PUBLIC RECORD

Australian Government
Department of Industry, Science and Resources

Anti-Dumping Commission

Exporter verification report

Verification and case details

Company verified	Beijing Xingtai Steel Weldmesh and Technology Development Co. Ltd		
Case number	692		
Initiation Anti-Dumping Notice (ADN)	2025/114		
The goods under consideration	Certain Welded Steel Mesh Sheets		
Case type	Dumping Investigation		
Location	No. 12 Huanke Zhong Road, Jinqiao Technology Industria Base, Zhongguancun Tongzhou Science Park, Beijing, P.R.China.		
Verification meeting dates	15/04/2026	to	17/04/2026
Investigation period	1/10/2024	to	30/09/2025

This report details the findings and recommendations of a verification team in the Anti-Dumping Commission.

This report may not reflect the Anti-Dumping Commission's final position.

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1 ABOUT THIS REPORT

The Anti-Dumping Commission (the commission) issued a questionnaire that sought exporter data and information for Dumping Investigation 692 (case 692) into Certain Welded Steel Mesh Sheets exported from the People's Republic of China (China) and Malaysia during the investigation period.

Beijing Xingtai Steel Weldmesh and Technology Development Co. Ltd (Xingtai Steel), an exporter of the goods from China, submitted a questionnaire response.

The commission met with Xingtai Steel to verify the response and assessed the reliability of the information.

The commission has reviewed the information submitted by Xingtai Steel. This report details the commission's verification findings and recommendations about Xingtai Steel for case 692.

A finding made in this verification report (verification finding) and verification recommendations (verification recommendations) are made in the context of this verification only. These verification findings and verification recommendations may be referred to and relied on in the Statement of Essential Facts and Final Report for case 692.

In this report, unless otherwise stated:

- all **sections** cited are from the ***Customs Act 1901*** **(Cth)**
- all **regulations** cited are from the ***Customs (International Obligations) Regulation 2015*** **(Cth)**
- the term **ADN** refers to **Anti-Dumping Notice**.

The commission details its process and findings in the verification work program at **Confidential attachment 1**.

2 KEY OUTCOMES

Dumping margin	Cannot yet calculate a dumping margin
Export price method	269TAB(1)(a) and 269TAB(1)(c)
Normal value method	269TAC(2)(c)
Adjustment method	Cannot yet determine if section 269TAC(8) or 269TAC(9) price adjustments should apply
Sales data complete, relevant and accurate?	Yes, with material revisions
Cost data complete, relevant and accurate?	Yes, with material revisions

3 VARIABLE FACTORS

3.1 About this chapter

This chapter details the commission's recommendations about how to set the variable factors used to calculate the rate of dumping for goods that Xingtai Steel produced or sold.

Australian customs law sets out different ways to calculate variable factors based on the facts available.

This chapter summarises the commission's recommendations about how to set:

- an **export price**
- a **normal value**
- a **dumping margin**

More information on what variable factors are and how the commission determines variable factors is in **Non-Confidential Appendix 1**.

3.2 Export price

The commission recommends setting an export price for Xingtai Stee under section 269TAB(1)(a) and 269TAB(1)(c).

Under section 269TAB(1)(a), an export price is the price paid by the importer to the exporter less transport and other costs arising after exportation.

To calculate an export price using a consistent delivery term for all sales, the commission adjusted some transactions. While the majority of export sales were made at Free on Board (FOB) level, some exports were sold at Cost and Freight (CFR) terms or Cost Insurance Freight (CIF) terms. For CFR sales the commission deducted an amount for ocean freight to bring it back to an FOB export price. For CIF sales the commission deducted an amount for ocean freight and marine insurance to bring it back to an FOB export price.

A small volume of export sales made by Xingtai Steel were through an unrelated trader. For these sales the commission recommends setting an export price for Xingtai Stee under section 269TAB(1)(c). Under this section, the export price is set having regard to all the circumstances of the exportation.

The commission recommends that it cannot set an export price for Xingtai Stee sales via traders under sections 269TAB(1)(a) or 269TAB(1)(b) because the importer did not purchase the goods from the exporter.

For these transactions the commission recommends calculating an export price by having regard to all the circumstances of the exportation. Specifically, the commission has calculated an export price based on the price Xingtai Steel sells to each trader at an FOB level.

Confidential appendix 1 contains the commission's export price calculations.

