



Australian Government
Anti-Dumping Commission

Exporter Questionnaire

Product: Certain Crystalline Silicon Photovoltaic Modules or Panels

From: The People's Republic of China

Period of Investigation: 1 July 2012 to 31 December 2013

Response due by: 25 June 2014

Investigation case manager: Sanjay Sharma

Phone: +61 2 6275 8008

Fax: 1300 882 506

E-mail: operations3@adcommission.gov.au

Anti-Dumping Commission website: www.adcommission.gov.au

Return completed questionnaire to:

**Anti-Dumping Commission
Level 5, Customs House
5 Constitution Avenue
Canberra ACT 2601
Australia**

Attention: Director Operations3

GOODS UNDER CONSIDERATION

The goods under consideration (the goods) i.e. the goods exported to Australia, allegedly at dumped prices are:

Certain crystalline silicon photovoltaic modules or panels, whether exported assembled or unassembled, and whether or not they have an inverter, capable of producing any power in terms of watt.

The following product types are excluded from the application:

- cells and wafers of the type used in PV modules or panels;
- solar chargers that consist of less than six cells, are portable and supply electricity to devices or charge batteries; and
- PV products that are permanently integrated into electrical goods, where the function of the electrical goods is other than power generation, and where these electrical goods consume the electricity generated by the integrated crystalline silicon photovoltaic cell(s).

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INSTRUCTIONS

Why you have been asked to fill out this questionnaire?

The Anti-Dumping Commission (the Commission) is responsible for investigating the allegation that certain crystalline silicon photovoltaic modules or panels (PV modules or panels) has been exported to Australia from the People's Republic of China (China) at prices less than their normal value and that dumping has caused material injury to the Australian industry.

The Commission will use the information you provide to determine normal values and export prices over the investigation period. This information will determine whether certain PV modules or panels is dumped. You may make separate submissions concerning any other matter, for example injury.

The Commission investigation will be carried out under the provisions of the Part XVB of the *Customs Act 1901*.

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 deem you uncooperative. In that case the Commission may be required to rely on information supplied by other parties (possibly information supplied by the Australian industry). In that case we may assess a dumping margin for your company based upon normal values that may be the weighted average value of the cooperating exporters determined in your country during the investigation period.

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

Due date for response

Manufacturers and exporters 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 investigation. 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 investigation case manager as soon as possible.

Confidential and non-confidential submissions

You are required to lodge one confidential version (for official use only) and one non-confidential version (for public record) of your submission by the due date.

Please ensure that *each page* of information you provide is clearly marked either "FOR OFFICIAL USE ONLY" or "PUBLIC RECORD".

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All information provided to the Commission in confidence will be treated accordingly. The non-confidential version of your submission will be placed on the public record.

Please note, Australia's anti-dumping legislation requires that to the extent that information given to the Commission is claimed to be confidential or whose publication would adversely affect a business or commercial interest, the person giving the information must ensure that a summary of that information contains sufficient detail to allow a reasonable understanding of the substance of the information, but does not breach confidentiality nor adversely affect those interests.

The legislation allows that a person is not required to provide a summary for the public record if the Commission can be satisfied that no such summary can be given that would allow a reasonable understanding of the substance of the information. However, such a summary would add considerably to an interested party's understanding of information contained in a document.

As provided for in Australia's anti-dumping legislation, all submissions are required to have a bracketed explanation of deleted or blacked out information for the non-confidential version of the submission. 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:

[explanation of cost allocation through the divisions].

If, for some reason, you cannot produce a non-confidential summary, please contact the investigation case manager.

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.

Verification of the information that you supply

The Commission will seek to verify the information provided in your submission. Where there are a large number of exporters, the Commission may have to verify information from selected exporters only. 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 take several days. We 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. We will need to consult with your staff, particularly your financial controller (or accountant) and your domestic and export sales people. We may also need to see your factory, in which case we will need to consult with your operational managers.

After gathering the information we will prepare a report of the visit. We will provide you with a draft of the report and then respond to any questions you have. We will ask you to prepare a non-confidential copy of the report for the public record.

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.

If you do not export the goods

Depending on the arrangement for sale of the goods to Australia through an intermediary, the Commission will have to determine who is the exporter of the goods for the purpose of this investigation.

In any case, information (such as cost of production data) supplied by the manufacturer will be relevant to establishing the normal value of the goods. In the absence of verified information, the Commission may use other available information. This information may result in a decision less favourable to your company.

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 investigation 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** Particular Market Situation.
- Section I** Your declaration.

Section J A checklist.

Appendix 1 A glossary of terms used in this questionnaire.

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.
- 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.

Instructions on providing electronic data

- It is important that information is submitted in electronic format.
- Electronic data should be emailed or submitted on a CD-ROM, in IBM/MS-DOS format, or another operating system whose disk format is compatible with this MS-DOS version.
- The data must be created as spreadsheet files, preferably in Microsoft Excel, or alternatively in an Excel compatible format (for example, Excel can normally access data in Dbase or as an ASCII file).
- The Excel files must be compatible to the USA version.
- If you cannot present electronic data in the requested format contact the investigation case officer as soon as possible.

Further information

Before you respond to the questionnaire you should read all the documentation enclosed with this application including the applicant's non-confidential submission, the booklet *Australia's Anti-Dumping* and the Anti-Dumping Notice notifying the initiation of the investigation. We also advise that you read the attached glossary of terms.

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

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 investigation:

Head Office: ET Solar Industry Limited

Name: *Chen Qi*

Position in the company: *Business Management Director*

Address: *19F, Block C, Wanda Plaza, Jianye, Nanjing, Jiangsu, China*

Telephone: *86-18652092495*

Facsimile number: *86-25-8689 8097*

E-mail address of contact person: *archie.chen@etsolar.com*

Factory: ET Solar Industry Limited

Address: *Yaojia Road, Jiulong Industry Zone, Taizhou, Jiangsu, China*

Telephone: *86-18652092495*

Facsimile number: *+86-25-8689 8097*

E-mail address of contact person: *archie.chen@etsolar.com*

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

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

Name: *Global Law Office*

Address: *20/F Tower 1, China Central Place, No. 81 Jianguo Road Chaoyang District, Beijing 100025, China*

Telephone: *86-10-65846567*

Facsimile/Telex number: *86-10-65846666*

E-mail address of contact person: *Frank Hang, frankhang@glo.com.cn*

Note that in nominating a representative, the Commission will assume that confidential material relating to your company in this investigation 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.

