



## Verification report – UK Producer

### Case AS0022: Single-mode Optical Fibre Cables from China

Period of Investigation (POI):	1 <sup>st</sup> January 2021 – 31 <sup>st</sup> December 2021
Injury Period:	1 <sup>st</sup> January 2018 – 31 <sup>st</sup> December 2021
Date of report:	12/01/2023 12 <sup>th</sup> January 2023
Case team contact details:	<a href="mailto:AS0022@traderemedies.gov.uk">AS0022@traderemedies.gov.uk</a>
Company verified:	Prysmian Cables and Systems Limited ("Prysmian UK")

For further details, please see the Notice of initiation on the public file (link to the public file: [AS0022 Notice of Initiation](#)).



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## Executive Summary

On 26 April 2022, the Trade Remedies Authority (TRA) initiated an investigation (AS0022) into alleged subsidised imports into the United Kingdom (UK) of single-mode optical fibre cable originating from the People's Republic of China (PRC).

Prysmian Cables and Systems Limited (hereafter "Prysmian UK"), a UK producer of the like goods, responded with completed questionnaire in support of the investigation. As part of the investigation, the TRA sought to verify the response including the data annex provided with the questionnaire submission. This report details the evidence gathered and the TRA's findings from the verification of the data.

During the verification process:

- The TRA have compared the questionnaire response and other accompanying evidence to information from open sources, such as Companies House, audited financial statements, and information available on the Prysmian Group website.
- We conducted a system walkthrough of the accounting systems to assess how much reliance we can place on data produced by the system
- We checked the submitted annex data for consistency with Prysmian UK's accounting system and the audited financial statements provided.
- We checked Prysmian UK's submitted data annex for consistency with sales, purchasing, and cost source documents provided.
- We reviewed the costs allocated to the Optical Fibre business area and the cost allocation to each Product Control Number (PCN) for reasonableness.

The TRA were able to conduct an on-site system walkthrough and an on-site verification visit to give Prysmian UK the opportunity to provide additional details and clarifications about questions the TRA had. The TRA was also able to contact Prysmian UK throughout the course of the investigation to request clarifications or further information.

The TRA does not have any material concerns to report in respect to the questionnaire response submitted by Prysmian UK. We were able to gain reasonable assurance on the information provided in the questionnaire, annex data and questionnaire appendixes by Prysmian UK, with the exception of Prysmian UK's market share, sale volume and price forecasts. The TRA has low level assurance that these forecasts are a reliable indicator of future performance as we have access to only a partial method to assess the reasonableness of Prysmian UK's forecast calculations. This exception is not considered a material concern to this investigation.

Based on the verification activities we have undertaken we have concluded that we have a reasonable level of assurance on the accuracy and completeness of the information provided by Prysmian UK. We will therefore use Prysmian UK's data for any relevant purpose in the investigation.



## Purpose of verification

The purpose of the TRA's verification activity is to provide the assurance considered necessary to decide whether the information provided by the interested party is verifiable and can be used for the purposes of our investigation. Such data has then been considered in our assessments and analysis to determine whether injury is caused or is likely to be caused to the UK industry by subsidised imports of the goods concerned. This will form the basis for establishing appropriate measures where necessary, and to assess whether these are in the UK's economic interest.

We have carried out verification activity using desk and remote analysis and undertaken work on-site. The activity did not seek to verify all information provided but to undertake the work considered appropriate and possible within the time constraints of the investigation to obtain assurance on which to base our decision.

This verification report documents the work the TRA has completed, the checks we have carried out and conclusions we have reached about the reliability of information provided by Prysmian UK.

## Confidential information

Prysmian UK must provide a non-confidential version of the verification report marked as "non-confidential" in the header of the non-confidential verification report.

If any information contained in the confidential verification report is considered confidential, Prysmian UK should delete or redact those sections and provide a non-confidential summary of the information which has been removed. It must provide reasons as to why the particular information is considered confidential (see also [public guidance](#)).

The non-confidential version of the verification report will be placed on the public file for case AS0022 (<https://www.trade-remedies.service.gov.uk/public/case/AS0022/> <https://www.trade-remedies.service.gov.uk/public/case/AS0022/> ).



## Verification

Please find below a summary of work that has been completed and the checks that have been carried out by the TRA to determine whether the information provided by the interested party in their questionnaire response is verifiable.

We will upwardly and downwardly verify data wherever possible. Upwards verification is where we reconcile data to high level audited accounts, and downward verification is where we reconcile data to source documents such as invoices or credit notes or assess the reasonableness of cost allocations.

