**Anti-Dumping Questionnaire (Producer)**

**Case TD0014: Heavy Plate exported from the People’s Republic of China**

|  |  |
| --- | --- |
| **Period of Investigation (POI):** | 1 January 2021 – 31 December 2021 |
|  |  |
| **Injury period:** | 1 January 2018 – 31 December 2021 |
|  |  |
| **Deadline for response:** | 11 April 2022 |
|  |  |
| **Contact details:** | TD0014@traderemedies.gov.uk |
|  |  |
| **Completed on behalf of:** | ***SPARTAN UK LIMITED*** |

When you have completed this form, indicate the **confidentiality status** of this document by placing an X in the relevant box below:

**☐** Confidential

**☒** Non-Confidential – will be made publicly available

Your completed response must comprise this questionnaire and the corresponding annex. Please note that you will have to provide a **Confidential** and a **Non-Confidential** version of both the questionnaire and annex, as well as any additional documents you append. All documents should be uploaded to the Trade Remedies Service ([www.trade-remedies.service.gov.uk](http://www.trade-remedies.service.gov.uk)) by 11 April 2022.

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# Introduction

**About us, this case and this questionnaire**

The Trade Remedies Authority (TRA) investigates whether trade remedies are needed to prevent injury to UK industry. The TRA has been established to provide the UK with its own independent trade remedies system.

As part of our work, we are carrying out a transition review of each trade remedy measure active under the EU system that the United Kingdom (UK) has decided to maintain after EU exit.

This transition review will consider whether the anti-dumping measure for Heavy Plate from the People’s Republic of China – a customs duty on imports that protects against dumping – is necessary or sufficient to offset dumping, whether dumping would be likely to occur if the measure were removed, and whether there would be injury to the UK industry if this measure was removed.

**Why should I take part?**

We are asking domestic producers of Heavy Plate to complete this questionnaire to inform our review of whether the current anti-dumping measure should be maintained, varied or revoked.

The information your company provides will help us to reach a fair and proportionate decision.

**How do I respond?**

Detailed guidance on how to complete the questionnaire is provided in the [instructions](#_Instructions) section below.

Please provide all the information requested by 11 April 2022. We may need to issue a deficiency notice if we determine that the information supplied in the questionnaire is incomplete or inadequate. We may also send a notice requesting clarification or supplementary information if necessary. Therefore, please provide as much detail as possible in your responses.

**Where can I find more information?**

Our [trade remedies guidance](https://www.gov.uk/government/publications/the-uk-trade-remedies-investigations-process) provides general information about our investigations and processes we follow.

If you have any specific questions relating to the case, now or while you’re completing the questionnaire, please contact the Case Team at TD0014@traderemedies.gov.uk

You can also find out more about the regulatory basis of our investigations. The TRA investigates cases under the provisions of*Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019 as Amended.*

**Instructions on completing this questionnaire**

**Preparing your response**

This section sets out guidance on how to complete this questionnaire.

If you think you won’t be able to complete the questionnaire within the required time, please contact the Case Team ahead of the deadline using the contact details on the cover of this questionnaire. You should outline the length of extension you need and the reasons why. We will notify you of our decision.

If we can accommodate an extension, we will publish a note on our [public file](https://www.trade-remedies.service.gov.uk/public/cases/) to record both the request and the extension granted.

**How to answer the questions**

Please read and follow all the instructions carefully. Your company will need to substantiate all claims with relevant data and information. You may be asked to attach supporting documents in appendices to supplement your responses. To help us verify your information, please retain all these documents, your completed spreadsheet annexes and any calculations you made when developing your responses.

Please also note the following points:

* Do not leave any questions blank. If the question is not relevant to your organisation, please explain why. If the answer to a question is “zero”, “no” or “none”, please write this.
* Please complete the spreadsheet annexes as requested. Annexes are named to correspond to the relevant sections of this questionnaire and must be completed with reference to the instructions provided. If you feel you cannot present the information as requested, please contact your Case Team as soon as possible.
* Please provide all formulas and calculations used within your questionnaire response.
* If there is insufficient space in any part of the questionnaire to provide the details requested, or we ask for copies of additional information, please submit this information as appendices. Please ensure that any attachments are given a corresponding appendix reference in the title of the document and that these are referenced in the boxes provided.
* Any documents not in English should be accompanied by an English translation.
* Please provide all dates in the format DD/MM/YYYY (e.g. 23/05/2019).
* Unless otherwise stated, ‘year’ or ‘calendar year’ refers to the period 1 January – 31 December and ‘quarter’ refers to the associated three-month periods e.g. 1 January – 31 March, 1 April – 30 June, etc.
* Identify all units of measurement and currencies used in tables, calculations and lists, if not provided by the corresponding instructions, and use units of measurement consistently (e.g. do not use kg and metric tonnes interchangeably).
* For all numerical figures, where appropriate please express every third number with a comma (e.g. ‘1,300’ for one-thousand three hundred, ‘1,300,000’ for one million and three-hundred thousand).
* Please limit all sales/currency/income figures to two decimal places, apply a full point as a decimal separator and use the appropriate currency symbol or abbreviation (e.g. £1,300.00).
* Provide all costing figures as actual amounts. Where actual amounts cannot be provided and you have reported standard costing instead, please indicate this in the relevant answer, and explain the variance from actual costs, if any.
* All figures should be reported net of tax unless otherwise stated.
* Please refer to the case number, TD0014 in any correspondence with the TRA.

## Preparing confidential and non-confidential copies

You will need to submit one confidential version and one non-confidential version of your questionnaire and the corresponding spreadsheet annex by the due date. This is so that we can publish the non-confidential version of your information on our public file. **Please ensure that each page of information you provide is clearly marked either “Confidential” or “Non-Confidential” in the header.**

Please see our guidance on [how to submit information](https://www.gov.uk/government/publications/the-uk-trade-remedies-investigations-process/an-introduction-to-our-investigations-process#how-we-handle-confidential-information) for further details on what can be considered confidential and how to prepare a non-confidential version of this questionnaire.

In preparing your response, please note the following:

* It is your responsibility to ensure that the non-confidential version does not contain any confidential information.
* Remember to include a statement explaining why information obtained in your response should be treated as confidential e.g. the data is commercially sensitive.
* Provide the source for all information or data you don’t own and clearly state any restrictions on sharing it.
* If you do not provide a non-confidential summary (or a statement of reasons why you cannot provide this) for each question you provide confidential information, the TRA may disregard the information you give us.

If you consider it is not possible to provide us with a non-confidential version of this questionnaire, for example where summarising the information may compromise its confidentiality, you must provide a statement of reasons.

All information provided to the TRA in confidence will be treated accordingly and only used for this investigation (except in limited circumstance as permitted by regulation 46 of the *Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019)* and will be stored in protected systems. The non-confidential version of your submission will be placed on the public file, which is available on [www.trade-remedies.service.gov.uk/public/cases](https://www.gov.uk/government/publications/the-uk-trade-remedies-investigations-process/an-introduction-to-our-investigations-process).

## Providing information from subsidiaries or associated parties

Section A of this questionnaire includes detailed questions about your company structure. Although this questionnaire is intended for your company, our investigation covers all subsidiaries and any other associated companies involved in the import, production, sale, R&D, distribution and/or supply of the like goods and/or goods subject to review.

Please note, both natural persons (individuals) and legal persons (e.g. companies) are considered to be associated where they meet the definition of ‘Related Persons’ in [Regulation 128 of the Customs (Import Duty) (EU Exit) Regulations 2018](http://www.legislation.gov.uk/uksi/2018/1248/regulation/128/made).

* If any of your subsidiaries or associated companies are also a UK producer of like goods, they should **also** complete this questionnaire. Please make sure you provide your subsidiaries with access to it.
* Where your subsidiaries or associated companies are not producers but are involved in the sales of the like goods, your questionnaire response should include information from those companies.

If you have any queries about this part of the process, please contact the Case Team using the details provided on the cover of this questionnaire.

## What happens next

Once you have completed your questionnaire responses including the corresponding annex(es) and any additional documents requested, you must upload confidential and non-confidential versions through our [Trade Remedies Service](http://www.trade-remedies.service.gov.uk/). Following this:

* you will receive an email confirming the documents have been uploaded successfully;
* the Case Team will contact you if further information is required;
* the non-confidential responses will be placed on the public file; and
* the Case Team may contact you to arrange a visit to verify the information contained in your responses.

## Verifying the information you supply

The TRA will verify, as far as possible, the information provided to it. As part of this process, we may conduct verification visits. If we need to verify information that you provide by visiting your premises, the Case Team will contact you to arrange this.

Visits can last several days, during which we will want to speak to management and staff to help establish the completeness, relevance and accuracy of the information provided.

Please keep a record of formulas and steps used in your calculations and other related material/documentation as it may be asked for during verification.

In some circumstances verification visits may be conducted remotely.

Please indicate any dates when you would be unable to host a verification visit.

|  |  |
| --- | --- |
| *Please answer here* | |
|  | Appendix reference: |

Once verification is complete, the TRA will prepare a report and share a draft with you. the TRA will then ask you to prepare a non-confidential copy of the report for the public record. If you feel some information in the report should be kept confidential, please provide your reasons for this.

# The scope of this review

## Goods subject to review

This review covers **goods** exported from **the** **People’s Republic of China** described as:

* Flat products of non-alloy or alloy steel (excluding stainless steel, silicon-electrical steel, tool steel and high-speed steel), hot-rolled, not clad, plated or coated, not in coils, of a thickness exceeding 10mm and of a width of 600mm or more or of a thickness of 4.75mm or more but not exceeding 10mm and of a width of 2.05m or more.

These **goods** are currently classifiable within the following CN code(s)

72 08 51 20 10, 72 08 52 91 10, 72 25 40 40 00, 72 08 51 91 10, 72 08 90 20 10, 72 25 40 60 10, 72 08 51 98 10, 72 08 90 80 20, 72 25 99 00 45. These codes are only given for information.

In this questionnaire, these goods will be referred to as **‘the goods subject to review’**. Any reference to ‘goods subject to review’in this questionnaire refers to the goods description above, regardless of the commodity code under which they are exported.

## Like goods

This questionnaire asks for information about your company’s production and sales of goods which are **like** the goods subject to review. Any reference to ‘**like goods’** in this questionnaire refers to goods produced in the UK or imported to the UK from a country other than the People’s Republic of China which are like the goods subject to review in all respects, or with characteristics closely resembling them.

