



## Supplementary Government Questionnaire

### The People's Republic of China

**Product:** Steel Reinforcing Bar

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

**Period of Investigation:** 1 July 2014 to 30 June 2015

**Response due by:** **6 June 2016**

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**Return completed  
questionnaire to:**

Anti-Dumping Commission  
Level 10 Industry House  
10 Binara Street  
Canberra ACT2600  
Australia

Attention: Director Operations 4

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### ABBREVIATIONS

the Act	the Customs Act 1901
the Applicant or OneSteel	OneSteel Manufacturing Pty Ltd
China	the People's Republic of China
CISA	China Iron and Steel Association
CIF	Cost, Insurance & Freight
the Commission	Anti-Dumping Commission
EPZ	Export Processing Zones
FOB	Free On Board
GOC	Government of China
the goods	the goods the subject of the application (steel reinforcing bar)
the investigation period	1 July 2014 to 31 December 2015
Rebar	Steel reinforcing bar
SAT	State Administration of Taxation
SASAC	the State-owned Assets Supervision and Administration Commission of the State Council
SEZ	Special economic zone
SIE	State-invested enterprise

## **BACKGROUND AND GENERAL INSTRUCTIONS**

### **1. Purpose of the supplementary questionnaire**

The purpose of this supplementary questionnaire is to seek further information regarding additional subsidy programs from the Government of China (GOC).

Please note that the subsidy/countervailing sections of this questionnaire focus on identified programs that the Anti-Dumping Commission is specifically investigating at this stage. However, Commission may also investigate any additional subsidy program(s) that it considers may warrant investigation if additional information comes to light in relation to further programs.

Any additional questions may be posed to the GOC in the form of further supplementary questionnaires.

The GOC does not have to complete this supplementary government questionnaire. However, if the GOC does not respond, the Commission may be required to rely on information supplied by other parties (including information supplied by the Australian industry – the applicant for the countervailing measures).

Therefore, it is considered to be in the GOC's interests and the interests of Chinese exporters of steel reinforcing bar (Rebar), to provide a complete response.

If the GOC chooses to respond to this questionnaire, the response is due by **6 June 2016**.

### **2. If you decide to respond**

Should the GOC choose to provide a response to this supplementary questionnaire, please note the following:

#### **For official use only and public record**

If the GOC chooses to respond to this supplementary questionnaire, you are required to lodge a "for official use only" and a "public record" version of your submission by the due date.

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

All information provided to the Commission "for official use only" will be treated confidentially. The public record version of your submission will be placed on the public record, which all interested parties can access.

Your public record submission must contain sufficient detail to allow a reasonable understanding of the substance of the "for official use only" version. If, for some reason, you cannot produce a public record summary, contact the case manager (see contact details on Page 1 of this questionnaire).

#### **Declaration**

You are required to make a declaration that the information contained in the GOC's response is complete and accurate. You must return the signed declaration of an authorised GOC official at the last section of this questionnaire with the GOC's response.

**Provision of documents**

When providing documents, please indicate whether the documents:

- are currently in force;
- were in force during the investigation period; or
- have been repealed, revised or superseded.

Where the documents have been repealed, revised or superseded;

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

Responses to questions should:

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

Please note that answers such as: "Not Applicable" or an answer that only refers to an exhibit or an attachment may not be considered by the Commission to be adequate. We therefore suggest 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.

**Lodgement**

Lodgement by email is preferred. The email address for lodgement is shown on the front cover of this questionnaire. If you lodge by email, you are still required to provide a “for official use only” and “public record” version of your submission by the due date.

You may also lodge your response by mailing it to the address shown on the front cover of this questionnaire. For questions requiring a response in a Microsoft Excel spreadsheet that cannot be emailed, please provide those spread sheets on a CD-ROM or on a USB device.

**3. Future questions and verification**

Please note that after receiving the GOC response to this supplementary questionnaire, the Commission may seek additional information from the GOC.

**ADDITIONAL SUBSIDIES**

The applicant alleges that producers of rebars in China have benefited from a number of subsidies granted by the GOC, and that these subsidies are countervailable. During the course of the investigation, additional subsidy programs were either disclosed by the GOC, disclosed by the cooperating exporters or identified by the Commission during the verification visits.

**INVESTIGATED PROGRAMS**

Table 1 below lists 91 additional countervailable subsidy programs (from programs 87 to 177) for Rebar.

*Note: the below titles of programs are to the best of the Commission's knowledge and in some cases may simply be descriptions of the program. Consequently, the below titles may not exactly reflect any official titles that the GOC has in place.*

The GOC is requested to provide information on each program, regardless of the year the benefit was granted by the GOC or the year that the benefit was received by the recipient company, as well as those further identified by the GOC, where the program benefits impact on the production and sale of rebars during the investigation period.