### A. Company structure and associations

#### What information was considered

- Company details e.g., founding date, company addresses etc.
- General company structure, ownership, and management.
- Associations with other companies.
- Accounting practices and policies

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

#### How the information was checked

##### **Company details**

The TRA cross-checked the details submitted by Prysmian UK with documents published on Companies House and information provided on the Prysmian Group company website. These documents include the Prysmian UK audited annual accounts for 2021 which coincides with the Period of Investigation of 1<sup>st</sup> January to 31<sup>st</sup> December 2021. We found that the information submitted in their questionnaire was consistent with information published on Companies House and Prysmian UK's website.

##### **General company structure, ownership, and management**

We cross-checked details provided by Prysmian UK on its structure, ownership, and management with documents that Prysmian UK have published on Companies House, publicly filed information, and the 2021 group accounts for its ultimate parent company Prysmian S.p.A. We found that the information in these documents and websites is consistent with information provided in the Prysmian UK submission.

##### **Associations with other companies**

We compared the companies listed by Prysmian UK in Annex One of its questionnaire submission that it claims association with and is involved in production or sale of the like good to information relating to corporate structure and board membership provided by Companies House and the Prysmian S.p.A 2021 group accounts. We also considered all interactions with associated suppliers and customers listed throughout the annex. We found that the information submitted relating to company associations involved in the



production of the like goods is consistent with information found in the audited accounts of Prysmian UK and Prysmian S.p.A.

#### Accounting practices and policies

The financial statements for Prysmian UK are prepared in accordance with the United Kingdom Generally Accepted Accounting Practices (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). The independent auditor's opinion of the Prysmian UK 2021 audited financial account gives an unqualified statement that the Prysmian UK 2021 accounts give a true and fair view of the company's affairs as of 31 December 2021, and there are multiple notes to the financial statements outlining Prysmian UK accounting policies. We have been able to compare these policies to the Prysmian UK accounting manual and its questionnaire submission, and we have found no discrepancies between its policies reported in its audited financial accounts and the submissions sent by Prysmian UK.

#### Systems Walkthrough

On Thursday 22 September 2022, the TRA conducted an on-site system walkthrough of Prysmian UK's accounting system (an SAP system) to review how its costs and sales are tracked and recorded. Prysmian UK has shown that its SAP system is highly integrated with its business systems with minimal need for external interventions. The SAP system also has direct connections to the accounting systems used by the Prysmian Group, which reduces the need for manual intervention between Prysmian Group systems. This visit helped our understanding of Prysmian UK's accounting system and our confidence in relying on its systems' data outputs.

During the system walkthrough, we were provided screenshots and supporting evidence of the Prysmian UK sales and purchasing processes. We followed an audit trail for one sale and one purchase of raw fibre selected by the TRA in order to understand Prysmian UK's system controls. We identified through this process the amount of manual intervention, the level of integration with the SAP system, and the source documents that are accessible to Prysmian UK. Based on this system walkthrough, we have a reasonable level of assurance that the accounting system Prysmian UK use is reliable and has sufficient controls in place for the TRA to rely on its submitted data.

We have a reasonable level of assurance that the company information and associations submission that the interested party has provided us is complete, relevant, and accurate.

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

#### Exceptions/Findings/Adjustments

There were no exceptions, findings, and adjustments to report with regards to the company information and associations.

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*



## Conclusions

The information relating to company structure and associations that we have been provided by the interested party is verifiable. Based on the work we have done, we have a reasonable level of assurance that the information can be treated as complete, relevant and accurate. This has led the TRA to conclude it can use the provided data for calculating margins, and for any other purpose within the investigation.

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## B. Goods

### What information was considered

- The internal product code system used by Prysmian UK
- Allocation of products to PCNs
- Visit to the production facility and observed operations
- The separation of in-scope and out-of-scope products
- Consistency between different sections of the annex

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

### How the information was checked

#### **Internal product code system and allocation of products to PCNs**

We compared the internal product codes that Prysmian UK has assigned to each PCN to the product descriptions of each product, as well as the technical sheets Prysmian UK submitted which are also available on its website, to check that Prysmian UK had followed the PCN structure correctly in its questionnaire response. We did not find any instances of misallocated products for any PCNs.

#### **Visit to the production facility and observed operations**

We were able to view the storage and preparation of raw materials, the production process, the quality control procedures, the storage of finished goods, and the site facilities available to transport products to its customers. The operations we observed were consistent with the information submitted within the questionnaire.

