMENT TEAM AND MAY NOT REFLECT
THE FINAL POSITION OF THE ANTI-DUMPING VERIFICATION TEAM

July 2018

CONTENTS

CONTENTS	2
1 BACKGROUND	3
2 THE GOODS AND LIKE GOODS	4
2.1 THE GOODS EXPORTED TO AUSTRALIA	4
2.2 THE GOODS EXPORTED TO THIRD COUNTRIES	4
2.3 LIKE GOODS SOLD ON THE DOMESTIC MARKET	4
2.4 MODEL MATCHING	5
2.5 THE GOODS AND LIKE GOODS – ASSESSMENT	5
3 VERIFICATION OF EXPORT SALES TO THIRD COUNTRIES	7
3.1 VERIFICATION OF EXPORT SALES TO FINANCIAL STATEMENTS	7
3.2 VERIFICATION OF THIRD COUNTRY SALES TO SOURCE DOCUMENTS	7
3.3 THE EXPORTER	8
3.4 THE IMPORTER	8
3.5 RELATED PARTY CUSTOMERS	8
3.6 ARMS LENGTH	8
3.7 EXPORT PRICE – PRELIMINARY ASSESSMENT	9
4 COST TO MAKE AND SELL	10
4.1 VERIFICATION OF COSTS TO FINANCIAL STATEMENTS	10
4.2 VERIFICATION OF COSTS TO SOURCE DOCUMENTS	10
4.3 RELATED PARTY PURCHASES	10
4.4 COST TO MAKE AND SELL – SUMMARY	11
5 VERIFICATION OF DOMESTIC SALES	12
5.1 VERIFICATION OF DOMESTIC SALES TO FINANCIAL STATEMENTS	12
5.2 VERIFICATION OF DOMESTIC SALES TO SOURCE DOCUMENTS	12
5.3 RELATED PARTY CUSTOMERS	12
5.4 ARMS LENGTH	12
5.5 ORDINARY COURSE OF TRADE	13
5.6 SUITABILITY OF SALES	13
5.7 DOMESTIC SALES – SUMMARY	13
6 ADJUSTMENTS	15
6.1 CREDIT TERMS	15
6.2 PACKAGING	15
6.3 INLAND TRANSPORT	15
6.4 EXPORT PORT HANDLING AND CUSTOMS DECLARATION FEES	16
6.5 NON-REFUNDABLE VALUE-ADDED TAX	16
6.6 ADJUSTMENTS – CONCLUSION	16
7 NORMAL VALUE	18
8 DUMPING MARGIN	19
9 GOVERNMENT GRANTS	20
9.1 PREFERENTIAL TAX PROGRAMS	20
9.2 GRANTS AND OTHER ASSISTANCE PROGRAMS	20
9.3 PROVISION OF RAW MATERIALS AT LESS THAN ADEQUATE REMUNERATION	20
9.4 COUNTERVALUING – PRELIMINARY ASSESSMENT	21
10 APPENDICES AND ATTACHMENTS	22

1 BACKGROUND

Following an application by Guangdong Yingao Kitchen Utensils Co. Ltd (Yingao) on 23 January 2018, the Anti-Dumping Commission (the Commission) initiated Review of Measures 461 in relation to deep drawn stainless steel sinks (the goods) exported by Yingao from the People's Republic of China (China) during the period 1 January to 31 December 2017 (the review period).

As a result of the original investigation (Investigation 238)¹, Yingao is currently subject to the 'uncooperative and all other exporters' effective rate of combined interim dumping and interim countervailing duty of 52.6 per cent.

Based on a risk assessment of Yingao's circumstances, including Yingao's Australian export volume of the goods prior to and during the review period, the Commission decided not to conduct an on-site verification visit at Yingao's premises.

The Commission requested and received a complete exporter questionnaire from Yingao in relation to the review period. This desktop verification report outlines the verification team's assessment of Yingao's information provided in its response to the exporter questionnaire, as well as further information requested and received by the verification team.

¹ [ADN No. 2015/41](#).

2 THE GOODS AND LIKE GOODS

2.1 The goods exported to Australia

Yingao claimed that did not export deep drawn stainless steel sinks (the goods) to Australia during the review period.

The verification team analysed the Australian Border Force import database and found that Yingao's claim was correct. The verification team also found that no Australian sales of the goods were made during the review period in its verification of Yingao's domestic and third country sales to financial statements and to source documents (chapters 3.1, 3.2, 5.1 and 5.2 of this report refer).

