**GOVERNMENT QUESTIONNAIRE –
PEOPLE’S REPUBLIC OF CHINA**

**PRODUCT CONCERNED: ALUMINIUM ZINC COATED STEEL**

**INVESTIGATION PERIOD: 1 JULY 2017 TO 30 JUNE 2018**

**RESPONSE DUE BY: FRIDAY 16 AUGUST 2019 (AUSTRALIAN EASTERN STANDARD TIME)**

**CASE MANAGER**: Lilly Tacksharp Terese Barber

**PHONE:** +61 3 8539 2520

**FAX:** +61 3 8539 2499

**E-MAIL**: lilly.tacksharp@customs.gov.au investigations3@adcommission.gov.au

**Anti-Dumping Commission website:** [www.adcommission.gov.au](http://www.adcommission.gov.au)

|  |  |
| --- | --- |
| **Return completed questionnaire to:** | Preferably via email to:investigations3@adcommission.gov.auOR mail to:Anti-Dumping CommissionGPO Box 2013Canberra 2601AustraliaAttention: Director Operations 4Director Investigations 3 |

**TABLE OF CONTENTS**

[SECTION A: BACKGROUND AND GENERAL INSTRUCTIONS 3](#_Toc13230389)

[A.1. Background 3](#_Toc13230390)

[A.2. Product concerned 3](#_Toc13230391)

[A.3. Review period 4](#_Toc13230392)

[A.4. Purpose of this questionnaire 4](#_Toc13230393)

[A.5. Response to this questionnaire 4](#_Toc13230394)

[A.6. If you decide to respond 5](#_Toc13230395)

[A.7. Future questions and verification 7](#_Toc13230396)

[SECTION B: GENERAL QUESTIONS 8](#_Toc13230397)

[SECTION C: SUBSIDIES 11](#_Toc13230398)

[C.1. New Programs Under Investigation 11](#_Toc13230399)

[C.2. Any Other Program Not Previously Addressed 12](#_Toc13230400)

[C.3. General Questions 12](#_Toc13230401)

[C.4. Specific Questions Preferential Tax Policies (Program 10) 15](#_Toc13230402)

[C.5. Specific Questions Direct Transfers (Programs 37 To 49) 16](#_Toc13230403)

[SECTION D: DECLARATION 20](#_Toc13230404)

[SECTION E: GLOSSARY OF TERMS 21](#_Toc13230405)

# BACKGROUND AND GENERAL INSTRUCTIONS

## Background

On 12 December 2018, following an application by Zhejiang Huada New Materials Co., Ltd (Huada or the applicant) under section 269ZF of the *Customs Act 1901* (the Act)[[1]](#footnote-2), the Commissioner of the Anti-Dumping Commission (the Commissioner) commenced an accelerated review in respect of aluminium zinc coated steel (the goods) exported to Australia from the People’s Republic of China (China).

As part of that accelerated review (Anti-Dumping Commission Accelerated Review No.500 (AR500)), the Anti-Dumping Commission (the Commission) requested that Huada provide data and information relating to all subsidies it received during the accelerated review period. In its response to the exporter questionnaire, Huada claimed it received benefits in the form of preferential tax policies and grants. At the conclusion of that accelerated review, the dumping duty notice as it applies to Huada was revised but the original countervailing duty notice remained unchanged. Anti-Dumping Notice (ADN) No. 2019/27 provides further details and is available on the Commission’s website at [www.adcommission.gov.au](http://www.adcommission.gov.au).

On 10 July 2019, following an application by Huada under section 269ZF of the Act, the Commissioner commenced an accelerated review of the countervailing duty notice in respect of the goods exported to Australia from China.

ADN No. 2019/92 outlining the details of this accelerated review and the procedures to be followed during the review was published on 10 July 2019 on the Commission’s website.