**Table 1: INVESTIGATED PROGRAMS**

The following are the additional subsidy programs:

Category	Additional Programs (number and description)
Part C-7 Additional Programs declared by Shandong Shiheng Special Steel Group Co., Ltd. (Programs 87 - 108)	87. Special Fund for Science and Technology Development
	88. 2009 Award for Energy Conservation of Taian City
	89. 2010 Energy Conservation Project & Recycling Economy and Key Demonstrative Project of Resource Conservation and Key Project of Industry Pollution Treatment
	90. Energy Conservation Utilization
	91. Special Government Fund for Workers' Re-employment
	92. Reduction and exemption on urban construction surcharge on power supply
	93. 2010 Provincial Special Fund for Environment Protection
	94. 2008 Special Support Fund for High-tech product
	95. Land Expropriation and Demolition Compensation
	96. Special Fund for New Products and High-tech Enterprises
	97. Special Fund for Energy Conservation
	98. 2014 Prevention and Treatment Fund for Air Pollution
	99. 2014 Fund for Water Pollution Prevention of Huai River
	100. 2013 Supporting Fund for Information Industry Program (Municipal Level)
	101. 2013 Special "BO GAI JIE" Fund for Information Industry Program (Municipal Level)
	102. 2013 Central Government Budget Fund for Air Pollution Prevention
	103. Additional Budget Fund for Urban Public Utility
	104. Special Fund for Reform of Production Line
105. Special Fund for Closing Down Outdated Iron & Steel Production Facilities (1st group)	
106. Special Fund for Reform of Production Line	
107. Special Fund for Closing Down Outdated Iron & Steel Production Facilities	
108. Special Government Fund for Workers' Re-employment	
Part C-8 Additional Programs	109. Large heat input welding high strength bainite engineering machinery steel industrialization project assistance funds allocated by provincial department of finance
	110. Develop offshore-flat structure steel awards allocated by municipality science and technology promotion funds

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declared by Hunan Valin Iron & Steel Co., Ltd  (Programs 109 - 156)	111. Government Grants
	112. Industrial Waste Water Resources Recycling Project
	113. Coke Dry Quenching Project
	114. Sewage Treatment Project of the Whole Plant
	115. 2007 Energy Technology 11_3# Blast Furnace Top Gas Recovery Turbine Unit (TRT)
	116. 360 M2 Sintering Machine Flue Gas Desulfurization Project
	117. Coking 300M3/h phenolic and cyanide waste water extension project
	118. The Second Set of 75 Tons/h Coke Dry Quenching Construction Project
	119. Coke Dry Quenching (CDQ) Power Generation Project (25MW)
	120. Energy Management Information System
	121. Coke Dry Quenching Project of 150 Tons
	122. Automatic Control Technology Renovation Project of Clean Steel and Converter
	123. Pressure Difference of Furnace Top Power Generation Project
	124. Flue gas desulfurization treatment technology renovation project of sintering system (360M2)
	125. Prevention and Control of Heavy Metals Pollution
	126. Import discount interest assistance fund of 2011 allocated by provincial department of finance
	127. Hunan Valin assistance funds allocated by SASAC
	128. Secondary flue gas deducting of converter of No.2 steel mill
	129. Adopt dry bag filter system to transform original wet dust extraction system; renovation of the coking phenol-cyanogen sewage treatment station, processing capacity is 300tons/h; new construction of sewage treatment plant of ironmaking hole and gongnong gate, processing capacity is 7700tons/h;
	130. First sintering (360M2), second sintering (180m2), disposal of heavy metal of water treatment facility of nose flue gas purification system; 1# blast furnace wet dust extraction into dry dusting; comprehensive utilization of heavy metal pollution
	131. Comprehensive management and technical reform of heavy metal pollution in Xiangjiang Valley
	132. Excellent demonstration enterprise award grants allocated by municipality economic and information commission (Tanjingxinf No.10,2013)
	133. Government Grants received from Xiangtan City Finance
	134. Financial Grant received from Xiangtan City Finance
	135. Tiaozhengyin No.5013050048# Voucher, Provincial Science and Technology Key Project Assistance Funds received from Bureau of Finance [Xiangcaiqizhi No.155, 2012]
	136. Secondary flue gas deducting of converter of No.2 steel mill
	137. Industrial Waste Water Resources Recycling Project
	138. Flue gas desulfurization treatment technology renovation project of sintering system
	139. Wide and Heavy Plate Project
	140. Energy-saving Technical Renovation Project of Replacing Old Boiler and Recycling Diffused Gas
	141. Energy Saving and Emission Reduction & Technical Reform Project for Improving the Quality of the Products in Bar Mill Government Grants received from Xiangtan City Bureau of Finance (Tancaiqi No.9, 2014)
	142. Renovation of improving the quality of the bar product financial grant received from Xiangtan City Finance
	143. Power demand side management project assistance funds of 2014 (Xiangcaiqizhi (2014) No.107)
	144. Financial Grant of 2014
	145. Technology ke25 project scientific research assistance of 2014 received from provincial science and technology development center
	146. 690MPa high-grade mine steel special assistance allocated by provincial department of finance
	147. Carry forward the financial grant in previous years into the non-operating income
	148. Automatic Control Technology Renovation Project of Clean Steel and Converter
	149. Pressure Difference of Furnace Top Power Generation Project
	150. Third sintering of heavy metal (plumbum) and carbon dioxide comprehensive treatment funds
	151. Energy-saving Technical Renovation Project of Replacing Old Boiler and Recycling



