



Australian Industry Questionnaire

Wire Rope exported from The Republic of South Africa (South Africa)

Inquiry Period: 1 January 2021 to 31 December 2021

Response due by: 24 February 2022

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Return completed questionnaire to: Your response can be sent via **Sigbox**, the commission's secure document transfer system. This is the commission's preferred method. Please contact the commission to arrange access.

OR via email investigations1@adcommission.gov.au

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

A-1 Company information

- 1. Please provide details of any other business names you use to manufacture/produce/sell the goods that are the subject of this inquiry.**

Bekaert Wire Ropes Pty Ltd (“BWR”) is also recognised by the business names of WRI Australia and BBRG Australia. Bekaert Wire Ropes Pty Ltd is the most recent trading name.

- 2. Provide your company’s internal organisation chart. Describe the functions performed by each group within the organisation.**

Please refer to Confidential Attachment A-1.2.

- 3. List the major shareholders of your company. Provide the shareholding percentages for joint owners and/or major shareholders.**

Bekaert Wire Ropes Pty Ltd is 100 per cent owned by Bekaert Wire Rope Industry NV.

- 4. If your company is a subsidiary of another company list the major shareholders of that company.**

The major shareholder of Bekaert Wire Rope Industry NV is NV Bekaert SA (a 100 per cent holding).

- 5. If your parent company is a subsidiary of another company, list the major shareholders of that company.**

Not applicable.

- 6. Provide an outline diagram showing major associated or affiliated companies and your company’s place within that structure (include the ABNs of each company).**

BWR is the only company operating in Australia under the Bekaert Wire Rope Industry NV parent.

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

Bekaert Wire Rope Industry NV charges BWR management and royalty fees.

- 8. Identify and provide details of any relationship you have with an exporter to Australia or Australian importer of the goods.**

BWR does not have a relationship with any exporter of the goods to Australia in South Africa.

- 9. Provide a copy of the two most recent annual reports (if relevant). Also provide copies of relevant brochures or pamphlets on your business activities.**

BWR has included a copy of its two most recent two financial statements (2019 and 2020) at Confidential Attachment A-1.9 (a) and (b). BWR’s 2021 financial statements are currently being prepared.

- 10. Provide details of any relevant industry association.**

BRW is a member of the Australian Industry Group (AiGroup) and Australian Steel Institute (ASI).

A-2 The imported and locally produced goods

Model Control Code (MCC)

Item	Category	Sub-category		Sales Data	Cost data
1	Form	C	Coil	Mandatory	Mandatory
		R	Reel		
		D	Drum		
2	Number of strands	#	<i>Specify number</i>	Mandatory	Mandatory
3	Nominal diameter (mm)	#	<i>Specify number</i>	Mandatory	Mandatory
4	Compacted	CC	Compacted	Mandatory	Mandatory
		NC	Not Compacted		
5	Impregnated	NP	Not Plasticated	Mandatory	Mandatory
		P	Plasticated		

1. Fully describe your product(s) that are ‘like’ to the imported product:

- **Include physical, technical or other properties.**
- **List this information for each make and model in the range.**
- **Supply technical documentation where appropriate.**
- **Indicate which of your product types or models are comparable to each of the imported product types or models. If appropriate, the comparison can be done in a table.**

BWR manufactures and supplies wire ropes for various applications in the mining industry. The locally manufactured wire ropes that are considered ‘like’ to imported wire rope includes dragline and shovel ropes.

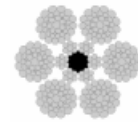
Dragline rope manufactured by BWR includes rope with six or eight outer strands (i.e. TUFF6™ and TUFF8™) (Non-Confidential Attachment A-2.1) and are designed to withstand the pressure placed upon them by mining equipment. The large diameter wire used in the outer strands of six strand rope has proven strength, long service life and abrasion resistance. Wire ropes of eight-strand construction provide increased flexibility allowing for more equal distribution of the load, resulting in improved rope life over traditional six strand ropes in certain applications (Refer further “Ropes” Brochures at Non-Confidential Attachments A-2.2-4).

