



Australian Government
**Department of Industry, Science,
Energy and Resources**

**Anti-Dumping
Commission**

Exporter Verification Report

Verification & Case Details

Initiation Date	23 August 2019	ADN:	ADN No. 2019/100
Case:	Review – Zinc Coated (Galvanised) Steel		
Case Number	521		
Exporter	Yieh Phui Enterprise Co., Ltd		
Location	Taiwan		
Verification from	30 October 2019	to	4 November 2019
Review Period	1 July 2018	to	30 June 2019

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

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1 COMPANY BACKGROUND

1.1 Corporate Structure and Ownership

The company's legal name is Yieh Phui Enterprise Co., Ltd ("YPE" or "Yieh Phui"). Yieh Phui is publicly listed on Taiwanese Stock Exchange. During the review period, Yieh Phui had more than 70,000 shareholders.

Yieh Phui is a member of "E-United Group". E- United Group is not a legal entity but a group of associated companies and are under a common control of Yieh Phui's chairman. Other than the stainless steel and coated steel industry, E- United Group is involved in businesses such as education, health care and real estate development.

1.2 Related Parties

The verification team examined the relationships between related parties involved in the manufacture and sale of the goods and found that Yieh Phui had related customers and suppliers during the review period.

1.2.1 Related customers

During the review period, Yieh Phui had three related customers.

All goods exported to Australia were through Yieh Phui's related trading entity Asiazone Co., Limited ("Asiazone") which is based in Hong Kong.

The verification also noted that Yieh Phui had sales to two related domestic customers during the review period namely Shin Phui Steel Co., Ltd and Yieh United Steel.

The Commission's assessment to determine whether the sales between Yieh Phui and its related entities were arms length transactions is available in section 7.3 and 8.1.1 of this report.

1.2.2 Related suppliers

During the review period, Yieh Phui had two related suppliers of raw materials, Shin Yang Steel Co Ltd and Yieh Hong Co Ltd.

The verification team also found that Yieh Phui sold scrap products to its related entities Shin Phui Steel Co., Ltd, Yieh United Steel and Asiazone Co., Limited.

The Commission's assessment to determine whether the purchases and sales between Yieh Phui and its related suppliers and customers is at section 6.4 of this report.

2 THE GOODS AND LIKE GOODS

2.1 Production Process

The verification team inspected Yieh Phui’s production process of the goods which involve three major production steps namely pickling, cold-rolling and zinc coating.

At the pickling stage, the hot-rolled coil (HRC) is first processed by passing through hydrochloric acid baths to remove surface scale. It is then edge trimmed to the intended width before going through the cold-rolling process. At the cold-rolling stage, the pickled HRC is then introduced into the reversing cold-rolling mill to reduce the base metal thickness.

The cold-rolled coil is then introduced into the continuous coating line for zinc coating (galvanising). Once coated, the coil is then skin-passed and tension levelled. At this stage, surface treatment such as oiling, chromating, and resin coating is conducted if the customer requests. Slitting or cutting may also be performed at the customer request.

Upon completion, the zinc coated steel coils are then sent to the packing unit for packaging and dispatch.

2.2 Model Control Codes (MCCs)

Yieh Phui provided its sales and cost data in its response to the exporter questionnaire in accordance with the model control code (MCC) structure detailed in Consideration Report No. 521 / ADN 2019/100.¹

2.3 Verification of MCCs

Table 1 below provides detail on the MCC sub-categories which were determined and verified to source documents.

Item	Category	Sub-Category	MCC component
1	Alloy content	Alloy	A
		Non-alloy	NA
2	Prime	Prime	P
		Non – Prime	N
3	Steel Base	Hot Rolled	H
		Cold Rolled	C
4	Coating Type	Zinc Coated (Z)	Z
		Zinc / Iron Alloy Coating (ZF / F)	F

¹ EPR 521 Document #2 www.adcommission.gov.au

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5	Coating Mass	<= 100 g/m ²	1
		>100 g/m ² to <= 220 g/m ²	2
		> 220 g/m ² to <= 300g/m ²	3
		>Z300 g/m ² to <= 400 g/m ²	4
		>400 g/m ²	5
6	Steel Grade	G2 / SGCC / SGHC	A
		G3 / SGCD	B
		G250 / SGC 340 / SGHC 340 / SGC 340 / SGHC 340	C
		G300 / G350 / SGC 400 / SGHC 400 / SGC 440 / SGCH 440 / SGC 490 / SGHC 490	D
		G450 / G500	E
		G550 / SGC 570	F
		Other	G
7	Base Metal Thickness	< 0.40 mm	1
		=> 0.40 mm to < 0.50 mm	2
		=> 0.50 mm to < 0.75 mm	3
		=> 0.75 mm to < 1.00 mm	4
		=> 1.00 mm to < 1.50 mm	5
		=> 1.50 mm to < 2.00 mm	6
		=> 2.00 mm to <2.50 mm	7
		=> 2.50 mm	8
8	Width	< 600 mm	A
		=> 600 mm to <= 1220mm	B
		> 1220mm	C
9	Form	Coil	C

Table 1: MCC sub-category determination

2.4 The goods exported to Australia

The verification team were satisfied that Yieh Phui produced and exported the goods to Australia with the following MCCs during the review period:

MCCs Exported to Australia		
NA-P-C-Z-2-A-4-B-C	NA-P-C-Z-3-F-4-B-C	NA-P-H-Z-3-E-6-B-C
NA-P-C-Z-2-A-5-B-C	NA-P-C-Z-3-F-5-B-C	NA-P-H-Z-3-E-7-B-C
NA-P-C-Z-3-C-3-B-C	NA-P-C-Z-4-E-5-B-C	NA-P-H-Z-3-E-8-B-C
NA-P-C-Z-3-C-4-B-C	NA-P-C-Z-4-E-6-B-C	NA-P-H-Z-4-E-6-B-C
NA-P-C-Z-3-C-4-C-C	NA-P-C-Z-5-C-6-A-C	NA-P-H-Z-4-E-7-A-C
NA-P-C-Z-3-C-5-B-C	NA-P-C-Z-5-C-6-B-C	NA-P-H-Z-4-E-7-B-C
NA-P-C-Z-3-C-5-C-C	NA-P-H-Z-3-C-6-B-C	NA-P-H-Z-4-E-8-B-C
NA-P-C-Z-3-C-6-B-C	NA-P-H-Z-3-C-7-B-C	NA-P-H-Z-4-E-8-C-C
NA-P-C-Z-3-D-5-B-C	NA-P-H-Z-3-C-8-B-C	NA-P-H-Z-5-C-7-B-C
NA-P-C-Z-3-D-6-B-C	NA-P-H-Z-3-C-8-C-C	NA-P-H-Z-5-C-8-B-C
NA-P-C-Z-3-E-6-B-C		

Table 2: Models exported to Australia

2.5 Like goods sold on the domestic market

The verification team were satisfied that Yieh Phui sold like goods in the domestic market.

The verification team considers that the goods manufactured for domestic consumption are identical to, or have characteristics closely resembling, the goods exported to Australia, as discussed below.

