



Questionnaire - China All exporters other than Dalian Steelforce Hi-Tech Co., Ltd Tianjin Youfa International Co., Ltd

Case number: 590

Product: Hollow Structural Sections

From: People's Republic of China, Republic of Korea,
Malaysia and Taiwan

Inquiry period: 1 July 2020 to 30 June 2021 (the period)

Response due by: 29 October 2021

Email enquiries to: investigations3@adcommission.gov.au

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

Responses to the exporter questionnaire must be submitted via SIGBOX. Please contact the commission on the above email address to request access to SIGBOX.

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INSTRUCTIONS

Why you have been asked to fill out this questionnaire?

The Commissioner of the Anti-Dumping Commission (the Commissioner), has initiated an inquiry into whether the anti-dumping measures applying to certain hollow structural sections (HSS or the goods) should continue or expire. The anti-dumping measures apply to goods exported to Australia from the People's Republic of China (China), the Republic of Korea (ROK), Malaysia and Taiwan (collectively, the subject countries).

Please refer to Anti-Dumping Notice No. 2021/122 (ADN No. 2021/122) on the Anti-Dumping Commission (the commission) website (www.adcommission.gov.au) for a detailed description of the goods and more information about the continuation process.

The Commissioner proposes to make findings, with respect to the dumping duty notice for exports of the goods from China, on the basis of the information obtained from an examination of a selected number of exporters.

In this instance, the Commissioner intends to select the following two exporters from China for examination in respect of the dumping duty notice (selected exporters):

- Tianjin Youfa International Co., Ltd.
- Dalian Steelforce Hi-Tech Co., Ltd.

All other exporters of the goods from China (other than the selected exporters) are requested to complete this 'non-selected exporter questionnaire'. This includes information relevant to the receipt of countervailable subsidies (noting that the Commissioner's intention to sample only applies to the dumping duty notice).

By completing this questionnaire, non-selected exporters of the goods (other than selected exporters) will be regarded as 'residual exporters' for the purposes of the dumping duty notice for this inquiry, if their exports are not examined as part of the inquiry and they are not an uncooperative exporter in relation to the inquiry.

Important note: For the purpose of this inquiry, a selected exporter who does not complete the selected exporter questionnaire or any other exporter from China who does not complete this questionnaire, may be considered as an uncooperative exporter and a non-cooperating entity.

What happens if you do not respond to this questionnaire?

You do not have to complete the questionnaire. However, if you do not respond, do not provide all of the information sought, do not provide information within a reasonable time period, or do not allow the commission to verify the information, we may deem your company to be an uncooperative exporter and a non-cooperating entity. In that case the commission must determine a dumping margin and/or a subsidy margin having regard to all relevant information.

Therefore, it is in your interest to provide a complete and accurate response to this questionnaire, capable of verification.

Extension requests

If you require a longer period to complete your response to this exporter questionnaire, you must submit a request to the commission, in writing, for an extension to the due date for all or part of the questionnaire. This request must be made prior to the due date. A request for extension will be rejected if received after the due date.

When considering the extension request, the commission will have regard to:

- the commission's responsibility to conduct the case in a timely and efficient manner;
- the reasons why you could not provide a response within the whole period and not only the period remaining between the request and the due date;
- ordinary business practices or commercial principles;

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- the commission's understanding of the relevant industry;
- previous correspondence and previous dealings with your company; and
- information provided by other interested parties.

More information on extensions can be found in the Customs (Extension of Time and Non-cooperation) Direction 2015 at <https://www.legislation.gov.au/Details/F2015L01736>.

You will be informed of the decision whether your request for an extension has been rejected, granted in full or granted in part. For example, you may be granted an extension to submit all sections except for Section A or you may be granted a shorter extension than you requested.

A summary of any requests and grants of extensions to submit a response to this exporter questionnaire will be published in the public record.

Submitting a response to the exporter questionnaire

Responses to the exporter questionnaire should be lodged via SIGBOX, a secure online document repository. Please contact the commission on the email address listed on the cover page to request access to SIGBOX.

In submitting the response to the exporter questionnaire, you must answer all questions, include all attachments and spreadsheets, and provide a non-confidential version of your response to this exporter questionnaire.

If your response to this exporter questionnaire contains major deficiencies that, in the commissioner's view, cannot be quickly and easily rectified in a further response, then your company may be considered as an uncooperative exporter.

Confidential and non-confidential responses

You are required to lodge a confidential version (OFFICIAL: Sensitive) and a non-confidential version (for publishing on the public record) of your response to this exporter questionnaire by the due date. Please ensure that *each page* of information you provide is clearly marked either "**OFFICIAL: Sensitive**" or "**PUBLIC RECORD**".

All information provided to the commission in confidence will be treated accordingly. The public record version of your questionnaire will be placed on the public record, and must contain sufficient detail to allow a reasonable understanding of the substance of the information without breaching confidentiality.

A person is not required to provide a summary for the public record if the commission can be satisfied that no such summary can be given that would allow a reasonable understanding of the substance of the information.

All questionnaires are required to have a bracketed explanation of deleted or blacked out information for the public record version of the questionnaire. An example of a statement to accompany deleted/blacked out text is:

[Explanation of cost allocation through the divisions, by reference to machine hours or weight].

If such an explanation is not provided, the commission may disregard the information in the submission. Where the public record version of your response to the exporter questionnaire does not contain sufficient detail, your company may be requested to resubmit your response with the required level of detail or, if deadlines have passed, the commission may not have regard to it.

Verification of the information that you supply

The commission may wish to conduct a verification of your questionnaire response for completeness, relevance and accuracy of the information to your company's records.

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The verification is not meant to be a chance for you to provide new or additional information. The commission expects your response to the questionnaire to be relevant, complete and accurate.

The verification may include commission staff visiting your company to conduct on onsite verification¹. Any onsite verification typically commences approximately 2 to 4 weeks after the due date of the response to the exporter questionnaire. To assist with the planning of a verification, please contact the commission as soon as possible for a potential verification date to be scheduled.

The onsite verification is usually conducted over 4 days. However, in complex cases, it may be scheduled over 5 days. A verification will include a detailed examination of your company's records and we will collect copies of relevant documents. The verification will require the participation of key staff, including your financial accountant, production manager and sales staff. A tour of the manufacturing facility may also be required during the verification.

