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**Public Record**

**Investigation No. 558**

**Aluminium zinc coated steel of a width equal to or greater  
than 600 millimeters**

**Exported from Socialist Republic of Vietnam**

**File note**

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The Anti-Dumping Commission (Commission) conducted a benchmark verification of the response to the exporter questionnaire (REQ) by Hoa Phat Steel Sheet One Member Limited Liability Company (Hoa Phat).<sup>1</sup> The verification involved targeted procedures informed by risk and consistent with Anti-Dumping Notice No. 2016/030 to satisfy the verification team of the accuracy, relevance and completeness of the REQ.

This file note details the findings, analysis, evidence relied upon, and reasoning on key verification outcomes of data submitted to the Commission by the verification teams for publication on the public record.

This file note provides interested parties with information regarding all material aspects of the verification, including explanations of any material issues identified during the verification. This file note outlines the nature, extent and consequences of any changes made to the data submitted, including data corrections made by the company or by the verification team.

Verification teams are authorised to conduct verifications under section 269SMG and 269SMR of the *Customs Act 1901* (Cth) (the Act).<sup>2</sup>

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<sup>1</sup> EPR 558 , Item 17

<sup>2</sup> References to any section in this report relate to provisions of the Act, unless specifically stated otherwise.

**PHAT STEEL SHEET ONE MEMBER LIMITED LIABILITY COMPANY**

**Benchmark verification of cost to make and sell (CTMS)**

Hoa Phat provided cost data for the period. Following a benchmark of Hoa Phat's cost data, the verification team considers the cost information provided for 1 April 2019 to 31 December 2019 is unreliable. However, the cost information provided for 1 January 2020 to 31 March 2020 was found to be reliable.

Details of this verification process are contained in the verification work program and its relevant attachments, at **Confidential Attachment 1**

**Export price**

The Commission considers Hoa Phat to be the exporter of the goods as Hoa Phat:

- Hoa Phat being named as the seller on the commercial invoice;
- Hoa Phat being named as the shipper on the bill of lading;
- Hoa Phat being the manufacturer of the goods located in the country of export;
- There is no intermediary company arranging transportation of the goods to the port of export to Australia; and
- Hoa Phat know that the goods are destined for Australia.

The Commission is satisfied that for all Australian export sales during the period that Hoa Phat was the exporter of the goods and were sold to unrelated parties.

In respect of Hoa Phat's Australian sales of the goods to its unrelated customers during the period, the Commission found no evidence that:

- there is any consideration payable other than the price;
- the price is influenced by a commercial or other relationship; and
- the buyer/buyer's associate been reimbursed or compensated by the seller/seller's associate.

The verification team therefore considers that all export sales made by Hoa Phat to its Australian customers, all of whom were unrelated, during the period were 'arms length' transactions.

In respect of Australian sales of the goods by Hoa Phat, the verification team has determined an export price under section 269TAB(1)(a), as the price paid by the importer to the exporter less transport and other costs arising after exportation.

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

## PUBLIC RECORD

### Normal value

The application has claimed that the situation in the market in the country of export is such that sales in that market are not suitable for use in determining a normal value under section 269TAC(1) (section 269TAC(2)(a)(ii)). Where section 269TAC(2)(a)(ii) is satisfied, normal value may be constructed under section 269TAC(2)(c).

The verification team has not considered whether section 269TAC(2)(a)(ii) is satisfied. Therefore, the verification team has not calculated a normal value and has referred the calculation of the normal value to the case management team.

The verification team recommends that, in the event the normal value is determined under section 269TAC(2)(c), certain adjustments in accordance with section 269TAC(9) are necessary to ensure that normal values are properly comparable with export prices.

### Adjustments

The verification team considers the following adjustments under section 269TAC(8) or 269TAC(9) are necessary to ensure that the normal value so ascertained is properly compared with the export price of those goods.

<b>Adjustment Type</b>	<b>Deduction/addition</b>
Domestic inland transport	Deduct an amount for domestic inland transport
Domestic credit terms	Deduct an amount for domestic credit
Export port handling charges	Add an amount for port and handling charges
Export inland transport	Add an amount for export inland transport

**Table 1: Summary of adjustments – Hoa Phat**

### Dumping margin

Normal values were not determined as part of the verification process. As such, the verification team was not able to calculate a dumping margin for the goods exported to Australia by Hoa Phat for the period. The calculation of the dumping margin has been referred to the case management team and will be detailed in the Statement of Essential Facts.

## PUBLIC RECORD

### CONFIDENTIAL APPENDICES

<b>Confidential Appendix 1</b>	Export price
<b>Confidential Appendix 2</b>	Cost to make and sell
<b>Confidential Attachment 1</b>	Verification work program