3.2.1 Who is the exporter?

The commission considers Xingtai Steel is the exporter of the Australian export goods because this company:

- produced the Australian export goods
- is named as the supplier on commercial invoices
- is named as consignor on bills of lading
- arranged and paid for inland transport to the port of export
- arranged and paid for port handling charges at the port of export
- arranged and paid for ocean freight

3.2.2 Who is the importer?

For all transactions, the commission considers the Australian customer is the importer of the Australian export goods. In other words, the Australian customer beneficially owned the Australian export goods at the time of import into Australia.

For each transaction, the Australian customer:

- is named as the consignee on bills of lading
- is named as the importer on import declarations to ABF
- paid for all the importation charges
- arranged delivery from the port of arrival in Australia

3.2.3 Were the Australian export sales sold at arm's length?

3.2.3.1 Unrelated customers

For all unrelated customer transactions, the commission finds that Xingtai Stee sold the Australian export goods **at arm's length** as defined under section 269TAA.

For these transactions, the commission does not find that:

- there was consideration for the goods other than price
- a relationship between a buyer, a seller or their associates appeared to influence the price
- a buyer or buyer's associate directly or indirectly received compensation, reimbursement or another benefit for, or relating to, any part of the price.

For these transactions, the commission notes that Xingtai Stee:

- sold goods at similar prices to all unrelated customers
- sold goods at similar prices to other sellers in the Australian market
- appeared to genuinely negotiate the price with unrelated customers.

3.2.3.2 Related customers

The commission finds that Xingtai Steel did not sell the export goods to related customers in Australia.

3.3 Normal value

The commission does not recommend how to set a normal value because the commission has not yet decided to accept or reject a claim that affects which normal value section applies to Xingtai Stee. The commission will set a normal value after deciding to accept or reject the claim.

Case 692 includes a claim that domestic like goods sales are unsuitable to use in a normal value set under section 269TAC(1), as detailed in **chapter 3.3.3**. The claim states that the situation in Xingtai Steel's market means that domestic like goods sales are unsuitable, as described under section 269TAC(2)(a)(ii).

If the commission accepts this claim and section 269TAC(2)(a)(ii) applies, then the commission must set a normal value under section 269TAC(2)(c). Otherwise, the commission may set a normal value under a different section.

3.3.1 Did the verified company produce and sell like goods for the domestic market?

The commission finds that, during the investigation period, Xingtai Steel produced and sold like goods for domestic home consumption.

The commission finds that these goods were 'like goods' because these domestics goods are identical to, or closely resemble, the Australian export goods. The commission has described its reasons below.

3.3.1.1 Physical likeness

Xingtai Steel's domestic like goods are not distinguished from the Australian exported goods.

3.3.1.2 Production likeness

Xingtai Steel's domestic like goods are produced at the same facilities as the exported goods, using the same raw material inputs and production processes.

3.3.1.3 Commercial likeness

Both the goods and like goods compete in the same market sector, are interchangeable and use similar distribution channels.

3.3.1.4 Functional likeness

All goods are considered functionally alike, as they have similar end uses.

3.3.2 Were the domestic sales sold at arm's length?

3.3.2.1 Unrelated customers

For all unrelated customer transactions, the commission finds that Xingtai Stee sold the domestic goods **at arm's length** as defined under section 269TAA.

For these transactions, the commission does not find that:

- there was consideration for the goods other than price
- a relationship between a buyer, a seller or their associates appeared to influence the price

- a buyer or buyer's associate directly or indirectly received compensation, reimbursement or another benefit for, or relating to, any part of the price.

For these transactions, the commission notes that Xingtai Stee:

- sold goods at similar prices to all unrelated customers
- appeared to genuinely negotiate the price with unrelated customers

3.3.2.2 Related customers

The commission finds that Xingtai Steel did not sell domestic goods to related customers in Australia.

3.3.3 Do the accounting records comply with generally accepted accounting principles?

The commission finds that Xingtai Steel's accounting records for the investigation period comply with the generally accepted accounting principles (GAAP) of China.

Beijing Zechuang Accounting firm audited Xingtai Steel's financial statement and included a statement that the financial accounts comply with the requirements of Accounting Standards for Business Enterprises in the annual report.

3.3.4 Did the production records reasonably reflect competitive market costs?

The commission finds that Xingtai Steel's production records may not reasonably reflect competitive market costs for one or more cost components.

3.3.4.1 Ongoing case claims about production records

Case 692 includes a claim that steel billet and rod in coil prices in China, including Xingtai Stee's records, do not reasonably reflect competitive market costs. The steel billet and rod in coil price comprises part of the cost to make the goods.

The commission collected information about rod in coil prices, noting that Xingtai Steel does not purchase steel billet. The commission will review this information when assessing the claim.

3.3.4.2 The commission's finding about related party suppliers

Xingtai Steel purchased raw materials from one related party during the investigation period.