The properties of the BWR’s dragline ropes are reflected in the following Table 1:

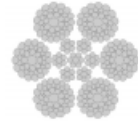
DIAMETER		AVERAGE MASS		MINIMUM BREAKING FORCE @ 1770MPa	
mm	inches	kg/100m	Lbs/ft	Kn	Tons
52	2	1130	7.6	1710	174
54	2 & 1/8	1220	8.2	1740	195
58	2 & 1/4	1385	9.31	2051	230
60	2 & 3/8	1510	10.1	2198	246
64	2 & 1/2	1675	11.3	2497	280
67	2 & 5/8	1835	12.3	2737	307
70	2 & 3/4	2000	13.4	2987	335
73	2 & 7/8	2200	14.8	3249	364
75	3	2300	15.5	3429	385
80	3 & 1/8	2675	18	3902	438
83	3 & 1/4	2920	19.7	4200	471
85	3 & 3/8	2960	19.9	4405	494
90	3 & 1/2	3300	22.2	4938	554
92	3 & 5/8	3636	24.4	5160	579
95	3 & 3/4	3720	25.0	5502	617
98	3 & 7/8	4070	27.5	5855	657
111	4 & 3/8	5222	35.1	7512	842
114	4 & 1/2	5508	37.0	7923	888
127	5	6647	44.7	9833	1103
143	5 & 5/8	8427	56.5	12467	1398

TUFF6™

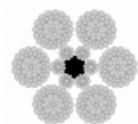
6 x 55 SF



6 x 49 SF

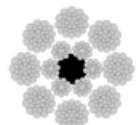


6 x 43 SF

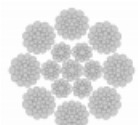


TUFF8™

8 X 43 SF



8 X 37 SF



BWR also manufactures RAPTEK™ Dump ropes that combine bucket termination technology with TUFF6 and TUFF8 mining ropes. With a [attachment description] onto either one or two ends of a dump rope, this end termination provides many benefits for dragline operations (including improved safety and productivity, reduced equipment downtime as well as reduced manual handling and equipment requirements).

BWR further manufactures and supplies REDMAX® mining rope that incorporates a plastic infused independent wire rope core over which strands are closed to form a rope providing superior performance. The specially engineered polymer is infused at high temperature, filling the rope core voids and valleys. This added characteristic reduces rope fatigue by reducing the internal contact stresses between the strands and the rope. The plastic infused core adds to the core support for the outer strands, further reducing internal stresses and promoting longer service life. The plastic infused core provides a cushion for the outer strand, virtually eliminating interlayer contact wear. REDMAX® is available in six and eight strand ropes and recommended where improved bending and fatigue life are required and provide the best overall characteristics for maximum rope performance.

The REDMAX® series of mining ropes manufactured by BWR feature fibre composite elements strategically positioned between the rope strands and core valleys during construction. These composite elements reduce internal contact pressure between the outer strands and the wire rope core. This significantly reduces interlayer and strand-to-strand nicking, thus reducing internal wear and improving fatigue resistance. This feature is available on both TUFF6 and TUFF8 configured ropes.

BWR further enhances the performance of the TUFF6 and TUFF8 dragline range of hoist, drag and dump ropes by fully impregnating the ropes with a high technology polymer to create BWR's Redbak range of ropes.

BWR's Redbak mining ropes are recommended for the highest RSL (rated suspended load) machines.

BWR's Redbak technology is applied to the shovel rope range.

BWR manufactures wire rope to Australian Standard AS3569. Specifically, wire rope manufactured by BWR is:

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- destructively tested to ensure breaking strength meets BWR's rope tolerance;
- wire used in rope making is manufactured to exceed Australian Standard AS1394;
- Testing facility accreditation to ISO/IEC 17025 National Association of Testing Authorities (NATA);
- Quality Management System accreditation ISO 9001;
- Environmental Management System accreditation to AS/NZS ISO 14001;
- Laboratory facilities to enable metallurgical investigations and micrographic failure analysis with trained technicians, supported by BWR technical personnel.

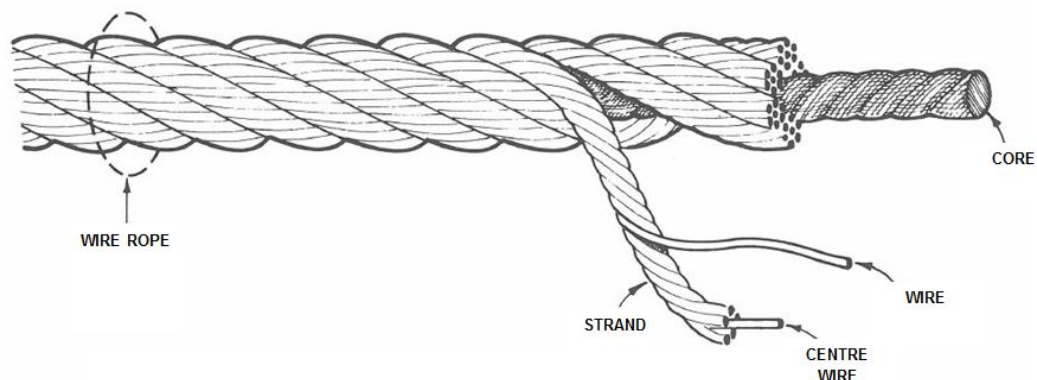
The imported rope supplied by Haggie Reid Pty Ltd ("Haggie") competes directly with BWR's locally manufactured wire ropes across all applications in the mining industry. Haggie's ropes are of slightly different composition (in terms of average mass – kg/100m), however, are wholly substitutable in end use applications supplied by BWR. For each diameter width (mm) of mining rope manufactured by BWR, Haggie supplies an equivalent model rope.