- **Physical likeness:** the goods manufactured for domestic consumption are not distinguished from the exported goods during the production process. The exported goods and the goods sold on the domestic market are produced in the same way, and the costs of production for models sold domestically and for export are the same.
- **Production likeness:** the goods manufactured for domestic consumption are produced at the same manufacturing facilities, using the same raw material inputs and manufacturing processes;
- **Commercial likeness:** the goods manufactured for domestic consumption compete in the same market sector, are interchangeable and use similar distribution channels; and
- **Functional likeness:** the goods manufactured for domestic consumption can be considered functionally alike, as they have similar end uses.

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Yieh Phui sold like goods in the domestic Taiwanese market with the following MCCs during the review period:

MCCs Sold in Domestic Market					
NA-N-C-Z-2-F-3-B-C	NA-N-C-Z-2-C-3-C-C	NA-N-C-Z-3-E-5-B-C	NA-N-H-Z-3-D-6-B-C	NA-P-C-Z-2-A-5-B-C	NA-P-C-Z-4-A-6-C-C
NA-N-C-Z-3-E-6-B-C	NA-N-C-Z-2-C-4-C-C	NA-N-C-Z-3-E-5-C-C	NA-N-H-Z-3-D-6-C-C	NA-P-C-Z-2-A-5-C-C	NA-P-C-Z-4-C-5-B-C
NA-N-C-Z-1-A-1-B-C	NA-N-C-Z-2-C-5-B-C	NA-N-C-Z-3-E-6-B-C	NA-N-H-Z-3-D-7-B-C	NA-P-C-Z-2-A-6-A-C	NA-P-C-Z-4-C-6-B-C
NA-N-C-Z-1-A-1-C-C	NA-N-C-Z-2-C-5-C-C	NA-N-C-Z-3-E-6-C-C	NA-N-H-Z-3-D-7-C-C	NA-P-C-Z-2-A-6-B-C	NA-P-C-Z-4-D-6-B-C
NA-N-C-Z-1-A-2-B-C	NA-N-C-Z-2-D-1-B-C	NA-N-C-Z-3-F-1-B-C	NA-N-H-Z-3-D-8-B-C	NA-P-C-Z-2-A-6-C-C	NA-P-C-Z-4-D-6-C-C
NA-N-C-Z-1-A-2-C-C	NA-N-C-Z-2-D-3-B-C	NA-N-C-Z-3-F-2-B-C	NA-N-H-Z-3-D-8-C-C	NA-P-C-Z-2-B-2-C-C	NA-P-C-Z-4-E-6-B-C
NA-N-C-Z-1-A-3-B-C	NA-N-C-Z-2-D-4-B-C	NA-N-C-Z-3-F-3-B-C	NA-N-H-Z-3-E-5-B-C	NA-P-C-Z-2-B-3-B-C	NA-P-C-Z-4-F-1-B-C
NA-N-C-Z-1-A-3-C-C	NA-N-C-Z-2-D-5-B-C	NA-N-C-Z-3-F-4-B-C	NA-N-H-Z-3-E-6-B-C	NA-P-C-Z-2-B-3-C-C	NA-P-C-Z-5-A-5-B-C
NA-N-C-Z-1-A-4-B-C	NA-N-C-Z-2-D-5-C-C	NA-N-C-Z-3-F-5-B-C	NA-N-H-Z-3-E-6-C-C	NA-P-C-Z-2-C-6-C-C	NA-P-C-Z-5-D-6-B-C
NA-N-C-Z-1-A-4-C-C	NA-N-C-Z-2-D-6-B-C	NA-N-C-Z-3-F-5-C-C	NA-N-H-Z-3-E-7-B-C	NA-P-C-Z-2-D-3-B-C	NA-P-H-Z-2-A-5-B-C
NA-N-C-Z-1-A-5-B-C	NA-N-C-Z-2-D-6-C-C	NA-N-C-Z-3-F-6-B-C	NA-N-H-Z-3-E-7-C-C	NA-P-C-Z-2-D-5-B-C	NA-P-H-Z-2-A-6-B-C
NA-N-C-Z-1-A-5-C-C	NA-N-C-Z-2-E-6-B-C	NA-N-C-Z-3-F-6-C-C	NA-N-H-Z-3-E-8-B-C	NA-P-C-Z-2-D-6-B-C	NA-P-C-Z-2-D-6-C-C
NA-N-C-Z-1-A-6-B-C	NA-N-C-Z-2-F-1-B-C	NA-N-C-Z-3-G-4-B-C	NA-N-H-Z-3-E-8-C-C	NA-P-C-Z-2-D-6-C-C	NA-P-H-Z-2-A-7-B-C
NA-N-C-Z-1-A-6-C-C	NA-N-C-Z-2-F-2-B-C	NA-N-C-Z-3-G-5-B-C	NA-N-H-Z-3-G-6-B-C	NA-P-C-Z-2-E-5-B-C	NA-P-H-Z-2-A-7-C-C
NA-N-C-Z-1-B-2-B-C	NA-N-C-Z-2-F-3-B-C	NA-N-C-Z-3-G-5-C-C	NA-N-H-Z-3-G-6-C-C	NA-P-C-Z-2-E-6-C-C	NA-P-H-Z-2-A-8-B-C
NA-N-C-Z-1-B-2-C-C	NA-N-C-Z-2-F-4-B-C	NA-N-C-Z-3-G-6-C-C	NA-N-H-Z-3-G-7-C-C	NA-P-C-Z-2-F-1-B-C	NA-P-H-Z-2-A-8-C-C
NA-N-C-Z-1-B-3-B-C	NA-N-C-Z-2-F-4-C-C	NA-N-C-Z-4-A-6-C-C	NA-N-H-Z-3-G-8-B-C	NA-P-C-Z-2-F-2-B-C	NA-P-H-Z-2-B-8-B-C
NA-N-C-Z-1-B-3-C-C	NA-N-C-Z-2-F-5-B-C	NA-N-C-Z-4-C-6-B-C	NA-N-H-Z-4-E-6-B-C	NA-P-C-Z-2-F-3-B-C	NA-P-H-Z-2-C-6-C-C
NA-N-C-Z-1-B-4-B-C	NA-N-C-Z-2-F-5-C-C	NA-N-C-Z-4-D-4-B-C	NA-N-H-Z-4-E-6-C-C	NA-P-C-Z-2-F-6-B-C	NA-P-H-Z-2-C-8-B-C
NA-N-C-Z-1-C-1-C-C	NA-N-C-Z-2-G-4-B-C	NA-N-C-Z-4-D-6-C-C	NA-N-H-Z-4-E-7-B-C	NA-P-C-Z-2-G-4-B-C	NA-P-C-Z-2-G-4-C-C
NA-N-C-Z-1-C-3-C-C	NA-N-C-Z-2-G-5-B-C	NA-N-C-Z-4-E-5-B-C	NA-N-H-Z-5-A-8-C-C	NA-P-C-Z-2-G-5-B-C	NA-P-H-Z-2-D-6-C-C