The commission found that purchase prices for these transactions were similar to non-related suppliers. The commission also notes that the volume of purchases from the related party was minimal.

The commission does not consider that the relationship between the related party has influenced the price of raw material purchases.

3.3.5 Were domestic sales in the ordinary course of trade?

The commission did not assess if Xingtai Stee's domestic like goods sales are in the ordinary course of trade because the commission has not yet decided to accept or reject a claim that affects how to calculate the cost to make and sell.

Case 692 includes a claim that records in China, including Xingtai Stee's records, do not reasonably reflect competitive market costs associated with the cost to make the goods. This report discusses this claim at **chapter 3.3.3**.

The commission will assess if domestic like goods sales are in the ordinary course of trade after deciding to accept or reject the claim.

3.3.6 The commission has not assessed domestic sales volumes

The commission has not compared Xingtai Stee's domestic like goods sales and Australian export goods sales volume. The commission has not yet decided to accept or reject a claim that affects if the commission should use section 269TAC(1) to set a normal value for Xingtai Stee.

Case 692 includes a claim that Xingtai Stee's domestic like goods sales are unsuitable to use in a normal value set under section 269TAC(1), as detailed in **chapter 3.3.3**. The claim states that the situation in the exporter's market means that domestic like goods sales are unsuitable, as described under section 269TAC(2)(a)(ii).

If the commission rejects this claim and recommends setting a normal value under section 269TAC(1), then the commission will compare Xingtai Stee's domestic like goods and Australian export goods sales volumes.

3.3.7 Calculating a profit margin for the normal value

Where the commission is required to calculate a normal value under section 269TAC(2)(c), an amount of profit must be worked out under regulation 45.

Should the commission calculate a normal value under section 269TAC(2)(c) it is recommended that an amount of profit based on the profit achieved on all domestic sales of like goods in the ordinary course of trade in accordance with regulation 45(2) is calculated.

The commission's domestic profit calculation is at Error! Reference source not found..

4 VERIFICATION DETAILS

4.1 About this chapter

This chapter details what the commission found when verifying Xingtai Steel's questionnaire response for case 692.

This chapter first summarises the commission's assessment of Xingtai Steel's submitted information. This summary includes a list of material revisions made to this information before the commission finalised the verification.

This chapter summarises verified key details about Xingtai Steel, relating to:

- the range of goods produced or sold
- corporate operations and structure.

This chapter then outlines the commission's method to verify and validate Xingtai Steel's submitted information.

More information on how the commission verifies information is in **Non-Confidential Appendix 1**.

4.2 Verification findings and material revisions

The commission finds that the information Xingtai Steel submitted is complete, relevant and accurate after material revisions.

4.2.1 Sales

Material revision 1: Australian export sales - Update to customer country

Description: The Australian sales listing reported the incorrect country for a small number of sales that are made through a New Zealand based trader.

Resolution: The exporter updated the Australian export sales listing with the correct country of origin reported for each customer. The commission reconciled these to source documents.

Material revision 2: Australian export sales - Freight and Port charges

Description: The commission identified that the exporter had understated the inland freight and port charges in relation to some of the Australian export sales.

Resolution: Upon review the exporter identified that a select number of transactions had been shipped in 2 containers, however costs were only allocated based on one container load. The exporter updated the Australian export sales listing with the correct freight and port charges. The verification team reconciled these to source documents.

Material revision 3: Australian export sales – Revised payment terms

Description: The commission identified that the payment terms calculation was incorrect.

Resolution: The exporter provided an updated Australian export sales listing with the correct payment terms. The commission reconciled these to source documents.

Material revision 4: Domestic sales - Updated specifications

Description: During the verification the exporter identified some errors in the specifications of certain sheet sizes. This resulted in a slight change to some MCC classifications.

Resolution: The exporter provided an updated domestic sales listing with revised specifications and MCC's. The commission reconciled these to source documents.

Material revision 5: Domestic sales - Payment terms

Description: The commission identified that payment terms calculation was incorrect.

Resolution: The exporter provided an updated domestic sales listing with the correct payment terms. The commission reconciled these to source documents.

4.2.2 Cost to make and sell

Material revision 6: SG&A - Taxes and Surcharges

Description: The commission identified that Taxes and Surcharges were missing from the SG&A listing.

Resolution: The exporter included these expenses in a revised SG&A listing. The commission reconciled these expenses to the trial balance.