2. Provide a summary and a diagram of your production process.

Wire rope consists of three basic components

- (1) Wires that form the strand;
- (2) Strand, consisting of multiple wires which are laid helically around a core to form the rope; and
- (3) The core.

Refer to the following diagram highlighting wire rope construction.



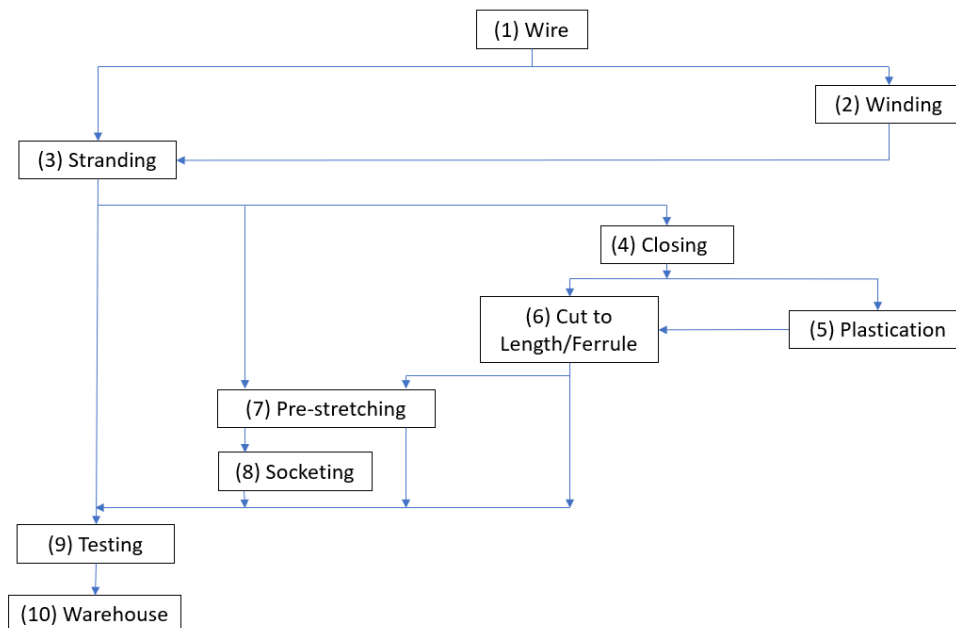
Wire, for rope is made in several materials and types, the most widely used material is high carbon steel of different diameters and tensile strengths. In the case of BWR xxx% of the wire is supplied directly on spools from its local supplier and are loaded directly into the stranding machines. The remaining xxx% is delivered in a coil format or on a stem and are wound onto spools for further processing at BWR.

Strands are made up of two or more wires, laid in any one of many specific geometric patterns. Wires are twisted (wound) together in either a planetary or a tubular stranding machine. In the case of Mining rope, each strand can have up to xxx wires of up to xxx different sizes and tensiles making up one strand.

Six or eight strands (depending on construction) are then wound around either a fibre core or an Independent Wire Rope Core (IWRC) in a processing known as "closing". The closing process depending on the product can be closed in a planetary or tubular closing machine to form what is known as a either 6 or 8 stranded rope.

Once the rope has been "closed" a variety of further value adding work is carried out with respect to rope end terminations and or encapsulating the rope in plastic to improve rope life.

The production flow diagram for wire rope is detailed as below.



3. If your product is manufactured from both Australian and imported inputs:

- describe the use of the imported inputs; and
- identify that at least one substantial process of manufacture occurs in Australia (for example by reference to the value added, complexity of process, or investment in capital).

BWR estimates that in excess of xx per cent of the wire rope it manufactures is sourced from Australian raw materials. BWR sources its wire from local production in Australia.

The manufacture of wire rope by BWR involves two major transformation stages. These include:

- (i) conversion of wire to strand; and
- (ii) conversion of strand to rope.

The identified transformation stages are undertaken on capital-intensive manufacturing equipment with an estimated capital investment in excess of \$30 Million.

A-3 The Australian market

Your response to A-3 can be provided a week before the verification visit

Products in the Australian market

- 1. Generally describe the range of the goods offered for sale in the Australian market. Your description could include information about:**

BWR manufactures wire ropes for use in the open cut mining industry that meet the exact demands of the customer.