**Please follow the instructions for each question to provide the appropriate information regarding the like goods or goods subject to review.**

## Product Control Numbers

The TRA uses Product Control Numbers (PCNs) to define and distinguish the different types of products that fall under the goods description above.

PCNs, which come in the formof an **alphanumeric code,** help to create a categorisation system so that comparisons can be made between goods produced in the domestic UK market and those produced in foreign markets.

|  |  |  |
| --- | --- | --- |
| **Field description** | **Field format** | **Explanation** |
| **Prime / Non-prime** | Pn | Report whether the product meets applicable specifications: |
|  |  | P1 – Material meets specifications (Prime) |
|  |  | P2 – Off specification material, IIa, seconds, etc. (Non-prime) |
|  |  |  |
| **Manufacturing Process** | Mn | Report the manufacturing process used: |
|  |  | M1 – rolled as individual plate (quarto mill plate, four-high mill plate, etc.). |
|  |  | M2 – cut-to-length from steel coils ('cut-to-length plate'). |
|  |  |  |
| **Grade** | Gnn | Report the steel grade as defined below: |
|  |  |  |
|  |  | **Structural steel** (including offshore) (specifications EN 10025-2 through EN 10025-6, EN 10149-2 and EN 10149-3, EN 10225, EN 10343, ASTM, API, etc.). |
|  |  | G11 – S235 and below and comparable grades based on minimum yield strength (S185, ASTM A283, etc.). |
|  |  | G12 – S275 and comparable grades based on minimum yield strength (ASTM A36, A572-42, API 2H-42, etc.). |
|  |  | G13 – S355 and comparable grades based on minimum yield strength (ASTM A572-50, A588, A709-50, API 2H-50, API 2W-50, API 2Y-50, etc.). |
|  |  | G14 – S420 to S460 and comparable grades based on minimum yield strength (ASTM A572-60, A572-65, A1066-65, API 2W-60, API 2Y-60, etc.). |
|  |  | G15 – S500 to S690 and comparable grades based on minimum yield strength (ASTM A709-HPS70, A709-HPS100W, A514, etc.). |
|  |  | G16 – above S690 and comparable grades based on minimum yield strength. |
|  |  | **Shipbuilding steel** (specifications ABS, BV, DNV, GL, DNV-GL, KRS, LRS, RINA, RS, ASTM A131, etc.). |
|  |  | G21 – Grades A, B, D, E and comparable grades based on minimum yield strength (BV-A, B, D, E; NV-A, B, D, E; etc.). |
|  |  | G22 – Grades A27S, D27S, E27S and comparable grades based on minimum yield strength (NVA27S, D27S, E27S; etc.). |
|  |  | G23 – Grades AH32, DH32, EH32, FH32 and comparable grades based on minimum yield strength (BV-AH32, DH32, EH32, FH32; NV-A32, D32, E32, F32; etc.). |
|  |  | G24 – Grades AH36, DH36, EH36, FH36 and comparable grades based on minimum yield strength (BV-AH36, DH36, EH36, FH36; NV-A36, D36, E36, F36; etc.). |
|  |  | G25 – Grades AH40, DH40, EH40, FH40 to AB-AQ43, DQ43, EQ43, FQ43 and comparable grades based on minimum yield strength (BV-AH40, DH40, EH40, FH40; NV-A40, D40, E40, F40; NV-A420, D420, E420; etc.). |
|  |  | G26 – Grades AQ51, DQ51, EQ51, FQ51 and above and comparable grades based on minimum yield strength (AB-AQ63, DQ63, EQ63; AB-AQ70, DQ70, EQ70, FQ70; NV-A500, D500, E500, F500; NV-A690, D690, E690, F690; etc.). |
|  |  | **Pressure vessel steel** (specifications EN 10028-2 through EN 10028-6, EN10120, EN 10207, ASTM(ASME) (S)A203, (S)A387, (S)A516, (S)A537, (S)A517, (S)A553, etc.). |
|  |  | G31 – non-alloy steel |
|  |  | G32 – alloy steel |
|  |  | **Steels for case-hardening, quenching & tempering** (specifications EN 10083-2, EN 10083-3, EN 10084, ASTM A829, ASTM A830, etc.). |
|  |  | G41 – non-alloy steel (C 35, C 10E+N, etc.). |
|  |  | G42 – alloy steel (25 CrMo 4, 16 MnCr 5+N, etc.). |
|  |  | **Pipeline steel** (specifications EN 10208-1, EN 10208-2, API Spec 5L, ISO 3183, DNV-OS-F101, etc.). |
|  |  | G51 – All grades of pipeline steel. |
|  |  | **Abrasion-resistant steel** (heavy plate having a hardness of ≥ 300 Brinell). |
|  |  | G61 – All grades of abrasion-resistant steel. |
|  |  | Other steel (heavy plate not falling within one of the steel groups defined above). |
|  |  | G71 – non-alloy steel |
|  |  | G72 – alloy steel |
|  |  |  |
| **Width** | Wn | Report the width of the plate: |
|  |  | W1 - Less than 1500 mm |
|  |  | W2 – 1500 mm or more but not exceeding 2100 mm |
|  |  | W3 – 2100 mm or more but not exceeding 3050 mm |
|  |  | W4 – 3050 mm or more but not exceeding 3500 mm |
|  |  | W5 - more than 3500 mm |
|  |  |  |
| **Thickness** | Tn | Report the thickness of the plate: |
|  |  | T1 – 4.75 mm to ≤ 7 mm |
|  |  | T2 ‑ > 7 mm to ≤ 10 mm |
|  |  | T3 – > 10 mm to ≤ 80 mm |
|  |  | T4 – > 80 mm to ≤ 150 mm |
|  |  | T5 – > 150 mm to ≤ 250 mm |
|  |  | T6 – > 250 mm |
|  |  |  |
| **Supply Condition** | Nn | Report the supply condition of the plate: |
|  |  | N1 - Normalised |
|  |  | N2 - Not normalised |
|  |  |  |
| **Surface Condition** | Cnn | Report the surface condition of the plate, depending on the manufacturing process: |
|  |  | **For Manufacturing Process Code M1 (individual rolled plate)** |
|  |  | C11 – not descaled |
|  |  | C12 – descaled (e.g., shot blasted) but not subsequently coated (e.g. by primer coating) |
|  |  | C13 – descaled and subsequently coated (e.g. by primer coating) |
|  |  | **For Manufacturing Process Code M2 (cut-to-length plate)** |
|  |  | C21 – untreated |
|  |  | C22 – pickled and not subsequently surface protected (e.g. oiled) |
|  |  | C23 – pickled and subsequently surface protected (e.g. oiled) |
|  |  |  |

**Example:**

**Grade S275** structural steel heavy plate in **prime** condition produced as **individually rolled plate**, having a width of **2 000 mm**, a thickness of **20 mm**, **not** **normalised** and being **descaled but not subsequently coated**, would have the following code: **P1M1G12W2T3N2C12**

Please do not use any separator within the PCN-code.

Please review the PCN structure for this investigation shown in the table above. Please include any comments on the PCN structure in the box provided.

|  |
| --- |
| *Please comment here* |

SECTION A:  
Company structure and operations

A1 Identity and contact details

1. Please complete the table below, ensuring that the point of contact given has the authority to provide this information:

|  |  |
| --- | --- |
| Legal name of company: | SPARTAN UK LTD |
| Legal structure (e.g. limited company, sole trader, partnership etc): | Private limited Company |
| Year of establishment: | 2001 |
| Other operating names: | NONE |
| Company registration number: | 4140355 |
| Place of registration: | England |
| Name (point of contact): |  |
| Position: |  |
| Address: | Ropery Road, Teams, Gateshead, Tyne and Wear NE8 2RD |
| Telephone No: | +441914604245; |
| Email: | info@spartanuk.co.uk |
| Website: | https://spartan.metinvestholding.com/en |

1. If you have appointed an external party to act on your behalf in this review, please provide their details and attach a letter confirming The TRA should contact them directly:

|  |  |
| --- | --- |
| Name: | none |
| Address: | none |
| Telephone No.: | none |
| Email: | none |
| Confirm they have signed authority to act (Yes/No): | none |
|  | Appendix reference: none |

A2 About your company

1. Describe the role of your company in the UK market for the like goods

(e.g. producer, producer/exporter, producer/importer or producer/distributor).

|  |  |
| --- | --- |
| producer/distributor | |
|  | Appendix reference: none |

1. Please provide details of any changes in the legal form of your business over the past 5 years,for example, mergers, acquisitions and/or sales.

|  |  |  |
| --- | --- | --- |
| **Date** | **Legal form** | **Explanation of change** |
| none | none | none |

+Add additional rows as required.

1. List and explain all authorisations your company has been required to obtain to produce, sell, or to export the like goods. These may include licences, permits, permissions or mining concessions. Indicate if your company is subject to any direct or indirect, quantitative or other, restrictions on any of these activities.

|  |  |
| --- | --- |
| 1. The Environmental Permitting (England & Wales) Regulations 2016 - Permit number EPR/WP3339PY  We must report at least annually all waste streams and emissions covered by this permit in line with the Integrated pollution prevention and control (IPPC) directive, part A(1)  2. The Greenhouse Gas Emissions Trading Scheme Order 2020 - Permit number UK-E-IN-12750  The monitoring and annual reporting of CO2 emissions and the surrender of allowances under the UKETS | |
|  | Appendix reference: NONE |

1. Please describe all the other products (not including the goods under review) produced or sold by your company in the UK.

|  |  |
| --- | --- |
| Spartan re-sells strip products of Ukrainian production (cold-rolled coils, hot-dipped galvanized coils) to customers in the UK. Spartan also sells various by-products of plate production (scrap, scale, used cylinders etc.) | |
|  | Appendix reference: NONE |

1. State whether your company is a member of any representative organisations (e.g. trade bodies, associations, Chambers of Commerce).  
   If so, provide a copy of the relevant documentation.

|  |  |
| --- | --- |
| UK Steel  <https://www.makeuk.org/about/uk-steel> | |
|  | Appendix reference: NONE |

A3 Organisational structure

Please answer the questions below about the internal structure of your company and any associations with other companies. Both natural persons (individuals) or legal persons (e.g. companies) are associated where they meet the definition of ‘Related Persons’ in Regulation 128 of the *Customs (Import Duty) (EU Exit) Regulations 2018*.