The commission may elect to undertake an alternative verification methodology, rather than an onsite verification, to satisfy itself of the completeness, relevance and accuracy of the data.

Note that the commission may disregard any data or information that is not verified, including new or additional information provided after the verification visit.

A report will be prepared following the verification, which details the outcomes of the verification. This report will be placed on the public record and may include the publication of the preliminarily-assessed subsidy margin. The commission considers that the subsidy margin is not confidential information, but rather an aggregate figure derived from confidential data.

You will be provided with an opportunity to comment on the accuracy and confidentiality of the verification report prior to its publication on the public record.

For information on the commission's verification procedures, refer to Anti-Dumping Notice No. 2016/30 available on the commission's website.

Important instructions for preparing your response

- All questions in this exporter questionnaire must be completed. If a question is not applicable to your situation, please answer the question with "Not Applicable" and provide an explanation as to why.
- All questions must be answered in English. An English translation must be provided for documents not originally in English. To the extent that the foreign language version differs, the English translation will be given priority as a matter of interpretation in Australia.
- Clearly identify all units of measurement (e.g. KG) and currencies (e.g. AUD) used. Apply the same measurement consistently throughout your response to the questionnaire.
- Label all attachments to your response according to the section of the questionnaire it relates to (e.g. label the chart of accounts as Attachment A-4.6)
- The data must be created as spreadsheet files in Microsoft Excel.
- If you have used formulas to complete spreadsheets, these formulas must be retained and not hard-coded.
- You must retain all worksheets used in answering the questionnaire. Be prepared to provide these worksheets during the commission's verification of your data.

¹ The commission has temporarily suspended onsite verification due to the COVID-19 pandemic (refer to Anti-Dumping Notice No. 2020/29). However, your response to the exporter questionnaire may still be subject to onsite verification should the suspension of onsite verifications be lifted.

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- If you cannot present electronic data in the requested format contact the case officer as soon as possible.
- Where possible, electronic data should be shared with the commission via SIGBOX, a secure online document repository. Please contact the commission to request access to SIGBOX if required.

CHECKLIST

This section is an aid to ensure that you have completed all sections of this questionnaire.

Section	Please tick if you have responded to all questions
Section A – Company information	<input checked="" type="checkbox"/>
Section B – Countervailing	<input checked="" type="checkbox"/>
Exporter's declaration	<input checked="" type="checkbox"/>
Non-confidential version of this response	<input checked="" type="checkbox"/>

Attachments	Please tick if you have provided the spreadsheet
A-4.7 Company turnover	<input checked="" type="checkbox"/>
A-4.8 Capacity utilisation	<input checked="" type="checkbox"/>
B-1.2 Raw material purchases	<input checked="" type="checkbox"/>
B-2 Income tax	<input checked="" type="checkbox"/>
B-3 Grants	<input checked="" type="checkbox"/>
B-4 Other programs	<input checked="" type="checkbox"/>

GOODS UNDER CONSIDERATION / GOODS SUBJECT TO ANTI-DUMPING MEASURES

The goods subject to the anti-dumping measures and this inquiry are:

certain electric resistance welded pipe and tube made of carbon steel, comprising circular and non-circular hollow sections in galvanised and non-galvanised finishes. The goods are normally referred to as either CHS (circular hollow sections) or RHS (rectangular or square hollow sections). The goods are collectively referred to as HSS (hollow structural sections). Finish types for the goods include in-line galvanised (ILG), pre-galvanised or hot-dipped galvanised (HDG) and non-galvanised HSS.

Sizes of the goods are, for circular products, those exceeding 21 mm up to and including 165.1 mm in outside diameter and, for oval, square and rectangular products those with a perimeter up to and including 1277.3 mm.

The goods are generally, but not exclusively, classified to the following tariff subheadings of Schedule 3 to the *Customs Tariff Act 1995*.²

Tariff Subheading	Statistical Code	Description
7306		OTHER TUBES, PIPES AND HOLLOW PROFILES (FOR EXAMPLE, OPEN SEAM OR WELDED, RIVETED OR SIMILARLY CLOSED), OF IRON OR STEEL:
7306.30.00		Other, welded, or circular cross-section, of iron or non-alloy steel:
		Exceeding 21 mm but not exceeding 60.3 mm external diameter:
	31	Wall thickness not exceeding 25 mm
	32	Wall thickness exceeding 2.5 mm but not exceeding 3.6 mm
	33	Wall thickness exceeding 3.6 mm
		Exceeding 60.3 mm but not exceeding 114.3 mm external diameter:
	34	Wall thickness not exceeding 3.2 mm
	35	Wall thickness exceeding 3.2 mm but not exceeding 4.5 mm
	36	Wall thickness exceeding 5.4 mm
	37	Exceeding 114.3 but not exceeding 165.1 mm external diameter
7306.50.00	45	Other, welded, or circular cross-section, of other alloy steel
7306.6		Other welded, of non-circular cross-section:
7306.61.00		Of square or rectangular cross-section of iron or non-alloy steel:
		Not exceeding 279.4 mm perimeter:
	21	Wall thickness not exceeding 2 mm
	22	Wall thickness exceeding 2 mm
	25	Exceeding 279.4 mm
	90	Other
7306.69.00	10	Of other non-circular cross-section

Table 1: General tariff classification for the goods

² The tariff subheadings 7306.61.00 (90) and 7306.50.00 (45) only apply to the following exporters/suppliers: Dalian Steeforce Hi-Tech Co. (China); Tianjin Friend Steel Pipe Co., Ltd (China); Tianjin Ruitong Iron and Steel Co., Ltd (China); Roswell S A R Ltd (China); and Alpine Pipe Manufacturing SDN BHD (Malaysia).

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The goods subject to the anti-dumping measures do not include categories of HSS that includes conveyor tube, precision RHS with a nominal thickness of less than 1.6 mm and air heater tubes to Australian Standard (AS) 2556.

Model Control Code

Details of the model control code (MCC) structure for the goods are detailed in the table below. Export sales data (Section B-2) submitted in this response must follow this MCC structure. At a minimum, the data must report sales separately for each of the mandatory MCC categories identified by the commission.

