



Australian Government
**Australian Customs and
Border Protection Service**

Received
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International Trade Remedies Branch

SUBSIDY INVESTIGATION

SUPPLEMENTARY EXPORTER QUESTIONNAIRE - CHINA

PRODUCT CONCERNED: ZINC COATED (GALVANISED) STEEL AND
ALUMINIUM ZINC COATED STEEL FROM THE
PEOPLE'S REPUBLIC OF CHINA

INVESTIGATION PERIOD: 1 JULY 2011 TO 30 JUNE 2012

RESPONSE DUE BY: 14 MARCH 2013

ADDRESS FOR RESPONSE: itrops2@customs.gov.au

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Please note that a non-confidential version of the reply to this questionnaire must also be provided at the same time as submitting the confidential version.

SUPPLEMENTARY EXPORTER QUESTIONNAIRE

In Part C-4 of the countervailing questionnaire sent to you earlier for this investigation Customs and Border Protection requested information in relation to benefits received under Programs 12 to 29 for the period 1 July 2011 to 30 June 2012. During verification and assessment of the questionnaire responses it has come to our attention that grants in the form of cash payments, capital injection and/or in other forms may have been received by your company in prior years that may still confer a benefit to goods produced during the period of investigation, for example a grant in relation to an asset purchase.

It is Customs and Border Protection's view that any benefits from these grants should be apportioned over the life of the asset (or other capital item) that the payment related to. It is possible, therefore, that cash payments and capital contributions received in years prior to the investigation period have provided a benefit to the goods under investigation during the investigation period.

Due to the tight legislative timeframe for these investigations, we request a response to the questions below by **COB 14 March 2013**. *(As per our usual requirement, please provide both a 'For Official Use Only' and a 'Public Record' version of your response, appropriately marked).*

PART A GRANTS (PROGRAMS 12-29)

It is Customs and Border Protection's understanding that the GOC may be providing grants in the form of cash payments and/or capital contributions (such as equity, etc) to enterprises in China including the following identified programs:

Program 12: One-time Awards to Enterprises Whose Products Qualify for 'Well-Known Trademarks of China' and 'Famous Brands of China'

Program 13: Matching Funds for International Market Development for Small and Medium Enterprises

Program 14: Superstar Enterprise Grant

Program 15: Research & Development (R&D) Assistance Grant

Program 16: Patent Award of Guangdong Province

Program 17: Innovative Experimental Enterprise Grant

Program 18: Special Support Fund for Non State-Owned Enterprises

Program 19: Venture Investment Fund of Hi-Tech Industry

Program 20: Grants for Encouraging the Establishment of Headquarters and Regional Headquarters with Foreign Investment.

Program 21: Grant for key enterprises in equipment manufacturing industry of Zhongshan

Program 22: Water Conservancy Fund Deduction

Program 23: Wuxing District Freight Assistance

Program 24: Huzhou City Public Listing Grant

Program 25: Huzhou City Quality Award

PUBLIC RECORD VERSION

Program 26: Huzhou Industry Enterprise Transformation & Upgrade Development Fund

Program 27: Wuxing District Public List Grant

Program 28: Anti-dumping Respondent Assistance

Program 29: Technology Project Assistance

1. Did your business or any company/entity related to your business receive any cash payments and/or capital contributions under the above programs during the period 1 January 2007 to 30 June 2011?

Response:

The question is not applicable, since Zongcheng and its related companies did not receive cash payments and/or capital contributions programs as mentioned above during the period 1 January 2007 to 30 June 2011.

2. Did your business receive benefits under any other grant (including awards, prizes, funds) program, receipt of cash payments and/or capital contributions during the period 1 January 2007 to 30 June 2011?

Response:

Please refer to Conf Exhibit 1 for list of subsidies.

3. Provide copies of management reports showing your business' non-operating income (or other relevant ledger account) during the period 1 January 2007 to 30 June 2011 and highlight the entry referring to income from the cash payments and/or capital contribution identified above in questions 1 and 2.

Response:

Please refer to Conf Exhibit 2

For each program identified in your answers above:

- i. Provide complete list involving the amount of the cash payment received, including whether the payment was received in a lump sum or multiple instalments.

Response:

. Please refer to Conf Exhibit 1.

- ii. 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).

Response:

The question is not applicable, since there are no benefits related specifically to Zongcheng's production.

- iii. Describe the application and approval procedures for obtaining a benefit under the program.

Response:

Zongcheng's understanding is that there no application or approval procedures considered necessary.

- iv. 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 GOC in relation to the program.

Response:

This question is not applicable please refer to our response stated in (iii) above.

- v. Outline the fees charged to, or expenses incurred by your business for purposes of receiving the program.

Response:

There are no fees charged to, or expenses incurred by Zongcheng.

- vi. Outline the eligibility criteria your business had to meet in order to receive benefits under this program.

Response:***1) Safety Reward***

Zongcheng's production factory has to qualified the public safety requirements ruled by the governmental environment protection agency.

2) Reward of Foreign Enterprise Production and Stable Employment

Zongcheng qualified as a fully foreign owned enterprise and it has offered stable jobs to local workers.

3) Compensation for Water Pollution Control

Zongcheng have to pass the water pollution environmental requirements in order to

receive the compensation.

- vii. 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.

Response:

The questions are not applicable since the programs received by Zongcheng are not relevant to above mentioned criteria.

- viii. If the cash payment was provided in relation to a specific activity or project of your entity, please identify the activity and provide supporting documentation.

Response:

The benefit was not provided in relation to any specific activity or project of our entity.

- ix. 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.

Response:.

Please refer to Conf Exhibit 2 for sub-ledger of Non-Operation Revenue account.

- x. Indicate where benefits under this program can be found in your accounting system (i.e., specify the ledgers or journals) and financial statements.

Response:

Zongcheng recorded those programs in the account called(account name)

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

Response:

To the best of Zongcheng's knowledge, those programs have been terminated.

- xii. 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?

Response:

Those programs have been terminated in 2011 and 2012.

Zongcheng does not know the terminated programs' last date of application.

- xiii. If the program terminated has been substituted for by another program, identify the program.

Response:

The question is not applicable, since Zongcheng have no idea about the substitution.

- xiv. Identify the body responsible for administering the cash payment and/or capital contribution.

Response:

Please refer to the following table.

<i>Description</i>	<i>Departments</i>

- xv. Identify the date of approval of the cash payment and the date the payment was received.

Response:

Please refer to the following table.

<i>Description</i>	<i>Date of Approval</i>	<i>Date of Receiving</i>	<i>Value (RMB)</i>
	<i>NA</i>		
	<i>NA</i>		
	<i>NA</i>		

- xvi. If the payment was made in the form of a capital contribution, describe in detail the form of the capital injection that was received and how was it treated in your books for accounting purposes (for example capital injection could be cash contribution, equity contribution or cash payment (loan) that was later converted into shares).

Response:

The question is not applicable, since the programs are paid by cash instead of in the form of capital contribution.

SECTION B – EXPORTER/PRODUCER’S DECLARATION

I hereby declare that.....(company)
did, during the investigation period export the goods 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.

or

I hereby declare that.....(company)
did, during the investigation period, produce the goods which were exported to Australia by
another company 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.

Name :.....

Signature :.....

Position in
Company :.....

Date :.....

Response:
Please refer to the attached Exhibit to the questionnaire response.