#### **Separation of in-scope and out-of-scope products**

We were able to view the method Prysmian UK used to distinguish which products were in-scope or out-of-scope. Prysmian UK showed the TRA that its accounting system separates its company activity into business units, of which only the 'Optical' business unit produced in-scope product. Prysmian UK showed us formulas were used to remove out-of-scope sales from its submission. We are satisfied that this process is effective at



separating out-of-scope products from the submission to the investigation and we have no instances where out-of-scope data has been included in the data we have considered.

**Consistency between different sections of the annex**

We cross-checked all worksheets in the questionnaire annex to ensure that there was consistency between internal product codes, PCNs, and product information sheets. We did not find any product codes or PCNs in the annex that were not described in annex two, and figures allocated to each PCN in each annex could always be reconciled to the same allocation as reported in all other relevant annexes.

We have a reasonable level of assurance that the information relating to products that the interested party has provided us is verifiable and can be treated as complete, relevant, and accurate.

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

**Exceptions/Findings/Adjustments**

There were no exceptions, findings, and adjustments to report with regards to goods.

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

**Conclusions**

The information relating to the Prysmian UK's goods that we have been provided is verifiable. Based on these findings, we have a reasonable level of assurance that the information can be treated as complete, relevant, and accurate. This has led the TRA to conclude it can use the provided data to calculate margins, and for any other purpose within the investigation.

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## C. Costs

### What information was considered

#### Upward verification

- The cost to make the like good, comprising of direct and manufacturing overhead cost components such as raw material costs, the price of purchased finished optical fibre cables, labour, rent etc.
- The cost to sell the like good, comprising of commercial and Administrative, Sales and General (AS&G) costs such as domestic freight, financing, marketing, and advertising etc.
- Audited financial statements
- Management accounts

#### Downward verification

- The cost to make the like good
- The cost to sell the like good
- Management accounts
- Cost source documentation such as purchase invoices and credit notes.

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

### How the information was checked

#### Upward verification

We carried out upward verification work to verify whether total costs to make for all goods and the like goods provided in the questionnaire response is consistent with the published audited financial statements submitted by Prysmian UK.

The TRA reconciled financial data submitted by Prysmian UK to its audited financial statements to verify completeness and accuracy. This was done by reconciling these figures to the audited accounts for the year ending 31<sup>st</sup> December 2021, which is published on Companies House.

The financial year for Prysmian UK runs from 1<sup>st</sup> January to 31<sup>st</sup> December, which aligns with the POI. The total cost to make and sell for all business units provided in the questionnaire response reconciled exactly to the audited accounts.

The TRA carried out a walkthrough of Prysmian UK's accounting system during the verification visit to understand its reconciliation of sales and costs to specific business areas. We reviewed its management accounts and the formulas used to exclude out-of-scope optical fibre cables. These figures reconcile to both the audited accounts and the questionnaire annex, and this has meant we have gained a reasonable level of assurance over the completeness of Prysmian UK's cost to make and sell data.



### Downward verification

We carried out downward verification work to ensure individual cost transaction documents selected from the transaction listings were accessible, were reconcilable to the cost annex, and were accurate and relevant.

The TRA also traced cost data provided by Prysmian UK in the questionnaire response to source documents to verify accuracy and relevance. This was done by requesting Prysmian UK provide source documentation associated with a sample of selected transactions and demonstrating its accounting system in reference to these transactions during the verification visit.

Reconciling the raw material transactions to the questionnaire annex did not present any material risks. All transaction source documents were either reconcilable to the annex or had only minor reconciliation differences that were supplemented with sufficient evidence.

#### *[CONFIDENTIAL: Information concerning the supply of fibres]*

We reviewed the direct labour cost and were able to reconcile the direct labour cost allocated to Optical business unit to Prysmian UK's management accounts. We were also able to view payroll outputs that contributed to its labour management account. Prysmian UK was able to explain its accounting system's method of allocating direct labour costs to each product, and the TRA concluded the method did not present any material risks to the investigation.

We reviewed the overheads allocated to the Optical business unit and were able to reconcile an overhead to its source by using the method stated by Prysmian UK. We have also reviewed the overhead allocation method used by Prysmian UK, and we have concluded that overhead costs do not present a material risk to the investigation.