## Product concerned

The goods under consideration (the goods) i.e. the goods exported to Australia, allegedly at dumped prices and/or in receipt of subsidies, are:

*Flat rolled products of iron and non-alloy steel of a width equal to or greater than 600mm, plated or coated with aluminium-zinc alloys, not painted whether or not including resin coating.*

*The goods description covers aluminium zinc coated steel whether or not including any (combination of) surface treatment, for instance: whether passivated or not passivated, (often referred to as chromated or unchromated); resin coated or not resin coated, (often referred to as Anti Finger Print (AFP) or not AFP); oiled or not oiled; skin passed or not skin passed.*

*Painted aluminium zinc coated steel, pre-painted aluminium zinc coated steel and corrugated aluminium zinc coated steel are not covered by the dumping duty and countervailing duty notices.*

The goods are generally, but not exclusively, classified to the following tariff subheadings of Schedule 3 to the *Customs Tariff Act 1995:[[2]](#footnote-3)*

|  |  |
| --- | --- |
| **Tariff Subheading** | **Statistical Codes** |
| 7210.61.00 | 60, 61 and 62 |

## Review period

The existence and amount of any subsidisation in relation to the goods exported to Australia from China will be determined on the basis of an accelerated review period of **1 July 2017 to 30 June 2018** (the review period). This review period is consistent with the review period used in the original accelerated review (AR500).

## Purpose of this questionnaire

The purpose of this questionnaire is to assist the Commission to obtain information from the Government of the People’s Republic of China (GOC) it considers necessary for the investigation into countervailable subsidies received by exporters of the goods from China.

Please note that the subsidy/countervailing sections of this questionnaire focus on the programs alleged in the application. The Commission may also investigate any additional subsidy program(s) if additional information becomes available.

Any additional questions will be posed to the GOC using supplementary questionnaires.

A separate questionnaire was sent to Huada as part of AR500. The exporter questionnaire also requested information on subsidies.

## Response to this questionnaire

The GOC may elect not to respond to and complete the questionnaire.

However, if the GOC does not respond the Commission may be required to rely on information supplied by other parties (possibly information supplied by the Australian industry).

Therefore, it may be in the GOC’s interests, and the interest of Chinese exporters of the goods, to provide a complete response.

If the GOC elects to respond to this questionnaire, the response is due by **16 August 2019.**

## If you decide to respond

Should the GOC elect to provide a response to this questionnaire, please note the following.

### **Confidential and non-confidential versions**

If the GOC elects to respond to this questionnaire, you are required to lodge a confidential and a non-confidential version of your submission by the due date.

In submitting these versions, please ensure that each page of the information you provide is clearly marked either “**IN-CONFIDENCE**” or “**NON-CONFIDENTIAL**” in the header.

All information provided to the Commission in confidence will be treated accordingly. The non-confidential version of your submission will be placed on the Public Record, which all interested parties can access.

Your non-confidential submission must contain sufficient detail to allow a reasonable understanding of the substance of the confidential version. If, for some reason, you cannot produce a non-confidential summary, contact the investigation case officer (see contact details on Page 1 of this questionnaire).

### **Declaration**

You are required to make a declaration that the information contained in the GOC’s response is complete and correct. You must return the signed declaration of an authorised GOC official at Section D of this questionnaire with the GOC’s response.

### **Coordination of responses**

In completing the questionnaire, if a question requires information from other authorities (e.g. provincial or local governments, state owned entities, etc.) please forward the questions to the correct source.

However, it is the responsibility of the GOC to ensure that a full and complete response to all sections of the questionnaire is submitted, and that responses from all levels of governments, agencies and/or other applicable entities are collated and coordinated in the one response.

### **Consultants/parties acting on your behalf**

If you intend to have another party acting on your behalf please advise the Commission of the relevant details.

The Commission will generally require a written authorisation from the GOC for any party acting on its behalf.

### **Provision of documents**

Numerous documents are requested from the GOC throughout this questionnaire. In many cases, the titles or description of these documents within the questionnaire may not correlate to the official title that the GOC has granted each document, but is rather a descriptor of the document to the best of the Commission’s knowledge.

If the listed title is unknown to the GOC but a document that appears to be similar to the requested document, relates to a similar topic area, or otherwise would be considered to contain useful information is identified by the GOC, please provide this document.

Further, when providing requested documents, please indicate whether the documents:

* are current/in force;
* were current/in force during the review period; or
* have been repealed, revised or superseded.

Where the documents have been repealed, revised or superseded, where applicable:

* indicate when this revision occurred;
* provide any notice of repeal;
* provide the revised version;
* provide the document that supersedes the requested document; and
* indicate whether the revised version was in force during the review period.

### **Lodgement**

You may lodge your response by mailing it to the address for lodgement shown on the front cover of this questionnaire.