1. Please explain, or demonstrate in a diagram, the legal structure of your company showing the internal hierarchical and organisational structure, all sites/locations and departments which are involved in the production, sales, R&D, supply and distribution of the like goods for domestic and export markets. Clearly indicate the different production stages carried out by your company.

|  |  |
| --- | --- |
| SPARTAN UK LTD is a part of the METINVEST group of companies that comprises mining (iron ore and coking coals), manufacturing (iron and steel), trading and servicing companies in Ukraine, the EU, USA and other countries engaged in the production and marketing of steel, iron, iron ore, coke and related products. | |
|  | Appendix reference: A3.1.D.2021\_Metinvest\_brochure\_EN\_1504 |

1. Please complete **Annex 1 – Associated companies.**

* Include your company’s worldwide corporate structure and affiliations, including parent companies, subsidiaries and/or other associated companies.
* If your company is the subsidiary of another company, please give the name of this company, as well as that of your company’s ultimate controlling entity, their registration number(s) and place(s) of registration.
* Please provide the name, address, email address and telephone number for an appropriate representative from each company identified.
  + Please list the activities carried out by each company (e.g. manufacturing, administration, sales).
  + Indicate the shareholdings you have in each company and the shareholdings that each company has in your company.

A4 Board members and principal shareholders

1. Please complete **Annex 2 – Shareholdings**, providing a list of all your company’s shareholders that owned more than 5% of its shares during the period of investigation (POI), **1 January 2021 – 31 December 2021**. Where known, provide details of their activities. Also include, for the last five years:

* your company’s registered capital;
* the scope of business; and
* the composition of the Board of Directors and/or shareholders, including their roles and rights.

Please provide this information for your company and for all its predecessor legal entities.

1. Explain your procedure for appointing the members of the Board of Directors.

|  |  |
| --- | --- |
| CONFIDENTIAL | |
|  | Appendix NONE |

1. If applicable to your company, please attach the latest copy of the following documents (in the original language and in English):

* articles of association and all related documents;
* business licence; and
* proof of registration of the company with the competent authorities.

Please describe what you are submitting and provide appendix references for your attachments in the box below. Earlier copies from the date of establishment of the company until the present should be available upon request during any verification visit.

|  |  |
| --- | --- |
| * articles of association: [provided in the confidential package] * business licence: N/A * proof of registration of the company with the competent authorities: Certificate of Good Standing [provided in the confidential package] | |
|  | Appendix reference: NONE |

A5 Operational links with other companies or persons

1. Please indicate if your company has established long term agreements with any company/companies located in the UK, the People’s Republic of China or in third countries for the production (e.g. sub-contracting), supply and sale of the like goods, or other licensing, technical patent or compensatory agreements.

Include:

* the name and address of the company;
* an explanation of the nature of the agreement; and
* if your company has long-term agreements with other companies for the supply of goods destined for internal sale, e.g. captive use, please provide the contract to demonstrate this.

|  |  |  |  |
| --- | --- | --- | --- |
| **Company name and address** | **Nature of agreement** | **Company registration number** | **Place of registration** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  | Appendix reference: NONE | |

+Add additional rows as required

A6 Accounting practices

1. Give the address where your company’s accounting records are kept and can be verified by the TRA. If records are maintained in different locations, please indicate which records are kept at which location. If records are digital and do not have a physical location, please mark as N/A.

|  |  |
| --- | --- |
| **Records address** | **What records are held?** |
| N/A |  |

+Add additional rows as required

1. Please give the financial year convention your company uses for its accounts (e.g., 1 January – 31 December). If any changes have occurred with respect to

• the financial period

• the company’s legal form as per section A2 About your Company, question 2

• your accounting practices over the last five financial years,

• your accounting practices applied to the POI, which differs from your financial statements

Please describe these changes, with reference to any re-statements to your financial accounts including dates and reasons for them.

|  |  |
| --- | --- |
| *Please answer here*  1 January – 31 December | |
|  | Appendix reference: NONE |

1. For your company and any associated parties involved in the production, marketing or sales of your goods, please attach a copy of your annual reports covering the injury period. This may include a statement of financial position; statement of profit and loss and other comprehensive income; statement of changes in equity; cash-flow statement; notes to the accounts and all reports; and auditor's opinion on these documents.

|  |  |
| --- | --- |
| [provided in the confidential package] | |
|  | Appendix reference: NONE |

1. If your accounts are unaudited, please attach a copy of your unaudited financial statements for the injury period **1 January 2018 – 31 December 2021**.

|  |  |
| --- | --- |
| *Please answer here* | |
|  | Appendix reference: NONE |

1. Please attach a copy of your company’s trial balance (in original and spreadsheet form) covering the POI and the most recent financial year. This includes:

* the trial balance which covers the beginning of the financial year to 1 January 2021;
* the trial balance which covers the full financial year including 1 January 2021;
* the trial balance which covers the beginning of the financial year to 31 December 2021.

|  |  |
| --- | --- |
| [provided in the confidential package] | |
|  | Appendix reference: NONE |

1. For your company and any associated parties involved in the production, marketing or sales of the like goods or the goods subject to review, please attach copies of relevant management reports (e.g. profit and loss statement) for the profit centre that includes the goods and like goods. Please provide these reports for the (i) POI and (ii) most recently completed financial year.

|  |  |
| --- | --- |
| [provided in the confidential package] | |
|  | Appendix reference: NONE |

1. If your company is part of a group of companies, please also attach a copy of the consolidated accounts of the group for your most recently completed financial year.

|  |  |
| --- | --- |
| *Please answer here*  <https://metinvestholding.com/Content/Entities/Report/28/ua/%20metinvest-annual-report-2020.pdf> | |
|  | Appendix reference: online reference |

1. Please provide a detailed description of your financial accounting system, explaining how sub-ledgers (e.g. costing, debtors, creditors) integrate with the general ledger. Please provide a description of how it links to the management accounting system, including any manual interventions. Please also attach:
   * your company’s chart of accounts;
   * your company’s cost centres;
   * a brief description of further analysis codes available.

|  |  |
| --- | --- |
| The primary financial accounting system of the company is [confidential info]. [confidential info] is an ERP solution.  The general ledger is based on standard double entry bookkeeping. Sub ledgers for debtors and creditors are linked to specified general ledger codes that can be further split by customer/supplier. It is all managed by the software itself.  The majority of system entries are driven by transactional documents such as AP invoices and AR invoices. Further records are also driven by transactions such as incoming and outgoing payments.  Management accounting systems are directly derived from the system and generally reporting in external analysis tools.  Within ledger codes we have the ability to analyse with cost centres.  Chart of accounts and cost centres are [provided in the confidential package]. | |
|  | Appendix reference: NONE |

1. With reference to the chart provided in the question above, please provide the names of the system(s) you use for financial accounting, sales and production. If you use more than one system, please explain how the systems interact (including whether electronic or manual).

|  |  |
| --- | --- |
| [confidential info] | |
|  | Appendix reference: NONE |

1. Describe your accounting policies, where applicable, for:

* the recognition and/or timing of income and the impact of discounts and rebates, sales returns, warranty claims and intercompany transfers;
* the depreciation and amortisation method, and the periods used by your company for each class of asset such as intellectual property, plants, buildings, machinery and equipment (including average useful life and the methods for calculating this);
* provisions for bad or doubtful debts;
* the accounting treatment of general expenses and the extent to which these are allocated to the cost of goods;
* the accounting treatment of finance costs and how these are allocated to the cost of goods;
* costing methods (for example, by tonnes, units, revenue, activity, direct costs, standard costing etc.) and allocation of costs shared with other goods or processes;
* your inventory valuation methods for raw material, work-in-process, and finished goods, for example First In First Out (FIFO), (Last in First Out (LIFO), current cost, standard cost or weighted average cost;
* aging/obsolete inventories, your write-off and/or write-down process(es);
* valuation methods for scrap, by-products or joint products;
* valuation methods for damaged or sub-standard goods generated at the various stages of production;
* valuation and revaluation of fixed assets, and the subsequent treatment of excess depreciation/amortisation;
* treatment of any subsidies or grants;
* treatment of foreign exchange gains and losses arising from transactions
* losses arising from transactions and from the translation of balance sheet items; and

|  |  |
| --- | --- |
| All revenue for the company is recognised at a point in time upon satisfaction of the performance obligation which is when control passes to the [details in confidential version].  Depreciation and amortisation of assets are on a straight line basis over the useful economic life of the assets. [details in confidential version].  Bad debts are recognised in full as they occur. [details in confidential version]  General expenses are recognised in the income statement on an accruals basis. [details in confidential version].  Costing method used is on a cost per tonne basis.  Inventories are stated at the lower of cost and net realisable value. [details in confidential version].  Scrap, damaged or substandard stock [details in confidential version].  Excess depreciation of revalued fixed assets will be written off over the remaining useful life of the asset.  No grants or subsidies have been received by the company.  Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. | |
|  | Appendix reference: NONE |

1. Have you changed your financial policies during the injury period? Have you deviated from your financial policies between the financial statements and the POI? Please explain the changes, including dates and the reasons for those changes along with the financial impact of those changes against the like goods.

|  |  |
| --- | --- |
| No changes in accounting policies. | |
|  | Appendix reference: NONE |

# SECTION B: About your goods

## B1 Understanding your like goods

The goods subject to review are defined in ‘[the scope of this review](#_The_scope_of)’.

We use a PCN number to help us compare the goods subject to review and the domestic like goods. When you are completing this section, you must apply the PCN system set out at the link above to describe your goods consistently throughout your responses. If you don’t use the PCN table correctly, this could limit the TRA’s ability to use the information you provide.

1. Please detail the goods that you manufacture in the UK which are like the goods subject to review. Indicate the degree of physical likeness, commercial likeness and functional likeness. Please also provide details of your like goods and the goods subject to review regarding their production processes, interchangeability, raw materials used, degree of model differentiation, tariff classifications, channels of distribution and sale, pricing and other relevant characteristics.

If your company manufactures a range of like goods, list this information for each individual make and model in the range. If there are differences in characteristics within your range of like goods which cause distinguishable differences in price, explain those differences and the effect they have.

|  |  |
| --- | --- |
| Key differences between PCNs are already correctly outlined in the definition:   * Steel grade (mechanical properties, area of application) * Plate dimension (affecting productivity and yield loss) * Thermal treatment (internal structure and reduced defect risks) * Surface preparation (scale cleaning, suitability for painting etc) | |
|  | Appendix reference: NONE |

1. Explain the internal coding system your company uses to classify your range of like goods. If your company uses multiple internal reference codes across departments, cross-reference each one. Cross-reference your internal coding system with any sales (invoice codes) made via associated companies.