The TRA has been able to view the allocation method used to estimate all AS&G costs and have concluded the calculations are internally consistent and reasonable. However, we have not been able to downward verify a sample of AS&G costs using source documentation as source documents for AS&G costs for individual transactions were not available. This is because the allocation of all AS&G costs to individual transactions and PCNs are estimations based on total AS&G cost figures and allocated based on internal figures. Our verification findings have provided us reasonable assurance that the AS&G cost allocated for each transaction and PCN is reflective of the actual AS&G cost incurred. The low proportion of total cost to make and sell that AS&G costs contribute, the internal consistency of Prysmian UK's accounting system, and the reasonable allocation method has led the TRA to consider that the risk posed by the lack of AS&G transaction-by-transaction source documentation to be not material to the investigation.

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

Confidential information concerning the issue of supply of optical fibres and Prysmian UK's pricing methodology. This information is not publicly available and disclosing it would give competitors an unfair business advantage.

### Exceptions/Findings/Adjustments

There were no exceptions, findings, and adjustments to report with regards to goods.



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### Conclusions

The information relating to costs that we have been provided by the interested party is verifiable. Based on the work we have done, we have a reasonable level of assurance that the information can be treated as complete, relevant, and accurate. The data can be used by the TRA for calculating the margins, and for any other purpose within the investigation.

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## D. Sales

### What information was considered

#### Upward Verification

- Transaction-by-transaction domestic sales data for the like goods.
- Audited financial statements.
- Management accounts.

#### Downward verification

- Transaction-by-transaction domestic sales data for the like goods.
- Sales source documentation, such as invoices or payment remittances.
- Rebates and price reductions
- Management accounts concerning delivery costs

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

### How the information was checked

#### Upwards Verification

We performed upwards verification for the sales data submitted by Prysmian UK by reconciling the sales information reported in its questionnaire annex to figures in its audited annual accounts published on Companies House.

We also asked Prysmian UK to explain its method used to isolate the Optical business unit and exclude out of scope optical fibre cables from the questionnaire annex data. Prysmian UK was also able to show us the method used to exclude out-of-scope optical fibre cables from the annex. *[CONFIDENTIAL: Information concerning Prysmian UK's*



*business units*] This internal data reconciled to the questionnaire annex and its published audited account for the POI, and this has meant we have gained a reasonable level of assurance over the completeness of the provided sales data.

#### **Downwards Verification**

We have also performed downward verification to ensure that the sales data provided by Prysmian UK is reconcilable to source documentation and that its cost allocation is reasonable.

This was done by requesting Prysmian UK to provide source documentation associated for a sample of sales transactions and demonstrating its internal accounting system in reference to these transactions during the verification visit.

We selected the transaction sample size based on the system walkthrough's findings, which identified few risk areas and assured us that a small number of sales transactions were required to gain assurance of the Prysmian UK sales data. These transactions were selected based on analysis that identified significant or irregular transactions that would allow the TRA to be assured of any risks to the investigation and provide general assurance that sales transactions were accurately recorded with robust control procedures. We received the following documents for each transaction:

- A purchase order,
- An order confirmation,
- A sales invoice or credit note, and
- A source document confirming payment

The sales transactions the TRA selected were reconcilable to the gross sales value provided by Prysmian UK in its questionnaire annex. We did not identify any significant risks reconciling gross invoice sales values to the questionnaire annex. The net sales value stated in the invoices excluded rebates and included delivery costs, so we have separately verified these as these adjustments are necessary for our margin calculations.

We have reconciled the rebates in the questionnaire annex to source documents and framework agreements provided by Prysmian UK. We identified multiple necessary adjustments to rebate values, and these adjustments have not had a material impact on the case or its calculations.

Prysmian UK also provided additional information to substantiate its domestic freight cost figures as they do not separately charge for delivery. We have verified the domestic freight costs in the cost section of this report as it is an AS&G cost.

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

Publicly disclosing information concerning the way Prysmian manages its business units would give our competition an unfair business advantage.

#### **Exceptions/Findings/Adjustments**

There were no exceptions, findings, and adjustments to report with regards to goods.



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### Conclusions

The information relating to sales that we have been provided by the interested party is verifiable. Based on the work we have done, we have a reasonable level of assurance that the information can be treated as complete, relevant, and accurate. The data can be used by the TRA for calculating margins, and for any other purpose within the investigation.

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## E. Injury

### What information was considered

- Domestic and export sales value and volume for the like goods.
- Profitability for all goods and like goods.
- Production output by volume and value for the like goods.
- Market share for the like goods.
- Investments and return on investment (ROI) figures.
- Total production capacity and capacity utilisation for the like goods.
- Cashflow for all goods.
- Inventory of the like goods.
- Employment, median wage, and productivity for the like goods.