Alternatively you are welcome to lodge your response by email. The email address for lodgement is shown on the front cover of this questionnaire. If you lodge by email you are still required to provide a confidential and a non-confidential version of your submission by the due date.

In completing any lists of names and addresses requested throughout this questionnaire, electronic responses in a Microsoft Excel spreadsheet would be preferred. If lodging your response in hard copy, please include these lists in electronic format.

### **General matters**

Responses to questions should:

* be as accurate and complete as possible, and attach all relevant supporting documents,[[3]](#footnote-4) even where not specifically requested in this questionnaire;
* be in English (with fully translated versions of all requested and other applicable documents submitted);
* list your source(s) of information for each question;
* identify all units of measurement used in any tables, lists and calculations;
* show any amounts in the currency in which they were originally denominated.

Please note that references throughout this questionnaire to companies benefiting from a particular program should be read as including any parent and associated companies, and, if the company has been subject to merger or acquisition, any former associated companies or former parent companies.

Please note that answers such as "Not Applicable", or an answer that only refers to an exhibit or an attachment without any explanation, may be considered to be inadequate by the Commission. We therefore suggest that in answering the questions you outline the key elements of your response in the primary submission document, and not merely refer to supporting documents the relevance and reliability of which has not been explained in your answer.

### **Clarification**

If you have any difficulties in completing the questionnaire, or require clarification on any questions asked, contact the case manager as soon as possible (contact details are provided on Page 1 of this questionnaire).

## Future questions and verification

The Commission may decide to visit the GOC to examine records and to verify the information provided. It is common practice for Commission officers to visit Government officials, exporters and manufacturers of the subject goods, in order to verify the information submitted. You will be contacted in advance of such a meeting in order to make arrangements.

A complete response, including all of the documentation requested, must be submitted to the Commission before a verification meeting will be considered.

If a verification visit is undertaken the key Government officials involved in preparing the response, and those who have knowledge of the source documentation and the information contained therein, should be available to meet with Commission officers and to provide additional clarification and explanation, as required.

If verification meetings are unreasonably delayed, cancelled, or otherwise hindered by the GOC, the assessment of a particular market situation and the assessment as to the amount of countervailable subsidy may be based on the facts available to the Commission.

The purpose of the verification meeting will be to verify the information provided in your questionnaire response. It is not intended to be a second opportunity for the GOC to provide new or additional information. Accordingly, it is important that your response be as complete and accurate as possible.

# GENERAL QUESTIONS

#### Identify the administration co-ordinating the response to this questionnaire and provide the names and contact details of the official(s) (including email addresses). Please note that the Commission may have further inquiries concerning the questionnaire response and a contact must be available to respond to any further information requests.

#### Describe the nature and structure of the aluminium zinc coated steel industry and market sector in China.

Without limiting your response, include information concerning:

1. the size and output (value and quantity) of these industries for the period 1 July 2017 to 30 June 2018, indicating:
2. Details regarding the following:
	1. the extent of vertical integration in the industries;
	2. the extent of the reliance on imported raw material inputs;
	3. Government involvement at each level of the industry; and
	4. the extent of any restrictions, quotas or limits for the production volumes in these industries.

#### Is the applicant Huada located in an area or economic zone which entitles them to preferential tax or other preferential policies provided by the GOC including those provided by regional, provincial or municipal authorities? [[4]](#footnote-5)

#### If so identify which particular zone or area Huada is located in.

#### Provide a list of all manufacturers/producers of aluminium zinc coated steel in China that produced aluminium zinc coated steel during the review period. If possible, please provide this listing in Microsoft Excel format in the attached spreadsheet at worksheet B.5. Please see the GOC Questionnaire spreadsheet provided with this questionnaire.

Within this list, indicate the following:

* the business’ address (including the city/town and province);
* the function and type of business;
* the ownership structure of the business, including indirect ownership through associated companies (i.e. State Invested Enterprises (SIE)[[5]](#footnote-6), private, co-operative, Foreign Invested Enterprise (FIE)[[6]](#footnote-7) or joint venture);
* if the business is not an SIE, whether it is otherwise associated with the GOC;
* whether the business is a manufacturer of aluminium zinc coated steel and whether it produces hot rolled coil;
* total production quantity of aluminium zinc coated steel by the business during the review period;
* Is the GOC a shareholder in the business? If so, the percentage of GOC holdings;
* If there is GOC representation in the business; and
* The value of total benefit received annually.