Technical documentation (such as sales catalogues, safety standards, technical data, etc.) should be attached for each model where available.

|  |  |
| --- | --- |
| No specific coding applied – full product/item specification by order | |
|  | Appendix reference: NONE |

1. Please complete **Annex 3 – PCN comparison**, indicating which of your like goods (by make or model) are comparable to each of the goods subject to review.

Please substantiate your answers by providing details on any likeness and/or differences you have identified between the goods subject to review and the like goods. Attach any evidence you have that is relevant. This could take the form of sales brochures, input costs, research papers or any other relevant documentation.

|  |  |
| --- | --- |
| The product of Spartan is physically and functionally identical to the goods under review. | |
|  | Appendix reference: NONE |

1. If you have identified differences in **Annex 3 – PCN comparison** between the goods subject to review and the goods that you manufacture, please estimate the difference in cost to make and sales price. Explain those differences and the effect they have in the text box below.

Where applicable, this should be on a per unit basis. Describe how you established your estimations and substantiate with evidence where possible.

|  |  |
| --- | --- |
| *Please answer here* | |
|  | Appendix reference: NONE |

## B2 Understanding the UK market

1. Please explain the end use of the goods subject to review and the like goods. If there are multiple uses for the like goods, list them and, where possible, estimate what proportion of your sales goes to each.

|  |  |
| --- | --- |
| There is a wide area of application of steel plate across multiple downstream industries. The core industrial sectors can be grouped as follows   * Construction and infrastructure   + Residential, commercial and industrial buildings and structures   + Roads, bridges, tunnels etc   + Energy-related infrastructure including wind towers * Machinery (mechanical engineering)   + Specialized machinery incl yellow goods – mining, construction, agriculture, lifting equipment etc   + Heavy industrial machinery * Transport (land, such as heavy truck platforms, tanks etc.) * Shipbuilding and offshore structures * Tubes (mostly large diameter line pipes, fittings, valves for O&G sector) * Miscellaneous metal goods, including general use pressure vessels   A significant share of the plate market (up to 50%) is served not directly by the plate manufacturers, but via stockholders (providing retail sales service) or steel service centres (providing basic processing or the plate – cut to size or shape, preparation of surface or edges, bending etc.) | |
|  | Appendix reference: NONE |

1. Provide a general description of the UK market for the goods subject to review and the like goods, including the nature and conditions of competition within the overall market. In your answer please refer to:

* the nature of competition within the overall market;
* the degree of price sensitivity;
* the trends and drivers of demand, including causes of demand fluctuations and any factors contributing to overall market growth or decline;
* distribution and marketing;
* general users/consumers/customers;
* the degree of competition between the goods subject to review and the like goods;
* market segmentation;
* government regulation or tax;
* developments in technology affecting the characteristics, demand or the production process of the goods;
* other commercially significant goods which could be substituted for your goods and the goods <concerned/subject to review> being imported into the UK.
* any other factors that influence the market (e.g. seasonality).

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **OVERALL MARKET STRUCTURE**  Apparent consumption of steel plate in the UK makes, according to our estimates, around 450.000-500.000t / year. [details in confidential version]  Local producers generally provide the best lead times for the new production and basic mix with prevailing commodity plate.  EU producers (main players are Danish, Spanish, Swedish, German mills) are supplying a full mix of dimensions and grades, complementing the missing local positions. A part of the European material is shipped to local distribution sites of European players in the UK.     |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | | **Imports from the EU kt** | **2016** | **2017** | **2018** | **2019** | **2020** | **2021** | | DENMARK | 43 | 31 | 25 | 16 | 18 | 35 | | SPAIN | 39 | 34 | 34 | 26 | 8 | 27 | | SWEDEN | 12 | 16 | 24 | 19 | 8 | 21 | | FRANCE | 13 | 19 | 20 | 30 | 10 | 17 | | BELGIUM | 12 | 4 | 5 | 15 | 7 | 12 | | GERMANY | 49 | 23 | 71 | 29 | 46 | 12 | | OTHER | 94 | 98 | 120 | 79 | 80 | 30 | | **Total** | **260** | **224** | **299** | **214** | **175** | **153** |   Finally, the material from 3rd countries is either shipped to distribution sites or to complement the local material (Ukrainian plate for Spartan) or purchased by stockholders based on price arbitrage.   |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | | **Imports from 3rd countries kt** | **2016** | **2017** | **2018** | **2019** | **2020** | **2021** | | UKRAINE | 44 | 38 | 34 | 47 | 21 | 41 | | SOUTH KOREA | 20 | 20 | 9 | 23 | 25 | 14 | | RUSSIA | 19 | 4 | 14 | 16 | 2 | 5 | | BRAZIL | 0 | 13 | 8 | 13 | 0 | 0 | | OTHERS | 8 | 15 | 1 | 4 | 25 | 3 | | **Total** | **90** | **90** | **67** | **103** | **73** | **64** |   **CONSUMPTION BY SECTOR (MARKET SEGMENTATION)**  According to our estimates, UK plate market is segmented as follows, with half of the shipments directed to stockists and SSC.  The majority of direct sales to market intermediaries (stockists and SSCs) is conducted at spot basis, with orders placed based on ongoing requirements with “regular” lead times of 1-2 months.  Instead, in case of end-users, a significant part of orders is placed in advance based on downstream project schedules. E.g., in case of bridge construction, a prime contractor needs to deliver an object later (often several months ahead of contract signature). Based on the given schedule, subcontractors responsible for structural elements place their orders in advance at transparent price levels in order to comply with the overall project budget. In such cases, plate orders have to be placed in advance at fixed price level. The medium – long term pricing approach (lead times 3-12 months) is common for many orders in construction, machine building, energy industries.  Considering the estimated shipments from stockists, SSC to end-users, the final use in the UK is as follows  According to our analysis, construction and machine building are the core industrial macro-sectors in the UK.  **TREND DRIVERS**  **Macro**  On the top level, overall economic activity, public spending are pivotal for steel use, and in particular, for plate consumption.  Steel plate is used for manufacturing of various structural elements, such as welded sections, external structural elements, towers for wind energy etc. These are components in large-scale construction (industrial, commercial, public structures) and in the infrastructure projects (bridges, roads, electrical structures etc.). Consequently, macro-cycles of plate use are coinciding with additional public spending, due to either overall investment dynamics or particular state interventions (economic stimuli).  Moreover, mechanical engineering (machine building) industry is strongly linked to public spending (plant machinery investments, new specialized machinery “yellow goods” orders). According to our estimates, two macro-sectors, construction and machinery, are consuming over 70% of steel plate in the UK, and any significant fluctuations in their activity lead to overall plate demand and pricing.  **Micro**  On the level of pricing, cost base and demand-supply balance on the market are principal factors.  Any significant changes in feedstock pricing (iron ore, coal, scrap or semi-finished products – slabs) are influencing plate prices immediately or with a minor time lag.  Any significant changes in terms of market balance, especially supply cuts or additions usually provide temporary corrections of price levels. Besides, market players with resale business models use any irregular discounted supply opportunities, such as additional volumes imported from China in 2014-2015, as an advantage in negotiations with regular suppliers.  Steel inventory levels, especially during the period of significant deviations from the long-term medium levels, can influence purchasing behaviour or market players.  **Seasonality**  Apart from the higher level factors, spot price is influenced by seasonal activity fluctuations, with 2 regular peaks of end-user activity in spring and autumn, when the industrial and construction output is maximized between holiday periods. Based on the consumption peaks, both stockholders and end-users place advanced orders in February-March and September to ensure availability of material for production needs.  **PRICE SENSITIVITY**  Plate price is conditioned by the factors mentioned above.  Macro and micro factors define sustainable medium-long price trends for plate in the UK. Seasonal fluctuations define price dynamics in the short run.  Magnitude of fluctuations of consumption activity, supply levels (domestic and import), inventory levels, cost base etc. defines the potential price fluctuations and volatility.  More importantly, price can be conditioned significantly also by limited objective changes of market balance, cost base, inventories. In case of strong speculative opportunities or sentiments, large buyers can change purchasing patterns or even average level of procurement to force significant changes of pricing and profitability on the mills.    **DEVELOPMENTS IN TECHNOLOGY AFFECTING THE CHARACTERISTICS, DEMAND OR THE PRODUCTION PROCESS OF THE GOODS**  We do not observe any technological developments significantly affecting production process or characteristics of the steel plate. Various special quality steel, such as high strength low alloyed etc. are available on the market for decades.  However, policy changes such as accelerated transition to renewable energy and carbon neutrality, strongly affect future demand for various applications. In particular, the planned continuous expansion of wind farms defines increasing demand for large dimensions, high piece weight plate for increasing sizes of wind towers. Besides, targeted higher transport fuel efficiency and transition to electrical transport fleet means evolving designs of motor vehicles and other transport. This means additional demand for high strength steel aiming for weight reduction of single transport units. | |
|  | Appendix reference: NONE |

SECTION C:  
Costs and production

C1 Cost to make and sell

1. Complete **Annex 4 – Cost to make and sell**

* Report your total cost to make and sell the like goods domestically.
* Please clearly separate your costs to make (direct manufacturing costs and indirect costs), from your cost to sell (administrative, selling and general expenses (AS&G)).
* All values entered in the table should be totals for the POI by PCN.
* Report your total production and the total manufacturing costs for your like goods in the final row.
* All figures should be reported net of tax.
* When stating labour costs, please ensure you include all labour costs, directly or indirectly incurred by any activity related to the like good.

Note that headings of each column (e.g. raw materials, energy) can be adapted to suit the naming conventions of your own cost accounting system.