These factors were considered over the full injury period (1<sup>st</sup> January 2018 to 31<sup>st</sup> December 2021), rather than only the Period of Investigation (1<sup>st</sup> January 2021 to 31<sup>st</sup> December 2021).

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### How the information was checked

#### **Domestic and export sales value and volume for the like good**

We have been able to reconcile the total sales volume and value stated in the injury annex to Prysmian UK's audited annual accounts. We have also been able to reconcile a sample of sales transactions made during the POI to source documents as outlined in section D. These reconciliations allow us to have reasonable assurance that the sales data provided in the injury annex is relevant, complete, and accurate.



Based on the verified data, the trend of sales of the like goods during the injury period was an increase in sales value and volume in 2019 relative to 2018, followed by a significant decline in 2020 and 2021.

#### **Profitability for all goods and the like goods**

The profitability of all goods stated in the injury section of the questionnaire annex has been reconciled to the audited financial statements without any variances by viewing Prysmian UK's management accounts for the POI subdivided by business units.

*[CONFIDENTIAL: Information concerning calculation details on Prysmian UK's profitability]*

#### **Production output by volume and value for the like goods**

The production output data for the like goods stated in the questionnaire annex has been reconciled to the Zscaler Private Access report that is run with SAP. This data shows a decline in output value and length by fibre kilometre (FKM) from in 2019 relative to 2018, and 2020. In 2021, output by length grew but output by value continued to fall.

#### **Market share for the like goods**

The market share figures provided in the questionnaire annex have been reconciled to consumption market intelligence obtained from Commodity Research Unit (CRU) data. The TRA has been able to view and verify the data source and are reasonably assured that the market share estimate provided is complete and accurate. The trend shown by Prysmian UK is that it has lost a significant amount of market share over the injury period with only a slight recovery in market share in 2020. This is likely due to the COVID-19 pandemic increasing the prices of many imported commodities and freight prices, which would increase the competitiveness of the domestic industry without affecting the long run market share trend.

#### **Investments and return on investment (ROI) figures**

The investments data provided in the questionnaire annex has been reconciled to Prysmian UK's investment account. The TRA has viewed Prysmian UK's account detailing individual investments and the method used by Prysmian UK to select investments relevant to the like goods. We are able to use this method to reconcile to total investment amount to specific types of investment. The data shows a low level of investment in 2018, followed by a significant investment in 2019 and declining investment in 2020 and 2021.

#### **Total production capacity and capacity utilisation for the like goods**

Total production capacity and capacity utilisation has been reconciled to the component elements of its calculation, which are derived from Prysmian UK's reports on the process routes within their factory. During the verification visit, the TRA was also able to view a walkthrough of the Prysmian UK production capacity calculation throughout the injury period. The data shows a significant increase in production capacity over the injury period, especially in 2019 and 2021, and a significant decline in capacity utilisation in 2019 with only minor increases in 2020 and 2021.

#### **Cashflow for all goods**

The cashflow data stated in the questionnaire annex has been provided for all goods and for the like goods, and both figures have been reconciled to management accounts. The TRA received the Prysmian UK management account for 2021, which was used to reconcile the net cashflow of the like goods to the annex figures. The data shows that net





cashflow for the like goods remained positive during the injury period, with cashflow particularly strong during 2020. This has been attributed to the strong performance of the Optical business unit in 2020 (see profit above).

#### **Inventory of the like goods**

The inventory data reported in the questionnaire annex has been reconciled to Prysmian UK's SAP report on inventory stock. The data shows an increase in total value and FKM length of stock year-on-year throughout the injury period, with the most substantial increase in 2019.

#### **Employment, average wage, and productivity for the like goods**

The number of employees and the mean average wage has been reconciled to the HR headcount reports for 2021. The data is provided for all goods and for exclusively the like goods, so we have been able to verify all figures provided. The data shows that the number of full-time employees involved in the production of the like good has declined in 2019 before steadily rising in 2020 and 2021. The output per employee fell in 2019 and 2020 before rising in 2021, whereas the average wage rose in 2019 relative to 2018 before falling in 2020 and 2021.

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

Confidential information concerning the calculation methodology of Prysmian's UK profitability. This information is not publicly available and disclosing would give an unfair advantage to its competitors.

#### **Exceptions/Findings/Adjustments**

There were no exceptions, findings, and adjustments to report with regards to goods.