Material revision 7: SG&A - Administrative Expenses / Litigation Costs

Description: The commission identified a negative fee for Litigation Costs

Resolution: The exporter ascertained that this was a refund for a Litigation Fee expensed in an earlier period (expensed in 2023). The commission reconciled this expense to Xingtai Steel's online financial system and has removed this expense from the SG&A listing as it is not related to the period.

Material revision 8: SG&A - Financial Expenses

Description: The commission identified that a financial expense for 'Acceptance and Discount Interest Expense' was incorrectly recorded in SG&A.

Resolution: The exporter explained that they estimate the interest fee for early payments. This estimate is adjusted when the final payment is made. As a result, reversal to account for the payment was recorded in the period, however the estimate was recorder prior to the investigation period. The commission adjusted the SG&A to accommodate this payment schedule and reconciled these accounts to the trial balance.

Material revision 9: Cost to make - Packaging

Description: The commission identified that there were differences in the unit cost of packaging for domestic and Australian sales respectively; specifically export packaging incurred a higher cost. However, these differences were not reflected in the domestic and Australian CTM that allocated packaging costs evenly, regardless of market.

Resolution: The commission was provided with a revised CTM for both domestic and Australian CTM to re-allocate the auxiliary expenses proportionately to account for export packaging. As a result of the re-allocation the overall CTM for Australia increased and domestic CTM decreased. The commission reconciled the values to the sub-ledgers.

Material revision 10: Raw materials listing – Inland freight

Description: The commission identified that the inland freight expense for ex-work purchases was understated as the total freight expense was calculated across all purchases. **Resolution:** The commission revised the inland freight expense in the raw materials listing to be calculated against only raw material purchases that were purchased at ex-works terms. The commission reconciled the total amount to the sub-ledger.

4.3 Types of goods produced or sold in the submitted information

4.3.1 Model control code compliance and amendments

The sales and costs data Xingtai Steel submitted complies with the model control code (MCC) structure detailed in ADN 2025/114.

After comparing prices of different models of the goods, the commission does not recommend amending the MCC structure.

Verification of model control codesTable 1 details how the commission determined MCC sub-categories and verified them to source documents.

Category	Sub-category verification method
Quality	All goods sold both on the export or domestic markets are prime unless they are sold as scrap
Coating	Based on the coating indicated on the commercial invoices
Highest nominal cross-sectional diameter (millimetres or “mm”) of longitudinal members	Based on the diameter on the purchase order, commercial invoice and shipping documents
Sheet size measured by nominal area (sheet length x sheet width in m2)	Based on the diameter on the purchase order, commercial invoice and shipping documents

Table 1 MCC sub-category determination

4.3.2 List of model control codes

Xingtai Steel both produced and sold the following MCCs during the investigation period:

Sales MCC	Australian sales	Domestic sales	Costs MCC
P-G-A-M	Yes	No	P-G
P-G-A-XL	Yes	No	P-G
P-G-B-XL	Yes	No	P-G
P-N-A-XL	Yes	Yes	P-N
P-N-B-L	Yes	Yes	P-N
P-N-B-M	Yes	Yes	P-N
P-N-B-S	Yes	Yes	P-N
P-N-B-XL	Yes	Yes	P-N
P-N-A-S	No	Yes	P-N
P-N-C-M	No	Yes	P-N
P-N-C-XL	No	Yes	P-N

Table 2 List of MCCs produced or sold

4.4 Corporate information

4.4.1 Company information

Beijing Xingtai Steel Weldmesh & Technology Development Co., Ltd (Xingtai Steel) was founded in 2002 with its focus on export markets in North America, South America, Africa, Oceania, Southeast Asia, Eastern Asia, the Middle East, Eastern Europe and Western Europe.

Xingtai Steel produces the following products:

- various specifications of cold-rolled or hot-rolled reinforcing mesh
- heat-shrinkable insulation casing steel bars
- other related products (reinforcement bar, welded fabric, welded mesh, wire coil, deformed steel bar).

Besides welded steel mesh sheets, Xingtai Steel also had low-volume sales of semi-finished goods including ribbed cold rolled coils, ribbed straight bars and spare parts.

4.4.2 Related companies

The commission examined the relationships between Xingtai Steel and the parties involved in it producing or selling the goods.

4.4.2.1 Related suppliers

Xingtai stated that there was one related supplier during the inquiry period, Xingtai Jianlin Xinggang Technology Co., Ltd. The commission notes that this was only for a small volume of raw materials (0.1% based on volume of all raw material purchases by Xingtai).

The commission still examined the prices between this related supplier and non-related suppliers and found no material differences.

4.4.2.2 Related customers

The commission found no related customers of Xingtai Steel in their Australian export sales, or domestic sales.