1. Please list, and explain, your labour, manufacturing overheads and AS&G costs for domestically sold like goods. Describe the individual components of these costs and provide detail on how these costs are paid.

|  |  |
| --- | --- |
| The total labour cost is split into 3 identifiable sections, being Production, Sales and Administration. [details in confidential version]  The manufacturing overheads include other cost of sales costs are:  Utilities – gas, electricity, etc.  Consumables.  External services.  Maintenance costs.  Health, Safety and Environmental costs.  Emissions costs – purchase of carbon credits.  Depreciation.  Plate stock variation.  Our selling costs include:  Transport  Agents commissions.  Credit insurance.  Administrative costs include:  Insurance.  Business rates  Security costs  Travel & entertaining  Training  Recruitment  Corporate culture costs  Consultancy costs.  Audit fees  Legal costs  Tax consultancy  Communications  Stationery  IT service  Subscriptions and membership fees  Office cleaning  Lease/hire costs  Corporate finance  Bank charges  Miscellaneous  All costs are charged to the income statement | |
|  | Appendix reference: NONE |

1. Please list all inputs (e.g. raw materials, energy, labour) to the production of the like goods. Indicate the source of your inputs and whether they are imported or domestically sourced.

|  |  |
| --- | --- |
| The company is part of the Metinvest Group and as such imports raw materials in the form of steel slabs from Metinvest companies within the Ukraine. Since the war in Ukraine this has no longer been possible and alternative suppliers have been sought.  [energy suppliers disclosed in the confidential version] | |
|  | Appendix reference: NONE |

1. If your company is vertically integrated or some of the inputs (e.g. raw materials, energy) used in the production of your like goods are produced by an associated party, provide details of this arrangement and attach documentation demonstrating any agreements you have.

|  |  |
| --- | --- |
| *Please answer here*  The company is part of the vertically integrated Metinvest Group. As such, it purchases both raw materials and finished products from the group (valid for the period of investigation). | |
|  | Appendix reference: NONE |

1. If your company incurred any extraordinary costs (such as start-up or ramp up costs) during the POI, please provide details of these costs, explaining why they were extraordinary and how they have been included and amortised/depreciated in your accounts.

|  |  |
| --- | --- |
| *Please answer here*  N/A. | |
|  | Appendix reference: NONE |

1. Please explain how you finance your production of like goods, your sources of finance, whether there is any cost of finance associated with the production of like goods, and how you have reported this in the cost to make figures and company accounts.

|  |  |
| --- | --- |
| *Please answer here*  [ disclosed in the confidential version] | |
|  | Appendix reference: NONE |

1. Please state the cost allocation method used for each PCN for the POI, including an explanation of the allocation under each subheading.

|  |  |
| --- | --- |
| [ disclosed in the confidential version] | |
|  | Appendix reference: NONE |

C2 Cost and sales reconciliation

1. In **Annex 5 – Cost reconciliation**, please only fill in the white cells. Insert additional columns or rows as required. Please include reference to the source documents of the inserted data.

* Please give the total cost of goods made and sold as shown on your audited financial statement of the most recent accounting period.
* If the POI and your accounting period are different, please enter the difference in cost of goods sold between the periods.
* Please provide your company’s total cost of goods sold over the period, as shown on your management accounts.
* Please give the change in finished goods inventory over the period. This usually relates to the difference between the cost of goods sold and cost of production.
* Please provide the company’s total cost of production over the period as shown on your management accounts.
* You may manufacture other products that are not under consideration. Please provide the cost of production and the production quantity of the other products that are not under consideration over the period. Please provide the names of each product group that you have determined to be not the goods. Please add more rows if required.
* For the cells under ‘Cost of production for the goods under consideration’, please enter the total cost of production and production quantity.

C3 Production process

1. Please provide a written summary and a diagram/flow chart of your production process for the like goods that you produce in the UK.

|  |  |
| --- | --- |
| Spartan is a re-roller of steel plates. The process to produce them consists of several steps.  The raw material in the form of steel slabs purchased from either our Parent Company Metinvest in Ukraine, or sourced externally. The slabs are planned according to the final plate dimensions.These slabs are then heated in a gas fired furnace. They are then transferred to the Rolling Mill where following the removal of ‘scale’ (which forms during the heating process) using high pressure water jets (descaling) they are rolled out to steel plates of the required dimensions. This rolling process involves passing the hot slab repeatedly through a pair of work rolls which progressively reduce the slab thickness. This continues until the slab has been converted in to the required finished plate thickness and length. Once rolled to size the plate then goes through further processing as required to arrive at the finished specification.  Once completed the plates are stored prior to despatch to the customer  All parts of the production process take place in the UK at our site in Gateshead. [additional details disclosed in the confidential version] | |
|  | Appendix reference: NONE |

1. Identify what parts of your production process take place in the UK and explain at what stage the most value is added to your like goods in the production process. Please describe the manufacturing process of the like goods, its level of complexity and the investment of capital involved. If a production process is carried out outside the UK, please explain the nature of the activity and where this process step takes place.

|  |  |
| --- | --- |
| *Please answer here*  Production process takes place at the company’s UK site. | |
|  | Appendix reference: NONE |

1. Please provide the physical addresses (including town/city and county) of all your company’s UK sites/facilities involved in the production of the like goods.

|  |  |  |  |
| --- | --- | --- | --- |
| **Company name** | **Physical address** | | |
| Spartan UK Limited | **Ropery Road, Teams, Gateshead, Tyne & Wear. NE8 2RD** | | |
|  | | Appendix reference: NONE |  |

+Add additional rows as required

C4 Joint products and by-products

1. Please explain any waste, scrap or by-products related to the production of the like goods. Please explain:

* how you differentiate your waste, scrap and by products;
* what you do with your waste, scrap and by-products;
* how any income or cost from waste, scrap or by-products is recorded.
* the average waste, scrap, and by-product ratio resulting from the production process of the goods subject to review and like goods.

|  |  |
| --- | --- |
| *Please answer here*  By products from the production process include different types of scrap, scale and prime scrap. [additional details disclosed in the confidential version] | |
|  | Appendix reference: NONE |

1. Please explain how your costs of production (per unit) differ between the like goods and its joint products, if applicable. Comment on the reason for this difference and explain your method(s) of calculation.

|  |  |
| --- | --- |
| *Please answer here*  N/A. | |
|  | Appendix reference: NONE |

C5 Raw material (RM) and major input purchases

Please complete **Annex 6 – Raw materials and input purchases,** detailing the principal purchases used in the production of the like goods during the POI by your company.

* Please provide a complete breakdown for any inputs that account for more than 5% of the cost to make and sell of your like goods. Please include all purchases of these materials used during the POI.
* For each reported purchase transaction, describe the raw material and its characteristics (e.g. grade, purity).
* If your energy costs constitute more than 1% of your production costs, please also include energy purchases in the annex.
* All figures should be reported net of tax.

Please provide an invoice and any supporting documents for two of your purchases stated within **Annex 6 – Raw materials and inputs**. Use the box below to give an overview of any supporting documents provided.

|  |  |
| --- | --- |
| *Please answer here*  [disclosed in the confidential version] | |
|  | Appendix reference: NONE |

C6 Purchases of like goods and/or goods subject to review

1. Complete **Annex 7 – Purchases of like goods** and/or goods subject to review This should include information relating to your company’s total annual purchases of the like goods and/or goods subject to review over the injury period. All figures should be reported net of tax. Please list for each year every country you have purchased from in a separate row.
2. Describe how these purchases fit into your business model. Please attach copies of any agreements or contracts that you have relating to your purchases of like goods and/or goods subject to review.

|  |  |
| --- | --- |
| *Please answer here*  The company purchases finished plate products from other Metinvest group companies in the Ukraine and resells these to its existing customer base. The purchased plates are generally of different dimensions to those produced by Spartan and therefore complement the existing product range.  [additional details about intercompany sales disclosed in the confidential version] | |
|  | Appendix reference: NONE |

# SECTION D: Sales

## D1 – Domestic sales

1. Please complete **Annex 8 – Transaction by transaction (T by T) domestic sales**

* These should include all your domestic sales and returns of the like goods and/or goods subject to review for the POI. Include the like goods you have produced, purchased and resold and/or goods subject to review that you have purchased and resold.
* Please report returns as negative (-) sales figures.
* Please ensure that you correctly categorise each sale by PCN.
* For transactions or invoices that consist of multiple PCNs, the same invoice number should be referenced. All information in a row should refer to the individual PCN displayed in the first column of that row.
* Where a date of sale falls outside of the period of investigation, but the invoice date falls within it, both dates should be provided for the relevant domestic sale transaction.
* All figures should be reported net of recoverable tax.

Please contact the Case Team if you can’t provide the relevant information in sufficient detail.

## D2 – Export sales

* + - 1. Please complete **Annex 9 – Export sales**.
* These should include all your export sales of like goods for the POI **1 January 2021 – 31 December 2021.**
* Please ensure that you correctly report your total volume and total value for your export sales per PCN.
* All figures should be reported net of tax.
  + - 1. Please provide a list of associated customers who purchase like goods. Explain the nature of the association and any effect it has on the terms of sale to that customer.

|  |  |
| --- | --- |
| *Please answer here*  [disclosed in the confidential version] | |
|  | Appendix reference: NONE |

## D3 Sales reconciliation

1. Please complete the sales reconciliation table in **Annex 10 – Sales reconciliation** starting from the bottom of the table.

Sales revenue and quantity of like goods during POI:

* For your like goods, enter the sales revenue and quantity for domestic and export sales during the POI as reported in Annex 8 and Annex 9.

Sales revenue and quantity of all goods during POI:

* If you produce goods other than the like goods, please provide the sales revenue and quantity of each of these goods during the POI. Please note that the headings (e.g. Sales revenue/quantity of good A during the POI, Sales revenue/quantity of good B during the POI, etc.) should be adapted to reflect the names of the goods.

Total sales revenue/quantity of all goods during the POI as stated in your management accounts:

* Please provide the total sales revenue and total quantity of all your goods during the POI as shown on your management accounts.
* If this figure does not reconcile with the totals of the sales revenue and quantity data below, the table will show a variance. Please use the text box below to provide an explanation for the shown variance.

|  |  |
| --- | --- |
| [disclosed in the confidential version] | |
|  | Appendix reference: NONE |

Difference in total sales revenue of all goods between POI and accounting periods:

* If the POI and your accounting period are different, please enter the difference between the total sales revenue of all goods during the POI and the total sales revenue of all goods during the accounting period.

Total sales revenue of all goods as per Income Statement

* Please provide the total company sales revenue of all goods as shown on your Income Statement of the most recent accounting period
* If this figure does not reconcile with the sum of the total sales revenue of all goods during the POI and the difference in sales revenue of all goods between the POI and the accounting period, the table will show a variance. Please use the text box below to provide and explanation for the shown variance.

|  |  |
| --- | --- |
| *Please answer here* | |
|  | Appendix reference: NONE |

* Please use the text box below to reference any source documentation for the data.

|  |  |
| --- | --- |
| *Please answer here* | |
|  | Appendix reference: NONE |

* Additionally, please provide quantitative estimates (e.g. projections or forecasts) for the sales revenue and quantity of like goods and of all other goods you produce on the UK market for the next five years.