As such, the verification team is satisfied that Yingao did not export the goods to Australia during the review period.

The verification team notes that Yingao has exported the goods to Australia prior to the commencement of the review period. The verification team received a detailed Australian sales listing from Yingao and was able to reconcile this listing to source documents in accordance with ADN No. 2016/30.

The verification team did not identify any issues during this process. Details of the verification process are contained in the verification work program, and its relevant attachments, at **Confidential Attachment 1**.

2.2 The goods exported to third countries

As Yingao is an export-oriented manufacturer, the verification team found that Yingao exported deep drawn stainless steel sinks (like goods) to 14 countries during the review period. The destinations with the largest export volume of like goods were the United States, Canada and Russia.

In relation to its exports to third countries, Yingao sold like goods in a variety of the following characteristics:

- Product code, which denotes product dimensions and design;
- Number of bowls;
- Bowl depth;
- Stainless steel grade;
- Stainless steel gauge;
- The number of drainer boards; and
- Surface finish.

The verification team therefore considers that Yingao sold like goods to third countries during the review period.

2.3 Like goods sold on the domestic market

Yingao advised that it sold deep drawn stainless steel sinks (like goods) on the domestic market in China during the review period.

PUBLIC RECORD

In relation to its domestic sales, Yingao sold like goods in a variety of the following characteristics:

- Product code, which denotes product dimensions and design;
- Number of bowls;
- Bowl depth;
- Stainless steel grade;
- Stainless steel gauge;
- The number of drainer boards; and
- Surface finish.

The verification team therefore considers that Yingao sold like goods on the domestic market during the review period.

2.4 Model matching

The verification team found that Yingao sold deep drawn stainless steel sinks on the domestic and export markets in a variety of characteristics outlined above in chapters 2.2 and 2.3 of this report. In order to create suitable models of deep drawn stainless steel sinks for the purpose of model matching exported like goods to domestically-sold like goods, the verification team examined each product characteristic's effect on price.

The verification team has found that Yingao's prices of deep drawn stainless steel sinks on both the domestic and third country markets are influenced by the following product characteristics:

- Product code, which denotes product dimensions and design;
- Number of bowls;
- Bowl depth;
- Stainless steel grade; and
- Stainless steel gauge.

As such, the verification team may have regard to the above product characteristics when creating suitable models for model matching exported like goods to domestically-sold like goods.

The verification team notes that while the product characteristics of surface finish and the number of drainer boards might have an influence on the price, the format of Yingao's costing information would prevent the verification team from accurately undertaking an ordinary course of trade (OCOT) test based on model matching that includes these characteristics. As such, the verification team considers it reasonable to limit the model matching criteria to the key product characteristics listed above.

The verification team's analysis of each product characteristic's effect on price is at **Confidential Attachment 1**.

2.5 The goods and like goods – assessment

The verification team has found that Yingao did not export the goods to Australia during the review period.

PUBLIC RECORD

Nevertheless, the verification team has found that Yingao sold like goods, being deep drawn stainless steel sinks in a variety of product characteristics, on the domestic and third country markets during the review period in accordance with subsection 269T(1) of the *Customs Act 1901* (the Act).²

² References to any section or subsection in this report relate to provisions of the Act, unless specifically stated otherwise.

3 VERIFICATION OF EXPORT SALES TO THIRD COUNTRIES

3.1 Verification of export sales to financial statements

The verification team found no evidence that Yingao exported the goods to Australia during the review period.

The verification team found that Yingao exported like goods to third countries during the review period. The verification team verified the completeness and relevance of Yingao's third country sales listing by reconciling it to financial statements in accordance with ADN No. 2016/30.

The verification team did not identify any issues during this process. Details of this verification process are contained in the verification work program, and its relevant attachments, at **Confidential Attachment 1**.

3.2 Verification of third country sales to source documents

The verification team verified the accuracy of the third country sales listing by reconciling it to source documents in accordance with ADN No. 2016/30.

Three issues were identified during this process. The verification team did not identify any other issues. Details of this verification process are contained in the verification work program, and its relevant attachments, at **Confidential Attachment 1**.

3.2.1 Surface finish type

The verification team identified that the surface finish description with respect to a product code within one invoice was inconsistent with source documents. The verification team amended the third country sales listing and considers this to be immaterial.