Answer:

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The legal name of the company is ET Solar Industry Limited ("TT"), which is the producer and exporter of the goods under consideration ("GUC"). TT is a wholly-foreign owned enterprise with limited liability.

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).

Answer:

TT is 100% owned by ET Solar Energy Limited ("EN"), which is registered in British Virgin Islands ("BVI").

3. If your company is a subsidiary of another company, list the principal shareholders of that company.

Answer:

As above mentioned, TT is 100% owned by EN. EN is 100% owned by ET Solar Group Corp. ("Group), which is registered in Cayman Islands.

4. If your parent company is a subsidiary of another company, list the principal shareholders of that company.

Answer:

TT's parent company is EN and EN's parent company is Group. Please refer to [Exhibit A-3.4](#) for Group's shareholders.

5. Provide a diagram showing all associated or affiliated companies and your company's place within that corporate structure.

Answer:

Please refer to [Exhibit A-3.5](#) for the diagram of affiliated companies.

6. Are any management fees/corporate allocations charged to your company by your parent or related company?

Answer:

No management fees/corporate allocations are charged to TT by TT's parent or related companies.

7. Describe the nature of your company's business. Explain whether you are a producer or manufacturer, distributor, trading company, etc.

Answer:

TT is the producer and exporter of the GUC.

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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

Answer:

TT is the producer.

- sell in the domestic market

Answer:

TT sold few GUC in the domestic market directly. ET Energy Co., Ltd. ("NY") sold most of the GUC in the domestic market. NY is located in No. 9 Yaojia Road, Jiulong County, Hailing District, Taizhou, Jiangsu, China. Please refer to Exhibit D-1 for the detailed domestic sales flow chart.

- export to Australia, and

Answer:

TT sold the GUC to Australia through its affiliated trading company, ET Solar Energy Limited ("EN"). Although EN is registered in BVI, its office is located in ROOM 2103, EASEY COMMERCIAL BUILDING, 253-261 HENNESSY ROAD, WANCHAI, HONG KONG. Please refer to Exhibit B-2.a for the detailed Australian sales flow chart.

- export to countries other than Australia.

Answer:

TT sold the GUC to countries other than Australia directly or through EN.

9. Provide your company's internal organisation chart. Describe the functions performed by each group within the organisation.

Answer:

Please refer to Exhibit A-3.9 for TT, EN and NY's internal organisation chart.

10. Provide a copy of your most recent annual report together with any relevant brochures or pamphlets on your business activities.

Answer:

Please refer to Exhibit A-3.10 for TT, EN and NY's company profile.

A-4 General accounting/administration information

1. Indicate your accounting period.

Answer:

TT, EN and NY's accounting period is January 1-December 31.

2. Indicate the address where the company's financial records are held.

Answer:

TT, EN and NY's financial records are held at the address above mentioned.

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;

Answer:

Please refer to [Exhibit A-4.3.a](#) for the chart of accounts of TT, EN and NY.

- audited consolidated and unconsolidated financial statements (including all footnotes and the auditor's opinion);

Answer:

Please refer to [Exhibit A-4.3.b](#) for TT's 2012, 2013 audited financial statements; EN's 2012, 2013 unaudited financial statements; NY's 2012, 2013 audited financial statements; and Group's 2012 consolidated audited financial statement, Group's 2013 consolidated unaudited financial statements.

- 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.

- Answer:

TT, EN and NY do not have such documentation.

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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.

Answer:

This question is not applicable to TT, EN and NY.

5. Do your accounting practices differ in any way from the generally accepted accounting principles in your country? If so, provide details.

Answer:

TT, EN and NY's accounting practices is same as the generally accepted accounting principles in China.

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 (eg last in first out –LIFO, first in first out- FIFO, weighted average);
- costing methods, including the method (eg by watts, 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.

Answer:

Please refer to "Notes II Introduction to Significant Accounting Policies of the financial statements" of TT and NY.

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.

Answer:

No changes.

A-5 Income statement

Please fill in the following table. It requires information concerning all products produced and for the goods under consideration (*'goods under consideration'* (the goods) is defined in the Glossary of Terms in the appendix to this form). You should explain how costs have been allocated.

Note: if your financial information does not permit you to present information in accordance with this table please present the information in a form that closely matches the table.

Prepare this information on a spreadsheet named "**Income statement**".

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.

Answer:

Please refer to [Table A-5](#) for TT, EN and NY's income statements.

A-6 Sales

State your company's net turnover (after returns and all discounts), and free of duties and taxes. Use the currency in which your accounts are kept, in the following format:

Prepare this information in a spreadsheet named "TURNOVER".

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

Also, 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.

[Answer:](#)

Please refer to [Table A-6](#) for TT, EN and NY's turnover.

SECTION B - SALES TO AUSTRALIA (EXPORT PRICE)

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

*You should report prices of **all** goods under consideration (the goods) **shipped** to Australia during the investigation 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 question B4 below) and;

an alternative date should be used when comparing export and domestic prices

*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 investigation period.*

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

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

[Answer:](#)

Please refer to [Exhibit B-1](#) for list of Australian customers.

B-2 For each customer identified in B1 please provide the following information.

(a) Describe how the goods are sent to each customer in Australia, including a diagram if required.

[Answer:](#)

Please refer to [Exhibit B-2.a](#) for the Australian sales flow chart.

(b) 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.

[Answer:](#)

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Please refer to [Exhibit B-2.a](#) for the Australian sales flow chart.