NA-N-C-Z-1-C-4-C-C	NA-N-C-Z-3-A-2-B-C	NA-N-C-Z-4-E-6-B-C	NA-N-H-Z-5-C-7-B-C	NA-P-C-Z-2-G-6-C-C	NA-P-H-Z-2-D-7-B-C
NA-N-C-Z-1-D-2-B-C	NA-N-C-Z-3-A-2-C-C	NA-N-C-Z-4-F-1-B-C	NA-N-H-Z-5-C-8-B-C	NA-P-C-Z-3-A-2-C-C	NA-P-H-Z-2-D-8-B-C
NA-N-C-Z-1-D-3-B-C	NA-N-C-Z-3-A-3-B-C	NA-N-C-Z-5-A-5-B-C	NA-N-H-Z-5-E-8-B-C	NA-P-C-Z-3-A-3-B-C	NA-P-H-Z-3-A-6-B-C
NA-N-C-Z-1-D-3-C-C	NA-N-C-Z-3-A-3-C-C	NA-N-C-Z-5-C-6-B-C	NA-N-H-Z-5-E-8-C-C	NA-P-C-Z-3-A-3-C-C	NA-P-H-Z-2-E-6-B-C
NA-N-C-Z-1-D-6-B-C	NA-N-C-Z-3-A-4-B-C	NA-N-C-Z-5-E-5-B-C	NA-N-H-Z-5-G-8-B-C	NA-P-C-Z-3-A-4-B-C	NA-P-H-Z-2-G-6-B-C
NA-N-C-Z-1-F-1-B-C	NA-N-C-Z-3-A-4-C-C	NA-N-C-Z-5-E-5-C-C	NA-P-C-Z-1-A-1-A-C	NA-P-C-Z-3-A-4-C-C	NA-P-H-Z-2-G-7-C-C
NA-N-C-Z-2-A-1-B-C	NA-N-C-Z-3-A-5-B-C	NA-N-C-Z-5-E-6-B-C	NA-P-C-Z-1-A-1-B-C	NA-P-C-Z-3-A-5-B-C	NA-P-H-Z-3-A-6-B-C
NA-N-C-Z-2-A-1-C-C	NA-N-C-Z-3-A-5-C-C	NA-N-H-Z-1-A-7-B-C	NA-P-C-Z-1-A-2-B-C	NA-P-C-Z-3-A-5-C-C	NA-P-H-Z-3-A-6-C-C
NA-N-C-Z-2-A-1-C-C	NA-N-C-Z-3-A-6-B-C	NA-N-H-Z-2-A-5-B-C	NA-P-C-Z-1-A-3-B-C	NA-P-C-Z-3-A-6-B-C	NA-P-H-Z-3-A-8-B-C
NA-N-C-Z-2-A-2-B-C	NA-N-C-Z-3-A-6-C-C	NA-N-H-Z-2-A-6-B-C	NA-P-C-Z-1-A-3-C-C	NA-P-C-Z-3-A-6-C-C	NA-P-H-Z-3-A-8-C-C
NA-N-C-Z-2-A-2-C-C	NA-N-C-Z-3-B-2-C-C	NA-N-H-Z-2-A-6-C-C	NA-P-C-Z-1-A-4-B-C	NA-P-C-Z-3-C-5-B-C	NA-P-H-Z-3-C-6-C-C
NA-N-C-Z-2-A-3-B-C	NA-N-C-Z-3-B-5-B-C	NA-N-H-Z-2-A-7-B-C	NA-P-C-Z-1-A-4-C-C	NA-P-C-Z-3-D-3-B-C	NA-P-H-Z-3-C-8-B-C
NA-N-C-Z-2-A-3-C-C	NA-N-C-Z-3-C-3-B-C	NA-N-H-Z-2-A-8-B-C	NA-P-C-Z-1-B-2-B-C	NA-P-C-Z-3-D-4-B-C	NA-P-H-Z-3-D-6-B-C
NA-N-C-Z-2-A-4-B-C	NA-N-C-Z-3-C-3-C-C	NA-N-H-Z-2-A-8-C-C	NA-P-C-Z-1-B-3-B-C	NA-P-C-Z-3-D-5-B-C	NA-P-H-Z-3-D-7-B-C
NA-N-C-Z-2-A-4-C-C	NA-N-C-Z-3-C-4-B-C	NA-N-H-Z-2-C-6-C-C	NA-P-C-Z-1-B-3-C-C	NA-P-C-Z-3-D-5-C-C	NA-P-H-Z-3-D-8-B-C
NA-N-C-Z-2-A-5-B-C	NA-N-C-Z-3-C-4-C-C	NA-N-H-Z-2-D-6-B-C	NA-P-C-Z-1-D-3-B-C	NA-P-C-Z-3-D-6-B-C	NA-P-H-Z-3-D-8-C-C
NA-N-C-Z-2-A-5-C-C	NA-N-C-Z-3-C-5-B-C	NA-N-H-Z-2-D-8-B-C	NA-P-C-Z-1-D-5-B-C	NA-P-C-Z-3-D-6-C-C	NA-P-H-Z-3-E-6-B-C
NA-N-C-Z-2-A-6-B-C	NA-N-C-Z-3-C-5-C-C	NA-N-H-Z-2-E-6-B-C	NA-P-C-Z-1-F-1-B-C	NA-P-C-Z-3-E-5-B-C	NA-P-H-Z-3-E-6-C-C
NA-N-C-Z-2-A-6-C-C	NA-N-C-Z-3-C-6-B-C	NA-N-H-Z-2-E-7-B-C	NA-P-C-Z-1-F-3-B-C	NA-P-C-Z-3-E-5-C-C	NA-P-H-Z-3-E-7-B-C
NA-N-C-Z-2-A-8-B-C	NA-N-C-Z-3-D-1-C-C	NA-N-H-Z-2-E-7-C-C	NA-P-C-Z-2-A-1-B-C	NA-P-C-Z-3-E-6-B-C	NA-P-H-Z-3-E-7-C-C
NA-N-C-Z-2-B-1-B-C	NA-N-C-Z-3-D-2-B-C	NA-N-H-Z-2-E-8-B-C	NA-P-C-Z-2-A-1-C-C	NA-P-C-Z-3-E-6-C-C	NA-P-H-Z-3-E-8-B-C
NA-N-C-Z-2-B-2-B-C	NA-N-C-Z-3-D-3-B-C	NA-N-H-Z-2-E-8-C-C	NA-P-C-Z-2-A-2-B-C	NA-P-C-Z-3-F-1-B-C	NA-P-H-Z-3-G-6-B-C
NA-N-C-Z-2-B-2-C-C	NA-N-C-Z-3-D-3-C-C	NA-N-H-Z-3-A-6-B-C	NA-P-C-Z-2-A-2-C-C	NA-P-C-Z-3-F-4-B-C	NA-P-H-Z-3-G-6-C-C
NA-N-C-Z-2-B-3-B-C	NA-N-C-Z-3-D-4-B-C	NA-N-H-Z-3-A-6-C-C	NA-P-C-Z-2-A-3-A-C	NA-P-C-Z-3-F-5-B-C	NA-P-H-Z-4-A-7-C-C
NA-N-C-Z-2-B-3-C-C	NA-N-C-Z-3-D-4-C-C	NA-N-H-Z-3-A-7-B-C	NA-P-C-Z-2-A-3-B-C	NA-P-C-Z-3-G-3-B-C	NA-P-H-Z-4-A-8-B-C
NA-N-C-Z-2-B-4-B-C	NA-N-C-Z-3-D-5-B-C	NA-N-H-Z-3-A-8-B-C	NA-P-C-Z-2-A-3-C-C	NA-P-C-Z-3-G-4-B-C	NA-P-H-Z-4-C-7-B-C
NA-N-C-Z-2-B-5-B-C	NA-N-C-Z-3-D-5-C-C	NA-N-H-Z-3-C-7-B-C	NA-P-C-Z-2-A-4-B-C	NA-P-C-Z-3-G-5-B-C	NA-P-H-Z-4-C-8-B-C
NA-N-C-Z-2-B-6-B-C	NA-N-C-Z-3-D-6-B-C	NA-N-H-Z-3-C-7-C-C	NA-P-C-Z-2-A-4-C-C	NA-P-C-Z-3-G-5-C-C	NA-P-H-Z-4-D-8-B-C
NA-N-C-Z-2-C-2-B-C	NA-N-C-Z-3-D-6-C-C	NA-N-H-Z-3-C-8-B-C	NA-P-C-Z-2-A-5-A-C	NA-P-C-Z-4-A-4-B-C	NA-P-H-Z-4-D-8-C-C
NA-N-H-Z-3-A-8-C-C	NA-N-C-Z-2-C-3-B-C	NA-P-H-Z-5-D-8-C-C	NA-P-H-Z-5-A-8-B-C	NA-P-H-Z-5-A-7-B-C	