3.2.2 Inland transport and customs declaration fees

During the downwards verification process, Yingao provided a revised third country sales listing which rectified expenses relating to inland transport and customs declaration fees for several invoices. The verification team did not identify any issues in verifying the selected invoices down to source documents in the revised third country sales listing.

3.2.3 Credit expenses

The third country sales listing did not include calculations for credit expenses, unlike the domestic sales listing. The verification team considers that credit expenses were also incurred on third country sales by Yingao and should therefore be calculated. As such, the verification team calculated credit expenses in the revised third country sales listing, based on the same short term borrowing interest rate that Yingao reported for its domestic sales of like goods.

3.3 The exporter

For all third country sales during the investigation period, the verification team considers Yingao to be the exporter of the goods.³ Yingao manufactured the like goods and made sales directly to importers in these third countries.

3.4 The importer

The verification team considers that Yingao's customers in third countries were the beneficial owners, and therefore the importers, of the goods at the time of importation as its customers:

- are invoiced by Yingao for the like goods on an Free-on-Board (FOB) basis for the majority of export sales, and on an ex-works basis for the minority of sales;
- are named as the consignee on the bill of lading;
- arrange ocean freight, marine insurance and importation of the goods into the third country; and
- pay any import duties and port charges in the third country at the time of importation.

3.5 Related party customers

Based on the Yingao's response to the exporter questionnaire, verified sales data and financial statements, the verification team identified that out of all of Yingao's sales of like goods to third countries during the review period, Yingao sold like goods to one related party in one third country.

The verification team did not identify any information that might suggest that any of Yingao's domestic customers were related to it.

3.6 Arms length

The verification team has found that Yingao sold like goods to one related customer in one third country during the review period.

The verification team's analysis of prices to related and unrelated customers is at **Confidential Attachment 1**.

In respect of deep drawn stainless steel sinks exported by Yingao to all other customers (being unrelated to Yingao) in third countries during the investigation period, the verification team found no evidence that:

- there was any consideration payable for, or in respect of, the goods other than its price; or
- the price was influenced by a commercial or other relationship between the buyer, or an associate of the buyer, and the seller, or an associate of the seller; or

³ The Commission generally identifies the exporter as a principal in the transaction, located in the country of export from where the goods were shipped, that gave up responsibility by knowingly placing the goods in the hands of a carrier, courier, forwarding company, or its own vehicle for delivery to Australia; or a principal in the transaction, located in the country of export, that owns, or previously owned, the goods but need not be the owner at the time the goods were shipped.

PUBLIC RECORD

- the buyer, or an associate of the buyer, was directly or indirectly reimbursed, compensated or otherwise received a benefit for, or in respect of, the whole or any part of the price.⁴

As such, the verification team has found that Yingao's sales of like goods to unrelated customers in third countries are arms length transactions.

3.7 Export price – preliminary assessment

The verification team has found that Yingao did not export the goods to Australia during the review period. Therefore, there is insufficient information available to ascertain the export price of the goods under subsections 269TAB(1)(a), (b), or (c).

Since Yingao did not export the goods to Australia during the review period, the verification team considers it appropriate to examine whether the export price of the goods can be determined under subsection 269TAB(2B) having regard to any of the following:

- the export price for the goods exported to Australia by the exporter established in accordance with subsection 269TAB(1) for a decision of a kind mentioned in subsection 269TAB(2D);
- the price paid or payable for like goods sold by the exporter in arm's length transactions for exportation from the country of export to a third country determined by the Minister to be an appropriate third country;
- the export price for like goods exported to Australia from the country of export by another exporter or exporters established in accordance with subsection 269TAB(1) for a decision mentioned in subsection 269TAB(2D).

The verification team has not determined the export price at this stage of the review and refers the determination of the export price to the case management team.

⁴ Section 269TAA of the Act refers.

4 COST TO MAKE AND SELL

4.1 Verification of costs to financial statements

The verification team verified the completeness and relevance of Yingao's cost to make and sell (CTMS) spreadsheet by reconciling it to financial statements in accordance with ADN No. 2016/30.

The verification team identified two issues relating to selling, general and administrative (SG&A) expenses. The verification team did not identify any other issues. Details of this verification process are contained in the verification work program, and its relevant attachments, at **Confidential Attachment 1**.

