



## Verification report – UK Producer

**Case TD0001:** Welded tubes and pipes of iron or non-alloy steel originating in the Republic of Belarus, the People's Republic of China, and the Russian Federation

Period of Investigation (POI):	1 January 2019 to 31 December 2019
Injury Period:	1 January 2016 to 31 December 2019
Date of report:	23 February 2022
Case team contact details:	TD0001@traderemedies.gov.uk
Company verified:	Tata Steel UK ('TSUK')

For further details, please see the Notice of initiation on the public file.



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## Executive Summary

The Trade Remedies Authority (TRA) is conducting a reconsideration of an original decision in Transition Review No. TD0001 Anti-dumping measures on certain welded tubes and pipes of iron or non-alloy steel originating in the Republic of Belarus, the People's Republic of China, and the Russian Federation, pursuant to The Trade Remedies (Reconsideration and Appeals) (EU Exit) Regulations 2019'.

As part of the reconsideration, the TRA sought to assess the completeness, relevance, and accuracy of the information the domestic producer (Tata Steel UK) (TSUK) provided in its application for reconsideration. This covered its sales, purchases, ownership and stock of 'Other tubes, pipes and hollow profiles (for example, open seam or welded, reveted or similarly closed), of iron or steel, other, welded, of circular cross-section, of iron or non-alloy steel, of an external diameter not exceeding 168,3 mm, plated or coated with zinc' (galvy tubes) . The data provided by TSUK will be used by the TRA in considering whether to uphold or vary the original decision.

Our verification has been limited to reviewing material relevant only to the question of whether TSUK produce and sell galvy tubes in the UK. We have not sought to request new information, unless such data has been specific to the claims in this reconsideration and has not been reviewed in the original investigation. On 16 February 2022, the TRA conducted an on-site visit to TSUK's Corby facilities, giving us the opportunity to physically review their data.

The TRA does not have any concerns to report in respect of TSUK. We were able to determine that the information provided relating to TSUK's production and sale of galvy tubes is verifiable.

We conclude that the information is sufficiently accurate for us to be able to rely on for this reconsideration.

## Purpose of verification

The purpose of the TRA's verification activity is to provide the assurance considered necessary to make a decision as to whether the information (data) provided by TSUK is verifiable and can be used for the purposes of our reconsideration. We will draw various levels of assurance on the completeness, accuracy and relevance of information deemed verifiable. Such data may then be considered in the assessments and analysis carried out as part of the reconsideration.

We may carry out verification activity using desk and remote analysis or undertake work on-site. The activity undertaken will 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 a decision.



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

## Confidential information

TSUK must indicate whether any information contained in the confidential version of the verification report is considered confidential. It must specify such information, provide reasons as to why the TRA should treat the particular information as confidential, and create a non-confidential version of it (see also [public guidance](#)). The non-confidential version of the verification report will be placed on the public file.



## Verification

Please find below a summary of work that has been completed and the checks that have been carried out by the case team to determine whether the data, as provided by the interested party in the application and annexes, is verifiable.

### A. Ownership and stock of galvy tubes

What information was considered	
<ul style="list-style-type: none"> <li>• TSUK purchase order from [Confidential – 3rd Party Supplier]</li> <li>• TSUK holding of Galvy tube stocks               <ul style="list-style-type: none"> <li>-Confirmation of Galvy tube internal stocktake during the POI</li> <li>-Galvy tube physically verified onsite</li> <li>-Opening and closing Galvy tube stock held during the POI</li> </ul> </li> </ul>	
Please indicate the confidentiality status of the information summarised above:	
<input type="checkbox"/> non-confidential	<input checked="" type="checkbox"/> confidential
If applicable, please specify what particular information you consider to be confidential, provide reasons as to why we should treat it as such, and create a non-confidential version of it (see also <a href="#">public guidance</a> ):	
How the information was checked	
<p><u>TSUK &amp; [Confidential – 3rd Party Supplier] agreement</u></p> <p>The TRA identified there to be no long term written agreement between TSUK and [Confidential – 3rd Party Supplier] as [Confidential – information related to the contractual arrangements between TSUK and our supplier] We consider this to be in line with normal business practice. We therefore asked for an example of an agreement for a sample order.</p> <p>We reviewed TSUKs purchase order, invoice and service entry from [Confidential – 3rd Party Supplier], having reviewed the purchase order and what it stipulates, we are satisfied that it is sufficient evidence of the agreement TSUK has with [Confidential – 3rd Party Supplier].</p> <p>TSUK provided a walkthrough of their 2019 SAP entry of the purchase order, where we were able to trace the sample order, and therefore satisfying that we observed sufficient evidence of the outsourcing agreement.</p>	



TSUK holding of Galvy tube stocks

The TRA reviewed email correspondence confirming TSUK’s internal stocktakes to galvy tubes.

We were able to physically verify a sample batch of Galvy tubes held on site and trace them through to TSUK live stock system (tandem) and SAP.

We were able to verify TSUK 2019 opening and closing stock extracted from SAP.

The observation of the stocktake, as well as the physical verification of galvy tubes, and the verification of the TSUK 2019 opening and closing stock, proves the existence of a galvy tube stock.