Item	Category	Sub-category	Identifier	Sales Data	Cost data
1	Prime	Prime	P	Mandatory	Not applicable
		Non-Prime / downgrade	N		
2	Galvanising	Galvanised	G	Mandatory	Mandatory
		None (e.g. mill finish, 'black')	N		
3	Finish	Oiled	O	Mandatory	Mandatory
		Painted	P		
		Anti-rust treatment	R		
		No coating	N		
4	Shape	Circular	C	Mandatory	Mandatory
		Rectangular or square	R		
		Oval	O		
5	Steel grades - nominal minimum yield strength	Steel grade with nominal minimum yield strength less than or equal to 300 MPa	250	Mandatory	Mandatory
		Steel grade with nominal minimum yield strength greater than 300 MPa but less than 380 MPa	350		
		Steel grade with nominal minimum yield strength equal to or greater than 380 MPa	450		
		Steel grade with no nominal yield strength	N		
6	Ends	Plain	P	Optional	Optional
		Threaded (at one or both ends)	T		
		Threaded and coupled	C		

In constructing a MCC, use a "-" between each category. For example: A-B-C...

If there are models manufactured and sold by your company that do not align within the MCC structure above, this should be raised by lodging a submission with the commission as soon as is practicable, but no later than the time this questionnaire is due, otherwise the response may be deemed deficient.

SECTION A COMPANY INFORMATION

A-1 Company representative and location

1. Please nominate a contact person within your company:
Name: [CONFIDENTIAL, personal information]
Position in the company: Manager of Export Department
Telephone: [CONFIDENTIAL, personal information]
E-mail address: [CONFIDENTIAL, personal information]
2. If you have appointed a representative, provide the their contact details:
Name: [CONFIDENTIAL, personal information]
Address: Dentons China, LLP,
5/F, Building B1 Yuxing Palza, NO.56 Middle Road
of Huangshan Avenue, Yubei District, Chongqing,
China

Telephone: [CONFIDENTIAL, personal information]
E-mail address: [CONFIDENTIAL, personal information]

In nominating a representative, you are granting authority to the commission to discuss matters relating to the case with the nominated representative, including your company's confidential information.

3. Please provide the location of the where your company's financial records are held.
RESPONSE:

The company's financial records are held at the office of the company, which is No.1, Xiangsu East Road, North Industrial Base, Taocheng District, Hengshui City, Hebei Province, China.
4. Please provide the location of the where your company's production records are held.
RESPONSE:

The company's production records are held at the office of the company as provided in the above question.
5. Please provide the location of your company's production plant manufacturing the goods under consideration.
RESPONSE:

The company's production plant manufacturing the goods under consideration are held at the office of the company as provided in the above question.

A-2 Company information

1. What is the legal name of your business?
RESPONSE:

The legal name of our business is Hengshui Jinghua Steel Pipe Co., Ltd. ("Hengshui Jinghua").
2. Does your company trade under a different name and/or brand? If yes, provide details.
RESPONSE:

No different name was used by Hengshui Jinghua.
3. Was your company ever known by a different legal and/or trading name? If yes, provide details

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RESPONSE:

Hengshui Jinghua was known by Hengshui Jinghua Welded Pipe Factory before October, 2002.

4. Provide a list of your current board of directors and any changes in the last two years.

RESPONSE:

The board of directors has changed in personnel on October 21, 2019. Please refer to [CONFIDENTIAL [Exhibit A-2-4 List of Board of Directors](#)] for the information.

5. Is your company part of a group (e.g. parent company with subsidiaries, common ownership, joint-ventures)? If yes, provide:

- A diagram showing the complete ownership structure; and
- A list of all related companies and its functions

RESPONSE:

Please refer to [CONFIDENTIAL [Exhibit A-3-5 Corporate structure](#)] for the requested information.

6. Is your company or parent company publically listed?

If yes, please provide:

- The stock exchange where it is listed; and
- Any principle shareholders³

If no, please provide:

- (a) A list of all principal shareholders and the shareholding percentages.

RESPONSE:

No, neither Hengshui Jinghua nor its parent company is listed publicly. Please refer to [CONFIDENTIAL [Exhibit A-3-5 Corporate structure](#)] for the list of shareholders and shareholding percentages.

7. What is the overall nature of your company's business? Include details of the products that your company manufactures and sells and the market your company sells into.

RESPONSE:

Hengshui Jinghua is a manufacturer of the GUC and it sells the GUC directly to the customers in domestic and foreign markets.

8. If your business does not perform all of the following functions in relation to the goods under consideration, then please provide names and addresses of the companies which perform each function:

- (a) produce or manufacture;
- (b) sell in the domestic market;
- (c) export to Australia; and
- (d) export to countries other than Australia.

RESPONSE:

Not applicable, Hengshui Jinghua is a manufacturer of the GUC and it sells the GUC directly to the customers in domestic and foreign markets including Australia.

9. Provide your company's internal organisation chart.

RESPONSE:

Please refer to [CONFIDENTIAL [Exhibit A-2-9 Internal organisation chart](#)].

10. Describe the functions performed by each group within the organisation.

³ Principal shareholders are those who are able to cast, or control the casting of, 5% or more of the maximum amount of votes that could be cast at a general meeting of your company.

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RESPONSE:

Please refer to [\[CONFIDENTIAL Exhibit A-2-9 Internal organisation chart\]](#) for the functions performed by each department within the company.

11. Does your company produce brochures, pamphlets or other promotional material? If yes, please provide them.

RESPONSE:

Please refer to [\[CONFIDENTIAL Exhibit A-2-11 Brochure\]](#).

12. Are any of your company's operations in a Special Economic Area, Economic and Technical Development Zone, Bonded Zone, Export Processing Zone, High Technology Industrial Development Zone, the Western Regions, or any other similarly designated area?

RESPONSE:

Not applicable.

13. If your answer to question A-2-12 above is "Yes":

- Advise if any benefits (e.g. grants, reduced liabilities on commercial interest rates, etc.) from the Government of China (GOC) (including central, provincial, municipal, county or any other level of government) accrue to your company because of being located in such an area.
- Please explain the nature of the operations, identify the specific zone(s) [or other area(s)] and provide a brief overview of all of the benefits of operating within the zone(s) or area(s).