Commissions is a post exportation expense having regarding to the date of sale.

- (c) Explain who retains ownership of the goods at each stage of the distribution chain. In the case of DDP sales, explain who retains ownership when the goods enter Australia.

Answer:

Please refer to [Exhibit B-2.a](#) for the Australian sales flow chart. The ownership of the goods is retained by the seller before the goods are sold to the buyer at each stage of distribution chain. The GUC was sold to the Australia customers in FOB/CIF.

- (d) Describe any agency or distributor agreements or other contracts entered into in relation to the Australian market (supply copy of the agreement if possible).

Answer:

Please refer to [Exhibit B-9](#) for the sample Australian sales documents.

- (e) 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.

Answer:

Please refer to [Exhibit B-2.a](#) for the Australian sales flow chart. There are no Australian export price list.

- (f) State whether your firm is related to any of its Australian customers. Give details of any financial or other arrangements (eg free goods, rebates, or promotional subsidies) with the customers in Australia (including parties representing either your firm or the customers).

Answer:

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Australian customers are unrelated customers. There are no financial or other arrangements with the Australian customers.

- (g) Details of the forward orders of the goods under consideration (include quantities, values and scheduled shipping dates).

Answer:

Please refer to [Table B-4](#) for Australian sales.

- 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.

Answer:

Yes. The selling price to end users is a little higher than that to distributors. There are some other factors that affect the selling price, such as relationship between our company and customers, the amount of order and the payment terms.

- B-4** Prepare a spreadsheet named "Australian sales" listing all shipments (i.e. transaction by transaction) to Australia of the goods under consideration in the investigation period. You must provide this list in electronic format. Include the following export related information:

** 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 investigation period.

Freight allocations must be checked for consistency.

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

Answer:

Please refer to [Table B-4](#) for Australian sales.

- 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.

Answer:

Please refer to [Table B-4](#) for Australian sales.

- 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 B4. If they vary by customer or level provide an explanation.

Answer:

Australian sales have no such discounts, rebates, etc.

- 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 B4, provide details of each credit note if the credited amount has **not** been reported as a discount or rebate.

Answer:

Australian sales have no such credit notes.

- B-8** If the delivery terms make you responsible for arrival of the goods at an agreed point within Australia (eg. 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)

Answer:

Not applicable because Australian sales are in FOB/CIF.

- B-9** Select two shipments, in different quarters of the investigation 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;

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- marine insurance expenses; and
- letter of credit, and bank documentation, proving payment.

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

[Answer:](#)

Please refer to [Exhibit B-9](#) for two sample Australian sales documents.

SECTION C - EXPORTED GOODS & LIKE GOODS

C-1 Fully describe all of the goods you have exported to Australia during the investigation period. Include specification details and any technical and illustrative material that may be helpful in identifying, or classifying, the exported goods.

[Answer:](#)

Please refer to [Exhibit C-1](#) for the Australian GUC brochures.

C-2 List each type of goods exported to Australia (these types should cover all types listed in spreadsheet “**Australian sales**” – see section B of this questionnaire).

[Answer:](#)

Please refer to [Exhibit C-3](#) for the list of each type of GUC exported to Australia.

C-3 If you sell like goods on the domestic market, for each type that your company has exported to Australia during the investigation period, list the most comparable model(s) sold domestically;

- and provide a detailed explanation of the differences where those goods sold domestically (ie. the like goods – see explanation in glossary) are not identical to goods exported to Australia.

[Answer:](#)

Please refer to [Exhibit C-3](#) for the Australian and domestic sales model/type comparison.

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.

[Answer:](#)

Please refer to [Exhibit C-4](#) for the domestic GUC brochures.

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 made during the investigation 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 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 investigation period.

If, in response to question B4 (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 pre-dates the commencement of the investigation period.*

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

D-1 Provide:

- a detailed description of your distribution channels to domestic customers, including a diagram if appropriate;

[Answer:](#)

Please refer to [Exhibit D-1](#) for the domestic sales flow chart.

- information concerning the functions/activities performed by each party in the distribution chain; and

[Answer:](#)

Please refer to [Exhibit D-1](#) for the domestic sales flow chart.

- a copy of any agency or distributor agreements, or contracts entered into.

[Answer:](#)

Please refer to [Exhibit D-7](#) for the sample domestic sales documents.

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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.

Answer:

TT holds 49% share of NY and Wang Xinghua holds 51% share of NY. The sales price between TT and NY is the internal transfer 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.

Answer:

Yes. The selling price to end users is a little higher than that to distributors. There are some other factors that affect the selling price, such as relationship between our company and customers, the amount of order and the payment terms.

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.

Answer:

Please refer to [Exhibit D-1](#) for the domestic sales flow chart. Domestic sales have no such price lists.

D-4 Prepare a spreadsheet named “**domestic sales**” listing **all** sales of like goods made during the investigation period. The listing must be provided on a CD-ROM. Include all of the following information.

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

Answer:

Please refer to [Table D-4](#) for the domestic sales. We only report the domestic sales to the unaffiliated customers: a. TT to unaffiliated domestic customers; b. NY to unaffiliated domestic customers because only the sales price to the unaffiliated customers are the arms-length price.

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.

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[Answer:](#)

Please refer to [Table D-4](#) for the domestic sales.

- 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 D4.

[Answer:](#)

Domestic sales have no such discounts, rebates, etc.

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.

[Answer:](#)

The negative invoice value reported in [Table D-4](#) is credit notes, which means that the customers returned the GUC.

- D-7** Select two domestic sales, in different quarters of the investigation 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, bank documentation showing proof of payment.)

The Commission will select additional sales for verification at the time of its visit.

[Answer:](#)

Please refer to [Exhibit D-7](#) for two sample domestic sales documents.

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 (ie. 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 transportation costs**"). 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.

Answer:

Inland transportation costs are reported based on the actual amount of each transaction. The account code is 6601.20.02

2. Handling, loading and ancillary expenses

List all charges that are included in the export price and explain how they have been quantified ("**Handling, loading & ancillary expenses**"). 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 B4, 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.