Table 3: Models sold in domestic market

2.6 Like goods – assessment

The verification team considers that the goods produced by Yieh Phui for domestic sale have characteristics closely resembling those of the goods exported to Australia and are therefore ‘like goods’ in accordance with section 269T(1) of the *Customs Act 1901* (the Act).²

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

3 VERIFICATION OF SALES COMPLETENESS AND RELEVANCE

Verification of relevance and completeness is conducted by reconciling selected data submitted "upwards" through management accounts up to audited financial accounts. The total sales value and quantity is reconciled to management reports with particular attention given to ensuring that all relevant transactions are included and irrelevant transactions are excluded. The total value from the management reports is then reconciled to the total revenue figure reported in the audited income statement.

The verification team verified the completeness and relevance of the export and domestic sales listings provided in the Response to the Exporter Questionnaire (REQ) by reconciling these to audited financial statements in accordance with ADN. No 2016/30.

The visit team verified the relevance and completeness of the sales data as follows:

- Yieh Phui provided its 2018 audited report, profit & loss statement, "main business revenue".
- Using its monthly sub-ledger accounts, Yieh Phui then adjusted to align the sales revenue to the review period using the monthly management accounts.
- Yieh Phui also provided its sales revenue general ledger for the period January to June 2019 and from January to June 2018.
- Yieh Phui then demonstrated to the verification team how its adjusted the revenue general ledger by using audited financial account for the period July 2018 to December 2018 and unaudited management account for the period January 2019 to June 2019.
- Yieh Phui provided all monthly sales data for domestic, Australian and third country of the goods.

The verification team identified the following issues outlined below during this process. Details of this verification process are contained in the verification work program and its relevant attachments, at **Confidential Attachment 1**.

3.1 Exceptions during verification of sales completeness and relevance

No.	Exception	Resolution	Evidence Relied On
1	While reconciling domestic sales listing to the financial reports during the review period, the verification team noted a minor variance of less than one per cent in relation to the total volume of the goods.	Yieh Phui stated that re-sale of the goods that were acquired during the review period were included as a separate line item in its accounts. On addition of those volumes, the final domestic sales in the domestic sales listing matched with the financial reports.	Financial statements and accounting system
2	While reconciling export sales listing to the financial reports during the review period, the verification team noted a minor variance in the total value of the goods.	Yieh Phui stated the variance was due to the difference in the exchange rate used at the time of sales and when it is entered in its system. Given the difference was less than 1 per cent, the verification team did not pursue this issue any further.	Financial statements

Table 1: Exceptions during verification of completeness and relevance of sales data

3.2 Sales completeness and relevance finding

The verification team is satisfied that the sales data provided by Yieh Phui, including any required amendments as outlined in the exception table above is complete and relevant.

4 VERIFICATION OF SALES ACCURACY

The accuracy of data is verified by reconciling selected data submitted "downwards" to source documents. This part of verification involves the process of agreeing the volume, value and other key information fields within the sales data down to source documents. This verifies the accuracy of the data.

The verification team verified accuracy of the export and domestic sales listings submitted in the REQ by reconciling these to audited financial statements in accordance with ADN. No 2016/30.

The verification team identified the issues outlined below during this process. Details of this verification process are contained in the verification work program and its relevant attachments, at **Confidential Attachment 1**.

4.1 Exceptions during verification of sales accuracy

No.	Exception	Resolution	Evidence Relied On
1	In the export sales listing, other costs item number 7 'containerisation fee and Other costs' and item number 8 'Bill of Lading documentation fee' were converted to USD from domestic Taiwanese currency (NTD) in error.	Yieh Phui provided a revised Australian sales listing correcting the error. The verification team checked the calculation using sample transactions and to the source documents.	The verification team checked the port handling documents for the selected invoices to verify the revised data provided.
2	In the export sales listing, date of payment was stated as 'before shipment', however on verification of sampled source documents, the verification team noted that payments were made approximately 40 days after the invoice date.	Yieh Phui provided a revised Australian sales listing including the actual date of payment. The verification team checked the date provided in the revised sales data using the sample source documents.	Revised B2 with updated credit terms which Yieh Phui provided extracted from its system.
3	In the export sales listing, unit of measure was not clear. Different unit of measure (MT) and (KG) were used to calculate unit values for inland freight, packaging, handling and other expenses.	Yieh Phui clarified that all volumes listed in the export sales listing are in metric tonnes (MT). The verification team converted all sales volume to kilograms and then all costs calculates to kilograms as well, then matched it to the sample source documents.	The verification team checked with the source documents for the selected invoices to verify the revised data provided.
4	The verification team noted that some goods were acquired by Yieh Phui and then exported to Australia.	On request, Yieh Phui provided revised Australian sales including a new column identifying whether the goods were acquired or self-produced. The verification team checked the date provided in the revised sales data matched the sample source documents.	The verification team verified against the live purchase ledger in the accounting system.

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5	In the domestic sales listing, date of payment was stated as 'before shipment', but on verification of sampled source documents, payments were made approximately 20 days after invoice date.	Yieh Phui provided a revised domestic sales listing including the actual date payment was received. The verification team checked the date provided in the revised sales data and matched it to the sample source documents.	The verification team checked the source documents for the selected invoices to verify that revised data provided matches.
6	The verification team noted that some goods were acquired by Yieh Phui and sold in the domestic market.	Yieh Phui provided a revised domestic sales listing including a new column identifying whether the goods were acquired or self-produced. The verification team checked the date provided in the revised sales data matched the sample source documents.	The verification team verified against the live purchase ledger in the accounting system.
7	The verification noted that in the domestic sales listing some transactions had 'warranty costs'. Yieh Phui stated that the 'warranty costs' are actually rebates provided to some customers where the goods were determined as defect.	For the transactions where domestic sales contained 'warranty expenses', the verification team has deducted this amount to calculate the net invoice price.	The verification team checked the source documents for the selected invoices to verify that revised data provided matches.