RESPONSE:

Not applicable.

14. Provide details of all transactions between your company and all related parties. For example:

- Supplying/selling completed or partially completed products.
- Supplying/selling raw materials.
- Performing management functions (including any financial functions).
- Processing (including toll processing) of any raw materials, intermediary or completed products.
- Trading in products/materials supplied by related parties.

RESPONSE:

Not applicable.

A-3 General accounting information

1. What is your financial accounting period?

RESPONSE:

The accounting period is from January 1 to December 31.

2. Are your financial accounts audited? If yes, who is the auditor?

RESPONSE:

Yes, the auditor is Hengshui Fangyuan Certified Public Accountants Firm Co., Ltd.

3. What currency are your accounts kept in?

RESPONSE:

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Hengshui Jinghua's accounts are kept in CNY.

4. What is the name of your financial accounting system?

RESPONSE:

ERPT system.

5. What is the name of your sales system?

RESPONSE:

ERPT system.

6. What is the name of your production system?

RESPONSE:

ERPT system.

7. If your financial accounting, sales and production systems are different, how do the systems interact? Is it electronically or manual? Please provide a detailed explanation and include diagrams.

RESPONSE:

Not applicable.

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

RESPONSE:

Not applicable, Hengshui Jinghua follows the generally accepted accounting principles in China.

9. Have there been any changes to your accounting practices and/or policies over the last two years? If yes, please provide details.

RESPONSE:

Not applicable, there is no change in the accounting method used by Hengshui Jinghua over the last two years.

A-4 Financial Documents

1. Please provide the two most recently completed annual reports and/or financial statements for your company and any other related companies involved in the production and sale of the goods. If the financial statements in A-4.1 are unaudited, provide for each company:

- the tax returns relating to the same period; and
- reconciliation of the revenue, cost of goods sold, and net profit before tax between the financial statements and tax returns.

RESPONSE:

Please refer to [CONFIDENTIAL Exhibit A-4-1 Audit report and financial statements] for the audit reports for the year 2019 and 2020, and financial statements covering the most recent financial period and the period since the period is different to our financial period.

2. Does your company maintain different profit centres? If yes, provide profit & loss statements for the profit centre that the goods falls into for:

- the most recent financial year; and
- the period.

RESPONSE:

We regard the entire factory as one profit/cost centre in our business cost accounting

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system.

3. If the period is different to your financial period, please provide:
- Income statements directly from your accounting information system covering the most recent financial period and the period; or
 - Quarterly or half yearly income statements directly from your accounting system covering the most recent financial period and the period.

RESPONSE:

Please refer to [\[CONFIDENTIAL Exhibit A-4-1 Audit report and financial statements\]](#) for the income statement covering 2020 and the period.

4. Please provide a copy of your company's trial balance (in Excel) covering the period and the most recent financial year.

RESPONSE:

Please refer to [\[CONFIDENTIAL Exhibit A-4-4 Trial balance\]](#) for the trail balance of the above period.

5. Please provide your company's chart of accounts (in Excel).

RESPONSE:

Please refer to [\[CONFIDENTIAL Exhibit A-4-5 Chart of accounts\]](#) for the chart of accounts of Hengshui Jinghua.

6. Please complete the worksheet named "A-4.7 Company turnover".

- This worksheet is a table of the total company revenue over the period and split into:
 - Total revenue for Australian sales, domestic sales and third country sales
 - Revenue of the goods for Australian sales, domestic sales and third country sales
- You must provide this table in electronic format using the template provided.
- If you have used formulas to complete this worksheet, these formulas must be retained.

RESPONSE:

Please refer to [\[CONFIDENTIAL Table A-4.7 Company turnover\]](#) for the information requested.

7. Please complete the worksheet named "A-4.8 Capacity Utilisation".

- You must provide this list in electronic format using the template provided.
- If you have used formulas to complete this worksheet, these formulas must be retained.

RESPONSE:

Please refer to [\[CONFIDENTIAL Table A-4.8 Capacity Utilisation\]](#) for the information requested.

If any of the documents are not in English, please provide a complete translation of the documents.

NOTE: Exports of the goods to Australia by **Huludao City Steel Pipe Industrial Co., Ltd** are not subject to the countervailing duty notice. Therefore, Huludao City Steel Pipe Industrial Co., Ltd is required to complete Section A and the Exporter's Declaration only. All other exporters must complete all sections of this questionnaire and the Exporter's Declaration.

SECTION B COUNTERAVAILABLE SUBSIDY PROGRAMS

The following programs are being investigated:

Program No.	Name	Type
1	Preferential Tax Policies for Enterprises with Foreign Investment Established in the Coastal Economic Open Areas and Economic and Technological Development Zones	Tax
2	One-time Awards to Enterprises Whose Products Qualify for 'Well-Known Trademarks of China' and 'Famous Brands of China'	Grant
5	Matching Funds for International Market Development for Small and Medium Enterprises	Grant
6	Superstar Enterprise Grant	Grant
7	Research & Development (R&D) Assistance Grant	Grant
8	Patent Award of Guangdong Province	Grant
10	Preferential Tax Policies for Foreign Invested Enterprises– Reduced Tax Rate for Productive Foreign Invested Enterprises scheduled to operate for a period of not less than 10 years	Tax
11	Preferential Tax Policies for Enterprises with Foreign Investment Established in Special Economic Zones (excluding Shanghai Pudong area)	Tax
12	Preferential Tax Policies for Enterprises with Foreign Investment Established in Pudong area of Shanghai	Tax
13	Preferential Tax Policies in the Western Regions	Tax
14	Tariff and VAT Exemptions on Imported Materials and Equipment	Tax
15	Innovative Experimental Enterprise Grant	Grant
16	Special Support Fund for Non State-Owned Enterprises	Grant
17	Venture Investment Fund of Hi-Tech Industry	Grant
18	Grants for Encouraging the Establishment of Headquarters and Regional Headquarters with Foreign Investment	Grant
19	Grant for key enterprises in equipment manufacturing industry of Zhongshan	Grant
20	Hot rolled steel provided by government at less than fair market value	LTAR
21	Water Conservancy Fund Deduction	Grant
22	Wuxing District Freight Assistance	Grant
23	Huzhou City Public Listing Grant	Grant
27	Huzhou City Quality Award	Grant
28	Huzhou Industry Enterprise Transformation & Upgrade Development Fund	Grant
29	Land Use Tax Deduction	Tax
30	Wuxing District Public Listing Grant	Grant
31	Anti-dumping Respondent Assistance	Grant
32	Technology Project Assistance	Grant
34	Balidian Town Public Listing Award	Grant