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

#### **Conclusions**

The information relating to injury factors that we have been provided by the interested party is verifiable. Based on the work we have done, we have a reasonable level of assurance that the information can be treated as complete, relevant, and accurate and can therefore be used by the TRA for calculating margins and for any other purpose within the investigation.

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*



## F. Economic Interest Test (EIT)

### What information was considered

- Employment and average wage data
- Market share forecasts conditional on the implementation of measures
- Sales forecasts conditional on the implementation of measures
- CRU UK market data and forecasts

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

### How the information was checked

#### Employment and average wage data

We have verified the employment and average wage data by reconciling the data to Prysmian UK's HR headcount. This data reconciliation has been covered in further detail in section E Injury “**Employment, average wage, and productivity for the like goods**”. Based on this data, we can state that Prysmian UK have maintained a steady workforce despite declining sales, and although average wages have declined since 2019, they are significantly higher than the South East of England average full-time income.

#### Market share forecasts

Prysmian UK have informed the TRA that the market share forecasts are based on CRU historical data and consumption forecasts for the like goods and demand forecasts for like goods produced by Prysmian UK. We have not received supplementary evidence to substantiate the specific forecasts given by Prysmian UK, so we are unable to reconcile these forecasts to verifiable data. The TRA has therefore concluded that we have a low level of assurance that the market share forecasts provided are reliable indicators of future performance.

#### Sales volume and price forecasts

Prysmian UK have stated that its forecasts of sales volume and prices are based on historical market price and its sales volume reductions following the expansion of PRC exports in the UK, but Prysmian UK have clarified it does not have additional supplementary evidence to support its forecasted rate of price reduction. The TRA has therefore concluded that we have a low level of assurance that the price and sales volume forecasts provided are reliable indicators of future performance.

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

### Exceptions/Findings/Adjustments

We have not been provided with additional evidence to substantiate Prysmian UK's forecasts of market share, Prysmian UK sales volume, or the price of Prysmian UK





products. We therefore have only a low level of assurance that the forecasts provided by Prysmian UK are reliable indicators of future performance.

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

## Conclusions

Elements of the information relating to the economic interest test that we have been provided by the interested party are verifiable. Based on the work we have done, we have a reasonable level of assurance that the information can be treated as complete, relevant, and accurate except for forecasts of UK market share, sales prices, and sales volume with which we have only low level of assurance. The data can be used by the TRA for the EIT report and for any other purpose within the investigation with the caveat that we have a low level of assurance that the forecasts are accurate indicators of future performance.

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## I. Conclusions

Verification of Prysmian UK's submitted data and its accounting system identified only limited verification issues. We do not consider any of these discrepancies of material risk to the case and do not affect the way the TRA intends to use Prysmian UK's submitted data.

We are satisfied that the company and product information provided can be verified to source documentation. We have reasonable assurance that the company and product information provided is complete, relevant, and accurate during the POI.

We have been able to reconcile the submitted questionnaire data to Prysmian UK's audited accounts. We have also been able to reconcile all sampled cost and sales transactions to Prysmian UK's submitted data. We also have reasonable assurance that the allocation of indirect manufacturing and AS&G costs reflect the actual cost incurred by Prysmian UK during the POI.

We have checked the information submitted by Prysmian UK to support their allegations of injury. We verified that the injury figures are consistent with source documents provided and found that the calculation methods for the injury factors used by Prysmian UK are reasonable and reproducible.

We have checked the EIT data provided and reconciled historical data to source documentation. We have not been able to assess the method used to calculate the forecasts provided, so the TRA has only a low level of assurance that the forecast data provided is accurate. The TRA consider this a low risk to the investigation.



In summary, we have obtained sufficient and appropriate evidence to conclude that the information provided is verifiable, with the singular exception of forecast data which we do not consider to be material to the investigation. We therefore have a reasonable level of assurance that the information submitted by Prysmian UK is complete, relevant, and accurate for the purpose of this investigation.

## Annexes

### Annex 1: Meetings

Date and duration	Type of authentication	Company representatives	TRA representatives
22 <sup>nd</sup> September 2022	<input type="checkbox"/> remote <input checked="" type="checkbox"/> on-site	<i>Redacted: contains personal data of participants.</i>	Tafara Tandi, Jack Simmons, Blake Crossman, Robin Davies
26 <sup>th</sup> -28 <sup>th</sup> October 2022	<input type="checkbox"/> remote <input checked="" type="checkbox"/> on-site	<i>Redacted: contains personal data of participants.</i>	Tafara Tandi, Jack Simmons, Blake Crossman, Robin Davies