4.5 Method used to verify information

4.5.1 Sales completeness and relevance

The commission:

1. Reconciled the revenue for the 2024 financial year to the audited financial statements and trial balance.
2. Verified the first 3 quarters of 2024 trial balance (to be removed from the total 2024 financial year). Also verified the remaining last quarter of 2024 trial balance.
3. Verified the first 3 quarters of 2025 trial balance (to be added to last quarter of 2024)
4. Reconciled the revenue for the investigation period to the trial balance.
5. Reconciled the sales master sales listing for the period to the trial balance.
6. Reviewed the categorisation of the goods in the master sales listing.
7. Reconciled the sales value of the goods from the master sales listing to the domestic and Australian export sales listings.

4.5.2 Cost to make completeness and relevance

The commission:

1. Reconciled the cost of goods sold for 2024 financial year to the audited financial statements and trial balance.
2. Reconciled the cost of goods sold for the investigation period to the income statement.
3. Reconciled cost of goods sales to the total company cost to make for the investigation period to the trial balance.
4. Reviewed the categorisation of the cost to make of the goods and non-goods.
5. Reconciled the cost to make of the goods to the domestic and Australian cost spreadsheets.

4.5.3 Selling, general and administrative expense completeness and relevance

The commission:

1. Reconciled the SG&A listing for the 2024 financial year to the audited financial statements and trial balance.
2. Reconciled the SG&A listing for the period to the trial balance.
3. Reviewed selected accounts of the SG&A listing to ascertain whether these were relevant for the domestic SG&A calculation.
4. Verified the direct selling expenses and reconciled these to the sales listings.

4.5.4 Cost allocation

Table 3 outlines how the commission allocated each cost component.

Cost component	Allocation method applied
Raw materials	Exporter allocated raw materials based on production quantity
Scrap offset	Small amount of scrap is sold and recorded as other revenue
Direct labour	Exporter allocated labour costs based on production quantity
Manufacturing overheads	Exporter allocated manufacturing overheads based on production quantity
Depreciation	Exporter allocated depreciation based on production quantity

Table 3 Cost allocation method

4.5.5 Sales volume unit of measure

Table 4 outlines how the commission verified unit of measure reported for sales volume.

Sales market	Assessment
Australia	The commission ascertained that the weight quantities listed in the Australian sales listing reported by the exporter reflects the actual weight of the goods sold. The commission also reconciled quantity by individual pieces sold.
Domestic	The commission ascertained that the weight quantities listed in the domestic sales listing reported by the exporter reflects the actual weight of the goods sold. The commission also reconciled quantity by individual pieces sold.

Table 4 Sale volume unit of measure assessment

5 APPENDICES AND ATTACHMENTS

Confidential attachment 1: Verification work program
Confidential appendix 1: Export price
Confidential appendix 2: Cost to make and sell
Confidential appendix 3: Normal value
Non-confidential appendix 1: General definitions and verification method

NON-CONFIDENTIAL APPENDIX 1: GENERAL DEFINITIONS AND VERIFICATION METHOD

What are variable factors?

Variable factors are numerical values that the commission uses to calculate the levels of dumping or countervailable subsidy. By verifying a company's data, the commission aims to set accurate variable factors and accurately calculate the level of dumping or countervailable subsidy.

The commission has explained some concepts relating to variable factors. These explanations are in simple terms and may not reflect the full, technical definitions.

Goods

The goods exported into Australia are **Australian export goods** or the **goods under consideration**.

Goods that are the same or similar to Australian export goods are **like goods**.

Variable factors

Dumping occurs if the price of Australian export goods (the **export price**) is less than the equivalent price of like goods in an exporter's domestic market (the **normal value**).

The **amount of dumping** is the difference between a normal value and the corresponding export price – that is, the normal value minus the export price.

A **subsidy** is a financial contribution, income support or price support, from a country of export Government, public body or a private body being directed by the Government or public body that confers a benefit to Australian export goods.

The Australian government can cancel out – that is, **countervail** – the effect of a subsidy, if that subsidy is specific to Australian export goods. In other words, a subsidy specific to Australian export goods is a **countervailable subsidy**.

The minimum export price to prevent material injury to an Australian industry is the **non-injurious price**. The commission typically relies on information from Australian industry and other sources to calculate this price, which is beyond the scope of this verification. The commission has therefore not calculated a non-injurious price in this report.

Margins calculated using variable factors

A **dumping margin** is the rate of dumping compared to the export price.

A **subsidy margin** is the rate of countervailable subsidy attributable to Australian export goods.

Export price method

Section 269TAB lists different ways to calculate an export price based on the facts available.