Table 2: Exceptions during verification of accuracy of sales data

4.2 Sales accuracy finding

The verification team is satisfied that the sales data provided by Yieh Phui, including any required amendments as outlined in the exception tables above, is accurate. Details of this verification process are contained in the verification work program and its relevant attachments, at **Confidential Attachment 1**.

5 VERIFICATION OF CTMS COMPLETENESS AND RELEVANCE

Verification of relevance and completeness is conducted by reconciling selected data submitted "upwards" through management accounts up to audited financial accounts. The total cost to make data is reconciled to the cost of production in the management reports with particular attention given to ensuring that all relevant costs are included and irrelevant costs have been excluded. The cost of production data is then reconciled, through relevant account ledgers, to the cost of goods sold figure reported in the audited income statement. Additionally, selling, general and administration (SG&A) expenses are reconciled to income statements, with particular attention given to specific expenses that have been excluded or should be excluded.

The verification team verified the completeness and relevance the cost to make and sell (CTMS) information provided in the REQ by reconciling it to audited financial statements in accordance with ADN No. 2016/30.

The visit team verified the relevance and completeness of the cost data as follows:

- Reconciliation of previous audited financial report to the investigation period using the COGS ledger.
- Reconciliation of COGS to the cost of production using the COGS ledger and production reports.
- Reconciliation of the production reports to the CTM listing.

The visit team verified the relevance and completeness of the SG&A data as follows:

- Reconciliation to trial balance by verifying sampled SG&A ledgers to the COGS ledger.
- Verification of direct selling expense categorisation by sampling ledgers and examination of included expenses.

The verification team identified the issues outlined below during this process. Details of this verification process are contained in the verification work program and its relevant attachments, at **Confidential Attachment 1**.

5.1 Exceptions during verification of completeness and relevance of CTMS data

No.	Exception	Resolution	Evidence Relied On
1	The provided domestic and Australian CTM spreadsheets were unable to be verified and were incomplete. The verification team was required to verify and rely on the 'All CTM' listing for the goods. The verification team notes this includes the CTM data of goods under consideration sold to third countries which in some cases (if MCC is identical) may be indistinguishable from the domestic or Australian CTM.	The verification team determined that the cost accounting used by Yieh Phui led them to be unable to produce distinct Australian and domestic CTM listing. The verification team determined since the All CTM spreadsheet provided by Yieh Phui was listed by MCC, within their usual accounting practices, within the IFRS, and had been verified to be accurate and complete, it could be relied on for the purposes of calculating a dumping margin.	CTM Listing Accounting system Financial Reports
2	Yieh Phui revised the upwards cost reconciliation template, amending the quantity of the non-goods under consideration.	The verification team successfully verified the revised CTM quantity to the production reports and the cost upwards reconciliation to the last audited financial statement.	Production Reports Financial Statement
3	CTM were missing for twelve MCCs sold during review period	Yieh Phui identified these as goods not produced during the period and either produced in the period before or traded goods purchased and sold. Relevant CTM was substituted with next nearest MCC CTM.	CTM Listing Sales Listing
4	During the verification Yieh Phui provided a revision to the SG&A listing. The revision separated a previously consolidated account into two separate accounts. This did not affect the SG&A calculation, total amount or included expenses.	The verification team examined both ledgers to ensure the reported amounts were correct. The verification team was satisfied the revision reflected a more accurate formatting change than a change to the SG&A.	The verification team checked the live SG&A ledgers in the accounting system.

Table 3 Exceptions during verification of completeness and relevance of CTMS data

5.2 Completeness and relevance finding of CTMS data

The verification team is satisfied that the CTMS data provided in the exporter questionnaire response by Yieh Phui, including any required amendments as outlined as an exception above is complete and relevant.

6 VERIFICATION OF CTMS ACCURACY

6.1 Cost allocation method

The verification team verified the reasonableness of the method used to allocate the cost information provided in the REQ to the relevant MCCs, in accordance with ADN No. 2016/30.

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

Table 4 below outlines the allocation method applied to each cost item.

Cost item	Method applied
Raw Materials	<p>For hot-rolled coil (HRC) and cold-rolled coil (CRC), the total actual coil costs are allocated to each MCC based on production quantity (weight) as a proportion of total production quantity (weight).</p> <p>For zinc, the total actual zinc cost was allocated to each MCC based on its theoretical coating mass as a proportion of the theoretical coating mass of all production.</p> <p>The verification team reconciled each of these to the relevant ledgers and production reports. The verification team also verified Yieh Phui's weighted average raw material costing methodology.</p>
Scrap Allocation	<p>For steel scrap, the total actual steel scrap sale value was allocated by the MCCs production weight as a proportion of Yieh Phui's total production quantity weight of coil.</p> <p>For zinc scrap, the total zinc and aluminium scrap sale value was allocated to the MCCs by its theoretical coating mass as a proportion of Yieh Phui's total productions aluminium and zinc theoretical coating mass.</p> <p>The verification team reconciled each of these values to the relevant ledgers and production reports.</p>
Manufacturing Overheads	<p>The total actual overhead cost for each production line was allocated to each MCC either by its coil weight or processing time as a proportion of total production.</p> <p>For the pickling and treatment lines, allocation was based on production weight.</p> <p>For the Cold Rolling and Galvanising lines, allocation was based on processing time.</p> <p>The verification team reconciled each of these values to the relevant ledgers and production reports.</p>
Labour	<p>The total actual labour cost for each production line was allocated to each MCC either by its coil weight or processing time as a proportion of total production.</p> <p>For the pickling and treatment lines, allocation was done based on production weight.</p> <p>For the cold rolling and galvanising lines, allocation was done based on processing time.</p> <p>The verification team reconciled each of these values to the relevant ledgers and production reports.</p>

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Variance	A fixed COGS adjustment of -0.25% was applied to the CTM. This was verified as the total COGS accounting adjustment as a proportion of the total operating cost.
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Table 4 Cost allocation method

6.2 Verification of Accuracy of CTMS data

The accuracy of data is verified by reconciling selected data submitted "downwards" to source documents. This part of verification involves the process of agreeing the volume, value and other key information fields within the cost data down to source documents. This verifies the accuracy of the data.

The verification team verified the accuracy of the CTMS information provided in the REQ by reconciling it to source documents in accordance with ADN No. 2016/30.

The verification team identified the issues outlined below during this process. Details of this verification process are contained in the verification work program and its relevant attachments, at **Confidential Attachment 1**.