BWR's engineered mining rope products are characterised as high value-added rope, where product and service quality attracts a premium due to the high cost of having draglines and shovels standing idle.

- **quality differences**

BWR is recognised in the industry as a supplier of quality dragline and shovel ropes. BWR's ropes are recognised locally in Australia and overseas as high-quality ropes.

- **price differences**

BWR manufactures and supplies draglines and shovel ropes on a competitive basis. BWR prices its wire rope on an import parity basis, with a price premium reflecting the quality of product and services offered.

- **supply/availability differences**

BWR manufactures and supplies ropes to customers in a timely efficient manner, purchasing wire against forecasts of mining customers requirements to ensure this lead time is achieved.

- **technical support differences**

BWR provides its customer base with local technical support at mine site. BWR has a NATA approved laboratory that can assess wire any ropes that do not achieve >xxx% of target life. BWR can access technology from its global development centre in Europe.

- **product segmentation**

The open cut mining industry can be segmented into two broad categories – dragline and shovel ropes.

The dragline segment is further defined by categories for hoist and drag ropes, dump ropes and boom pendants. The shovel rope segment is split into hoist ropes, crowd and retract ropes, and boom pendants.

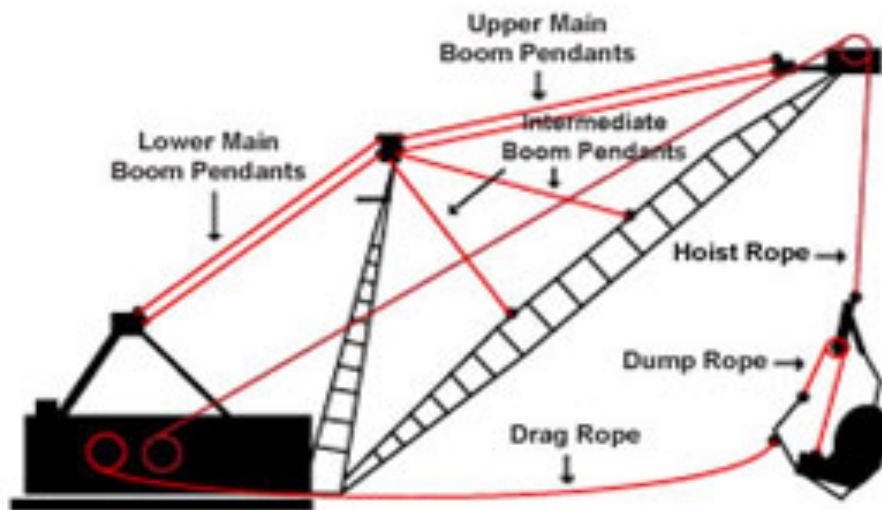


Figure 1 – Dragline ropes

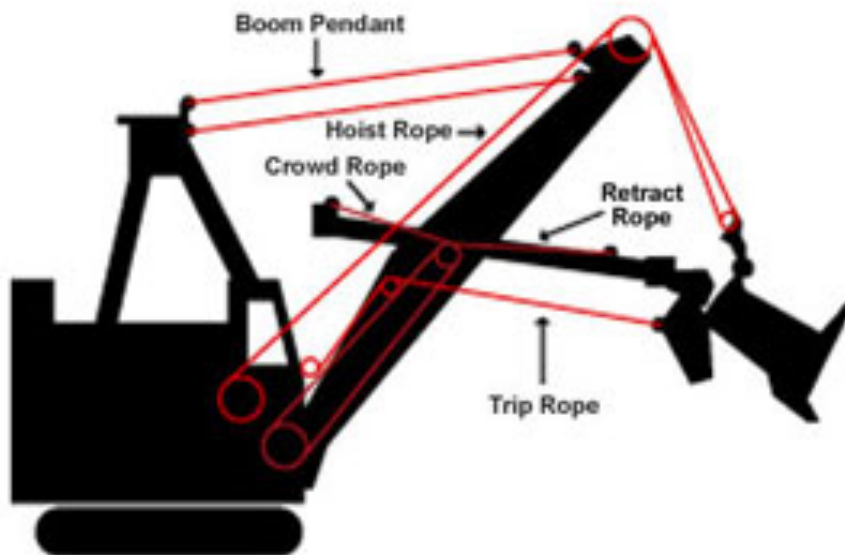


Figure 2 – Shovel Ropes

2. Describe the end uses of the goods in the Australian market from all sources.

Wire ropes sold into the mining industry are used in dragline rope or shovel rope end-use applications.

3. Describe the key product attributes that influence purchasing decisions or purchaser preferences in the Australian market. Rank these preferences or purchasing influences in order of importance.