The commission considers these questions, among others, before calculating an export price:

- Did the verified company sell goods for Australian export?
- Who is the exporter?
- Who is the importer?
- Did the exporter sell to the importer at arm's length?

In this chapter, the commission summarises its findings about facts that affect how to calculate an export price.

Who is the exporter method

The commission generally identifies an **exporter** as a company, located in the country of export, who is a principal company involved in an Australian export goods transaction. At least one of the following generally also applies for a company to be an exporter:

- the company knowingly transferred the goods to its own vehicle, or to a freight company, to deliver the goods to Australia
- at the time the goods shipped, the company owned or previously owned the goods.

To identify the exporter, the commission typically relies on information about Australian export transactions from stakeholders and Australian Border Force.

Who is the importer method

An **importer** is the beneficial owner of goods at the time of import. The beneficial owner may differ from the listed or nominal owner of the goods.

For example, a parent company can have direct control over a subsidiary company's assets and decisions. If that parent company lists its subsidiary company as the owner of goods at the time of import, the commission would find that parent company is the importer because it beneficially owns the goods.

To identify the importer, the commission typically relies on information about Australian export transactions provided by stakeholders and Australian Border Force.

Normal value method

Section 269TAC lists different ways to calculate a normal value based on the facts available.

The commission considers these questions, among others, before calculating a normal value:

- Did the verified company, or a party related to the verified company, sell like goods domestically?
- Were there any domestic sales of like goods?
- Was there a low volume of domestic like goods sales?
- Were the domestic like goods sales at arm's length?
- Does any component of the exporter's costs, or producer's costs, not reflect competitive market costs?
- Were the domestic like goods sales in the ordinary course of trade?
- Does the normal value require adjustments to properly compare it to the export price?

Why the commission assesses production records

The commission assesses if a company's production cost records reasonably reflect competitive market costs as required by Regulation 43(2) before selecting which method to recommend for setting a normal value under section 269TAC.

The commission assesses production cost records through methods including:

- analysing transactions for materials or services supplied by a related party to see if they reflect other costs in the market
- considering if the domestic country has generally competitive, or non-competitive, costs for certain materials or services.

If the commission finds that the production cost records reasonably reflect competitive market costs, the commission must use the recorded costs to calculate the cost of production. If the commission finds that production cost records do not reasonably reflect competitive market costs in some part, then the commission may use other information if appropriate to adjust that part of the costs before setting a normal value.

Ordinary course of trade method

The commission assesses if domestic like goods sold in the ordinary course of trade before selecting which method to recommend for setting a normal value under section 269TAC.

Section 269TAAD sets out which sales are in the ordinary course of trade. Under this section, a domestic like goods sale is **not** in the ordinary course of trade if the conditions below apply to the sale:

- the sale is **unprofitable in substantial quantities** over an extended period
- the sale is **unlikely to be recoverable** within a reasonable period.

The commission typically uses this method to assess each step of identifying a sale not in the ordinary course of trade.

1. A sale is **unprofitable** if its unit price is less than the corresponding unit cost to make and sell in the sales month or sales quarter
2. All sales for a model are unprofitable **in substantial quantities** if the volume of unprofitable sales is 20% or more of the total volume of sales
3. A sale is **unlikely to be recoverable** if its unit price is less than the corresponding unit cost to make and sell for the entire reasonable period.

The commission typically sets both the 'extended period' and 'reasonable period' under section 269TAAD as the inquiry, investigation or review period for a case.

Low volume of relevant domestic sales method

Under section 269TAC(1), the commission must set a normal value using a sufficient volume of domestic like goods.

If the commission uses a low volume of domestic like goods to set a normal value, then the normal value does not properly compare to the export price when measuring the level of dumping and the commission cannot set a normal value under section 269TAC(1).

To assess if there is a large enough volume of domestic sales to set a normal value under section 269TAC(1), the commission must compare the domestic and Australian export sales volumes for an exporter. If the domestic sales volume is less than 5% of the Australian export sales volume, the commission must also assess if the domestic sales volume is still large enough to use in a normal value that properly compares to the export price.

The commission uses this method to compare domestic and Australian export sales volumes both overall and for each model sold as Australian export goods. When comparing sales volumes for an individual model, the commission may use a surrogate domestic sales model to calculate normal value for the Australian export sales model.

Section 269TAC(14) sets this sufficiency test for dumping investigation cases. The commission also uses this sufficiency test when setting a normal value in other case types.

The figure below summarises the possible outcomes when assessing domestic sales volumes to use in a normal value set under section 269TAC(1).