6.3 Exceptions during Verification of Accuracy of CTMS data

No.	Exception	Resolution	Evidence Relied on
1	Delivery cost in the raw material purchase listing was not provided against the relevant purchases, instead it was provided as totals amounts as separate line items in the purchase listing.	The verification team sampled a number of selections and clarified the structure of the raw material listing such that it is able to remove the delivery charges and allocate them appropriately to the imported raw material purchases.	Raw Material Invoices and Shipping Invoices
2	Gross revenue was incorrectly reported as net revenue in the SG&A calculation	The verification team revised the amount used in the SG&A calculation to the correct net revenue Amount	Financial Statement

Table 8 Exceptions during Verification of Accuracy of CTMS data

6.4 Related party suppliers

Yieh Phui purchased raw materials in the form of CRC and HRC from related parties, Shin Yang Steel Co Ltd and Yieh Hong Co Ltd during the review period.

The verification team analysed the prices of these purchases against those of unrelated suppliers and found that they tracked similar market unit pricing and price trends. The verification team selected six raw material purchases from related entities to examine source documents including proof of payment. The verification team was satisfied these were arms length transactions.

Yieh Phui sold scrap to related parties, Shin Phui Steel Co., Ltd, Yieh United Steel and Asiazone Co., Limited during the review period.

The verification team analysed the prices of the related scrap sales against those of unrelated sales and found that they tracked similar market unit pricing and price trends. In

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one instance, where a unique grade of scrap was only sold to a related customer, Yieh Phui was able to show the scrap pricing tracked to a public benchmark price. The verification team selected one related party scrap sale and verified to proof of payment. The verification team was satisfied these were arms length transactions.

6.5 Accuracy finding

The verification team are satisfied that the cost to make and sell (CTMS) data provided in the exporter questionnaire response by Yieh Phui, including any required amendments as outlined as an exception above, is accurate.

7 EXPORT PRICE

7.1 The importers

The verification team considers CITIC Australia Commodity Trading Pty Ltd (CITIC Australia) to be the beneficial owner of the goods at the time of importation and therefore the importer as CITIC Australia is:

- named on the commercial invoice as the customer;
- named as the consignee on the bill of lading,
- declared as the importer on the importation declaration to Australian Boarder Force (ABF);
- pays for all the importation charges; and
- arranges delivery from the port.

In relation to the goods exported by Yieh Phui to Australia, the verification team considers that CITIC Australia is the beneficial owner of the goods at the time of importation, and therefore the importer of the goods.

7.2 The exporter

Subject to further inquiries, the verification team considers Yieh Phui to be the exporter of the goods³, as Yieh Phui is:

- the manufacturer of the goods;
- named on the commercial invoice as the supplier;
- named as consignor on the bill of lading;
- arranges and pays for the inland transport to the port of export; and
- arranges and pays for the port handling charges at the port of export.

The verification team were satisfied that for all Australian export sales during the review period, Yieh Phui were the exporter of the goods.

7.3 Arms length

In respect of Yieh Phui's Australian sales of the goods to its related customer during the review period, the verification team found no evidence that:

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

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

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

The verification team therefore considers that all export sales made by Yieh Phui (via its related trading entity Asiazone) to its unrelated Australian customer during the review period were arms length transactions.

7.4 Export Price – assessment

In respect of Australian sales of the goods by Yieh Phui, since the goods were purchased from the exporter otherwise than by the importer, the verification team recommends that the export price be determined under paragraph 269TAB(1)(c), as the price paid to the exporter less transport and other costs arising after exportation.

The verification team's preliminary export price calculations are at **Confidential Appendix 1**.

⁴ Section 269TAA of the Act refers.

8 DOMESTIC SALES SUITABILITY

The verification team has assessed the domestic sales to determine if the prices paid in respect of domestic sales of like goods are suitable for assessing normal value under section 269TAC(1).

8.1 Arms length

8.1.1 Related party customers

In respect of Yieh Phui's domestic sales of like goods to its related customers during the review period, the verification team found no evidence that:

- there was any consideration payable for, or in respect of, the goods other than its price; or
- the price was influenced by a commercial or other relationship between the buyer, or an associate of the buyer, and the seller, or an associate of the seller; or
- the buyer, or an associate of the buyer, was directly or indirectly reimbursed, compensated or otherwise receive a benefit for, or in respect of, the whole or any part of the price.⁵

The verification team therefore considers that all domestic sales made by Yieh Phui to its related customers during the review period were arms length transactions.

The verification team compared the domestic quarterly weighted average unit selling prices for all MCCs during the review period of Yieh Phui's related customers by reference to the price to unrelated customers. The verification team noted that weighted average unit price for one related entity, Shin Phui Steel, was slightly lower while for another related entity, Yieh United Steel, was slightly higher compared to unrelated customers. At the visit, Yieh Phui stated that the lower unit price to the related entity was provided as the grade of steel was of very low quality. The verification team noted that the volume of sales were very low (less than 1 per cent) for this related customer and did not pursue this issue any further.

8.1.2 Unrelated customers

In respect of Yieh Phui's domestic sales of like goods to its unrelated customers during the review period, the verification team found no evidence that:

- there was any consideration payable for, or in respect of, the goods other than its price; or
- the price was influenced by a commercial or other relationship between the buyer, or an associate of the buyer, and the seller, or an associate of the seller; or
- the buyer, or an associate of the buyer, was not directly or indirectly reimbursed, compensated or otherwise received a benefit for, or in respect of, the whole or any part of the price.

The verification team therefore considers that all domestic sales made by Yieh Phui to its unrelated domestic customers during the review period were arms length transactions.

⁵ Section 269TAA of the Act refers.

8.2 Ordinary course of trade

Section 269TAAD states that domestic transactions are not in the ordinary course of trade (OCOT) if arms length transactions are:

- unprofitable in substantial quantities over the review period; and
- unlikely to be recoverable within the review period.

The verification team tested profitability by comparing the price at ex-works (EXW) against the relevant cost for each domestic sales transaction.

The team then tested whether the unprofitable sales were in substantial quantities (not less than 20%) by comparing the volume of unprofitable sales to the total sales volume for each MCC over the review period.

The verification team tested recoverability by comparing the price at EXW against the relevant weighted average cost over the review period for each domestic sales transaction. The following table sets out further details:

OCOT particulars	Details
Price	Net invoice price, excluding direct selling expenses
Cost	Quarterly cost to make and sell, excluding direct selling expenses
Weighted average cost	Weighted average cost to make and sell, excluding direct selling expenses, over the review period.

Table 9: OCOT details

8.3 Suitability of domestic sales

Subparagraph 269TAC(2)(a)(i) provides that the normal value of the goods exported to Australia cannot be ascertained under section 269TAC(1) where there is an absence, or low volume, of sales of like goods in the market of the country of export. Domestic sales of like goods are taken to be in a low volume pursuant to section 269TAC(14) where the total volume of like goods is less than five percent of the total volume of the goods under consideration that are exported to Australia (unless the Minister is satisfied that the volume is still large enough to permit a proper comparison).

The verification team assessed the total volume of like goods as a percentage of the goods exported to Australia for the whole review period and found that the domestic sales were sufficient. As a result, the normal value was ascertained under section 269TAC(1).