4.1.1 Removal of foreign exchange gains/losses

In establishing an amount of SG&A relevant to domestic sales⁵, the verification team considers that amounts for foreign exchange gains/losses should be removed. As such, the verification team has recalculated the pool of domestic SG&A expenses to remove amounts for foreign exchange gains/losses.

4.1.2 Allocation of selling, general and administrative expenses to like goods

Yingao worked out a single unit SG&A amount for like goods by calculating the total pool of SG&A expenses as a proportion of the total quantity of manufactured products during the review period. The verification team considers that this is not a preferable method for calculating unit SG&A as it is not specific to the like goods (deep drawn stainless steel sinks) and has also not been calculated for each model of like goods. As such, the verification team has recalculated unit SG&A amount for each model of like goods based on the following formula:

$$\text{Unit SG\&A per model} = \left(\text{Total SG\&A} \times \frac{\text{revenue of the model}}{\text{total revenue}} \right) / \text{sales volume of the model}$$

4.2 Verification of costs to source documents

The verification team verified the accuracy of Yingao's CTMS spreadsheet by reconciling it to source documents in accordance with ADN No. 2016/30.

The verification team did not identify any issues during this process. Details of the verification process are contained in the verification work program, and relevant attachments, at **Confidential Attachment 1**.

⁵ Domestic SG&A is relevant for the Commission's ordinary course of trade test.

4.3 Related party purchases

Based on Yingao's response to the exporter questionnaire, verified costs data and financial statements, the verification team did not identify any suppliers that might be related to Yingao.

4.4 Cost to make and sell – summary

Having verified Yingao's CTMS spreadsheet to financial statements and to source documents, the verification team is satisfied that the CTMS spreadsheet is complete, relevant and accurate.

The CTMS spreadsheet is at **Confidential Appendix 1**.

5 VERIFICATION OF DOMESTIC SALES

5.1 Verification of domestic sales to financial statements

The verification team verified the completeness and relevance of Yingao's domestic sales listing by reconciling it to financial statements in accordance with ADN No. 2016/30.

The verification team did not identify any issues during this process. Details of this verification process are contained in the verification work program, and its relevant attachments, at **Confidential Attachment 1**.

5.2 Verification of domestic sales to source documents

The verification team verified the accuracy of Yingao's domestic sales listing by reconciling it to source documents in accordance with ADN No. 2016/30.

Three issues were identified during this process. Details of the verification process are contained in the verification work program, and relevant attachments, at **Confidential Attachment 1**.

5.2.1 Product characteristics

During the downwards verification process, Yingao provided a revised domestic sales listing which rectified the product characteristic descriptions for several invoices. The verification team did not identify any issues in verifying the selected invoices to source documents in the revised domestic sales listing.

5.2.2 Customer name

The verification team identified that for one invoice, the customer name in the domestic sales listing did not reconcile to the commercial invoice. The verification team amended the domestic sales listing and considers the error to be minor.

5.2.3 Payment terms

In verifying domestic sales to source documents, the verification team identified that the actual credit period for one particular type of payment terms was significantly different from the payment terms on the sales contract. For sales with this particular type of payment terms, the verification team revised the number of payment days in the domestic sales listing to be consistent with the credit period observed in the selected sales samples.

5.3 Related party customers

Based on the company's response to the exporter questionnaire, verified sales data and financial statements, the verification team did not identify any information that might suggest that any of Yingao's domestic customers were related to it.

5.4 Arms length

In respect of domestic sales of like goods made by Yingao to its unrelated customers during the review period, the verification team found no evidence that:

PUBLIC RECORD

- there was any consideration payable for, or in respect of, the goods other than its price; or
- the price was influenced by a commercial or other relationship between the buyer, or an associate of the buyer, and the seller, or an associate of the seller; or
- the buyer, or an associate of the buyer, was directly or indirectly reimbursed, compensated or otherwise received a benefit for, or in respect of, the whole or any part of the price.⁶

The verification team therefore considers that all domestic sales made by Yingao during the review period were arms length transactions.

5.5 Ordinary course of trade

Section 269TAAD provides that if like goods are sold in the country of export at a price less than the cost of such goods, and are unrecoverable within a reasonable period, then they are taken not to have been sold in the ordinary course of trade (OCOT).