For all companies that are SIEs, indicate the percentage ownership held by the GOC during the review period.

For all companies that are otherwise associated with the GOC, explain this association as it was during the review period.

#### It is the Commission’s understanding that within China there are various zones, areas, or other regions that encourage the operations of industries/enterprises located within that region and/or entitle/facilitate entities to access differential treatment (this may include preferential tax programs or other preferential policies).

Provide:

* a listing of the names of all such zones, areas, or other regions in China;
* an explanation of each such type of zone, area or other region in China; and
* a listing and explanation of what location in each zone makes businesses eligible for (including any GOC assistance or differential treatment).

#### Is the applicant Huada located in an area, zone or other region listed in your response to Question B.6? If so identify which entities and which particular zone or area the entity is located in.

#### Provide the names and addresses of all national, provincial and regional producer organisations that represent the interests of the goods and aluminium zinc coated steel manufacturers and traders in China.

#### Specify and provide supporting documentation for the standard corporate tax rate during the review period for:

1. companies that manufacture aluminium zinc coated steel;
2. companies that trade in aluminium zinc coated steel;
3. companies that manufacture steel;
4. companies that trade in steel.

#### Specify and provide supporting documentation for the corporate tax rates applicable in all provincial or local jurisdictions in China for those types of companies listed in (a) to (d) of Question B.9.

# SUBSIDIES

## New Programs Under Investigation

In the response to the exporter questionnaire for AR500, Huada claimed it had benefitted from 1 existing and 10 new programs. During the course of the accelerated review, an additional 3 grants were identified from Huada’s financial records.

The Commission notes that there was minimal detail in the response to the exporter questionnaire for some of the programs. Based on available information, the Commission has limited its review to the following programs. If further information comes to hand during the course of the accelerated review, the Commission may choose to investigate further programs. In this event, the Commission may issue a supplementary questionnaire.

The following are programs that the Commission is seeking further information:

|  |  |  |  |
| --- | --- | --- | --- |
| **Program Category** | **No.**  | **Program Name** | **Previously identified** |
| Preferential tax policies | 10 | Preferential Tax Policies for High and New Technology Enterprises | Yes |
| Direct Funds | 37 | Patent special fund of Zhejiang Province  | No |
| 38 | Matching Funds for International Market Development for small and medium size enterprises (Dayuan) | No |
| 39 | Promoting employment fund of Hangzhou Fuyang | No |
| 40 | Capital market supporting fund | No |
| 41 | Patent special fund of Hangzhou City | No |
| 42 | Patent special fund of Hangzhou Fuyang | No |
| 43 | Foreign trade development fund of Central government | No |
| 44 | Open economy subsidy of Hangzhou Fuyang | No |
| 45 | Withholding tax commission subsidy | No |
| 46 | Industrial internet fund of Hangzhou City | No |
| 47\* | Subsidy for 1,000,000 – Tonne precision cold rolled plate project | No |
| 48\* | Subsidy for 1,000,000 – Tonne precision cold rolled plate project (Phase two) | No |
| 49\* | Reconstruction of coal-fired borers with 10 or less tonnes of steam | No |

**Table C-1 Subsidy Programs**

*Note: the above titles of programs are to the best of the Commission’s knowledge and in some cases may simply be descriptions of the program. Consequently, the titles may not exactly reflect any official titles that the GOC has in place*.

*\* - Programs 47, 48 and 49 were not reported by the exporter in Accelerated Review 500 however were identified by the Commission as potentially countervailable subsidies.*

## Any Other Program Not Previously Addressed

If the GOC, any of its agencies, or any other authorised non-Governmental body, provides any other assistance programs not previously addressed (including market development assistance programs or any domestic support programs related to the manufacture of subject goods) to manufacturers of aluminium zinc coated steel in China, identify these programs.

Such assistance programs are those that constitute a subsidy as defined in the Glossary of Terms.

Please provide the information requested in Section C.3 for **each program** identified above and any additional programs you have identified. In addition, please respond to the program-specific information requested.

## General Questions

For **each program** identified in Table C-1, and any other additional programs that the GOC identifies, answer the following questions.