As per the *Dumping and Subsidy Manual*⁶, where the total volume of like goods is greater than five percent of the total volume of the goods under consideration, and where comparable models exist, the Commission also tests the suitability of domestic sales of like goods individually for each model type.

⁶ Available at www.industry.gov.au.

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The verification team’s assessment of the suitability of domestic models to the models exported to Australia is further detailed below:

Export MCC	Sufficient domestic sales of identical MCC	Surrogate MCC	Treatment of normal value where there were insufficient domestic sales of identical MCC
NA-P-C-Z-2-A-4-B-C	Y	Not applicable	Sufficient sales volumes available for TAC(1).
NA-P-C-Z-2-A-5-B-C	Y	Not applicable	
NA-P-C-Z-3-D-5-B-C	Y	Not applicable	
NA-P-C-Z-3-D-6-B-C	Y	Not applicable	
NA-P-H-Z-3-E-8-B-C	Y	Not applicable	
NA-P-C-Z-3-C-3-B-C	N	NA-P-C-Z-3-D-5-B-C	Insufficient sales, therefore normal values determined under TAC(1) with a specification adjustment under TAC(8) using differences in cost to make between the export MCC and the surrogate MCC plus an amount profit
NA-P-C-Z-3-C-4-B-C	N	NA-P-C-Z-3-D-5-B-C	
NA-P-C-Z-3-C-4-C-C	N	NA-P-C-Z-3-D-5-B-C	
NA-P-C-Z-3-C-5-B-C	N	NA-P-C-Z-3-D-5-B-C	
NA-P-C-Z-3-C-5-C-C	N	NA-P-C-Z-3-D-5-B-C	
NA-P-C-Z-3-C-6-B-C	N	NA-P-C-Z-3-D-6-B-C	
NA-P-C-Z-3-E-6-B-C	N	NA-P-C-Z-3-D-6-B-C	
NA-P-C-Z-3-F-4-B-C	N	NA-P-C-Z-3-D-5-B-C	
NA-P-C-Z-3-F-5-B-C	N	NA-P-C-Z-3-D-5-B-C	
NA-P-C-Z-4-E-5-B-C	N	NA-P-C-Z-3-D-5-B-C	
NA-P-C-Z-4-E-6-B-C	N	NA-P-C-Z-3-D-6-B-C	
NA-P-C-Z-5-C-6-A-C	N	NA-P-C-Z-3-D-6-B-C	
NA-P-C-Z-5-C-6-B-C	N	NA-P-C-Z-3-D-6-B-C	
NA-P-H-Z-3-C-6-B-C	N	NA-P-H-Z-3-E-8-B-C	
NA-P-H-Z-3-C-7-B-C	N	NA-P-H-Z-3-E-8-B-C	
NA-P-H-Z-3-C-8-B-C	N	NA-P-H-Z-3-E-8-B-C	
NA-P-H-Z-3-C-8-C-C	N	NA-P-H-Z-3-E-8-B-C	
NA-P-H-Z-3-E-6-B-C	N	NA-P-H-Z-3-E-8-B-C	
NA-P-H-Z-3-E-7-B-C	N	NA-P-H-Z-3-E-8-B-C	
NA-P-H-Z-4-E-6-B-C	N	NA-P-H-Z-3-E-8-B-C	
NA-P-H-Z-4-E-7-A-C	N	NA-P-H-Z-3-E-8-B-C	
NA-P-H-Z-4-E-7-B-C	N	NA-P-H-Z-3-E-8-B-C	
NA-P-H-Z-4-E-8-B-C	N	NA-P-H-Z-3-E-8-B-C	
NA-P-H-Z-4-E-8-C-C	N	NA-P-H-Z-3-E-8-B-C	
NA-P-H-Z-5-C-7-B-C	N	NA-P-H-Z-3-E-8-B-C	
NA-P-H-Z-5-C-8-B-C	N	NA-P-H-Z-3-E-8-B-C	
All sales	Y		

Table 10: Sufficiency test

As outlined in table 10 above, the verification team found that there were sufficient domestic sales volumes of identical MCCs made in OCOT for five MCCs exported to Australia.

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For the other twenty six MCCs exported to Australia, the verification team found insufficient sales of the identical MCCs and as such found sufficient domestic sales volumes of surrogate models based on the MCCs with the closest physical characteristics under the MCC hierarchy structure. In relying on surrogate models, the verification team considered cost based specification adjustments under TAC(8) is warranted to ensure fair comparison between the export model and surrogate domestic model as detailed in section 9 of this report.

9 ADJUSTMENTS

To ensure the normal value is comparable to the export price of goods exported to Australia at free-on-board (FOB) terms, the verification team has considered the following adjustments in accordance with section 269TAC(8).

9.1 Rationale and Method

Adjustment type	Assessment for adjustment	Calculation method and evidence	Claimed in REQ?	Adjustment required?
Domestic credit terms	Credit terms on domestic sales of like goods sold in OCOT were on a weighted average basis materially different to credit terms offered on export sales.	For normal values established under TAC(1), the cost of credit is based on the credit term period reported for each invoice, an appropriate interest rate and the net invoice value.	N	Y
Domestic inland transport	Inland transport costs were incurred in relation to certain domestic sales.	Inland freight was calculated based on total inland freight allocated by sales revenue. The adjustment is based on the unit inland freight allocated by sales quantity.	N	Y
Domestic packaging	Some domestic like goods had similar packaging compared to exported goods.	Relying on the costs from the relevant accounts in the financial records to work out the weighted average unit cost of packing.	N	Y
Domestic Warranty	Some domestic sales had a warranty rebate expense.	Relying on the warranty amount applicable to each sale to work out the weighted average unit cost of the warranty.	N	Y
Export packaging	Generally exported like goods had different packaging compared to domestic goods.	Relying on the costs from the relevant accounts in the financial records to work out the weighted average unit cost of packing.	N	Y
Export inland transport	Inland transport costs were incurred in relation to export sales at levels which were materially different to the cost of domestic inland transport.	Yieh Phui worked out the inland transport costs per kilogram and allocated to each transaction by sales value. The adjustment is applied by using the total verified inland transport cost incurred on Australian export and divided by the total sales quantity in kilograms.	N	Y

PUBLIC RECORD

Export port charges	Port handling charges were incurred in relation to Yieh Phui exports of the goods to Australia.	Yieh Phui worked out the port handling costs per kilogram and allocated to each transaction by sales value. The adjustment is applied by using the total verified port handling cost incurred on Australian export and divided by the total sales quantity in kilograms.	N	Y
Export credit terms	Credit terms on export of the goods were on a weighted average basis materially different to credit terms offered on domestic sales.	The cost of credit is based on the weighted average of the payment terms reported for each invoice, an appropriate interest rate and the net invoice value.	N	Y
Export other selling charges	Other selling export expenses of the goods were on a weighted average basis materially different to domestic sales.	Yieh Phui worked out other selling costs per kilogram and allocated to each transaction by sales value. The adjustment is applied by using the total verified other cost incurred on Australian export and divided by the total sales quantity in kilograms.	N	Y
Specification adjustment	For MCCs that have insufficient OCOT sales, surrogate MCC price was used plus the difference between the cost to make of the surrogate MCC and the actual MCC plus an amount of profit.	Yieh Phui provided cost data of all MCCs. The verification team has calculated: <ul style="list-style-type: none"> the weighted average cost to make per unit difference between the actual MCC and surrogate MCC and added an amount of OCOT profit. added this costs difference to the surrogate unit price for each quarter over the review period. 	N	Y
Timing Adjustment	Where the exported goods has no normal value for a particular quarter, a normal value of the earlier quarter was used plus a timing adjustment.	The percentage difference between the weighted average unit normal value over the review period from all MCCs was calculated and applied as required.	N	Y

Table 11: Assessment of adjustments

9.2 Adjustments Summary

The verification team considers the following adjustments under section 269TAC(8) are necessary to ensure that the normal value so ascertained is properly compared with the export price of those goods.