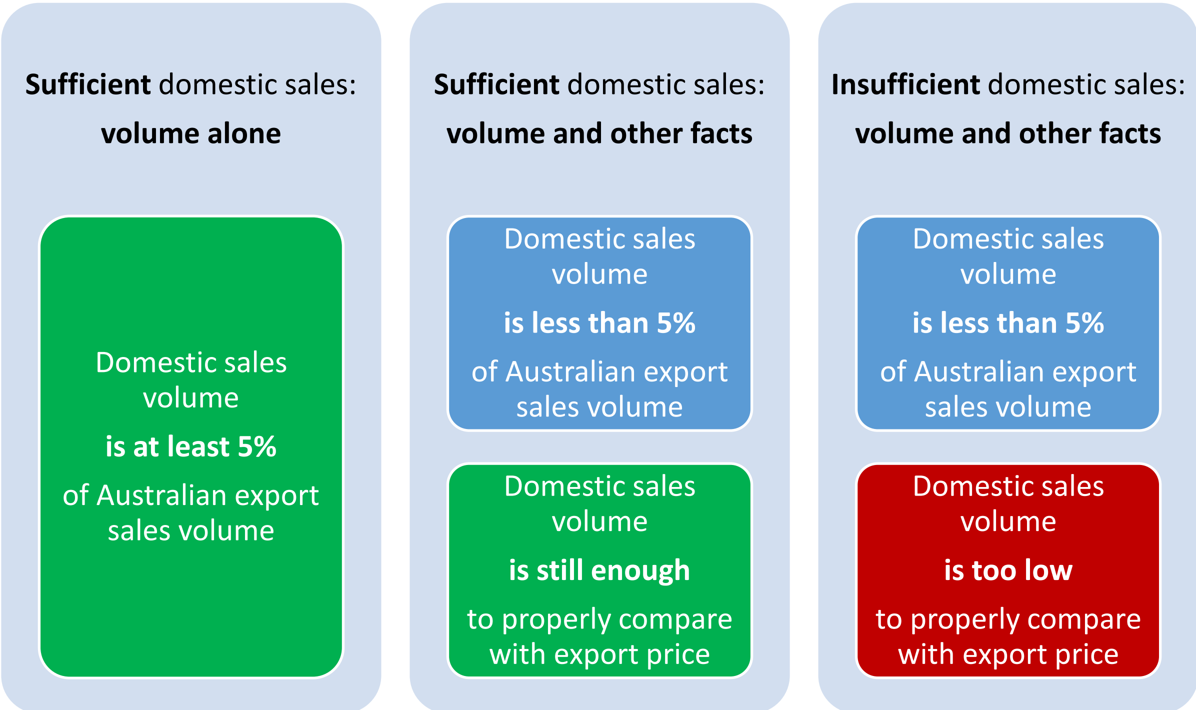

Figure 1 Possible findings about domestic sales volumes for section 269TAC(1) normal value

Method to verify information

A valid exporter questionnaire response includes data listings about sales, costs and subsidy programs (where relevant).

Before relying on submitted data listings, the commission first verifies if these listings are:

- **complete**, as in, including all the relevant data
- **relevant**, as in, including only relevant data
- **accurate**, as in, including only correct data.

In practice, the commission typically verifies data listings as complete and relevant at the same time.

ADN 2016/30 describes the commission's standard procedure to verify and validate stakeholder information.

General method to verify information as complete and relevant

The commission verifies data listings as complete and relevant by reconciling each listing's sum total up to audited financial records.

The commission typically reconciles a listing to audited records incrementally. The commission typically links a listing subtotal to management accounts, then links those management accounts to the audited records.

Figure 2 outlines how the commission verifies different topics as complete and relevant.