The key product attributes that influence purchasing decisions are rope quality and working life. Machine downtime is a significant cost to the customer and securing quality, reliable rope with a longer than average life is beneficial. Whilst price is a key influencing factor, further considerations include reliable technical support, availability of supply, reliability of supply and timeliness of supply.

4. Describe the process by which your customers select your goods and the key factors that informed that decision.

New customers will seek to trial ropes before committing to a purchase. The trial performance is critical. Quality and price followed by timely supply with technical support are key influences in the purchase decision of the customer.

5. What are the key differences between locally made goods and imported goods? How do these factors impact the purchasing decisions of your customers?

There are limited physical differences between locally produced and imported wire ropes. The differentiators in the purchasing decision [*ranking of factors influencing customer purchasing decision*].

6. How easily can your customers change suppliers? Provide a description of factors that may cause a re-evaluation of your supply arrangements.

Customers can change suppliers with relative ease. The loss of a customer presents a significant impact on production scheduling and plant throughput.

7. Identify if there are any commercially significant market substitutes in the market for the goods in Australia.

There are no commercially significant market substitutes to wire ropes.

8. Have there been any changes in market or consumer preferences for the goods in Australia in the last five years? Do you anticipate any change in preference in the coming five years? If yes, provide details including any relevant research or commentary on the industry/sector that supports your response.

Wire rope manufacture continues to improve with enhancements contributing to rope longevity. BWR is committed to developing and enhancing its dragline and shovel ropes to meet customer requirements. The plastication of ropes is a key driver of improved life of the ropes.

Prevailing conditions of competition in the Australian market

9. In respect of the Australian market for the goods and the prevailing conditions of competition within the market:

(a) Provide an overall description of the market for the goods in Australia which explains its main characteristics and trends over the past five years.

The mining industry over the last five year period has experienced a recovery from the downturn evident in 2014/15 where draglines were “parked” and remained idle for extended periods. There has also been a gradual decline in the number of draglines and shovels operating as mines come to the end of their economic life.

For other mines the industry is buoyant at the present time and suppliers must work with customers to limit machine down time.

(b) Provide the sources of demand for the goods in Australia, including the categories of customers, users or consumers of the product.

Draglines and shovel ropes in the open-cut mining industry.

(c) Provide your estimate of the proportion (%) of the market that each of those sources of demand listed in (b) represents.

BWR estimates that draglines are approx xx% of the market and shovels are approx. xx%.

- (d) Describe the factors that influence consumption/demand in Australia, such as seasonal fluctuations, factors contributing to overall market growth or decline, government regulation, and developments in technology affecting either demand or production.**

A decline in the overall mining industry size contributes to a decrease in demand for wire ropes in the open-cut mining industry.

- (e) Describe any market segmentations in Australia; such as geographic or product segmentations.**

BWR has identified product segmentation. Geographical segmentation is based upon the key mining locations in the Queensland Bowen Basin, the Hunter Valley of NSW and a relatively small market in WA.

- (f) Provide your estimate of the proportion (%) of the market that each of the market segments listed in (e) represents.**

BWR estimates that QLD represents ~ xx% of the market, NSW ~ xx% and WA ~ xx%.

- (g) Describe the way in which Australian manufactured and other imported goods compete in the Australian market.**

The locally produced and imported wire ropes compete directly with each other and can be directly substituted.

- (h) Describe the ways that the goods are marketed and distributed in the Australian market.**

Wire ropes are marketed and sold to meet the customer's specific end-use requirements.

- (i) Describe any other factors that are relevant to characteristics or influences on the market for the goods in Australia.**

Other key factors that are relevant to the customer include the technical support offered by the supplier. BWR has technical personnel readily available for customer needs and visiting minesite predominantly on a weekly basis.

10. Describe the commercially significant market participants in the market for the goods in Australia at each level of trade over the inquiry period. Include in your description:

- **names of the participants;**
- **the level of trade for each market participant (e.g., manufacturer, reseller, original equipment manufacturer (EOM), end-user/mine etc);**
- **a description of the degree of integration (either vertical or horizontal) for each market participant; and**
- **an estimate of the market share of each participant.**

The major competitor to BWR is Haggie Reid Pty Ltd ("Haggie") that supplies imported wire ropes from South Africa (the subject of the continuation investigation). Significantly smaller shares in the market are held by imports from India.

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Company	Level of Trade	Integration level	Market Share
Haggie Reid	Distributor	100% owned by the manufacturer	xxx%
Usha Martin	Distributor	100% owned by the manufacturer	xxx%

[Figure - Commercially sensitive – BWR assessment of market shares].