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Program No.	Name	Type
35	Preferential Tax Policies for High and New Technology Enterprises	Tax
36	Local Tax Bureau Refund	Tax
37	Return of Farmland Use Tax	Tax
38	Return of Land Transfer Fee	Tax
39	Return of Land Transfer Fee From Shiyou	Tax
40	Dining lampblack governance subsidy of Jinghai County Environmental Protection Bureau	Grant
41	Discount interest fund for technological innovation	Grant
42	Energy conservation and emission reduction special fund project in 2015	Grant
43	Enterprise famous brand reward of Fengnan Finance Bureau	Grant
44	Government subsidy for construction	Grant
45	Infrastructure Construction Costs Of Road In Front Of No.5 Factory	Grant
46	New Type Entrepreneur Cultivation Engineering Training Fee Of Jinghai County Science And Technology Commission	Grant
47	Subsidy for Coal-Fired Boiler of Fengnan Subtreasury	Grant
48	Subsidy for Coal-Fired Boiler Rectification	Grant
49	Subsidy for District Level Technological Project	Grant
50	Subsidy For Pollution Control Of Fengnan Environmental Protection Bureau	Grant
51	Subsidy from Science and Technology Bureau of Jinghai County	Grant
52	Subsidy of Environment Bureau transferred from Shiyou	Grant
53	Supporting fund for exhibition from Hongqiao District Commerce Commission	Grant
54	Government subsidy for job stability	Grant
55	Commercial Committee Support Fund	Grant
56	Tianjin Municipal Bureau of Commerce July 2018-December 2018	Grant
57	Aiding fees for cases of technology information collection	Grant
58	Patent supporting fund from Science and Technology Bureau of Jinghai District 2019	Grant
59	Patent supporting fund for 2017 program	Grant
60	Subsidy for patent from Science and Technology Bureau Fengnan District, Tangshan City	Grant
61	Subsidy for Energy collection from the Tangshan Quality and Technology Supervision Bureau	Grant
62	Award to the Patent Innovation from Science and Technology Bureau Fengnan District	Grant
63	Technical innovation subsidy for dedusting equipment and boiler	Grant
64	Awards to technology innovation from Bureau of Industry and Information Technology Fengnan District	Grant
65	Awards to "Well-Known Trademarks" from Hebei Province Market Supervision administration Bureau	Grant
66	Grant for Technology ERP	Grant

B-1 Provision of goods at less than adequate remuneration

1. What are the major raw materials used in the manufacture of the goods?

RESPONSE:

The major raw materials used are hot-rolled coils.

2. For each major raw material identified in B-1.1 complete the worksheet named "B-1.2 Raw material purchases"
 - This worksheet lists all raw material purchases (i.e. transaction by transaction) purchased by your company within the period.
 - You must provide this list in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

RESPONSE:

Please refer to [\[CONFIDENTIAL Table B-1.2 Raw material purchases\]](#) for the information requested.

3. Provide a table listing the source of the data for each column of the "B-1.2 Raw material purchases" listing.

RESPONSE:

The source document of the data reported in "B-1.2 Raw material purchases" is the hot-rolled coils stock-in sub-ledger.

4. For all suppliers and manufacturers of raw materials listed in "B-1.2 Raw material purchase", provide an explanation and any evidence to support your categorisation of whether the company is a State Invested Enterprise (SIE).

RESPONSE:

The supplier type was manually distinguished by the company staff. The information of company type could be easily accessed and verified via public platforms.

5. Provide copies of all contractual agreements that detail the obligations of the State Invested Enterprise (SIE) and your business with reference to the granting and receipt of any assistance/benefits.

RESPONSE:

The contract between Hengshui Jinghua and SIEs does not differ from that between the company and other suppliers. The contractual terms and the price were solely determined by the market. As a result, Hengshui Jinghua has not obtained any grants, assistance or benefits from SIEs.

Please refer to [\[CONFIDENTIAL Exhibit B-1.5 Raw material purchase contract\]](#) for the contractual agreements between the company and SIEs.

6. If your business purchased imported raw materials, explain the reason/s for your business' decision to purchase imported over domestic raw materials, including the key factors affecting the decision such as price, availability etc.

RESPONSE:

Not applicable, Hengshui Jinghua does not import any raw materials.

B-2 Preferential tax policies

1. Complete the worksheet named "B-2 Income Tax"

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- This worksheet is a table of your company's income tax liability over the last three financial years.
- You must provide this table in electronic format using the template provided.
- If you have used formulas to complete this worksheet, these formulas must be retained.

RESPONSE:

Please refer to [\[CONFIDENTIAL Table B-2 Income Tax\]](#) for the information requested.

2. Provide a copy of your company's annual tax return for the last three financial years. If the documents are not in English, please provide a translation of the documents.

RESPONSE:

Please refer to [\[CONFIDENTIAL Exhibit B-2-2 Annual tax return 2018-2020\]](#).

3. Provide proof of your company's tax payments to your tax authority over the last three financial years, including any progress payments made and related forms submitted to reconcile the annual tax return.

RESPONSE:

Please refer to [\[CONFIDENTIAL Exhibit B-2-3 Tax payments proof\]](#).

4. What is the general tax rate for enterprises (also referred to as the company or corporate tax rate) during the previous two financial years?

RESPONSE:

The general tax rate for enterprise during the previous two financial years is 25%.

