



# ADRP Conference Summary

## 2019/119 Power Transformers exported from the Republic of Indonesia and Taiwan

Panel Member	Senior Member, Joan Fitzhenry
Review type	Review of a Minister's decision under section 269ZHG(1)(b)
Date	23 January 2020
Participants	Reuben McGovern and Gavin Crooks (Anti-Dumping Commission)
Time opened	2:00pm AEDT
Time closed	2.17pm AEDT

### Purpose

The purpose of this conference was to obtain further information in relation to the review before the Anti-Dumping Review Panel (ADRP) in relation to power transformers exported from the Republic of Indonesia and Taiwan.

The conference was held pursuant to s 269ZZHA of the *Customs Act 1901*.

In the course of the conference, I may have asked parties to clarify an argument, claim or specific detail contained in the party's application or submission. The conference was not a formal hearing of the review, and was not an opportunity for parties to argue their case before me.

I have only had regard to information provided at this conference as it relates to relevant information (within the meaning of section 269ZZK(6) of the *Customs Act 1901*). Any conclusions reached at this conference are based on that relevant information. Information that relates to some new argument not previously put in an application or submission is not something that the ADRP has regard to and is therefore not reflected in this conference summary.

### Discussion

The specific information that the ADRP sought in this conference was:

- Confirmation of the process by which the normal value of the exports by Fortune Electric Co., Ltd (Fortune) was determined and, in particular, how the ordinary course of trade (OCOT) test was applied.



## **Australian Government**

### **Anti-Dumping Review Panel**

- Reference was made to Tab a of Appendix 3 (Confidential Attachment 5) to the Final Report (REP 504). The spreadsheet at this tab listed the domestic sales of Fortune of like goods during the inquiry period and set out the calculations for the OCOT and those sales that would be included in the normal value determination.
- In particular, the calculations underlying columns AJ (Unit Net Invoice Value) through to AO (Extended Profit) were discussed and the selection of “Y” or “N” in columns AP to AS. I sought confirmation of my understanding as to how these calculations were used in the OCOT test.
- I also sought confirmation of my understanding of the profitability test which was set out in Tab c of Appendix 3. This test determined whether a sale listed at Tab a was noted as passing the less than profitable test or not in column AQ.
- The calculation of profitability at Tab e was also discussed.
- I also asked for clarification of the comment at paragraph 9, page 4 of the submission by the Commission regarding the contention by Fortune that Regulation 45(3) should be used to determine the amount of profit. The Commission representatives confirmed that the comment was to the effect that Fortune was seeking to have the same sales that were used by the Commission for the Regulation 45(2) profit calculation. The only difference was that the calculation of profit by Fortune included the sales that had been excluded by the Commission as not passing the OCOT test.
- The Commission representatives also provided their calculation of the profit margin which would apply if the excluded sales were used in the profit calculation which differed slightly from the amount claimed by Fortune. The difference being explained by excluding two subcontracted sales.