11. **Identify the names of commercially significant importers in the market for the goods in Australia over the investigation period and estimate their market share. Specify the country each importer imports from and their level of trade in the Australian market, if known.**

Haggie Reid Pty Ltd

Usha Martin

12. **Describe any entry restrictions for new participants into the market for the goods in Australia. Your response could include information on:**

- **patents and copyrights;**
- **licenses;**
- **barriers to entry;**
- **import restrictions; and**
- **government regulations (including the effect of those government regulations).**

In responding to this question ensure that relevant regulations are referenced.

The barriers to entry to the wire rope market are not significant. Price and performance are essential requirements that customers seek from new entrants.

13. **Do you anticipate any changes in patterns of supply and demand in the Australian market over the next 1 to 5 years? What are your expectations for your own sales/purchases of the goods over that period? Provide any relevant commentary to support your answers.**

BWR does not anticipate any changes to current supply arrangements over the next 1 to 5 years. BWR is concerned that the expiration of the anti-dumping measures on wire ropes exported to Australia from South Africa could result in the recurrence of material injury.

The overall industry will continue to contract as mines reach their end of life.

Relationship between price and cost in Australia

- 14. Is your organisation/business entity the price leader of the goods in the Australian market? If no, please explain the reasons behind your response and specify the name(s) of the price leaders.**

BWR does not consider itself to be the price leader in the Australian market. Prices are influenced by import parity. BWR customers are constantly seeking ways to reduce their costs and hence import prices are regularly referenced.

- 15. Describe the nature of your pricing for the goods (e.g. market penetration, inventory clearance, product positioning, price taker, price maker, etc.) and your price strategies (e.g., competition-based pricing, cost-plus pricing, dynamic pricing, price skimming, value pricing, penetration pricing, bundle pricing, etc.) in Australia. If there are multiple strategies applied, please rank these by importance. If there are different strategies for different products, please specify these. Provide copies of internal documents which support the nature of your product pricing.**

Pricing is based upon competitive pricing with imports.

- 16. How frequently are your Australian selling prices reviewed? Describe the process of price review and the factors that initiate and contribute to a review.**

Prices are not reviewed at strict timeframe intervals but at time of contract negotiation. Most typical mining contracts have a 6 or 12 month price review mechanism that is driven by a range of input costs. International steel costs are the major driver of contractual price variations. Mining contracts do not ever guarantee volumes but provide agreed terms and conditions of sale should a company seek to place a purchase order on BWR.

- 17. Rank the following factors in terms of their influence on your pricing decisions in the Australian market, with the most important factor ranked first and the least important factor ranked last:**

- Competitors' prices;
- Purchase price of raw materials;
- Cost to make and sell the goods;
- Level of inventory;
- Value of the order;
- Volume of the order;
- Value of forward orders;
- Volume of forward orders;
- Customer relationship management;
- Supplier relationship management;
- Desired profit;
- Brand attributes;
- Other [please define what this factor is in your response].

The following ranking is understood to apply:

[BWR's ranking of factors influencing purchase decision].

A-4 Company sales

1. Please **update** appendix A4.1 (sales).

- if any of the customers listed at appendix A4.1 (sales) are associated with your business, provide details of the association. Describe the price effect of the association. For example, is there preferential pricing for related parties?

BWR does not have any associated party sales in Australia.

2. Please identify in appendix A4.1 (sales) any transactions that are:

- internal transfers; or
- sales of like goods that you have not produced, for example if you have imported the product or on-sold purchases from another Australian manufacturer or importer.

BWR does not have any internal transfers or sales of goods not manufactured by BWR.

3. Attach a copy of distributor or agency agreements/contracts.

BWR does not have a distributor/agency agreement for the subject goods.

4. Provide copies of any price lists.

[Commercially sensitive details concerning BWR price lists] – please refer to Confidential Attachment A-4.4 for an example.

Please complete appendix A4.4 contracts and tenders. Please provide two contracts that had the highest monetary value.

Refer Confidential Attachment A-4.4 (i) for [customer – date of contract] and Confidential Attachment A-4.4 (ii) for [customer – contract] .

5. If any price reductions (for example commissions, discounts, rebates, allowances and credit notes) have been made on your Australian sales of like goods provide a description and explain the terms and conditions that must be met by the customer to qualify.

- where the reduction is not identified on the sales invoice, explain how you calculated the amounts shown in appendix A4.1 (sales).
- if you have issued credit notes (directly or indirectly) provide details if the credited amount has **not** been reported appendix A4.1 (sales) as a discount or rebate.

[Commercially sensitive details concerning a price reduction for a customer].

6. Select the two highest domestic sales invoices from the data supplied in appendix A4.1 (sales). Provide a complete set of commercial documentation for these sales. Include purchase order, order acceptance, commercial invoice, discounts or rebates applicable, credit/debit notes, long or short term contract of sale, inland freight contract, and bank documentation showing proof of payment.