## D4 Distribution channels and price setting

1. Attach copies of distributor or agency agreements that you have relating to the sale of like goods.

|  |  |
| --- | --- |
| [disclosed in the confidential version] | |
|  | Appendix reference: NONE |

1. Provide copies of price lists for the like goods for the POI (**1 January 2021 – 31 December 2021).**

|  |  |
| --- | --- |
| [disclosed in the confidential version] | |
|  | Appendix reference: NONE |

1. If any price reductions have been applied to any of your sales of like goods over the POI, please provide a description. This includes discounts, rebates, credit terms, allowances and commissions.

* Explain the terms and conditions that must be met for any price reduction.
* Indicate any price reduction not included in an invoice price. Explain how the invoice price and the price reduction have been calculated.
* If you have issued any credit notes that are not reflected in invoice prices, provide details of the criteria for issuing such notes and the impact that they have on prices (both past and future).

|  |  |
| --- | --- |
| [disclosed in the confidential version] | |
|  | Appendix reference: NONE |

1. Please provide details of your distribution network for like goods, if you have one. Do your sales usually include delivery? How do you calculate delivery costs and prices? Does this vary between customers?

|  |  |
| --- | --- |
| Spartan distribution of Ukrainian plate essentially means sales of custom cleared plate from a port storage. | |
|  | Appendix reference: NONE |

1. Attach sales contracts for the top five customers by volume in **Annex 8 – T by T domestic sales** that you have sold like goods to in the period of investigation.

|  |  |
| --- | --- |
| [disclosed in the confidential version] | |
|  | Appendix reference: NONE |

1. Select examples of domestic sales of like goods to two different customers included in **Annex 8 – T by T domestic sales.** Attach as an appendix a complete set of documentation for these sales. Where possible, include purchase orders, commercial invoices, order acceptances, discounts or rebates, credit and debit notes, contracts of sale, freight and insurance details, bank documentation and all other relevant documents.

|  |  |
| --- | --- |
| [disclosed in the confidential version] | |
|  | Appendix reference: NONE |

## D5 Captive use

1. Complete **Annex 11 – Captive sales and use.** This should include transaction-by-transaction information for the POI, **1 January 2021 – 31 December 2021** detailing your company’s individual transfers of the finished like good for internal or captive use. You will need to use the [PCN table](#_Product_Control_Numbers) to categorise each of these transfers by PCN. In the destination column, indicate any transfers for captive use that have not remained on your manufacturing site. In the “use” column, specify how the like goods were used and in the “value” column please assign a market value to the like goods transferred.

Please comment on whether your captive use of the like good would be affected if the existing anti-dumping measure on the goods subject to review no longer applied? Please attach evidence to support your answer where possible.

|  |  |
| --- | --- |
| No captive sales to report | |
|  | Appendix reference: NONE |

# SECTION E: Injury to your company

Injury to UK industry as a result of dumped imports could come in the form of:

* material injury to UK industry;
* threat of material injury to UK industry; or
* material retardation of the establishment of such an industry.

|  |  |
| --- | --- |
| **Type of injury** | **Description** |
| Injury, material | Material injury is where there is evidence of the UK industry being injured by the dumped goods. |
| Injury, material retardation | This is a type of injury in which efforts to establish an industry have been materially hindered because of dumped goods. It may apply where there has been some production but not at sufficient levels to allow us to consider material injury, or where production has not even begun. |
| Injury, threat of | Injury which has not yet occurred but is clearly foreseen and imminent. |

1. Is your company suffering from injury? If so, please describe the nature and degree of the injury. This can relate to the prices, volumes or profits associated with your production and sale of the like goods, or to wider aspects of your business. Please specify and substantiate your claims with evidence. Please estimate the date when the injury began to affect your company. Explain how it has developed since this date.

|  |  |
| --- | --- |
| Not during period of investigation | |
|  | Appendix reference: NONE |

1. Would your company suffer from injury if the existing anti-dumping measure on the goods subject to review no longer applied? If so, please describe the nature and degree of the injury. If your company is already suffering injury, would the nature or source of the injury change if the measures were to no longer apply?

Injury can relate to the prices, volumes or profits associated with your production and sale of the like goods, or to wider aspects of your business. Please specify and substantiate your claims with evidence.

|  |  |
| --- | --- |
| As mentioned in the market overview, potential imports of under-priced material might significantly influence domestic pricing in the UK and, respectively, the already thin profit margins of local plate producers, including Spartan | |
|  | Appendix reference: NONE |

1. Please provide details if your cost of production of the like goods has changed significantly during the injury period. If so, please explain the cause(s) and, where possible, substantiate with evidence. How would your costs to make and sell change in the next five years if the existing anti-dumping measure on the goods subject to review no longer applied? Please describe the nature and degree of the change, and provide supporting evidence. If possible, please provide annual cost of production estimates (e.g. projections or forecasts) for the next five years and use the text box below to explain the methods used to calculate these estimates.

|  |  |
| --- | --- |
| Slab cost for Spartan increased significantly in 2021 compared to the previous years, as a part of overall price increase of steel pricing worldwide and in Europe driven by a supply shortage in H1 2021  The slab costs are expected to remain elevated in 2022 and ahead, as the war in Ukraine and massive sanctions on Russia define energy cost inflation and higher cost suppliers replace Ukrainian slabs in the UK | |
|  | Appendix reference: NONE |

1. Please complete **Annex 12 – Injury**. This should be completed in reference to your UK production of the like goods for the injury period. For the following injury factors listed in the annex, please explain in the text box below:

* How you calculated and apportioned your average net operating profit after tax (NOPAT) for the like goods;
* How you calculated and apportioned your finance costs (e.g. interest) incurred for the like goods;
* How you assess your stock levels. Please indicate if your stock levels were abnormally high during the injury period. If so, please explain.
* How you estimated your percentage of market share for the like goods;
* How you calculated your production capacity and capacity utilisation for the like goods, and the cause of any significant variations;
* How you set your wages, and the causes of any significant variations; and,
* How your total employees involved in the UK manufacture of like goods are split across different sites/locations.

|  |  |
| --- | --- |
| [disclosed in the confidential version] | |
|  | Appendix reference: NONE |

1. Please explain whether any of the indicators listed in **Annex 12 – Injury** would be affected if the existing anti-dumping measure on the goods subject to review no longer applied. Please substantiate your claims with evidence. Where possible, please add additional rows in **Annex – 12 Injury** to provide estimates for the next five years (e.g. projections of forecasts). Please use the text box below to explain the methods used to calculate your estimates.

|  |  |
| --- | --- |
| We expect that re-entry of Chinese plate on the UK market, at highly competitive disruptive prices subject to termination of duty, might reduce overall price level in the UK, while the expected production cost for Spartan would remain unchanged.  Assumed parameters for the projected 2 scenarios [disclosed in the confidential version]:   * NOPAT margin in 2023-2027 at “normal” [disclosed in the confidential version].   Scenario no AD on Chinese plate: UK price drop by 8% on average (considering application of safeguard tariff of 25% on Chinese product). Spartan total costs level to base case scenario. Expected NOPAT on plate in this case to drop by 5-6 percentage points to net loss | |
|  | Appendix reference: NONE |

1. For your like goods only, please state what level of profit, before tax and as a percentage of turnover, your company would expect to achieve in the absence of injury and explain how you arrived at this figure. Would your level of profit, before tax, as a percentage of turnover for the like goods be affected if the existing anti-dumping measure on the goods subject to review no longer applied? Please describe the nature of any change and substantiate your claims with evidence.

|  |  |
| --- | --- |
| [disclosed in the confidential version] | |
|  | Appendix reference: NONE |

1. Explain how you set your current sales price for your like goods. Is this the same as your target sales price? If not, please explain the reasons for this. Would your sales price for your like goods be affected if the existing anti-dumping measure on the goods subject to review no longer applied? Please describe the nature of any change and substantiate your claims with evidence.

|  |  |
| --- | --- |
| Target sales price (Spartan plate and Ukrainian plate) is set on a weekly basis [disclosed in the confidential version], based on the competitive offers on the market and expected short-term trends.  Key competitors include UK producers, European producers, non-EU suppliers imported by traders and stockholders. Import (non-European) offers are often the lowest priced and are used by buyers as a leverage in negotiations with regional producers. Assuming the termination of the barrier for China and potential re-entry of Chinese offers, we expect a significant pressure on the UK and European producers and forced overall price reduction. | |
|  | Appendix reference: NONE |

1. Complete **Annex 13 – Investments**.

* Please include information relating to all company-wide investments, which includes investments that relate to the like goods, and investments that relate to like goods only
* The last row should show aggregate investment totals per year
* For each investment category, indicate the amount of investment. (apportioned, where applicable) and explain what the investment is for.
* Where possible, add columns in **Annex – 13 Investments** to provide estimates (e.g. projections or forecasts) for future years assuming the measure is retained.
* For the investments you have made during the injury period, please also provide the depreciation incurred company-wide and for the like goods.

Please provide details of your typical source(s) of finance (e.g. loans, debt, share issues, bond issues etc.) for each category of investment relating to your company-wide investments.

|  |  |
| --- | --- |
| [disclosed in the confidential version] | |
|  | Appendix reference: NONE |

1. Please describe any changes in your company’s level and trends of returns on investment over the injury period. Please explain the nature and cause of this change and substantiate with supporting evidence e.g. funding proposals, loan approvals or other relevant financial documents. Please also explain whether your company’s ability to make investments and/or ability to raise capital would be affected in the next five years if the existing anti-dumping measure on the goods subject to review no longer applied. Please substantiate your claims with evidence (e.g. company investment plans, etc) and if you have provided estimates explain how you calculated them.

|  |  |
| --- | --- |
| *Please answer here* | |
|  | Appendix reference: NONE |

1. Please complete **Annex 14 – Return on fixed assets** related to the production of the like goods.

* Indirectly related assets are used in the upstream process for the production of the like goods. For these assets, please explain in the text box below how you apportion the corresponding values to the production of the like good.
* If you can’t provide information for indirectly related assets, explain the reasons for this. Please describe the effects this has on the level and trend of return of the like goods.

|  |  |
| --- | --- |
| The assets value shown relate to [disclosed in the confidential version], which are not direclty related to production. | |
|  | Appendix reference: NONE |

1. Please complete **Annex 15 – Cash flow for the like goods**.

* Ensure the depreciation you state for the POI in this annex matches the figure stated in **Annex 5 – Cost reconciliation**.
* The figures for inventory should relate to the numbers in the section on stocks in **Annex 12 – Injury**.
* If you have an alternative cash flow calculation for the injury period, please attach it and explain how it has been calculated in the box below.

|  |  |
| --- | --- |
| *Please answer here* | |
|  | Appendix reference: NONE |

1. Explain any variances between your actual and forecasted budgets over the injury period, with reference to your cash flow statements. Would your actual and forecasted budgets be affected if the existing anti-dumping measure on the goods subject to review no longer applied? Please describe the nature of any change and substantiate your claims with evidence.

|  |  |
| --- | --- |
| Primary driver of variations is market price volatility (the bulk of Spartan sales and slab purchases are at the current spot price levels) | |
|  | Appendix reference: NONE |

1. Please complete **Annex 16** **– Forward sales contracts.** Describe and attach copies of all forward sales contracts/ongoing supply agreements for like goods. Comment on these forward sales contracts – are they a usual way of doing business in your industry? Has there been any variation in the volume and value of forward contracts over time? If so, what has caused this variation? Would your forward sales contracts be affected if the existing anti-dumping measure on the goods subject to review no longer applied? Please describe the nature of any change and substantiate your claims with evidence.

|  |  |
| --- | --- |
| No annual fixed price contracts in the portfolio. [details disclosed in the confidential version] | |
|  | Appendix reference: NONE |

1. If your company is suffering from injury, please explain and indicate the degree to which this has been caused by the alleged dumping of the goods subject to review. Please also explain and indicate the degree to which any other factors might have caused the injury, for example:

* volume and prices of imports not sold at dumped prices;
* contraction in demand or changes in patterns of consumption;
* restrictive trade practices of, and competition between, third country and UK producers;
* developments in technology; and
* export performance and the productivity of the UK.