PUBLIC RECORD

Adjustment Type	Deduction/addition
Domestic credit terms	Deduct an amount for domestic credit
Domestic inland transport	Deduct an amount for domestic inland transport
Domestic packaging	Deduct an amount for domestic packaging
Domestic Warranty	Deduct an amount for domestic warranty
Export packaging	Add an amount for export packaging
Export inland transport	Add an amount for export inland transport
Export port charges	Add an amount for port charges
Export other selling charges	Add an amount for other selling charges
Export credit terms	Add an amount for export credit terms
Specification adjustment	Add or deduct an amount for a difference in specification
Timing adjustment	Add or deduct timing difference

Table 12 Summary of adjustments

The verification team's preliminary adjustment calculations are included in normal value calculations at **Confidential Appendix 4**.

10 NORMAL VALUE

10.1 Normal values ascertained under section 269TAC(1)

The verification team found the following models with sufficient volumes of domestic sales of the goods, exported to Australia, that were arms length transactions and at prices that were within the OCOT. The verification team is therefore satisfied that the prices paid in respect of domestic sales of these models of the goods are suitable for assessing normal value under section 269TAC(1).

Export MCCs	Sufficient domestic sales of identical MCC	Model
NA-P-C-Z-2-A-4-B-C	Y	Sufficient sales volumes available for TAC(1).
NA-P-C-Z-2-A-5-B-C	Y	Sufficient sales volumes available for TAC(1).
NA-P-C-Z-3-D-5-B-C	Y	Sufficient sales volumes available for TAC(1).
NA-P-C-Z-3-D-6-B-C	Y	Sufficient sales volumes available for TAC(1).
NA-P-H-Z-3-E-8-B-C	Y	Sufficient sales volumes available for TAC(1).

Table 13: Normal values under TAC(1) based on sales in OCOT

The verification team also found that the following models did not have sufficient sales in OCOT, when compared to the volume of the equivalent export MCC. However the verification team was able to determine the normal value for those models under section TAC(1) using the normal value of suitable surrogate models and adjustments under section 269TAC(8) to account for specification cost differences.

Export MCCs	Sufficient domestic sales of identical MCC	Surrogate Model (adjusted for differences in cost to make plus an amount of profit).
NA-P-C-Z-3-C-3-B-C	N	NA-P-C-Z-3-D-5-B-C
NA-P-C-Z-3-C-4-B-C	N	NA-P-C-Z-3-D-5-B-C
NA-P-C-Z-3-C-4-C-C	N	NA-P-C-Z-3-D-5-B-C
NA-P-C-Z-3-C-5-B-C	N	NA-P-C-Z-3-D-5-B-C
NA-P-C-Z-3-C-5-C-C	N	NA-P-C-Z-3-D-5-B-C
NA-P-C-Z-3-C-6-B-C	N	NA-P-C-Z-3-D-6-B-C
NA-P-C-Z-3-E-6-B-C	N	NA-P-C-Z-3-D-6-B-C
NA-P-C-Z-3-F-4-B-C	N	NA-P-C-Z-3-D-5-B-C
NA-P-C-Z-3-F-5-B-C	N	NA-P-C-Z-3-D-5-B-C
NA-P-C-Z-4-E-5-B-C	N	NA-P-C-Z-3-D-5-B-C
NA-P-C-Z-4-E-6-B-C	N	NA-P-C-Z-3-D-6-B-C
NA-P-C-Z-5-C-6-A-C	N	NA-P-C-Z-3-D-6-B-C

PUBLIC RECORD

Export MCCs	Sufficient domestic sales of identical MCC	Surrogate Model (adjusted for differences in cost to make plus an amount of profit).
NA-P-C-Z-5-C-6-B-C	N	NA-P-C-Z-3-D-6-B-C
NA-P-H-Z-3-C-6-B-C	N	NA-P-H-Z-3-E-8-B-C
NA-P-H-Z-3-C-7-B-C	N	NA-P-H-Z-3-E-8-B-C
NA-P-H-Z-3-C-8-B-C	N	NA-P-H-Z-3-E-8-B-C
NA-P-H-Z-3-C-8-C-C	N	NA-P-H-Z-3-E-8-B-C
NA-P-H-Z-3-E-6-B-C	N	NA-P-H-Z-3-E-8-B-C
NA-P-H-Z-3-E-7-B-C	N	NA-P-H-Z-3-E-8-B-C
NA-P-H-Z-4-E-6-B-C	N	NA-P-H-Z-3-E-8-B-C
NA-P-H-Z-4-E-7-A-C	N	NA-P-H-Z-3-E-8-B-C
NA-P-H-Z-4-E-7-B-C	N	NA-P-H-Z-3-E-8-B-C
NA-P-H-Z-4-E-8-B-C	N	NA-P-H-Z-3-E-8-B-C
NA-P-H-Z-4-E-8-C-C	N	NA-P-H-Z-3-E-8-B-C
NA-P-H-Z-5-C-7-B-C	N	NA-P-H-Z-3-E-8-B-C
NA-P-H-Z-5-C-8-B-C	N	NA-P-H-Z-3-E-8-B-C

Table 54: TAC(1) normal values based on other TAC(1) surrogate models

The verification team is therefore satisfied that the prices paid in respect of domestic sales of the surrogate models of the goods are suitable for assessing normal value under section 269TAC(1).

In using domestic sales as a basis for normal value, the verification team considers that certain adjustments, in accordance with section 269TAC(8), are necessary to ensure fair comparison of normal values with export prices, as outlined in section 9 above.

The verification team’s preliminary normal value calculations are at **Confidential Appendix 4**.

11 DUMPING MARGIN

The dumping margin has been assessed by comparing weighted average Australian export prices to the corresponding quarterly weighted average normal value for the review period, in accordance with paragraph 269TACB(2)(a) of the Act.

The dumping margin in respect of the goods exported to Australia by Yieh Phui Enterprise Co., Ltd for the review period is **5.3 per cent**.

Details of the preliminary dumping margin calculation are at **Confidential Appendix 5**.

12 APPENDICES AND ATTACHMENTS

Confidential Appendix 1	Export price
Confidential Appendix 2	Cost to make and sell
Confidential Appendix 3	Domestic sales, OCOT and profitability
Confidential Appendix 4	Normal Value
Confidential Appendix 5	Dumping Margin
Confidential Attachment 1	Verification work program