*Note: In responding to the questions in this part you are required to provide information on each program, regardless of the year the benefit was granted by the GOC or the year that the benefit was received by the recipient company, as well as those further identified by the GOC, where the program benefits impact on the production and sale of aluminium zinc coated steel during the review period.*

### Provide details of the program including the following.

1. Title of the program.
2. Policy objective and/or purpose of the program.
3. Legislation under which the subsidy is granted.
4. Nature or form of the subsidy.
5. When the program was established.
6. Duration of the program.
7. How the program is administered and how it operates.
8. To whom and how the program is provided.
9. The eligibility criteria in order to receive benefits under the program.

### Provide translated copies in English of the decrees, laws and regulations relating to the program and any reports pertaining to the program published during or since the review period. Specify the sections that govern the program.

### Provide copies together with translations in English of all legislative, regulatory, administrative and public documents relating to this program.

### Identify the GOC department or agency administering the program.

### Identify and explain the types of records maintained by the relevant Government or agency (e.g., accounting records, company-specific files, databases, budget authorisations, etc.) regarding the program.

### Indicate whether Huada applied for, accrued, or received benefits under the program during the review period.

### Answer the following questions regarding the application process:

1. Describe the application process (including any application fees charged by the Government agency or authority) for the program and provide a blank copy of the application form (translated, if necessary).
2. After an application is submitted, describe the procedures by which an application is analysed and eventually approved or refused.
3. If the application is approved, provide the approval documents together with any conditions or criteria subject to which the approval is made.
4. If the application is refused, provide the refusal documents together with the reasons for refusal.

### Answer the following questions regarding eligibility for and actual use of the benefits provided under this program.

1. Is eligibility for, or actual use of this program contingent, whether solely or as one of several other conditions, upon export performance? If so, please describe.
2. Is eligibility for this program contingent, whether solely or as one of several other conditions, upon the use of domestic over imported goods? If so, please describe.
3. Is eligibility for the subsidy limited to enterprises or industries located within designated regions? If so, specify the enterprises or industries and the designated regions.
4. Is eligibility limited, by law, to any enterprise or group of enterprises, or to any industry or group of industries? If so, describe and specify the eligible enterprises or industries.

### Respond to the following questions regarding the criteria governing the eligibility for and receipt of any benefit under this program.

1. Describe the criteria governing the size of the benefit provided.
2. Provide a copy of any law, regulation or other official document detailing these criteria.
3. If the eligibility criteria as listed in the applicable law, regulation or other official documents are met, will the applicant always receive a benefit or is final approval contingent upon the Government agency or authority that administers the program?
4. Is the amount of the benefit provided exclusively determined by established criteria found in the law, regulation or other official document or does the Government agency or authority that administers the program determine the benefit amount?
5. Provide any contractual agreements between the GOC and the companies that are receiving the benefits under the program (e.g., loan contracts, grant contracts, etc.).

### Provide a list by industry and by region of the companies that have received benefits under this program in the year the provision of benefits was approved and in each of the years 2016, 2017 and 2018.

### How many applicants have received financial assistance/benefit and how many applicants have been rejected in the year the financial assistance/benefit was approved and in each of the years 2016, 2017 and 2018? Provide the main reasons why applicants have been rejected.

### Describe any anticipated changes in the program. Provide documentation substantiating your answer. If the program has been terminated, state the last date that a company could apply for or claim benefits under the program. When is the last date that a company could receive benefits under the program?

### If assistance under the program was provided by an entity other than a national, state or local Government entity, please respond to the following questions:

1. What is the legal status of the entity e.g. is it a separately incorporated entity and/or a Government corporation, Government lending institution, commercial entity?
2. Please explain how the entity was established and whether the entity operates pursuant to statutes, decrees and/or regulations. Please explain the relevant statute, decrees and regulations under which the entity was established and operates.
3. What is the legal basis that governs the entity’s provision of assistance under the program? Please provide translated copies of the relevant legal measures.
4. Has the entity received any direct or indirect funding or support from a Government entity? Please specify if the Government provided any such direct or indirect funding for the purpose of providing assistance under this program.
5. Did the entity provide assistance under the program pursuant to specific guidelines and/or criteria under this program? Please describe those guidelines and/or criteria.
6. Please provide the ownership structure of each such entity and specify the amount of any direct or indirect Government ownership during the review period (and for each year in which the assistance was provided).
7. Please provide the translated annual report during the review period (and for each year in which the assistance was provided) for each such entity.
8. What are the core activities and functions of each entity that provided the assistance under the program?
9. Explain why the assistance under this program was provided by this entity rather than directly by the Government.

