



Severstal-TRID Remote Verification Meeting 2 (continued)

Meeting Organiser: Trade Remedies Investigations Directorate (TRID)
Meeting with: Severstal, Russia
Meeting Attendees: Deputy head of GR, Head of trade policy department, Specialist of trade policy department, Specialist of trade policy department, Lead Investigator, Lead Verification Specialist and Investigator.
Meeting Date: 22nd December 2020
Meeting Time: 13:00-14:00 UK time
Meeting Venue: MS Teams

Introductions

Introductions were made

5. Domestic market analysis: Inventories-

TRID had a further question regarding the figures in Annex D6. There was a steep rise in the figures for waste, expiration and theft for the Period of Investigation is much higher than that for previous years.

[Non-confidential summary: The explanation of the rise reasons].

A copy of the worksheet showing the calculations was requested. Severstal agreed to send this via email.

6. Domestic market analysis: Profitability-

-Profit trend for like goods

TRID asked for an explanation of how the profit margin was calculated for the like products in Annex D11.

Severstal explained that it was calculated as a proportion of total revenue from net sales of all products not just the like products.

TRID then asked for a calculation to be done as a percentage of the sales of the like good. Severstal demonstrated this calculation in the spreadsheet. TRID requested they send a copy of the spreadsheet with this calculation in it as part of the record of the meeting.

7. Domestic market analysis: Investments-

TRID asked for an explanation of the sharp rise in investment noticed in the Period of Investigation and the previous accounting period. With reference to the effects on the production of the like product and any change on capacity.

Severstal confirmed that the numbers were taken from the investment report. Translations for the largest amounts within the report are available. [Non-confidential summary: The direction of investment].

Clarification was obtained that although the machinery was modernised the capacity had not increased. TRID requested the translation to be sent for further perusal.

8. AOB All

An email will be sent requesting the documents relating to the gas purchase. Figures for inventory and calculation of profitability

Severstal confirmed that the sales documents were to be provided this week with the remaining documents to be sent as soon as possible.