BWR has attached commercial documents for two selected sales in 2021. Refer Confidential Attachment A-4.6 (i) and (ii).

A-5 General accounting/administration information

1. Specify your accounting period.

1 January to 31 December.

2. Provide details of the address(es) where your financial and production records are held.

2 George Street, Mayfield, NSW 2304.

3. Please provide the following financial documents for the two most recently completed financial years plus any subsequent statements:

- **chart of accounts;**
Latest chart of accounts attached (Confidential Attachment A-5.3).
- **audited consolidated and unconsolidated financial statements (including all footnotes and the auditor's opinion);**
BWR's 2021 financial statements are subject to audit by a newly appointed audit firm. As a result, final statements are not available. BWR has included its balance sheet and profit and loss statement for 2021. See Confidential Attachment A-5.3.
- **internal financial statements, income statements (profit and loss reports), or management accounts, that are prepared and maintained in the normal course of business for the goods.**

These documents should relate to:

- a. the division or section/s of your business responsible for the production and sale of the goods covered by the investigation, and
- b. the company overall.

See 2021 balance sheet and profit and loss statement (Confidential Attachment A-5.3).

4. If your accounts are not audited, provide the unaudited financial statements for the two most recently completed financial years, together with your taxation returns. Any subsequent monthly, quarterly or half yearly statements should also be provided.

Not applicable.

5. Describe your accounting methodology, where applicable, for:

- **the recognition/timing of income, and the impact of discounts, rebates, sales returns warranty claims and intercompany transfers**

With the exception of consignment goods, income is recognised when goods are despatched from factory. For consignment goods, income is recognised when goods are issued from consignment stock.

Discounts: accrual is raised when goods are distributed.

Rebates and warranties are recognised when claim approval is given.

- **provisions for bad or doubtful debts**
Provision for unknown is calculated at 0.25 per cent of debtors' ledges (including known).
- **the accounting treatment of general expenses and/or interest and the extent to which these are allocated to the cost of goods**
All expenses are allocated (monthly) against appropriate cost centres. Accruals are made for expenses not received in the month.
- **costing methods – standard or actual costs (e.g. by tonnes, units, revenue, activity,**

direct costs etc) and allocation of costs shared with other goods or processes

Standard costing is used to calculate the raw materials, WIP and finished goods. Cost of goods is allocated by tonnes produced.

- **the method of valuation for inventories of raw material, work-in-process, and finished goods (e.g. FIFO, weighted average cost)**

Valuation is standard cost.

- **valuation methods for scrap, by-products, or joint products**

Stock scrapped is valued at standard cost when written off.

- **valuation methods for damaged or sub-standard goods generated at the various stages of production**

Valued at standard cost.

- **valuation and revaluation of fixed assets**

Fixed assets are valued at cost price.

- average useful life for each class of production equipment, the depreciation method and depreciation rate used for each

Asset rates for depreciation are as per Bekaert policy:

2.3. Define investment orders and fixed assets

3. Select the correct asset class

- In the sap asset classes, IFRS depreciation rules have been implemented, applicable for Bekaert entities :

- ✓ Depreciation rates IFRS (applicable for whole of Bekaert) :

- Land	0 %
- Buildings & land improvements	5 %
- Plant, machinery & equipment	8 %
- Vehicles	20 %
- Computers	25 %
- Furniture	20 %
- Leasehold improvements	cf. lease term
- Direct items	33.33 %

- ✓ Depreciation method IFRS (applicable for whole of Bekaert) :

- straight line

- **treatment of foreign exchange gains and losses arising from transactions and from the translation of balance sheet items**

Foreign Exchange: as per Bekaert policy in line with IFRS. The realized gains and losses on transactions that have been settled are dealt with as follows:

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☐ 65400710 & 75400710 realized exchange results on sales transactions

- Used if the Standard Exchange Rate (SER) is not used to post the outgoing invoices (eg. Local currency has to be used, contract rates are used).
- At month-end the sales must be recalculated by using the SER of that month
- The difference between the sales at SER & the sales at transaction rate must be posted so that the sales are reported at SER.
- Posting : Increase (credit) or decrease (debit) the sales : 70000710 against account 65400710 (debit) or 75400710 (credit).

☐ |

☐ 65400720 & 75400720 realized exchange results on purchase transactions

- Used if the Standard Exchange Rate (SER) is not used to post the incoming invoices (eg. Local currency has to be used, contract rates are used).
- At month-end the purchases must be recalculated by using the SER of that month
- The difference between the purchases at SER & the purchases at transaction rate must be posted so that the purchases are reported at SER.
- Posting : Increase (debit) or decrease (credit) the purchases : 60000720 against account 75400720 (credit) or 65400720 (debit).