In Investigation 238, the Commission found that, during that investigation period, the costs of the main raw material used to manufacture deep drawn stainless steel sinks, 304 grade stainless steel cold-rolled coil (304 SS CRC), incurred by Chinese exporters did not reasonably reflect competitive market costs on the basis that prices in China are affected by Government of China influences in the iron and steel industry.⁷

Given the finding of non-competitive stainless steel input costs from Investigation 238, the verification team refers the assessment of competitive market input costs and, consequently, the CTMS and OCOT test, to the case management team.

5.6 Suitability of sales

Subsection 269TAC(2)(a)(i) provides that the normal value of goods exported cannot be ascertained under subsection 269TAC(1) where there is an absence, or low volume, of sales of like goods in the market of the country of export.

The verification team considers that low volume is less than 5 per cent of the total volume of the goods under consideration that are exported.

As mentioned in chapter 5.5 above, the verification team has referred the assessment of the CTMS and OCOT test to the case management team. As such, the verification team has not been able to assess whether there is an absence, or low volume, of sales of like goods in the domestic market. The verification team refers this assessment to the case management team.

⁶ Section 269TAA of the Act refers.

⁷ In REP 238 at section 6.9 (item number 102 on the [public record](#)).

5.7 Domestic sales – summary

The visit team is satisfied that the domestic sales listing is complete, relevant and accurate, and may be used to examine whether the normal value can be determined under subsection 269TAC(1).

The domestic sales listing is at **Confidential Appendix 2**.

6 ADJUSTMENTS

To ensure the normal value, once determined, is comparable to the export price of goods exported to Australia, the verification team has considered the following adjustments in accordance with subsections 269TAC(8) or (9).⁸

6.1 Credit terms

Yingao extended credit to domestic customers for sales of like goods during the review period. As such, Yingao calculated credit expenses in the domestic sales listing based on each transaction's payment terms and a short term borrowing rate.

As discussed in chapter 3.2.3 of this report, the verification team calculated credit expenses for Yingao's third country exports of like goods during the review period.

The verification team considers that adjustments to the normal value, once determined, for domestic and export credit expenses would be warranted.

6.2 Packaging

Yingao did not claim a packaging adjustment as it asserted that it does not, and cannot, distinguish packaging costs by destination of sale. During the course of the verification, the verification team did not find any information that suggested otherwise.

In relation to all exporters verified in all cases relating to the goods⁹, the Commission found that export packaging of the goods did not materially differ from packaging for like goods sold domestically. As such, these cases did not include packaging adjustments to the normal value.

Given the verification team's understanding of the product and the Commission's previous findings, the verification team considers that Yingao's packaging costs for its export and domestic sales are comparable and therefore a packaging adjustment to the normal value, once determined, would not be warranted.

6.3 Inland transport

All of Yingao's domestic sales of like goods during the review period were ex-works and as such, Yingao did not incur inland transport expenses on these sales.

A majority of Yingao's third country exports of like goods during the review period were at FOB terms and as such, Yingao incurred inland transport expenses on these sales. In the third country sales listing, Yingao calculated inland transport expenses by taking the full inland transport invoiced amount and allocating to like goods based on their share of sales revenue within the relevant commercial invoice. The verification team is satisfied

⁸ At this stage of the review, the normal value has not yet been determined.

⁹ Investigation 238, Reviews of Measures 352 and 459, and duty assessments.

PUBLIC RECORD

that allocating based on sales revenue was the most reasonable approach given the nature of the mix of products being exported.

The verification team considers that an adjustment to the normal value, once determined, for export inland transport expenses would be warranted.

6.4 Export port handling and customs declaration fees

All of Yingao's domestic sales of like goods during the review period were ex-works and as such, Yingao did not incur port handling and customs declaration fee expenses on these sales.

A majority of Yingao's third country exports of like goods during the review period were at FOB terms and as such, Yingao incurred port handling and customs declaration fee expenses on these sales. In the third country sales listing, Yingao calculated port handling and customs declaration fees expenses by taking the full port handling and customs declaration fee invoiced amounts and allocating to like goods based on their share of sales revenue within the relevant commercial invoice. The verification team is satisfied that allocating based on sales revenue was the most reasonable approach given the nature of the mix of products being exported.

The verification team considers that an adjustment to the normal value, once determined for export port handling and customs declaration fee expenses would be warranted.

6.5 Non-refundable value-added tax

Yingao incurs a non-refundable value-added tax (VAT) expense on exports sales of 8 per cent, being the difference between the standard VAT rate of 17 per cent less 9 per cent VAT refunded on export sales of stainless steel sinks.