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	Diffused Gas
	152. Key new materials products of 2014 special assistance allocated by provincial department of finance
	154. Steelmaking converter exhaust gas pollution comprehensive treatment project
	155. Dust removal renovation project of steel-making blending iron furnace
	156. Energy saving and emission reduction & technical reform project for using of waste heat after steel
Part C-8	157. Application for the invention patent to enter the substantive examination
Additional Programs declared by Jiangsu Yonggang Group Co. Ltd (and its Affiliate - Jiangsu Lianfeng Industry Co., LTD)  (Programs 157 - 176)	158. Circular economy standard pilot
	159. 2013 year plan of Suzhou City, the project funding
	160. Transformation and upgrading of special funds to guide the transformation of energy-saving projects
	161. Flood control fund refund
	162. Jiangsu science and technology support program funding
	163. Finance Bureau of quality and strong city award funds
	164. The quality of the province special funds
	165. The quality of the province special funds, the provincial energy management
	166. City Science and technology support projects funded three funds
	167. Science and technology achievement transformation project subsidy funds
	168. Provincial high tech products award funds
	169. Special funds to support enterprises
	170. Excellent quality products in Jiangsu Province, the demonstration area of high quality products
	171. Suzhou credit management model enterprise incentive funds
	172. Steady growth in foreign trade in 2014 subsidies
173. Science and Technology Talent Award	
174. Jiangsu provincial science and Technology Department of the 2014 annual National Award for National Awards	
175. Others	
176. Infrastructure Development Grant	
Part C-9	
Loan Guarantee provided by the GOC	177. Loan Guarantee provided by the Government of China

In responding to this questionnaire, if the GOC is unfamiliar with the title given to a program, but is aware of the existence of a similar program or one that it appears is being referred to, please identify this program (including providing the official title of any such program) and respond to the questionnaire in relation to that program.

**ANY OTHER PROGRAM NOT PREVIOUSLY ADDRESSED**

If the GOC, any of its agencies, or any other authorised non-governmental body provides any other assistance programs not previously addressed (including market development assistance programs or any domestic support programs related to the manufacture of subject goods) to manufacturers of rebar in China, identify these program(s). Such assistance programs are those that constitute a subsidy as defined in the attached Glossary of Terms.

The GOC is requested to provide the information requested for each of the programs identified above and any additional programs the GOC has identified. In addition, please respond to the program-specific information requested.

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1. For **all programs** provide any amendments to law, regulations or policy that makes a particular program redundant for this investigation. Provide all documentary evidence.

*The following questions relate to Programs 87 - 177 identified above.*

2. Provide full details of the programs including the following.
  - (a) policy objective and/or purpose of the program.
  - (b) legislation under which the subsidy is granted.
  - (c) nature or form of the subsidy.
  - (d) when the program was established.
  - (e) duration of the program.
  - (f) how the program is administered and explain how it operates.
  - (g) to whom and how is the program provided.
  - (h) the GOC department or agency administering the program.
  - (i) the eligibility criteria in order to receive benefits under the program.
3. Provide translated copies in English of the decrees, laws and regulations relating to the programs and any reports pertaining to the programs.
4. Identify and explain the types of records maintained by the relevant government or governments (e.g. accounting records, company-specific files, databases, budget authorizations, etc.) regarding the program.
5. Identify all companies that accrued or received benefits under the programs during the investigation period. Include the following details in the spreadsheet provided as B-7 (or in a Microsoft Excel compatible format):
  - (a) the business' address (including the city, province and region);
  - (b) the ownership structure of the business, including indirect ownership through associated companies (i.e. SIE, private, co-operative, FIE or joint venture);
  - (c) if the business is not an SIE, whether it is otherwise associated with the GOC;
  - (d) whether the entity produces steel reinforcing bars

Provide on an annual basis the value and/or nature of the benefit or concession granted (monetary and/or non-monetary) under the programs.
6. For each entity identified in your response to Question 5 above that is an SIE, answer the following questions regarding their performance and profits.
  - (a) How are the operations of the enterprise funded?