Answer:

Handling, loading & ancillary expenses are reported based on the actual amount of each transaction. The account code is 6601.20.03.

3. Credit

The cost of extending credit on export sales is not included in the amounts quantified at question B4. However, the Commission will examine whether a credit adjustment is warranted and determine the amount. Provide applicable interest rates over each month of the investigation period. Explain the nature of the interest rates most applicable to these export sales eg, 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.

Answer:

Credit expense = Net Invoice value x (Date of payment - Date of sale)/365 days x 5.6% (60 day RMB short-term loan interest rate)

Please refer to Exhibit E-1.3 for the supporting documentation of short-term loan interest rate.

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**'.

Answer:

Packing costs are included in the production cost. Therefore, we report "0" here.

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 "**Commissions**". Identify the general ledger account where the expense is located.

Answer:

Commissions are paid based on some amount per watt. Whether we pay the commissions depends on the negotiation with our clients. The account code is 6601.

6. Warranties, guarantees, and after sales services

List the costs incurred. Show relevant sales contracts. Show how you calculated the expenses ("**Warranty & guarantee expenses**" and "**Technical assistance & other services**"), 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.

Answer:

No Warranty & guarantee expenses.

We report few technical assistance & other services regarding the promotion expenses in Australia market. The account code is 6402.

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 factors**”. 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.

Answer:

We report bank charges based on the actual amount.

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 investigation period.

Answer:

No.

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 (S G & 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.

Answer:

The sales below cost test and the comparison between normal value and export price shall be based on the same model, grade, level of trade and shipping term. Some models of Australian sales have no domestic sales and domestic cost to make with the same model. Therefore, we provide the most similar model, which has the domestic sales and domestic cost to make. If there is no same model, the sales below cost test and the comparison between normal value and export price shall be based on the most similar model. Please refer to [Exhibit C-3](#) for the model comparison between Australian sales and domestic sales. Please refer to [Exhibit E-2.1](#) for the suggested dumping margin calculation.

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;

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 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.

Answer:

No.

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.

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);

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- 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.

Answer:

Regarding the sales with the same model, grade, the sales price to end user is higher than that to distributor. All level of trade of Australian sales is distributor. The level of trade of domestic sales is distributor and end user. Therefore, we shall compare Australian sales with the domestic sales at the same level of trade (distributor level). We request the level of trade adjustment of the domestic sales in order to adjust the sales price to end user to the sales price to distributor. We get the data from TT and NY's Table D-4 with the same model, grade (Grade A), but different level of trade (distributor/end user). Then calculate the level of trade adjustment. Please refer to Exhibit E-2.3 for the detailed calculation of the level of trade adjustment.

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 borrowing's 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 investigation 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 system¹, the average credit period may be determined as follows:

1. *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.

2. *Calculate the average credit period*

The average credit period equals 365 divided by the accounts receivable turnover ratio determined above at 1.

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:

Answer:

Credit expense = Net Invoice value x (Date of payment - Date of sale)/365 days x 5.6% (60 day RMB short-term loan interest rate)

Please refer to [Exhibit E-1.3](#) for the supporting documentation of short-term loan interest rate.

5. Transportation

Explain how you have quantified the amount of inland transportation associated with the domestic sales (“**Inland transportation Costs**”). 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.

¹Under 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.

Answer:

We calculate the total inland transportation costs to each customer during the investigation period, then divided by the total quantity (in piece) sold to this customer in order to get the unit amount of the inland transportation costs. The unit amount multiplies the quantity (in piece) of each transaction in order to get the amount of the inland transportation costs of this transaction. The account code is 6601.20.02. Please refer to Exhibit D-7 for sample inland freight calculation.

6. Handling, loading and ancillary expenses

List all charges that are included in the domestic price and explain how they have been quantified (“**Handling, loading and ancillary Expenses**”). 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.

Answer:

No.

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**”.

Answer:

Packing costs are included in the production cost. Therefore, we report "0" here.

8. Commissions

For any commissions paid in relation to the domestic sales:

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

Report the amount in the sales listing under the column headed “**Commissions**”. Identify the general ledger account where the expense is located.

Answer:

No commissions for domestic sales.

9. Warranties, guarantees, and after sales services

List the costs incurred. Show relevant sales contracts. Show how you calculated the expenses (“**Warranty & Guarantee expenses**” and “**Technical assistance & other services**”), 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.

[Answer:](#)

No.

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 factors**”. 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*.

[Answer:](#)

No.

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.

[Answer:](#)

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No duplication.

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.

Supply this information in spreadsheet file named "Third country"

[Answer:](#)

Please refer to [Table F-1](#) for the third country sales.

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

[Answer:](#)

No difference.

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 (the goods) - ie of the goods exported to Australia; 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 selling, general, and administration costs relating to goods sold on the domestic market; the finance expenses; and any other expenses (eg. non-operating expenses not included elsewhere) associated with the goods.

In your response please include a worksheet showing how the selling, general, and administration expenses; the finance expenses; and any other expenses have been calculated.

If, in response to question B4 (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)*

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 investigation 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.

[Answer:](#)

Please refer to [Exhibit G-1](#) for the production process flow chart.

G-2. Provide information about your company's total production in the following table:

* rather than showing a 'name-plate' optimal capacity it is more meaningful to show the maximum level of production that may reasonably be attained under normal operating conditions. For example assuming: normal levels of maintenance and repair; a number of shifts and hours of operation that is not abnormally high; and a typical production mix.

Provide this information on a spreadsheet named "**Production**".

[Answer:](#)

Please refer to [Table G-2](#) for the production capacity and output of the GUC.

G-3. 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.

[Answer:](#)

Please refer to [Exhibit G-3.1](#) for the accounting system flow chart.

- 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 (ie differences between standard and actual production costs) have been allocated to the goods - and describe how those variances have been allocated.