The verification team considers that an upward adjustment to the normal value, once determined, for non-refundable VAT of 8 per cent would be required.

6.6 Adjustments – conclusion

The verification team is satisfied that there is sufficient and reliable information to justify the following adjustments and considers these adjustments necessary to ensure a fair comparison of normal values and export prices in accordance with subsections 269TAC(8) or (9):¹⁰

Adjustment Type	Deduction/addition
Domestic credit	Deduct the cost of domestic credit
Export inland transport	Add the cost of inland transport to the port
Export handling and other fees	Add the cost of port handling and customs declaration fees
Export credit	Add the cost of export credit
Non-refundable VAT	Add the non-refundable VAT expense of 8 per cent

¹⁰ At this stage of the review, the normal value has not yet been determined.

PUBLIC RECORD

7 NORMAL VALUE

In Investigation 238, the Commission found that, during that investigation period, the costs of the main raw material used to manufacture deep drawn stainless steel sinks, 304 grade stainless steel cold-rolled coil (304 SS CRC), incurred by Chinese exporters did not reasonably reflect competitive market costs on the basis that prices in China are affected by Government of China influences in the iron and steel industry.¹¹

Given the finding of non-competitive stainless steel input costs from Investigation 238, the verification team refers the assessment of competitive market input costs and, consequently, the normal value, to the case management team.

¹¹ In REP 238 at section 6.9 (item number 102 on the [public record](#)).

8 DUMPING MARGIN

As the verification team has referred the determination of the export price and corresponding normal value to the case management team (chapters 3.7 and 7 refer), the verification team has not calculated the dumping margin. The verification team refers the calculation of the dumping margin to the case management team.

9 GOVERNMENT GRANTS

9.1 Preferential Tax Programs

In its response to the exporter questionnaire, Yingao declared that it did not receive any government benefits under preferential tax programs.

In verifying Yingao's tax returns and payment slips over the last several years, the verification team found that Yingao paid the standard tax rate of 25 per cent in China and did not find any evidence that Yingao was in receipt of benefits under any preferential tax program.

9.2 Grants and other assistance programs

In its response to the exporter questionnaire, Yingao declared that it did not receive any government benefits under any of the grant or assistance programs found to be countervailable from Investigation 238.¹²

However, Yingao claims that it did receive benefits under six other grant programs involving the direct transfer of funds by government. Yingao provided a grants listing for these programs, as well as evidence of bank receipt.

9.2.1 Verification of government grants to financial statements

The verification team verified the completeness and relevance of Yingao's grants listing by reconciling it to financial statements in accordance with ADN No. 2016/30.

The verification team did not identify any issues during this process. Details of this verification process are contained in the verification work program, and its relevant attachments, at **Confidential Attachment 1**.

9.2.2 Verification of government grants to source documents

The verification team verified the accuracy of Yingao's grants listing by reconciling it to source documents in accordance with ADN No. 2016/30.

The verification team did not identify any issues during this process. Details of this verification process are contained in the verification work program, and its relevant attachments, at **Confidential Attachment 1**.

9.3 Provision of raw materials at less than adequate remuneration

Program 1 – Raw materials provided by the government at less than fair market value – was found to be a countervailable subsidy in Investigation 238.

In Yingao's CRC purchase listing, none of the manufacturers of the CRC purchased by Yingao during the review period were identified as being state-owned or state-invested

¹² In REP 238 at Non-Confidential Appendix 8 (item number 102 on the [public record](#)).

PUBLIC RECORD

enterprises. In relation to each of the manufacturers, Yingao provided information on the company structure and shareholding from the database of the National Enterprise Credit Information Publicity System. Based on the verification team's information and the information provided by Yingao, the verification team considers that none of the manufactures of the CRC purchased by Yingao during the review period were state-owned or state-invested enterprises.

9.4 Countervailing – preliminary assessment

The verification team found evidence that during the review period Yingao was in receipt of payments under assistance programs from government in China.

The verification team found no evidence that during the review period Yingao was in receipt of:

- benefits under any preferential tax program; or
- benefits from Program 1 – Raw materials provided by the government at less than fair market value.

10 APPENDICES AND ATTACHMENTS

Confidential Appendix 1	CTMS
Confidential Appendix 2	Domestic sales
Confidential Attachment 1	Verification work program, with attachments