Please substantiate your claim(s) with evidence.

Would the cause(s) or degree of injury change if the existing anti-dumping measure on the goods subject to review no longer applied? Please describe the nature of any change and substantiate your claims with evidence.

|  |  |
| --- | --- |
| *Please answer here* | |
|  | Appendix reference: NONE |

1. Is your company under threat of injury? If so, please describe the threat, its cause and how the injury is clearly foreseen and imminent.

Please describe the nature and immanency of any threat and substantiate your claims with evidence.

|  |  |
| --- | --- |
| Please see sections E.5, F.1 | |
|  | Appendix reference: NONE |

1. Would there be any indirect effects on your industry and/or business if trade remedies are imposed on the goods subject to review? In your answer please also comment on the effect of no measures. Would there be any other effects on your industry and/or company if the existing anti-dumping measure on the goods subject to review no longer applied? Please substantiate your claims with evidence.

|  |  |
| --- | --- |
| *Please answer here* | |
|  | Appendix reference: NONE |

# SECTION F: Dumping

Please note that all questions in this section are optional. If you choose not to provide information to a question in this section, please state this or write ‘N/A’ in the respective text box.

## F1 Dumping

1. Do you have any information about the normal value of the like goods in the People’s Republic of China? Please substantiate with evidence where possible. This may include sales catalogues, price lists, invoices, quotes, market intelligence or sales correspondence, or any other documentation relating to the domestic price of the like goods in the People’s Republic of China.

|  |  |
| --- | --- |
| Platts Steel Business Briefing Chinese price history in the appendix – domestic and export prices | |
|  | Appendix reference: F1 - China plate Platts SBB |

1. Do you have any information about the export price to the UK of the goods subject to review from the People’s Republic of China? Please substantiate with evidence where possible. This may include sales catalogues, price lists, invoices, quotes or sales correspondence, or any other relevant documentation relating to the export price to the UK of the goods subject to review from the People’s Republic of China.

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Actual plate imports and price and potential Chinese import prices and discounts**   |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | |  | **Vol kt** | | **GBP/t** | | | |  | | **Date** | **EU** | **Others** | **EU** | **Others** | **China** | **CHN+25%** |  | | 01/2021 | 9,6 | 1,1 | 721 | 402 | 462 | 578 |  | | 02/2021 | 17,9 | 4,6 | 681 | 507 | 453 | 566 |  | | 03/2021 | 26,0 | 7,5 | 670 | 464 | 477 | 597 |  | | 04/2021 | 16,3 | 8,3 | 719 | 506 | 528 | 660 |  | | 05/2021 | 16,4 | 3,8 | 751 | 544 | 592 | 739 |  | | 06/2021 | 21,8 | 8,7 | 801 | 624 | 598 | 747 |  | | 07/2021 | 20,8 | 5,6 | 900 | 773 | 618 | 772 |  | | 08/2021 | 16,1 | 8,1 | 899 | 745 | 645 | 806 |  | | 09/2021 | 18,0 | 3,3 | 951 | 926 | 646 | 808 |  | | 10/2021 | 17,1 | 13,2 | 987 | 818 | 652 | 815 |  | | 11/2021 | 13,1 | 3,8 | 1.057 | 851 | 655 | 818 |  | | 12/2021 | 23,4 | 3,6 | 924 | 802 | 616 | 771 |  | | 01/2022 | 22,9 | 3,6 | 1.028 | 856 | 584 | 731 |  | | 02/2022 | 14,2 | 4,6 | 1.080 | 861 | 616 | 770 |  |   *EU and other suppliers based on ISSB data*  *Potential Chinese prices CIF, based on Platts SBB China FOB ($/t), $100 freight rate and ECB exchange rate GBP/USD* | |
|  | Appendix reference: NONE |

## F2 Likelihood of dumping

1. Do you have any information about the capacity and capacity utilisation among exporters of the goods subject to review during the POI? Please provide estimates and substantiate with evidence where possible.

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Chinese plate exports, kt (ISSB)   |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | | **Destination** | **2014** | **2015** | **2016** | **2017** | **2018** | **2019** | **2020** | **2021** | | EU | 856 | 944 | 352 | 27 | 41 | 22 | 20 | 25 | | UK | 21 | 25 | 2 | 0 | 0 | 1 | 1 | 0 | | Others | 6.051 | 6.466 | 6.470 | 4.921 | 4.682 | 4.867 | 3.177 | 2.992 | | **Total** | **6.927** | **7.434** | **6.824** | **4.948** | **4.723** | **4.890** | **3.198** | **3.018** |   Chinese exports to the EU and the UK dropped sharply from 2016 on, amid the introduction of anti-dumping measures in the EU. At the same time, total plate export from China remain at the level over 3 million tonnes (UK market capacity is around 0.5 million tonnes). Potential lifting of the AD measures can allow re-entry of Chinese material on the UK market in quantities potentially exceeding actual market needs. | |
|  | Appendix reference: NONE |

1. Do you know how capacity and capacity utilisation among exporters of the goods subject to review have changed during the POI, or might change in the next 5 years? Please provide evidence if available.

|  |  |
| --- | --- |
| Total production of plate in China is exceeding 200 million tonnes (last available data from World Steel Association is for 2017, since then steel output in China continued to increase)    <https://worldsteel.org/media-centre/press-releases/2019/2019-steel-statistical-yearbook-published/> | |
|  | Appendix reference: F2 - SSY 2019 |

1. Please provide any additional information that might inform our assessment of whether imports of the goods subject to review are likely to be dumped if the measure is removed. This could include:

* exports of like goods to third countries by exporters of the goods subject to review,
* conditions for the exporters of the goods subject to review in their domestic market,
* information on raw material markets and prices, including any restrictions concerning raw materials used for the production of the goods subject to review,
* attractiveness of the UK market for Heavy Plate compared to the market in third countries, and
* any other relevant factor.

Please provide supporting evidence where possible.

|  |  |
| --- | --- |
| For the potential supply volumes from China see tables in F2.1, F2.2 | |
|  | Appendix reference: NONE |

## F3 Adjustments

* + - 1. If you are aware of any factors that could mean costs or profits of the goods subject to review are not substantially determined by market forces, please provide details and any supporting evidence.

|  |  |
| --- | --- |
| *Please answer here* | |
|  | Appendix reference: NONE |

## F4 Particular market situation

1. Do you have knowledge of any market distortions in the exporting countries affecting the **production of the goods** subject to review during the POI? Please describe the nature of the market distortions in detail, specifically with respect to the goods subject to review, and provide evidence to substantiate your claims.

In your response, please also include any evidence concerning the impacts of any market distortions on the level of production of the goods subject to review.

|  |  |
| --- | --- |
| *Please answer here* | |
|  | Appendix reference:  NONE |

1. Please describe how any market distortions affected the **price of goods** subject to review, including any raw materials and inputs, in the exporting countries during the POI. Provide examples and evidence to support your response, including any evidence concerning the following:

* situations/distortions in the domestic market of the exporting countries where prices of the goods subject to review are artificially low; and
* situations/distortions in the domestic market of the exporting countries where prices of the goods subject to review reflect non-commercial factors.

|  |  |
| --- | --- |
| *Please answer here* | |
|  | Appendix reference:  NONE |

1. Please describe how any market distortions affected the level of exports of the goods subject to review during the POI. In your response, you may refer to any international markets, that you may be aware of, which are affected by differential levels of exports of the goods subject to review by the exporting country.

Please provide evidence to support your response.

|  |  |
| --- | --- |
| *Please answer here* | |
|  | Appendix reference:  NONE |

1. Please provide **any additional information** which you think could assist the assessment of market distortions in the exporting country; this could include:

* situations/distortions in the domestic market of the exporting countries where there is significant barter trade;
* situations/distortions in the domestic market of the exporting countries where there are subsidies involved in the production of the goods subject to review;
* any other reason, which could evidence that the comparable price cannot be used to determine the normal value of the goods subject to review.

Please provide evidence to support your response.

|  |  |
| --- | --- |
| *Please answer here* | |
|  | Appendix reference: NONE |

# SECTION G: Supplementary questions

## G1 Economic interest

The economic interest test helps the TRA assess the economic impact of a measure compared to what would happen if it no longer applied. There are six factors which the TRA must consider as part of the economic interest test:

1. The injury caused by the dumped goods to UK industry and the benefits to that industry in removing the injury.
2. The economic significance of affected industries and consumers in the UK.
3. The likely impact on affected industries and consumers in the UK.
4. The likely impact on particular geographic areas, or particular groups, in the UK.
5. The likely consequences for the competitive environment and for the structure of markets for goods in the UK.
6. Other matters that the TRA consider relevant.

The questions in this section will contribute to this assessment. Please provide information broken down by each of your company’s UK sites/facilities, where relevant and possible.