5. Did your company pay less than the general tax rate for enterprises referred to in question B-2.4? If yes:

- a. What tax rate did your company pay?
- b. Was the reduction in the tax paid or payable related to any of the preferential income tax programs in the table at the top of Section B Countervail above?
- c. What is the name of the program?
- d. What is the name of the authority granting your company the reduced tax rate?
- e. What is the eligibility criteria to benefit from the reduced tax rate?
- f. Provide details of the application process
- g. Provide a copy of the blank application form. If the documents are not in English, please provide a translation of the documents.
- h. Provide a copy of your company's completed application form, including all attachments to the application form. If the documents are not in English, please provide a translation of the documents.
- i. Provide a copy of any confirmation or other correspondence from the authority approving your company for the reduction in tax rate. If the documents are not in English, please provide a translation of the documents.
- j. Outline the fees charged to, or expenses incurred by your business for purposes of receiving the program.

RESPONSE:

Before 2020, Hengshui Jinghua paid the income tax with the standard 25% tax rate. In 2020, Hengshui Jinghua has been granted the "Preferential Tax Policies for High and New Technology Enterprises", which offered the company with preferential income tax rate 15%.

The "High and New Technology Enterprise" certificate was granted to Hengshui Jinghua in 2018. After the one-year assessment period, preferential tax rate was given by the Hebei Taxation Bureau in 2020 and the preferential income tax rate 15% applied to Hengshui Jinghua since 2020. Please refer to [\[CONFIDENTIAL Exhibit B-2-5 Certificate for High and New Technology Enterprises\]](#) for the relevant document.

We have provided income tax payment information of Hengshui Jinghua for the last three

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years in Table B-2 Income Tax, including general rate 25% before 2020 and preferential rate 15% for 2020.

B-3 Financial grants

1. Complete the worksheet named "B-3 Grants"
 - This worksheet is a table of the grants received by company over the period plus the two preceding years.
 - You must provide this table in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

RESPONSE:

Please refer to [\[CONFIDENTIAL Table B-3 Grants\]](#) for the information requested.

2. Provide a copy of your company's non-operating income and/or other business income ledgers, extracted directly from your accounting system, for the period covering the period plus the 2 preceding years.

RESPONSE:

Please refer to [\[CONFIDENTIAL Exhibit B-3-2 Non-operating income ledger\]](#).

3. Did your company receive any grants (or any other financial contribution) from any level of government during the period plus the 2 preceding years?
If yes:
 - a. Were any of the grants related to any program listed in the table at the top of Section B above? If yes, identify the program.
 - b. Were any of the grants related to programs not listed in the table at the top of Section B above? If yes, provide the names of the programs.

RESPONSE:

Yes, the company received grants from the government during 2020.

The grants reported in [\[CONFIDENTIAL Table B-3 Grants\]](#) are listed at the top of Section B. The numbers of the two programs are No.27 and No.54.

4. For each of the grants listed in B-3.3:
 - a. What is the name of the grant?
 - b. What is the name of the authority providing the grant?
 - c. What is the eligibility criteria to receive the grant?
 - d. Is the grant directly related to the goods under consideration, export sales to Australia and/or export sales generally?
 - e. Provide details of the application process.
 - f. Provide a copy of the blank application form. If the documents are not in English, please provide a translation of the documents.
 - g. Provide a copy of your company's completed application form, including all attachments to the application form. If the documents are not in English, please provide a translation of the documents.
 - h. Provide a copy of any confirmation or other correspondence from the authority approving the grant. If the documents are not in English, please provide a translation of the documents.
 - i. Provide proof of payment of your company receiving the grant (e.g. bank statements).
 - j. Provide a copy of the accounting journal entries relating to the grant.
 - k. Outline the fees charged to, or expenses incurred by your business for purposes of receiving the grant.

RESPONSE:

1) NO.54 GOVERNMENT SUBSIDY FOR JOB STABILITY

The name of the programs is [Government Subsidy for Job Stability](#), with the authority

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providing the grant being Employment Service Bureau of Taocheng District, Hengshui City, Hebei province. The eligibility criteria to receive the grant is the Employment Stability. The rate of dismissal must be at a relatively low level. This grant is not directly related to the GUC, export sales or export sales to Australia but related to the whole company. The grant requires eligible company to applied online on the Hengshui integrated Service Platform and the Employment Service Bureau would decide whether to provide the grant. Please refer to [CONFIDENTIAL [Exhibit B-3.4](#)] for the proof of payment of the grant. No extra fees or expenses were incurred during the application process.

2) NO.27 HEBEI PROVINCE QUALITY AWARDS

The name of the programs is [Hebei Province Quality Awards](#), with the authority providing the grant being the Government of Hebei Province. The applying company must meet the standard of Hebei Provincial Government Quality Award Excellent Performance Management System GB/T19580-2012, which is the main eligibility criteria set out by the Government of Hebei province. This grant is not directly related to the GUC, export sales or export sales to Australia but related to the whole company. The grant will be evaluated gradually from the municipal government to the provincial government. In the end, the provincial government decides on the list of companies that are eligible for receiving the grant. The payment would then be made by Hebei Provincial Market Supervision Administration. Please refer to [CONFIDENTIAL [Exhibit B-3.4](#)]for the application documentation of the grant. No extra fees or expenses were incurred during the application process.

B-4 Other Programs

1. Provide a list of all the provinces in which you have business operations (including locations of factories, sales offices, or other places of business).

RESPONSE:

The company only has operations in Hebei provinces.

2. Are you aware of any programs of the Government of China, any of its agencies or any other authorised body that benefits manufacturers of the goods that have not been accounted for in this questionnaire? Provide the name of those programs you are aware of (even if your company is not eligible to receive benefit under the program.)

RESPONSE:

Yes, the company are aware of and has applied for some programs that have not been accounted for in this questionnaire. The names of these programs are as follow:

- 1) Municipal Innovation and Entrepreneurship Platform Award - Invention Patent Grants
- 2) High-Quality Development Brand Grants
- 3) Sub-meter Electricity Subsidy
- 4) Skills Upgrading Training Subsidy

Above programs are reported in [CONFIDENTIALTable B-5 Other Programs] as well. The company only benefited from Skills Upgrading Training Subsidy during the period while the other three programs provided grant to the company during May, 2018 to March 2020.

3. Indicate the location of the program by region, province or municipal level.

RESPONSE:

1) Municipal Innovation and Entrepreneurship Platform Award - Invention Patent Grants
Hengshui City.

2) High-Quality Development Brand Grants
Hebei province.

3) Sub-meter Electricity Subsidy
Hengshui City.