- **restructuring costs, costs of plant closure, expenses for idle equipment and/or plant shut-downs.**

Restructure Cost/Plant Closure etc. are as per Bekaert policy. Requires a business case submitted to various levels of management

6. **If the accounting methods used by your company have changed over the period covered by the inquiry please provide an explanation of the changes, the date of change, and the reasons.**

Since the purchase by Bekaert (1st March 2015) the accounting policy has not changed. There has been change of reporting software (SAP) due to the change of ownership in 2018.

A-6 Cost information

1. **Complete appendices A6.1 and A6.2 (cost to make) for domestic and export sales.**

BWR has completed Confidential Appendices A6.1 and A6.2.

2. **Please complete appendix A6.3 (SG&A list) for domestic selling general and administration expenses.**

BWR has detailed its SG&A costs in Confidential Appendix A6.3

A-7 Upwards sales, costs and SG&A reconciliation

1. **Please complete the reconciliation templates for appendix A7.1 upwards sales.**

Confidential Appendix A7.1 has been completed.

2. **Please complete the reconciliation templates for appendix A7.2 upwards costs.**

Confidential Appendix A7.2 has been completed.

3. **Please complete the reconciliation templates for appendix A7.3 upwards SG&A.**

Confidential Appendix A7.3 has been completed.

A-8 Other Factors

1. Complete appendix A8 (other factors).

BWR has completed Appendix A7 – Other Injury Factors for the 2018 – 2021 years.

A-9 Injury Claims

1. Please provide any additional information (not already provided in your application) or elaborate on your application claims, addressing the likelihood of material injury occurring to the Australian industry in the absence of the anti-dumping measures.

BWR monitors the customer base across all mine sites for wire ropes in NSW and QLD, including competitor activity for competitive product.

BWR's major competitor, Haggie Reid, has participated in 2021 tenders at the following key accounts to secure further volumes with supply from South Africa.

(i) *Customer name*

BWR negotiated a [period] contract with the [customer and time] in a market that was influenced by the pricing for [type of goods]. BWR and Haggie Reid both retained their pre-tender market share position [commercially sensitive customer negotiation content and discussion – the disclosure of which would result in financial disadvantage to BWR].

[Commercially sensitive customer negotiation content and discussion – including nomination of customer – the disclosure of which would result in financial disadvantage to BWR].

[Commercially sensitive customer negotiation content and discussion – including nomination of customer – the disclosure of which would result in financial disadvantage to BWR].

(ii) *Customer name*

In [time], BWR negotiated a new [length of time] contract for supply to

[Commercially sensitive customer negotiation content and discussion – including nomination of customer – the disclosure of which would result in financial disadvantage to BWR].

(iii) *Customer name*

In [date] BWR lost supply of [Commercially sensitive customer negotiation content and discussion – including nomination of customer – the disclosure of which would result in financial disadvantage to BWR].

(iv) Customer name

Prior to January [year], [commercially sensitive customer negotiation content and discussion – including nomination of customer – the disclosure of which would result in financial disadvantage to BWR].

(v) Customer name

In [month & year] in response to dramatically increased raw material and freight costs, BWR updated its commercial offer to [commercially sensitive customer negotiation content and discussion – including nomination of customer – the disclosure of which would result in financial disadvantage to BWR].

The above examples demonstrate that Haggie Reid continues to source wire ropes from Scaw South Africa at dumped prices that undercut BWR's prices causing price suppression, loss of volume and reduced profitability. BWR has not been able to secure prices at non-injurious levels due to the protracted impact of contracts that were agreed to for up to three years when Haggie Reid introduced nine-strand ropes following the imposition of measures in late 2017.

Additionally, BWR has not been able to achieve a full recovery of its financial position (i.e. return of profits and profitability or an adequate return on investment) that existed prior to the original 2016 investigation period, due to the presence of dumped wire ropes exported from South Africa. BWR is seeking the measures to be continued to enable it to compete with fair and reasonable prices beyond the current expiry date of December 2022.

2. Discuss factors other than dumped imports that may have caused injury to the industry. This may be relevant to the inquiry in that an industry weakened by other events may be more susceptible to injury from dumping.

During 2021, BWR's customers achieved competitive prices for their products. Apart from the trend to reduce surface mining in Australia as mine reach the end of their useful economic life, dumped imports are they primary negative impact on BWR business.

3. What impact did the covid-19 pandemic have or be likely to have on the economic condition of the Australian industry?

Covid -19 had minimal impact on BWR or its customers in the wire rope market in Australia.