We are satisfied that TSUK owned galvy tubes stock during the POI. The risk of TSUK not owning galvy tubes stock physically held on site has been reduced to a reasonable level

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**Conclusions**

The data relating to TSUK ownership and stock of Galvy tubes is verifiable. Based on the work we have done, we therefore have a reasonable level of assurance that the data can be treated as complete, relevant, and accurate and can therefore be used by the TRA for this reconsideration.

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B. [Confidential – 3rd Party Supplier] invoices

What information was considered	
<ul style="list-style-type: none"> <li>• [Confidential – 3rd Party Supplier] invoices relating to TSUK’s galvanising costs</li> <li>• TSUK 2019 [Confidential – 3rd Party Supplier] purchase ledger</li> </ul>	
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How the information was checked	
<p>The TRA was able to trace all [Confidential – 3rd Party Supplier] invoices in the original questionnaire submission to TSUK 2019 [Confidential – 3rd Party Supplier] purchase ledger.</p> <p>TSUK provided a walkthrough of the 2019 purchase ledger through SAP onsite, which allowed us to physically observe and verify all [Confidential – 3rd Party Supplier] invoices posted to the 2019 [Confidential – 3rd Party Supplier] purchase ledger. This also confirmed that there were no additional invoices included in the 2019 purchase ledger which had not been submitted in the reconsideration application submission.</p> <p>We are satisfied that the risk of incomplete [Confidential – 3rd Party Supplier] purchase data has been reduced to a reasonable level.</p> <p>-</p>	
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Conclusions	
The data relating to data relating to galvanising costs paid by TSUK to [Confidential – 3rd Party Supplier] is verifiable. Based on the work we have done, we therefore have a	



reasonable level of assurance that the data can be treated as complete, relevant, and accurate and can therefore be used by the TRA for this review.

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### C. Sales of galvy tubes

#### What information was considered

- TSUK sales documents for the sample sales of Galvy Tubes.
  - Sample of galvy tubes sales entries per transaction-by-transaction listing
  - Sample of galvy tubes sales invoices
  - Sample of galvy tubes dispatch notes
  - TSUK 2019 sales ledger control account in SAP

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#### How the information was checked

The TRA asked TSUK to provide a complete set of sales documents for each transaction sample consisting of

- Copy invoice
- Proof of dispatch





For Galvy tubes sales transaction testing, the accuracy of Galvy tube sales data was then assessed by verifying the information submitted against the source documents TSUK provided.

Sales Transaction by Transaction to invoice

We were able to match every transaction to the invoice, therefore we have a reasonable level of assurance that the sales were made.

Invoice to dispatch note

We were able to match every invoice to a signed dispatched note, therefore we have a reasonable level assurance that all deliveries were invoiced.

Invoice to sales ledger control account

We were able to trace every sale into the SAP, we therefore consider that the risk that there may have been a failure to record galvy tube sales in SAP has been reduced to a reasonable level.

Revenue recorded in the correct period (cut-off)

We therefore consider that the risk of failure to record galvy tubes sales in SAP, has been reduced to a reasonable level.

Based on the testing undertaken as described above, no issues were noted.

The tests above now give us a reasonable level of assurance on the completeness, relevance and accuracy of the information on galvy tubes sales provided by TSUK for the POI.

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**Conclusions**

The data relating to galvy tubes sales that we have been provided with by TSUK is verifiable. Based on the work we have done, we have a reasonable level of assurance that the data can be treated as complete, relevant, and accurate and can therefore be used by the TRA for this review.

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## Conclusions

We have obtained sufficient and appropriate evidence in order to conclude that the data provided by TSUK under all of the sections above is verifiable. Therefore, we have a reasonable level of assurance that the data is complete, relevant and accurate for the purpose of this reconsideration.



## Annexes

### Annex 1: Meetings

Date and duration	Type of verification	Company representatives	TRA representatives
Wednesday 9 February 2022 (2.30pm-3pm)	Remote	[Confidential]	Jack Simmons (Investigator) Robert Opoku (Verification advisor)



## Annex 1

### Reconsideration of an original decision in TRANSITION REVIEW No. TD0001

**Anti-dumping measures on certain welded tubes and pipes of iron or non-alloy steel originating in the Republic of Belarus, the People’s Republic of China, and the Russian Federation**

#### Verification meeting minutes – TATA Steel

<b>Date, time</b>	Wednesday 9 February 2022 (2.30pm-3pm)
<b>Place</b>	Microsoft Teams
<b>Attendees</b>	Tata Steel Europe:  [Confidential]  Trade Remedies Authority (TRA):  Robert Opoku (Verification Advisor) Jack Simmons (Investigator)

Discussed the expectations of the visit and what information we should receive in advance. Tata will send the information, in respect of the request dated 4 February, after the meeting. There are no formal terms and conditions of sale/formal agreement between Tata and [Confidential – 3rd Party Supplier], but Tata will locate some email exchange of quotes for the TRA. The TRA also enquired about being able to observe stock figures for galvy tubes in the POI, Tata will revert.

Discussed logistics of the visit, Tata said there will be a finance colleague and maybe someone from commercial on the day. Tata will finalise plans and send them to the TRA this week.

Meeting ended.