[Answer:](#)

No. Our cost accounting system is based on actual production costs.

- 3 Provide details of any significant or unusual cost variances that occurred during the investigation period.

[Answer:](#)

No significant or unusual cost variances occurred during the investigation period.

- 4 Describe the profit/cost centres in your company's cost accounting system.

Answer:

Not applicable because we do not have profit/cost centres.

- 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.

Answer:

Not applicable because we do not have profit/cost centres.

- 6 Describe the level of product specificity (models, grades such as mono or poly crystalline and whether AC or DC power output) that your company's cost accounting system records production costs.

Answer:

Our accounting system records production costs by models which are distinguished by mono and poly crystalline. However, it is the unit output power (unit watt) rather than mono or poly crystalline that used to account 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.

Answer:

There is no difference between the actual production costs and financial accounting costs.

- 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.

Answer:

Not applicable.

- 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.

Answer:

Not applicable.

G-4 Cost to make and sell on domestic market

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This information is relevant to testing whether domestic sales are in the ordinary course of trade.²

1. Please provide (in the format shown in the table below) the actual unit cost to make and sell each model/type (egas mono or poly crystalline and whether AC or DC power output)* (identified in section C) of the like goods sold on the domestic market. Provide this cost data for each quarter over the investigation period. If your company calculates costs monthly, provide monthly costs.

Answer:

Please refer to [Table G-4](#) for the GUC cost sold in the domestic market.

2. 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.

Answer:

Please refer to [Table G-4](#) for the cost of the GUC sold in the domestic market.

Prepare this information in a spreadsheet named "**Domestic CTMS**".

¹ Identify each cost separately. Include indirect material costs as a separate item only if not included in manufacturing overheads.

² Relating to costs of production only; identify each cost separately.

³ Identify each cost separately. Please ensure non-operating expenses **that relate to the goods under consideration** are included. Where gains/losses due to foreign currency exchange are incurred, please provide detail of the amounts separately for transaction and translation gains/losses.

Provide this information for each quarter (or month if your company calculates costs on a monthly basis) over the period of the investigation.

Provide the information broken down into fixed and variable costs, and indicate the % total cost represented by fixed costs.

If you are unable to supply this information in this format, please contact the case officer for this investigation at the address shown on the cover of this questionnaire.

Please specify unit of currency.

² The Commission applies the tests set out in s.269TAAD of the Customs Act 1901 to determine whether goods are in ordinary course of trade. These provisions reflect the WTO anti-dumping agreement – see Article 2.2.1.

G-5 Cost to make and sell goods under consideration (goods exported to Australia)

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

Prepare this information in a spreadsheet named "**Australian CTMS**".

¹ Identify each cost separately. Include indirect material costs as a separate item only if not included in manufacturing overheads.

² Relating to costs of production only; identify each cost separately.

³ Identify each cost separately. Please ensure non-operating expenses **that relate to the goods** are included. Where gains/losses due to foreign currency exchange are incurred, please provide detail of the amounts separately for transaction and translation gains/losses.

Provide this information for each quarter (or month if your company calculates costs on a monthly basis) over the period of the investigation.

Provide the information broken down into fixed and variable costs, and indicate the % total cost represented by fixed costs.

If you are unable to supply this information in this format, please contact the case officer for this investigation at the address shown on the cover of this questionnaire.

Please specify unit of currency.

[Answer:](#)

Please refer to [Table G-5](#) for the cost of the GUC exported to Australia.

- 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.

[Answer:](#)

The manufacture cost of the GUC sold to the domestic market and those exported to Australia are different due to the following reasons:

- a. Most of the GUC exported to Australia are mono crystalline, while most of the GUC sold in the domestic market are poly crystalline.
- b. Types exported to Australia and sold in the domestic market are different.

SG&A of the GUC exported to Australia and sold in the domestic market are different due to different level of trade.

- 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.

[Answer:](#)

The costs of the GUC reported in [Table G-4](#) and [Table G-5](#) are calculated on actual costing methods, Not standard costing methods, which are in accordance with the general accounting system.

- 3 In calculating the unit cost to make and sell, provide an explanation if the allocation method used (eg number, or watts etc) to determine the unit cost differs from the prior practice of your company.

[Answer:](#)

The calculation of the unit cost of the GUC is same as the company's normal practice.

G-6 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 (eg 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*. 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.

[Answer:](#)

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TT's major raw material of the GUC, cells are purchased from the affiliated cell producer, ("DT"); or purchased from unaffiliated suppliers directly or through affiliated trading companies. DT also purchased some cells from unaffiliated suppliers directly or through affiliated trading companies. Please refer to [Exhibit G-6](#) for the cell supply chart.

Please refer to [Table G-6](#) of the cost of cells produced by DT. Please refer to [Table H-2.3](#) for the cell purchases.

SECTION H - PARTICULAR MARKET SITUATION

The applicant claims that a 'particular market situation' exists in respect of certain crystalline silicon photovoltaic modules or panels (the goods) in China due to the government providing "policy loans" and credit facilities by the state owned Chinese banks at preferential rates that do not take into account commercial risk and prudential lending practices that otherwise applied in the Chinese capital credit market.

The existence of a 'particular market situation' could affect the Commission's approach to calculating the normal value within its dumping assessment. In broad terms, it is generally the case that the normal value of the goods is the price paid for like goods sold for home consumption in the country of export. One of the exceptions to using domestic selling prices for this purpose is if the Minister is satisfied that a situation in the market has rendered domestic selling prices unsuitable for establishing normal values (i.e. a 'particular market situation' exists).

These situations may be where the domestic selling prices in the country of export have been materially influenced by the government rendering those prices unsuitable for use in establishing normal values.

In this part of the questionnaire, the Commission is seeking information from your business, supported by evidence, in assessing the market situation claims made by the applicant. All document provided must be accompanied with a translated English version as well as the original version.

It may be necessary for the Commission to request additional information following receipt and review of your responses.