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- (b) Provide details of any debts or other liabilities the enterprise has with any banks or financial institutions in which the GOC holds an interest.
- (c) How is the performance of the enterprise measured? For example, profitability, employment, output, social wellbeing, etc.
- (d) Provide details and explain how the State-owned Assets Supervision and Administration Commission of the State Council (SASAC) or any other government entity inspects or evaluates enterprise performance, including:
  - output and quality performance;
  - performance of employees/directors/managers; and
  - financial performance.

*If any other GOC entity plays such a role, provide a detailed explanation of this entity and the role it plays with regard to SIEs.*

- (e) Provide details of any official reporting mechanisms that the enterprise must comply with.
- (f) Provide an explanation of the systems that exist for assessing the performance of administrators of SIEs. Provide examples of recent appraisals of SIE administrators of the enterprise.
- (g) How are profits of the enterprise distributed and to whom?
- (h) Outline what action, if any, is taken by SASAC or any other government entity if the enterprises makes a loss or under-performs.
- (i) Over the past 10 years, has the GOC provided any payment or made any injection of funds to the enterprise, including but not limited to:
  - grants;
  - prizes;
  - awards;
  - stimulus payments and rescue type payments;
  - injected capital funds;
  - purchasing of shares.
- (j) If so, provide details, indicating the amount, circumstance, and purpose of any such payment or injection of funds, as well as whether they were tied to any past or future performance, direction or action of the enterprise.

7. For each entity identified in Question 5 above, answer the following questions regarding enterprise functions:

- (a) Provide a list of functions the enterprise performs.
- (b) Provide details of any government policies the enterprise administers or carries out on behalf of the GOC.
- (c) Indicate whether any of the enterprise's functions are considered to be governmental in nature.

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- (d) Indicate whether the enterprise has been trusted, tasked, vested with any government authority. Provide details of this authority including how it is exercised or administered, as well as copies of relevant statutes or other legal instruments that vest this authority.
- (e) Indicate whether the enterprise has the authority or power to entrust or direct a private body to undertake responsibilities or functions.
- (f) Explain whether the enterprise is in pursuit of, or required to support governmental policies or interests.
- (g) Provide examples of any 'social responsibilities' the enterprise undertakes or is involved in (reference is made to Article 17 of the Law on State Owned Assets)?

- 8.** Describe the application process (including any application fees charged by the government agency or authority) for the program.

After an application is submitted, describe the procedures by which an application is analysed and eventually approved or disapproved.

- 9.** Answer the following questions regarding eligibility for and actual use of the benefits provided under this program.

- (a) Is eligibility for, or actual use of this program contingent, whether solely or as one of several other conditions, upon export performance? If so, please describe.
- (b) Is eligibility for this program contingent, whether solely or as one of several other conditions, upon the use of domestic over imported goods? If so, please describe.
- (c) Is eligibility for the subsidy limited to enterprises or industries located within designated regions? If so, specify the enterprises or industries and the designated regions.
- (d) Is eligibility limited, by law, to any enterprise or group of enterprises, or to any industry or group of industries? If so, describe and specify the eligible enterprises or industries.
- (e) Provide any contractual agreements between the GOC and the companies that are receiving the benefits under the program (e.g., loan contracts, grant contracts, etc.).

- 10.** Provide the total amounts of benefits received by each type of industry in each region in the year the provision of benefits was approved and each of the years from 1 January 2010 to 30 June 2015.

- 11.** For all programs listed in Table 1, describe any anticipated changes in the program. Provide documentation substantiating your answer. If the program has been terminated, state the last date that a company could apply for or claim benefits under the program. When is the last date that a company could receive benefits under the program?

**DECLARATION**

**DECLARATION**

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

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Signature of authorised official**

\_\_\_\_\_  
**Name of authorised official**

\_\_\_\_\_  
**Title of authorised official**

## **GLOSSARY OF TERMS**

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

### ***Enterprise***

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

### ***Government of China (GOC)***

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

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

### ***Special Economic Zone (SEZ)***

Refers to a Special Economic Area, Economic and Technical Development Zone, Bonded Zone, Export Processing Zone, High Technology Industrial Development Zone, or any other designated area where benefits from the GOC (including central, provincial, municipal or county government) accrue to a company because of being located in such an area.

### ***State Invested Enterprises (SIE)***

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

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

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