## Specific Questions Preferential Tax Policies (Program 10)

In addition to the general questions for Section C.3, please answer the following specific questions in relation to any tax programs.

If Huada used the program to take deductions from taxable income, to receive credit towards taxes payable, to take exemptions from taxes owed, to reduce the tax rate, to defer payment of taxes, to carry forward losses from previous tax years, to use accelerated depreciation, or to benefit from other tax advantages on the tax return filed during the review period, please respond to the following questions.

### Explain whether the assistance is a deduction from taxable income, a credit towards taxes payable, an exemption from taxes owed, a reduction in the tax rate, a deferral of taxes, a loss carry-forward from previous tax years, accelerated depreciation, or other tax benefit.

### How do companies using this program calculate the tax benefit they claim? Please be specific and provide a sample calculation using a blank tax form.

### If the company carried forward a loss from prior years and used that loss to offset taxes due on the tax return filed during the review period, demonstrate that this loss was not generated by use of any countervailable tax program.

### If the program involves a deferral of taxes owed, please provide the amount and length of the deferral, and the details of any interest charged on the deferral.

### If the tax assistance results in negative income for tax purposes, for example through accelerated depreciation, is the company able to carry forward this loss?

### For a program that provides a reduction in the tax rate or an exemption from taxes payable, please report the tax rate that was paid under the program and the tax rate that would have applied in absence of the program.

## Specific Questions Direct Transfers (Programs 37 To 49)

### Provide full details of the programs including the following.

1. policy objective and/or purpose of the program.
2. legislation under which the subsidy is granted.
3. nature or form of the subsidy.
4. when the program was established.
5. duration of the program.
6. how the program is administered and explain how it operates.
7. to whom and how is the program provided.
8. the GOC department or agency administering the program.
9. the eligibility criteria in order to receive benefits under the program.

### Provide translated copies in English of the decrees, laws and regulations relating to the programs and any reports pertaining to the programs.

### Identify and explain the types of records maintained by the relevant government or governments (e.g. accounting records, company-specific files, databases, budget authorizations, etc.) regarding the program.

### Identify all companies that accrued or received benefits under the programs during the review period. Include the following details in the spreadsheet provided as C.5.4 (or in a Microsoft Excel compatible format):

1. the business’ address (including the city, province and region);
2. the ownership structure of the business, including indirect ownership through associated companies (i.e. SIE, private, co-operative, FIE or joint venture);
3. if the business is not an SIE, whether it is otherwise associated with the GOC;
4. whether the entity produces aluminium zinc coated steel.

Provide on an annual basis the value and/or nature of the benefit or concession granted (monetary and/or non-monetary) under the programs.

### For each entity identified in your response to Question C.5.4 that is an SIE, answer the following questions regarding their performance and profits.

1. How are the operations of the enterprise funded?
2. Provide details of any debts or other liabilities the enterprise has with any banks or financial institutions in which the GOC holds an interest.
3. How is the performance of the enterprise measured? For example, profitability, employment, output, social wellbeing, etc.
4. Provide details and explain how the State-owned Assets Supervision and Administration Commission of the State Council (SASAC) or any other government entity inspects or evaluates enterprise performance, including:
	* output and quality performance;
	* performance of employees/directors/managers; and
	* financial performance.

*If any other GOC entity plays such a role, provide a detailed explanation of this entity and the role it plays with regard to SIEs.*

1. Provide details of any official reporting mechanisms that the enterprise must comply with.
2. Provide an explanation of the systems that exist for assessing the performance of administrators of SIEs. Provide examples of recent appraisals of SIE administrators of the enterprise.
3. How are profits of the enterprise distributed and to whom?
4. Outline what action, if any, is taken by SASAC or any other government entity if the enterprises makes a loss or under-performs.
5. Over the past 10 years, has the GOC provided any payment or made any injection of funds to the enterprise, including but not limited to:
	* grants;
	* prizes;
	* awards;
	* stimulus payments and rescue type payments;
	* injected capital funds;
	* purchasing of shares.
6. If so, provide details, indicating the amount, circumstance, and purpose of any such payment or injection of funds, as well as whether they were tied to any past or future performance, direction or action of the enterprise.