Part 1 General information

1. Ownership and management

- a) Has the Government of China (GOC)³ anytime in the previous 5 years been a shareholder (or invested either directly or indirectly) in your business? If so, provide details of shareholding and/or investments.

[Answer:](#)

No.

- b) List all the directors and major shareholders of your business and identify any common directors and executive officers between your business and related businesses.

[Answer:](#)

³ References to the GOC include any government authorities at any level (e.g. National, Provincial, Regional, Local), agency, party, or otherwise associated entity, including the State-owned Assets Supervision and Administration Commission of the State Council (SASAC).

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Please refer to [Exhibit H-1.1.b](#) for the list of directors, executive officers and shareholders.

c) Are any directors or major shareholders, employees, or otherwise affiliated with the GOC? If so, identify the individuals, their role and their affiliation with the GOC.

[Answer:](#)

No.

d) Are any directors or employees of your business appointed, managed or recommended by the GOC? If so, identify the government department(s) they were recommended by.

[Answer:](#)

No.

e) Provide details of any significant changes in the ownership structure of your business over the last 5 years.

[Answer:](#)

Please refer to [Exhibit H-1.1.e](#) for ownership structure changes.

f) Identify all positions within your business that are appointed or designated to act on behalf of GOC authorities.

[Answer:](#)

No.

g) Explain whether there are any GOC requirements by law and/or any internal business policy to have GOC representation in your business. If so explain their role.

[Answer:](#)

No.

h) Does the GOC representative(s) or the person(s) appointed by the GOC have any VETO rights for any decisions made by the Board and/or the senior executives of

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your business? If so explain how and when such powers are exercised.

Answer:

Not applicable.

i) Who has the ability to reward, hire, fire or discipline your business' senior managers and executives?

Answer:

According to the PRC Company Law and the Articles of Association of each company, the board of directors have the right to reward, hire, fire or discipline the senior managers and executives. Please refer to [Exhibit H-1.1.i](#) for the Articles of Association.

j) Do any of your business' senior managers hold positions in any GOC departments or organisations, associations or Chambers of Commerce? If so describe the nature of their positions.

Answer:

No.

k) Is your business publicly listed and traded on a securities exchange?

Answer:

No.

l) If so, identify all types of securities listed and name all securities exchange's on which they are traded.

Answer:

Not applicable.

m) Are there any restrictions to trade these securities (e.g. restricted only to Chinese nationals etc.)?

Answer:

Not applicable.

2. Business planning

- a) Explain your business' decision-making process in general and in respect of PV modules or panels products in relation to:

- i. what goods are produced;

Answer:

Our products are PV modules, PV off-grid systems and on-grid systems. Top management hold meetings to decide what goods are produced.

- ii. how the goods are produced;

Answer:

Please refer to Exhibit G-1 production process flow chart. Top management hold meetings to decide how the goods are produced.

- iii. how much is produced;

Answer:

Top management hold meetings to decide the quantity of products according to the facility capacity, marketing situation, and customer requirements. The production quantity in 2012 is [] MW, and in 2013, the production quantity is [] MW.

- iv. the quantity of inputs (such as raw materials) purchased and how it is allocated to the manufacture of different products;

Answer:

The inputs quantity purchased are decided by the MRP(material requirement planning) provide by Product Planning Dept, and are allocated to the manufacture according to BOM (bill of material).

- v. the location of your production facility;

Answer:

Taizhou, Jiangsu Province, China

- vi. how your business' profit is distributed (e.g. dividends, share buyback etc); and ----

Answer:

All our business' profit is put into production again. According to the articles of association, the profit distribution is made by the board of directors and approved by the shareholders.

- vii. how you make decisions regarding your companies' growth target and other

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strategic decisions (e.g. expansions, mergers, acquisitions, restructures).

Answer:

Our companies' growth target and strategic decisions are made and adjusted by our top management according to global market supply and demand situation, world political environments, each country's PV subsidy policies and encouraging measures, as well as our company's actual business model, factory capacity, and other technology aspects. For instance, if the market sign is positive, and our capacity is enough, we will increase our company's growth target, and will consider to expand our capacity.

- b) Provide a description of any GOC input/guidance into the decision-making process regarding your manufacturing, marketing and sale of PV modules or panels products.

Answer:

GOC is not involved in the decision-making process regarding manufacturing, marketing and sale of PV modules or panels products.

- c) Provide a list of all government departments/offices that are involved, either directly or indirectly, in your manufacture, sale or purchase of PV modules or Panels products.

Answer:

GOC is not directly or indirectly involved in our manufacture, sale or purchase of PV modules or Panels products.

- d) Provide copies of the minutes of your Board of Directors and Board of Shareholders meetings over the investigation period.

Answer:

Please refer to [Exhibit H-1.2.d](#) for the minutes of Board of Directors and Board of Shareholders meetings over the investigation period.

- e) Provide copies of the notes to business meetings where pricing decisions on PV modules or Panels products have been made over the investigation period.

Answer:

No.

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- f) Provide the copies of your Business and/or Corporate Plan that were effective during the Investigation period.

Answer:

Please refer to [Exhibit H-1.2.f](#) for business plan.

- g) Has your business been involved in any mergers and/or acquisitions in the last 5 years? Is so, provide details.

Answer:

No.

- h) Has your business undergone any major restructuring in the last 5 years? Is so, provide details.

Answer:

In March 2009, Fute Company transferred its shareholding of TT to ET Solar Group Limited.

In June 2010, ET Solar Group Limited transferred its shareholding of TT to ET Solar Energy Limited.

Please refer to [Exhibit H-1.1.e](#) for ownership structure changes.

- i) Is your business currently, or in the last 5 years, been involved in a joint venture? If so, provide details.

Answer:

NY is a joint venture company, 49% of which is controlled by TT and 51% is controlled by Wang Xinghua,

3. Licensing

- a) Provide a copy of your business license(s).

Answer:

Please refer to [Exhibit H-1.3.a](#) for the business licenses.

- b) Identify the GOC departments or offices responsible for issuing the license(s).

