



# 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 Minister's decision under section 269ZHG(1)(b)
Date	15 July 2020
Participants	Matthew Williams, Reuben McGovern, Hayden Grigg and Rhys Piper (Anti-Dumping Commission)
Time opened	9:30 am AEST
Time closed	9:52 am AEST

### Purpose

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

The conference was held pursuant to section 269ZZHA of the *Customs Act 1901* (the Act).

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 Act). 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 Review Panel has regard to and is therefore not reflected in this conference summary.

At the time of the conference, I advised the participants that:

- the conference was being recorded and transcribed by Express Virtual Meetings Pty Ltd, and that the recording would capture everything said during the conference.
- the conference was being recorded for the Review Panel to have regard to when preparing a conference summary. The conference summary would then be published on the Review Panel's website
- Any confidential information discussed during the conference would be redacted from the conference summary prior to publication.



Prior to the conference, participants were provided with a copy of the Review Panel's Privacy Statement. The Privacy Statement outlines who the conference recording and transcript may be disclosed to. The Privacy Statement is available on the Review Panel's website [here](#). The participants indicated that they understood the Privacy Statement and consented to:

- The recording of the conference; and
- The recording being dealt with as set out in the Privacy Statement.

## Discussion

The specific information that the Review Panel sought in this conference was:

1. *Confirmation of the number of unprofitable sales*

I sought the ADC representatives' confirmation of the number of domestic sales by Fortune Electric Co., Ltd (Fortune) of like goods during the inquiry period, as set out in the Confidential Attachment 5 to REP 504, *Appendix 3 Fortune Domestic Sales*. I also sought confirmation of the number of those sales which were unprofitable.

The ADC representatives advised that the number of domestic sales which were considered for the purpose of the calculation of the profit under s.45(2)<sup>1</sup> was slightly less than set out in "Tab (a)" (Domestic Sales Summary), given the filter that was applied when the profit was calculated in "Tab (e)". This calculation filtered sales where the goods had been manufactured by a third party. I was provided with the number of domestic sales, excluding the third party manufactured sales, and also the number of those sales which were unprofitable.

I asked for confirmation of the percentage of sales which were unprofitable and was provided with this percentage, which was different to the total percentage in "Tab (c)" of *Appendix 3* but was still less than 20% of the domestic sales of like goods.

2. *Calculation of Profit/Dumping margin*

I confirmed with the ADC representatives that the profit calculated using the domestic sales in *Appendix 3* Tab (a), excluding the third-party sales, was ██████%.<sup>2</sup> I asked for the effect this would have, if used in the calculation of the constructed normal value, on the dumping margin.

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<sup>1</sup> S.45(2) of the Customs (International Obligations) Regulation 2015

<sup>2</sup> Information confidential to Fortune



**Australian Government**

**Anti-Dumping Review Panel**

The ADC advised that the reduced profit would reduce the normal value and accordingly the dumping margin. They also provided information on the effect it could have on the export price calculation. I noted that the issue of the export price was not within the terms of the review I was conducting.