### For each entity identified in Question C.5.4, answer the following questions regarding enterprise functions:

1. Provide a list of functions the enterprise performs.
2. Provide details of any government policies the enterprise administers or carries out on behalf of the GOC.
3. Indicate whether any of the enterprise’s functions are considered to be governmental in nature.
4. Indicate whether the enterprise has been trusted, tasked, vested with any government authority. Provide details of this authority including how it is exercised or administered, as well as copies of relevant statutes or other legal instruments that vest this authority.
5. Indicate whether the enterprise has the authority or power to entrust or direct a private body to undertake responsibilities or functions.
6. Explain whether the enterprise is in pursuit of, or required to support governmental policies or interests.
7. Provide examples of any ‘social responsibilities’ the enterprise undertakes or is involved in (reference is made to Article 17 of the Law on State Owned Assets)?

### Describe the application process (including any application fees charged by the government agency or authority) for the program.

After an application is submitted, describe the procedures by which an application is analysed and eventually approved or disapproved.

### Answer the following questions regarding eligibility for and actual use of the benefits provided under this program.

1. Is eligibility for, or actual use of this program contingent, whether solely or as one of several other conditions, upon export performance? If so, please describe.
2. Is eligibility for this program contingent, whether solely or as one of several other conditions, upon the use of domestic over imported goods? If so, please describe.
3. Is eligibility for the subsidy limited to enterprises or industries located within designated regions? If so, specify the enterprises or industries and the designated regions.
4. Is eligibility limited, by law, to any enterprise or group of enterprises, or to any industry or group of industries? If so, describe and specify the eligible enterprises or industries.
5. Provide any contractual agreements between the GOC and the companies that are receiving the benefits under the program (e.g., loan contracts, grant contracts, etc.).

### Provide the total amounts of benefits received by each type of industry in each region in the year the provision of benefits was approved and each of the years from 1 January 2016 to 31 December 2018.

### For all programs listed in Table C-1, describe any anticipated changes in the program. Provide documentation substantiating your answer. If the program has been terminated, state the last date that a company could apply for or claim benefits under the program. When is the last date that a company could receive benefits under the program?

# DECLARATION

The undersigned certifies that all information supplied herein in response to the questionnaire (including any data supplied in an electronic format) is complete and correct to the best of his/her knowledge and belief.

|  |  |  |
| --- | --- | --- |
| **Date** |  | **Signature of authorised official** |
|  |  |  |
|  |  | **Name of authorised official** |
|  |  |  |
|  |  | **Title of authorised official** |

# GLOSSARY OF TERMS

*Throughout this questionnaire certain words and terminology have been used and they have the following meanings:*

***Associated Persons and/or Companies***

Persons shall be deemed to be associates of each other if:

1. both being natural persons:
2. they are connected by a blood relationship or by marriage or adoption; or
3. one of them is an officer or director of a body corporate controlled, directly or indirectly, by the other;
4. both being bodies corporate:
5. both of them are controlled, directly or indirectly, by a third person (whether or not a body corporate); or
6. both of them together control, directly or indirectly, a third body corporate; or
7. the same person (whether or not a body corporate) is in a position to cast, or control the casting of, 5% or more of the maximum number of votes that might be cast at a general meeting of each of them; or
8. one of them, being a body corporate, is, directly or indirectly, controlled by the other (whether or not a body corporate); or
9. one of them, being a natural person, is an employee, officer or director of the other (whether or not a body corporate); or
10. they are members of the same partnership.

***Enterprise***

“Enterprise" includes a group of enterprises, an industry and a group of industries.

***Foreign Invested Enterprise (FIE)***

An FIE may be:

1. Chinese-foreign equity joint venture:

Joint venture between a Chinese company, enterprise, or other business organisation and a foreign company, enterprise, business organisation or individual set up in the form of a Chinese limited liability company.

The characteristics of a Chinese-foreign equity joint venture are joint investment, joint operation, and the participants share profits, risks and losses in proportion to their respective contributions to the registered capital of the joint venture.

The proportion of the investment by the foreign party is no less than 25% in the registered capital of equity joint venture.