Answer:

Jiangsu Taizhou Administration for Industry and Commerce .

- c) Describe the procedures involved in applying for your business license(s).
- d) Describe all requirements and/or conditions that must be met in order to obtain the license(s).
- e) Describe any sanctions and/or restrictions imposed on your business if you act outside the scope of your business license(s).
- f) Describe and explain any rights or benefits conferred to your business under the license(s).
- g) Describe the circumstances under which your business license(s) can be revoked, and who has the authority to revoke the license(s).
- h) What are the on-going conditions and/or requirements of your business license? Name the authority that manages the compliance of these conditions and/or requirements?

Answer:

Please refer to [Exhibit H-1.3.c](#) for the company registration regulations, which answer the above questions of c-h.

4. Capital investment activities

- a) List all capital investment activities (e.g. new production line, upgrades) your business has undertaken in the last 5 years and provide details of the approval process and any conditions placed upon the approval. Provide all relevant documentation, including copies of application forms and approval letters.

Answer:

No.

- b) If an application for your capital investment activity was not approved, provide details and documentation for the refusal.

Answer:

Not applicable.

- c) Identify all relevant authorities responsible for approving capital investments including the office address, phone and fax numbers. Also provide a brief

description of the role of the authority in the approval process.

Answer:

Not applicable.

5. Financing and investment activities

a) How is your business debt funded? Provide a list of all major lenders.

Answer:

Please refer to Exhibit H-1.5.a for the loans over the last 5 years.

b) What is the rate of interest paid by your business on all debt instruments over the last 5 years?

Answer:

Please refer to Exhibit H-1.5.a for the loans over the last 5 years.

c) Has your business benefited from any concessional interest rates for your loans/debts in the last 5 years? If so, provide details.

Answer:

No.

d) Has your business raised any capital using issuance of shares, preferential shares, rights issue, bonds, warrants, debentures, sub-ordinate loans or any other debt and/or equity instruments in the last 5 years? If so:

- i. explain what instruments were used;
- ii. identify the type (e.g government guarantee) and provider of the security; and
- iii. explain the reasons for raising the capital.

Answer:

No.

e) Does your business have policies on how cash reserves are to be invested? If so, provide details.

Answer:

No.

- f) Has your business invested in either government or non-government debt securities (such as bonds, quasi-government bonds)? If so provide details (e.g. type of instrument, amount invested and the expected rate of return).

Answer:

No.

6. Industry associations

- a) Are you a member of any industry association (either governmental or non-governmental)? If so, for each association provide details including:

- i. The name of the association.

Answer:

China Chamber of Commerce for Import & Export of Machinery & Electronic Products ("CCCME")

- ii. When your business joined the association.

Answer:

2008

- iii. Whether there are any membership fees.

Answer:

Yes.

- iv. The purpose of the association.

Answer:

Founded in July 1988, China Chamber of Commerce for Import and Export of Machinery and Electronic Products ("CCCME") is a self-

discipline and nationwide trade organization, formed jointly and voluntarily by various economic organizations registered in accordance with law in the People's Republic of China and engaged in import and export of machinery & Electronic products and related activities. CCCME coordinates and maintains the healthy import and export, and provide full service for members to develop their international market.

- v. The benefits of the association.

Answer:

CCCMC may introduce some foreign customers for members, provide some foreign market information for members, help members develop their international market, etc.

- vi. Any restrictions or conditions placed on your business by being a member of the association.

Answer:

No.

- vii. Any other on-going requirements for the association.

Answer:

A Member shall pay the membership fee each year in order to maintain its membership.

7. Interaction with the GOC

- a) Provide details of all interactions that your business has with the GOC including reporting requirements to the GOC.

Answer:

We shall submit the business license to Jiangsu Taizhou Administration for Industry and Commerce for review each year. We shall submit the tax return form to Taizhou national and local tax bureaus for review each month. All these reporting requirements to the local government are only for the purpose of the GOC administration. But the local government will not intervene our normal business.

- b) Provide contact details of any GOC departments, bureaus or agencies that your business has had any dealings with that are responsible for the administration of measures in the PV modules or panels industry.

Ensure that your response includes contact information regarding the following areas:

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- i. industrial policy and guidance on the PV modules or panels industry sector;
- ii. market entry criteria for the PV modules or panels industry sector;
- iii. environmental enforcement for the PV modules or panels industry sector;
- iv. management of land utilization;
- v. the China Banking Regulatory Commission for the PV modules or panels industry sector;
- vi. investigation and inspection of new PV modules or panels expansion facilities;
- vii. the section in the National Development and Reform Commission that is responsible for the PV modules or panels industry sector; and
- viii. import licensing for PV modules or panels raw materials.

Answer:

No.

- c) Have you had dealings or communications with the National Development and Reform Commission (NDRC) and/or the Ministry of Industry and Information Technology (MIIT) in the last 5 years? If so, provide details.

Answer:

No

- d) Provide details of all the taxes paid by your business in the last 5 years (e.g. company tax, sales tax, levies, royalties). Ensure that you include the tax rate, whether it is a reduced rate and the name of the authority that it is paid to.

Answer:

Please refer to [Exhibit H-1.7.d](#) for the tax return forms in the last 5 years.

- e) List and describe all reports that are required to be submitted to the GOC? How often such reports are required? Identify the government department/office where each report is filed.

Answer:

We shall submit the business license to Jiangsu Taizhou Administration for Industry and Commerce for review each year. We shall submit the tax return form to Taizhou national and local tax bureaus for review each month.

- F) Does your business provide selling price information or participate in surveys to an external agency? If so, provide details.

[Answer:](#)

No.

PART 2PV Modules or Panels

1. Sales and production

- a) Provide a list of all your domestic customers of the goods, include the location (city and province) of the customer and indicate whether each customer is an state invested (and/or owned) enterprise (SIE).

[Answer:](#)

Please refer to [Exhibit H-2.1.a](#) for the list of domestic customers.