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**4) Skills Upgrading Training Subsidy
Taocheng District, Hengshui City.**

4. Indicate the type of program, for example:
- the provision of grants, awards or prizes;
 - the provision of goods or services at a reduced price (e.g. electricity, gas, transport);
 - the reduction of tax payable including income tax and VAT;
 - reduction in land use fees;
 - loans from Policy Banks at below-market rates; or
 - any other form of assistance.

RESPONSE:

All of the programs are to provide grants, awards or prizes.

For **each program** that you have identified, answer the following.

5. Indicate whether your company benefited from any of the listed programs during the period.

RESPONSE:

The company only benefited from Skills Upgrading Training Subsidy during the period while the other three programs provided grant to the company during May, 2018 to March 2020.

6. Indicate which goods you produced that benefited from the program (e.g. the program may have benefited all production or only certain products that have undergone research and development).

RESPONSE:

All of the programs benefited the company as a whole instead of certain products

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

RESPONSE:

1) Municipal Innovation and Entrepreneurship Platform Award - Invention Patent Grants

The company needs to apply to the Municipal Science and Technology Bureau, and subsidies will be granted after the application is approved.

2) High-Quality Development Brand Grants

The Provincial Bureau of High-tech Industrial Development sets the evaluation criteria, and the companies that meet the criteria shall apply to the High-tech Industrial Development Zone Branch of Hengshui Municipal Bureau of Quality and Technical Supervision, and then the municipal Bureau shall report to the provincial bureau. Finally, the provincial Bureau shall decide whether to grant subsidy.

3) Sub-meter Electricity Subsidy

The company needs to submit application materials to the High-tech Industrial Development Zone Bureau of the Hengshui City Ecological Environment Bureau, and the bureau will grant the subsidy after verification and approval.

4) Skills Upgrading Training Subsidy

The company needs to apply to Human Resources and Social Security Bureau of Taocheng District, and subsidy will be granted after approval.

8. Where applicable, provide copies of the application form or other documentation used to apply for the program, all attachments and all contractual agreements entered into between your business and the Government of China in relation to the program.

RESPONSE:

Please refer to [CONFIDENTIAL [Exhibit B-4.8 Application form](#)] for the applicable documentations.

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

RESPONSE:

No extra fees or expenses have been spent for the purposes of receiving the programs mentioned above.

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

RESPONSE:

1) Municipal Innovation and Entrepreneurship Platform Award - Invention Patent Grants

The company must have corresponding technical personnel, scientific research equipment and management system.

2) High-Quality Development Brand Grants

The company are required to pass the Hebei Province Famous Brand Qualification Assessment.

3) Sub-meter Electricity Subsidy

The company must complete sub-meter electricity metering before the end of July 2019.

4) Skills Upgrading Training Subsidy

The employees who receive the training must pass the examination organized by the training authority.

11. State whether your eligibility for the program was conditional on one or more of the following criteria:

- a) whether or not your business exports or has increased its exports;
- b) the use of domestic rather than imported inputs;
- c) the industry to which your business belongs; or
- d) the region in which your business is located.

RESPONSE:

For the above four programs, the eligibility is conditional only on the region in which the company's business is located. Please refer to the response to [Section B-4.3](#) for the location of the programs.

12. If the benefit was provided in relation to a specific activity or project of your entity, please identify the activity and provide supporting documentation.

RESPONSE:

The Skills Upgrading Training Subsidy was provided in relation to the expenses for the training sessions while the other three programs providing grants without any specifications.

13. What records does your business keep regarding each of the benefits received under this program? Provide copies of any records kept in relation to the program.

RESPONSE:

The company kept record of the benefits received in the non-operating income ledger. Please refer to [\[CONFIDENTIAL Exhibit B-3-2 Non-operating income ledger\]](#) for the record.

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

RESPONSE:

The benefits can be found in the non-operating income ledger while the non-operating income can be directly found in the financial statements. Please refer to [\[CONFIDENTIAL Exhibit B-3-2 Non-operating income ledger\]](#) for the information.

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

RESPONSE:

The company is not aware of any information indicating that any of the programs has been terminated. Eligible company could apply with proper application procedure.

16. If the program has been terminated, please provide details (including when and why). When is the last date that your business could apply for or claim benefits under the program? When is the last date that your business could receive benefits under the program?

If the program terminated has been substituted for by another program, identify the program and answer all the questions in Part B-4 in relation to this programme.

RESPONSE:

Not applicable.

APPENDIX

GLOSSARY OF TERMS

This glossary is intended to provide you with a basic understanding of technical terms that appear in the questionnaire.

Adjustments

To enable a fair comparison between the export price and the normal value Australian legislation provides for the adjustment of the domestic price paid for like goods. Adjustments are made to account for sales occurring at different times, specification differences, and differences in the terms or circumstances of the sales. The adjustment to the normal value may be upward or downward. Areas where you believe an adjustment is necessary should be identified. Section E of the questionnaire refers.

Examples of adjustments that may be made include: *sales occurring at different times* (it is sometimes necessary to compare domestic and export sales made at different times - in these circumstances an adjustment may be made to reflect price movements during that time); *specification differences; packaging; taxes; level of trade; advertising; after sales services; inland freight; warehousing; export charges; credit terms; duty drawback; commissions.*

Adjustments may also be required where the normal value is based on costs to make and sell.

Arms length

Sales are not considered to be at “arms length” on your domestic market if there is any consideration payable for the goods other than their price, or there is an association between the buyer and the seller which affects the price, or there will be a reimbursement, compensation or benefit for, or in respect of, the price.

Constructed value

In cases where prices paid for like goods sold in the country of export cannot be used for the determination of normal value, i.e. when there are no or insufficient sales or where such sales were not made in the ordinary course of trade, normal value may be based on a constructed value. Constructed value is calculated on the basis of the cost of production of the goods under consideration plus a reasonable amount for selling, general and administration costs, and for profits, that are associated with sales on the domestic market of the country of export.

Cost of production/manufacturing

The cost of production or manufacture consists of all manufacturing costs associated with the goods. It is the sum of direct materials, direct labour and factory overheads.