2. Chinese-foreign contractual joint venture:

A joint venture established between foreign enterprises and other economic organisations or individuals, and Chinese enterprises or other economic organisations within the territory of China. The rights and obligations of each party are determined in accordance with the agreement specified in the contractual joint venture contract. The investment or conditions for cooperation contributed by the Chinese and foreign parties may be provided in cash or in kind, or may include the right to the use of land, industrial property rights, non‑patent technology or other property rights.

3. Wholly foreign owned enterprises:

A wholly foreign owned enterprise is established by foreign enterprises and other economic organisations or by individuals pursuant to the Chinese laws within the territory of China. All of the wholly foreign owned enterprise’s capital is invested by foreign investors. It may also be referred to as a Foreign Enterprise (FE).

***Government of the People’s Republic of China (GOC)***

For the purposes of this questionnaire, GOC refers to all levels of Government, i.e., central, provincial, regional, city, special economic zone, municipal, township, village, local, legislative, administrative or judicial, singular, collective, elected or appointed.

It also includes any person, agency, enterprise, or institution acting for, on behalf of, or under the authority of any law passed by, the Government of that country or that provincial, state or municipal or other local or regional Government.

***Program(s)***

The term “program”, as used throughout this questionnaire in reference to alleged subsidies, refers to broad categories of subsidies that the Commission has reason to believe may be available to exporters of the goods.

In this regard, the term “program” as used in this questionnaire should not be taken to necessarily refer to formal programs maintained by the GOC, nor should it be taken to refer to one specific subsidy. Rather, “program” as used in this questionnaire can refer to informal subsidies provided by the GOC, and can also refer to multiple individual, albeit similar, subsidies.

***Special Economic Zone (SEZ)***

Refers to a Special Economic Area, Economic and TechnicalDevelopment Zone, Bonded Zone, Export Processing Zone,High Technology Industrial Development Zone, or any otherdesignated area where benefits from the GOC(including central, provincial, municipal or county Government)accrue to a company because of being located in such an area.

***State Invested Enterprises (SIE)***

For the purposes of this questionnaire, SIE refers to any company or enterprise that is wholly or partially owned by the GOC as defined above (either through direct ownership or through association) including:

* ‘enterprises with state investment’
* ‘state-owned assets’
* ‘state-invested enterprises’
* ‘enterprises under the supervision of SASAC’

For the purposes of this questionnaire, SIE refers to any and all of the above types of enterprises.

***Subsidy***

Subsidy, in respect of goods exported to Australia, means:

1. a financial contribution:
2. by a Government of the country of export or country of origin of the goods; or
3. by a public body of that country or a public body of which that Government is a member; or
4. by a private body entrusted or directed by that Government or public body to carry out a Governmental function;

that involves:

1. a direct transfer of funds from that Government or body; or
2. the acceptance of liabilities, whether actual or potential, by that Government or body; or
3. the forgoing, or non‑collection, of revenue (other than an allowable exemption or remission) due to that Government or body; or
4. the provision by that Government or body of goods or services otherwise than in the course of providing normal infrastructure; or
5. the purchase by that Government or body of goods or services; or
6. any form of income or price support as referred to in Article XVI of the General Agreement on Tariffs and Trade 1994 that is received from such a Government or body;

if that financial contribution or income or price support confers a benefit (whether directly or indirectly) in relation to the goods exported to Australia.

1. All legislative references in this questionnaire are to the *Customs Act 1901* unless otherwise specified. [↑](#footnote-ref-2)
2. These tariff classifications and statistical codes may include goods that are both subject and not subject to the anti-dumping measures. The listing of these tariff classifications and statistical codes are for convenience or reference only and do not form part of the goods description. Please refer to the goods description for authoritative detail regarding goods subject to the anti-dumping measures. [↑](#footnote-ref-3)
3. This includes, but is not limited to, any laws, decrees, regulations, statements of policy, or other administrative guidelines. In each case, include any legislative history as well as other descriptive materials and explanations of the criteria underlying the decisions relating to each of the programmes mentioned in this questionnaire. If applicable, a sample of each of the applications that a company must complete to participate in each of the programs should also be included. [↑](#footnote-ref-4)
4. Refer to this questionnaire’s Glossary of Terms for a definition of the GOC. [↑](#footnote-ref-5)
5. Refer to this questionnaire’s Glossary of Terms for a definition of the SIE. [↑](#footnote-ref-6)
6. Refer to this questionnaire’s Glossary of Terms for a definition of the FIE. [↑](#footnote-ref-7)