1. Please provide the names, legal addresses and telephone numbers of all known domestic companies that produce the like goods and/or are involved in the importation, distribution or sale of the goods subject to review.

|  |  |
| --- | --- |
| LIBERTY Steel Dalzell  <https://libertysteelgroup.com/uk/our-locations/liberty-steel-dalzell/> | |
|  | Appendix reference: NONE |

* + - 1. Please provide an overview of your supply chain for the like goods, from raw materials through to final customers. Where possible, please describe the number, location and size of UK producers at each stage.

|  |  |
| --- | --- |
| Core raw material is slab previously sourced from the mother company in Ukraine.  The slabs were purchased at market price. The slab is rerolled into plate at Spartan, with main transformation cost factors being energy and workforce, marketed in the UK and the EU by Metinvest sales network.  Due to war in Ukraine, main intra-group slab supplier, Azovsal, is idled indefinitely, and Spartan started to source slabs independently. | |
|  | Appendix reference: NONE |

* + - 1. Please provide total annual employment figures in FTE (full-time equivalents) for the injury period for all your company’s business activities relating to production of the like goods. Where possible, provide sub-totals for each of your company’s sites or facilities. Please indicate how these employment figures would be affected if the existing anti-dumping measure no longer applied? Please substantiate your claims with evidence. Where possible, please provide estimates (e.g. projections or forecasts) for the next five years and explain the method used to calculate them.

|  |  |
| --- | --- |
| [disclosed in the confidential version] | |
|  | Appendix reference: NONE |

* + - 1. Please provide total annual median employment figures for all your company’s sites involved in the production of the like goods during the injury period. If you are unable to provide median figures, please provide mean figures. How would these figures be affected if the existing anti-dumping measure on the goods subject to review no longer applied? Please substantiate your claims with evidence. Where possible, please provide estimates for the next five years (e.g. projections or forecasts) and explain the assumptions made.

|  |  |
| --- | --- |
| [disclosed in the confidential version] | |
|  | Appendix reference: NONE |

* + - 1. Please state your share of the domestic market for Heavy Plate based on sales volumes (including imports of the goods subject to review and like goods as well as domestically produced like goods). Indicate how this share would be affected if the existing anti-dumping measure no longer applied? Please substantiate your claims with evidence. Where possible, please provide estimates (e.g. projections or forecasts) for future years and explain the method used to calculate them.

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| Estimated 34% in the POI [details in the confidential version] | |
|  | Appendix reference: NONE |

* + - 1. Please comment on how significant production of the like goods is in relation to your company’s entire UK production. Within your response, please state the share of total production value represented by the like goods during the POI **1 January 2021 – 31 December 2021**.

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| 100% of Spartan core production is plate production | |
|  | Appendix reference: NONE |

* + - 1. For the like goods and/or subject to review, please state (by value) the proportion of your total sales that was exported during the POI.

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| [details in the confidential version] | |
|  | Appendix reference: NONE |

* + - 1. Please indicate who the consumers of the like goods are, which industry and level of trade they relate to and whether they are companies or private individuals. Are the like goods considered to be an intermediate and/or final good?

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| **Also in the section B2**  There is a wide area of application of steel plate across multiple downstream industries. The core industrial sectors can be grouped as follows   * Construction and infrastructure   + Residential, commercial and industrial buildings and structures   + Roads, bridges, tunnels etc   + Energy-related infrastructure including wind towers * Machinery (mechanical engineering)   + Specialized machinery incl yellow goods – mining, construction, agriculture, lifting equipment etc   + Heavy industrial machinery * Transport (land, such as heavy truck platforms, tanks etc.) * Shipbuilding and offshore structures * Tubes (mostly large diameter line pipes, fittings, valves for O&G sector) * Miscellaneous metal goods, including general use pressure vessels   A significant share of the plate market (up to 50%) is served not directly by the plate manufacturers, but via stockholders (providing retail sales service) or steel service centres (providing basic processing or the plate – cut to size or shape, preparation of surface or edges, bending etc.) | |
|  | Appendix reference: NONE |

* + - 1. Would any other industries, markets or products be affected if the existing anti-dumping measure on the goods subject to review no longer applied?

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| Generally, any downstream industries would welcome the extremely cheap alternative supplier on the market and the overall pressure on plate prices. However, the price drop would negatively impact the profitability or in the longer run sustainability of local plate producers. Such potential reduction or stop of local plate output would impact most upstream suppliers (equipment, repair components, energy etc.) | |
|  | Appendix reference: NONE |

* + - 1. Please describe how you would expect the following to be affected if the existing anti-dumping measure on the goods subject to review no longer applied:
* market price of the like goods in the UK;
* total UK output of the like goods;
* total imports of the goods subject to review to the UK; and
* total exports from the UK.

Where possible, please provide estimates for the next five years (e.g. projections or forecasts) to support your claims.

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| market price of the like goods in the UK  Price forecasts at the moment are highly unreliable due to market rebalancing, but we assess “fair” price discount for imported plate as 5-10% of domestic price (effectively, the discount for higher order size, longer lead time, stricter payment terms – typically letter of credit at sight vs open terms). In case of Chinese exporters, the discount might be more aggressive due to generally lower production costs in China and huge volumes available for export.  total UK output of the like goods;  total imports of the goods subject to review to the UK; and  Depending on the aggressiveness of plate exporters, additional volumes might enter the UK market – we can assume the growth of imports from 70-100 kt/year to 150-200 kt/year, respectively displacing some volumes of local production.  • total exports from the UK.  In case of AD renewal in the EU and discontinuation in the UK, the protected EU market might provide a more attractive alternative for the UK plate manufacturers and exports to the EU might increase. At the same time, high cost base makes UK plate exports to the 3rd markets (Mediterranean, Latin America or USA (import tariffs) not competitive) | |
|  | Appendix reference: NONE |

* + - 1. Do you know of any related industries that would be affected if the existing anti-dumping measure on the goods subject to review no longer applied?   
         Please consider in particular:
* upstream industries – those who produce inputs needed for the like goods or goods subject to review
* downstream industries – those who purchase the like goods or goods subject to review

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| Please see G1.9 | |
|  | Appendix reference: NONE |

* + - 1. To what extent would you expect any changes in prices for the goods subject to review or like goods to be passed onto final consumers?

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| Some part of the potential price cuts might be passed to final consumers, but at least partially the price arbitrage would be used by big distributors in the UK to hike their profitability | |
|  | Appendix reference: NONE |

* + - 1. Please explain any effects on your plans for future investment or expansion in the UK if the existing anti-dumping measure no longer applied. Please state how this would affect different sites/locations of your company and support your claims with evidence.

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| [disclosed in the confidential version] | |
|  | Appendix reference: NONE |

* + - 1. As a public body, the TRA has an obligation under the *Equality Act 2010* to ensure that the possible effects of its activities on different people are considered. This public sector Equality Duty covers the following protected characteristics:
* age,
* disability,
* gender reassignment,
* marriage or civil partnership,
* pregnancy and maternity,
* race,
* religion or belief,
* sex, and
* sexual orientation.

If you have any information that could assist us in our consideration of whether the continuation of the existing safeguard measure might disproportionately affect any of these groups, please provide it in the box below.

|  |  |
| --- | --- |
| *Please answer here* | |
|  | Appendix reference: NONE |

* + - 1. Please explain how continuing a trade remedy measure could affect the following aspects of the competitive market environment and structure for the like goods and goods subject to review in the UK:
* the range of suppliers of this type of goods in the UK;
* the ability of suppliers to compete in this market;
* the incentives for suppliers to compete vigorously;
* consumer choices and availability of information.

Please provide evidence to support your answer.

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| Currently we observe a competitive market supplied by local, European producers and imports (see market overview in the section B2). Market price is a product of supply-demand balance, influenced by cost competitiveness, service level, reputation.  Most market participants periodically enter price competition depending on their objectives in terms of sales volumes in the UK. We expect the situation to last in a sustainable manner in absence of potentially disruptive Chinese imports, which can be offered at significantly lower price levels even considering potential safeguard duty (25%). | |
|  | Appendix reference: NONE |

* + - 1. Please describe the nature and degree of any regional impacts that you would expect if the existing anti-dumping measure on the goods subject to review no longer applied.

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| *Please answer here* | |
|  | Appendix reference: NONE |

* + - 1. Please explain the current situation with the slabs market. Do you currently have any difficulty getting slabs with the sufficient quality for high-value plate production on the open market? Do you believe this will improve or worsen in the future? Do you expect that this will have an impact on your costs of production? Please provide details here and any supporting evidence.

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| Ukraine prior to the war and to the production stop at Mariupol mills was exporting 3,1 million tonnes of slabs, including the 250.000t of Spartan feedstock. The forced closure of Mariupol mills means that the shortage will have to be compensated by other suppliers, e.g. from Asia and Brazil, with associated higher costs (freight and alternative markets parities – e.g. USA for Brazil). The need to source slabs from new suppliers at higher cost will affect Spartan profitability and sustainability in a long run. | |
|  | Appendix reference: NONE |

* + - 1. If there are any additional economic factors that you consider to be relevant for the economic interest test in this review, please provide details here and any supporting evidence.

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| *Please answer here* | |
|  | Appendix reference: NONE |

# SECTION H:

# Next steps

## Next steps

The questionnaire, spreadsheet annex and any appendices should be submitted through the Trade Remedies Service ([www.trade-remedies.service.gov.uk](https://www.gov.uk/government/publications/the-uk-trade-remedies-investigations-process/an-introduction-to-our-investigations-process)) by 11th April 2022 The checklist in Section I of this questionnaire may help ensure your submission is complete.

A confidential and non-confidential version of the questionnaire and spreadsheet annex(es) must be submitted. You can find guidance on how to complete confidential and non-confidential versions in our guidance on [how to submit information](https://www.gov.uk/government/publications/the-uk-trade-remedies-investigations-process/an-introduction-to-our-investigations-process#how-we-handle-confidential-information).

# SECTION I:

# Checklist and appendices

This section is an aid to ensure that you have completed all sections of this questionnaire.

|  |  |
| --- | --- |
| **Section** | Please tick if you have responded to all questions |
| Section A – Company structure and operations | ✓ |
| Section B – About your goods | ✓ |
| Section C – Costs and production | ✓ |
| Section D - Sales | ✓ |
| Section E – Injury to your company | ✓ |
| Section F – Dumping | ✓ |
| Section G – Supplementary questions | ✓ |
| Section H – Next steps and declaration | Please delete from the non -confidential version |

+Add additional rows as required

Please list any appendices that you have referenced in your responses and are attaching with this questionnaire.

|  |  |
| --- | --- |
| **Appendix reference** | **Document title** |
| Section A3 | A3.1.D.2021\_Metinvest\_brochure\_EN\_1504 |
| Section F1 | F1 - China plate Platts SBB |
| Section F1 | F2 - SSY 2019 |

+Add additional rows as required