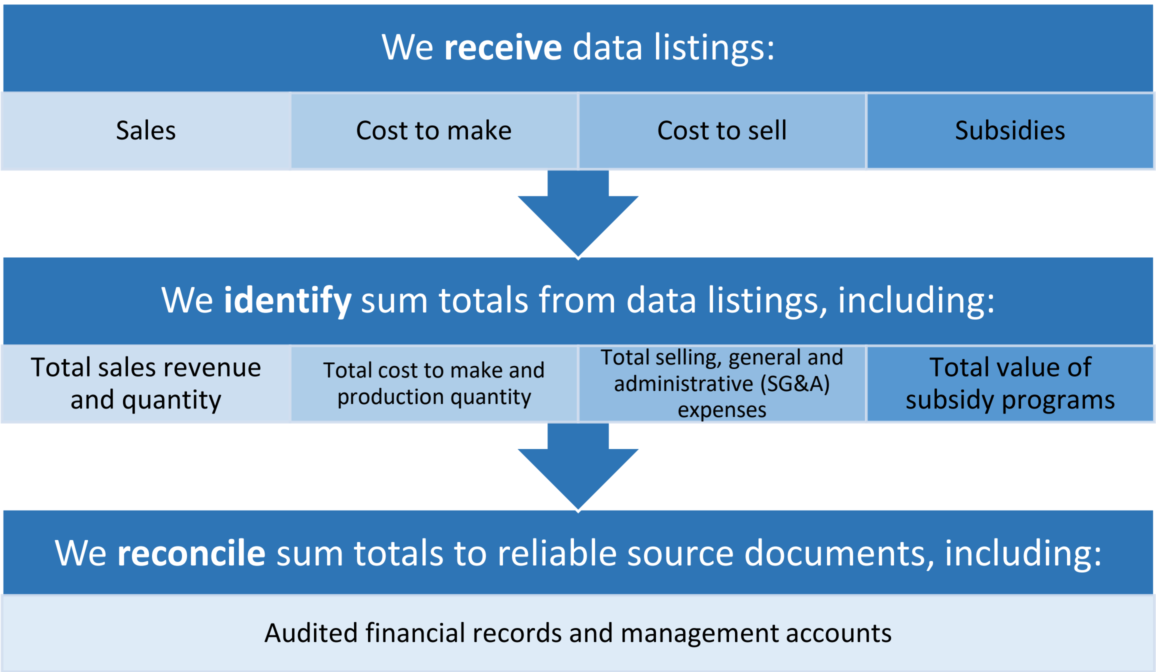

Figure 2 How the commission verifies data as complete and relevant

General method to verify information as accurate

To verify the listings are accurate, the commission typically reconciles key data from a selection of transactions in the listings down to source documents.

Figure 3 outlines how the commission verifies different topics as accurate.

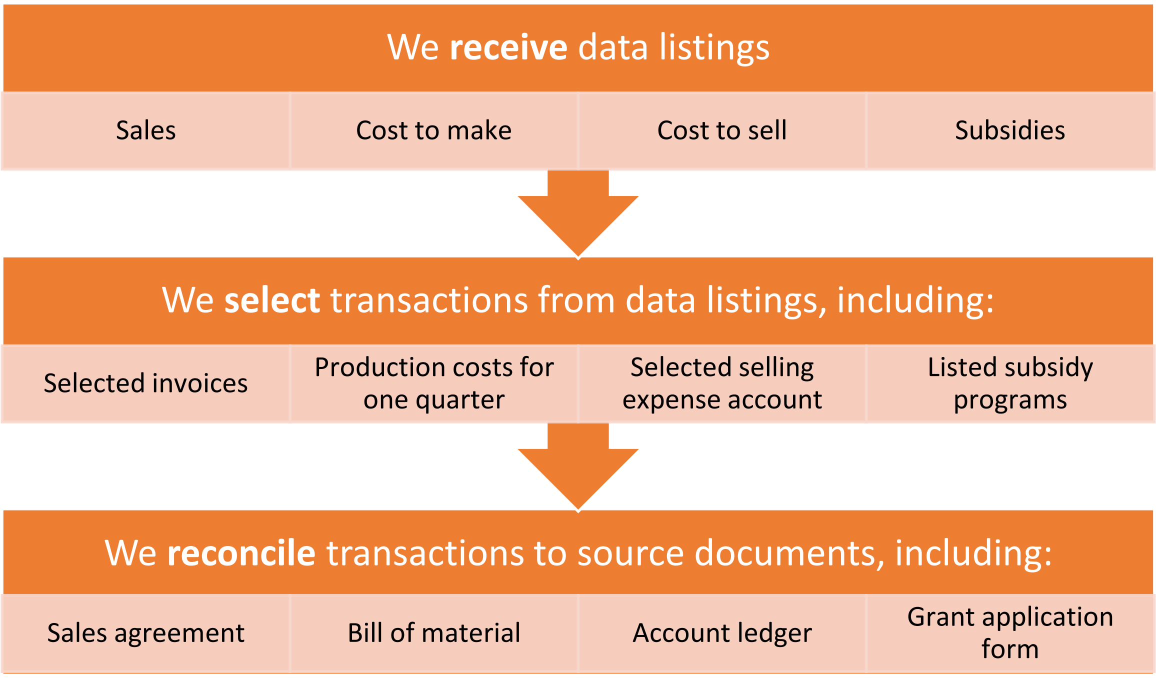

Figure 3 How the commission verifies data as accurate