- b) Does your business need to obtain approval or a licence to manufacture and sell the goods? If so, provide details.

[Answer:](#)

No.

- c) Are there any restrictions and/or conditions in relation to the quality or quantity of the production of the goods placed upon your business? If so, provide details.

[Answer:](#)

No.

- d) Does your business require an export licence? If so, provide details.

[Answer:](#)

No.

- e) Are the goods sold by your business subject to any export restrictions and/or limits during the previous 5 year? If so, provide details.

[Answer:](#)

No.

- f) Provide details regarding any other restrictions (e.g., geographic/regional, downstream, end use) placed upon your business on the sale of the goods.

Answer:

No.

- g) Have there been any changes to your production capacity of the goods over the last 5 years? If so, provide details.

Answer:

No.

2. Selling price

- a) Describe in detail how the selling price of the goods is determined. In particular, provide details of any restrictions, limitations, or other considerations imposed on your business.

Answer:

The selling price of the GUC is determined through negotiations with customers after considering the production cost and the market price. There are no restrictions, limitations.

- b) Which organisation/business entity do you consider as the price leader of the goods?

Answer:

Top three PV companies, such as Suntech, Renesola, Trina.

- c) Does your business have a pricing committee in respect of the goods? If so provide the names and positions of all members of the Committee.

Answer:

No.

- d) How often does the pricing committee meet to discuss selling prices of the goods? Provide the minutes or any other relevant documents of all meetings of the pricing committee during the investigation period.

Answer:

Not applicable.

- e) Identify the person who authorises the sales terms, prices and other contract provisions for the sale of the goods by your business.

Answer:

Not applicable.

- f) If you have production facilities of the goods in more than one region and/or province, are the laws and regulations in each region the same with respect to pricing of the goods? If not, provide details on the differences.

Answer:

Not applicable because TT is the only one production facility of the GUC.

3. Raw material purchases

Only answer the following questions if your business, or related businesses, manufacture PV modules or panels

- a) Provide a detailed listing of your raw material purchases (e.g. polysilicon, silicon ingots, silicon wafers, solar (PV) cells) by completing the '**Raw Material Purchases**' tab in the attached spreadsheet.

Answer:

Please refer to [Table H.2.3](#) for the cell purchases.

- b) Do you have more than one supplier of the raw materials? If so, provide an explanation of the reasons of price differences between these suppliers (if applicable)?

Answer:

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Yes, we have more than one supplier of the raw materials. The price difference is decided by quality, capacity, efficient of raw materials(cells), payment term and market conditions.

- c) Describe in detail your business' purchase procedures of the raw materials and the considerations in selecting a supplier. If it is by tenders, provide details of the criterion/conditions.

Answer:

The purchase procedures are as follows:

1. Getting MRP(material requirement planning) from the Planning Dept;
2. Selecting suitable suppliers;
3. Signing Purchase Order ("PO") with suppliers, including price, quantity, payment term, delivery term etc;
4. Tracking the timely delivery of raw materials;
5. doing incoming test;
6. Making payment according to PO terms.

Selecting a supplier is based on the supplier capacity, payment term, price, quality, delivery time, etc.

- d) If any of your raw materials for the production of PV modules or panels are imported by your business, or related businesses :
- i. Provide details including a description of the raw material imported, the supplier and country of origin.

Answer:

Please refer to [Table H.2.3](#) for the detailed cell purchases.

- ii. Explain the process required to import the raw materials (e.g. obtaining an import licence, import declarations).

Answer:

No import license is required for the importation of cells. But import declarations to customs are required.

- iii. Provide details of any conditions to importing the raw materials (e.g. customs and/or quarantine).

Answer:

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No import license is required for the importation of cells. But import declarations to customs are required.

- iv. Are you eligible for a duty drawback? If so, provide details.

Answer:

If the raw materials (e.g. cells) are imported in the form of inward processing, the import duty will be exempted because the finished products have to be reexported. If the raw materials (e.g. cells) are imported in the form of normal trade, not inward processing, we have to pay the import duty.

SECTION I - EXPORTER'S DECLARATION

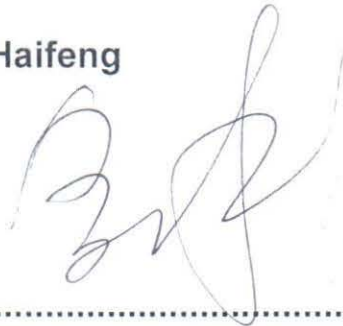
I hereby declare that **ET Solar Industry Limited** and its affiliates did, during the period of investigation export the goods under consideration and have completed the attached questionnaire and, having made due inquiry, certify that the information contained in this submission is complete and correct to the best of my knowledge and belief.

I hereby declare that.....(company) did not, during the period of investigation, export the goods under consideration and therefore have not completed the attached questionnaire.

Name

: **SHE Haifeng**

Signature



Position in

Company : CEO

Date

: **2014.06.30**

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	X
Section B – export price	X
Section C – like goods	X
Section D – domestic price	X
Section E – fair comparison	X
Section F – exports to third countries	X
Section G – costing information	X
Section H - a particular market situation	X
Section I – declaration	X

Electronic Data	Please tick if you have provided spreadsheet
INCOME STATEMENT	X
TURNOVER – sales summary	X
AUSTRALIAN SALES – list of sales to Australia	X
DOMESTIC SALES – list of all domestic sales of like goods	X
THIRD COUNTRY – third country sales	X
PRODUCTION – production figures	X
DOMESTIC COSTS – costs of goods sold domestically	X
AUSTRALIAN COSTS – costs of goods sold to Australia	X
Raw Material Purchases – raw material purchases	X

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*; *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, ie. 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 selling, general and administration 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 selling, general and administration 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, ie. 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 Free on Board (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 eg. power, supplies, indirect labour and fixed costs eg. factory rent, factory insurance, factory depreciation etc.

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)

Investigation 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 arms 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 arms 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.

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.

The expenses must, however, 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.