Cost to make and sell

The cost to make and sell is the sum of the cost of production or manufacture, and the selling, general and administration costs associated with the sale of those goods.

Country of origin

The country in which the last significant process in the manufacture or production of the goods was performed.

Date of sale

The commission will normally use the invoice date as recorded in the exporter or producer's records. Another date may be used if this better reflects the material terms of sale. The questionnaire directs attention to matching data sets of domestic and export sales where some other date is used, as well as matching cost information.

Direct labour cost

Direct labour is categorised as a variable cost, i.e. the value varies with the level of production.

Dumping

Dumping occurs when the products of one country are exported to another country at a price less than their normal value.

Dumping margin

Where the export price is less than the normal value the dumping margin is the amount of the difference. It can be expressed as a value or as a percentage of the export price.

Export price

The export price of the goods is usually the price paid or payable to the exporter in arms length transactions, in most instances calculated at the Free on Board (FOB) level.

Exporting country

The country of export is normally the country of origin from which the goods are shipped. The country of export may be an intermediate country, except where the products are merely transhipped through that country, or the products concerned are not produced in that country, and there is no comparable price in that country.

Factory overheads

Factory overheads consist of variable costs e.g. power, supplies, indirect labour and fixed costs e.g. factory rent, factory insurance, factory depreciation etc.

Goods under consideration (the goods)

The goods to which the application for anti-dumping action relates. That is, the goods that you have exported to Australia allegedly at dumped prices.

Incoterms

The following abbreviations are commonly used (comment is provided concerning costs that are normally borne by the seller):

EXW	ex works (the seller's minimum obligation as costs relate to goods being made available at the sellers premises)
FCA	free carrier (main carriage not paid by seller. Pay costs until such time that the goods have been delivered at the named point into custody of a carrier named by the seller. Customs formalities, taxes etc. paid if required)
FAS	free alongside ship (main carriage not paid by seller. Deliver the goods alongside the ship)
FOB	free on board (main carriage not paid by seller. Deliver the goods on board, provide export clearance if required, pay loading costs to the point the goods have passed the ship's rail, pay customs formalities, taxes etc. payable upon exportation)
CFR	cost and freight (main carriage paid by seller. Pay all costs until delivered as well as freight, loading and unloading, pay customs formalities, taxes etc. payable upon exportation)
CIF	cost, insurance and freight (main carriage paid by seller. Pay all costs as under CFR as well as marine insurance)
CPT	the terms CFR and CIF are only used where goods are carried by sea or waterway transport
CIP	carriage paid to carriage and insurance paid to the terms CPT and CIP are used as alternatives to CFR and CIF where the goods are carried by air, road, rail etc.
DAF	delivered at frontier (goods carried by rail or road and cleared for export at the named place at the frontier. Pay costs until delivered at the frontier plus any discharge costs incurred to place the goods at the customer's disposal)
DES	delivered ex ship (goods made available to the buyer on board the ship uncleared for import at the named port of destination. Pay all costs incurred in placed at the disposal of the buyer, pay customs formalities, taxes etc. payable upon exportation, and where necessary for transit

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DDU	through another country) delivered duty unpaid (Pay all costs for carriage to the agreed point, pay customs formalities, taxes etc. payable upon exportation, and where necessary for transit through another country)
DDP	delivered duty paid (goods made available at the named place in the country of importation – all risks and costs being incurred by the seller including duties, taxes etc. incurred upon importation)

The period

A period defined by the commission over which importations of the goods are examined.

Like goods

Like goods are goods sold on the domestic market of the country of export (or to a third country) that are identical in all respects to the goods or that, although not alike in all respects have characteristics closely resembling those of the goods. The term 'like goods' also refers to the goods produced by the Australian industry allegedly being injured by dumped imports.

Normal value

Australian legislation sets out several ways to assess "normal value".

The preferred method is to use the price paid for like goods sold for domestic consumption in the country of export. Usually, these sales are made by you, but there may be circumstances where it is appropriate to use sales made by other sellers on the domestic market.

Sale prices must be at arms length and in the ordinary course of trade. In the absence of relevant or suitable domestic sales, the normal value may be determined by constructing a price based on all costs to make and sell the goods, and an amount for profit. Alternatively the normal value may be ascertained using the price paid for like goods sold in the ordinary course of trade at arms length to customers in a country other than Australia, however this option is rarely used.

Finally, when a normal value cannot be ascertained by any of the above methods, or if no information is provided, the commission will determine the normal value by considering all the relevant information, including the applicant's information. This allows the applicant's information to be used where sufficient information has not been furnished or is not available.

Where domestic price generally, and the trade of the exporting country are determined or substantially influenced by the government of the exporting country, an alternative/surrogate market economy is selected by the commission and the normal value is determined as if the surrogate country were the export source.

Ordinary course of trade

Testing for "ordinary course of trade" includes a comparison of the selling price and the unit cost to make and sell for the same period. If sales in respect of a substantial quantity of goods over an extended period of time, usually 12 months, do not recover all costs and these losses are not likely to be recovered within a reasonable period of time, (again usually 12 months) then the sales are regarded as being not in the ordinary course of trade.

There may be circumstances where it is appropriate to use a period other than 12 months in assessing whether sales are in the ordinary course of trade.

Unprofitable sales are to be taken to have occurred in substantial quantities during an extended period where the unprofitable sales amount to 20% or more of the total volume of sales of the goods by the exporter over the period. An extended period of time is usually taken to be a period not less than 12 months. Where unprofitable sales are rejected, normal value is based upon remaining profitable sales provided they occur in sufficient number. Where all sales have been made at a loss, or profitable sales are insufficient, the normal value may be constructed from costs to make and sell.

Selling, general and administration expenses (SG&A)

The selling, general and administration expenses includes all selling, distribution, general and administration expenses including finance costs that would be incurred if the goods were sold for domestic consumption in the country of export. The amounts are determined in each case using all the available information and may include expenses incurred in:

- . domestic sales of like goods;
- . sale of goods of the same general category by the exporter; or
- . sales in the industry in the country of export.

The expenses must, however, reflect the selling, general and administration costs of the goods. Administrative and selling expenses include: director's fees, management salaries and benefits, office salaries and benefits, office supplies, insurance, promotion, entertainment, depreciation and corporate overheads.