



## Verification report – Contributor

### Case AS0022: Single-mode Optical Fibre Cables from the PRC

<b>Period of Investigation (POI):</b>	1 January 2021 – 31 December 2021
<b>Injury Period:</b>	1 January 2018 – 31 December 2021
<b>Date of report:</b>	18 April 2023
<b>Case team contact details:</b>	<a href="mailto:AS0022@traderemedies.gov.uk">AS0022@traderemedies.gov.uk</a>
<b>Company verified:</b>	Türk Prysmian Kablo Ve Sistemleri A.S.

For further details, please see the [Notice of initiation](#) on the public file.



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## Executive Summary

On 26 April 2022, the Trade Remedies Authority (TRA) initiated an anti-subsidy investigation (AS0022) into alleged subsidisation of optical fibre cable (OFC) imported into the United Kingdom (UK) originating from the People's Republic of China (PRC).

On 12 December 2022, the TRA published a note to the [file](#) inviting overseas producers and sellers of OFC in the Republic of Türkiye to assist in providing information for use in creating cost benchmarks in the anti-dumping investigation (AD0021). Producers that came forward were also asked to submit information for the anti-subsidy case (AS0022).

Türk Prysmian Kablo Ve Sistemleri A.S (Türk Prysmian), a producer and exporter of the like goods operating in the Republic of Türkiye, responded with a completed streamlined questionnaire and co-operated fully with the investigation.

As part of the investigation, the TRA sought to verify the response, including the data annex submitted with the questionnaire. This report details the evidence gathered and the key findings from the verification of the company's information.

The TRA was able to conduct verification remotely and contact Türk Prysmian by email to request clarifications or further information to aid the verification process.

The verification activities we have undertaken have led us to conclude that we have a reasonable level of assurance on the accuracy, relevance and completeness of the information provided by Türk Prysmian. We will therefore use the submitted information for any relevant purpose in this investigation.

## Purpose of verification

The purpose of the TRA's verification activity is to provide assurance that the information provided by Türk Prysmian is verifiable and can be used. We will draw a reasonable level of assurance on the completeness, accuracy and relevance of information deemed verifiable. Such information may then be considered in our assessments and to determine benchmarks to be used in our analysis of calculating a countervailing amount, if applicable.

We have carried out verification activity using desk-based procedures. This verification report documents the work we have completed, the checks the case team have carried out and conclusions we have reached about the reliability of information provided by the company.



## Confidential information

Türk Prysmian must provide a non-confidential version of the verification report marked as “non-confidential” in the header of the non-confidential verification report.

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

The non-confidential version of the verification report will be placed on the [public file](#).

## Verification

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

### A. Company structure and associations

What information was considered
<ul style="list-style-type: none"> <li>• Company details, structure, ownership, and management</li> <li>• Associations with other companies</li> <li>• Audited Financial Statements</li> </ul>
<i>If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see <a href="#">Confidential information</a>):</i>
How the information was checked



**Company details, structure, ownership, and management**

The TRA has compared details of the company, including ownership and management, submitted by Türk Prysmian, with its published financial statements and website. We have found that company details such as establishment dates, facility location, structure and corporate ownership of Türk Prysmian were consistent between all sources.

**Associations with other companies**

The TRA has compared the companies listed by Türk Prysmian in its questionnaire submission that it claims association with, to information within its published financial statements. We also considered all interactions with associated suppliers listed throughout the annex. We found that the information submitted relating to company associations involved in the production of the like goods is consistent with information found in the published financial statements of Türk Prysmian.

**Published Financial Statements**

The 2021 published financial statements presented by Türk Prysmian to the TRA have been prepared in accordance with Turkish generally accepted account practices GAAP, which are compliant with International Financial Reporting Standards and subject to independent audit.

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

**Exceptions/Findings/Adjustments**

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

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

**Conclusions**

The information relating to company structure and associations provided by Türk Prysmian is verifiable. Based on the work we have done, we have a reasonable level of assurance that the information can be treated as complete, relevant, and accurate and can therefore be used by the TRA for any purpose in this investigation.



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

B. Goods

What information was considered

- The internal product code system used by Türk Prysmian
- Allocation of products to PCNs

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

How the information was checked

**Internal Product Code System**

The TRA confirmed that the characteristics described in Türk Prysmian’s internal product code system are consistent with the identifying characteristics of the

PCNs.

**Allocation of products to PCNs**

The TRA compared how Türk Prysmian was allocating internal product codes in its system to PCNs against technical specifications they provided and product descriptions available in company’s online product brochures. We did not find any instances of misallocated products for any PCNs.

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

Exceptions/Findings/Adjustments

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

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



Conclusions

The information relating to the company’s goods provided by Türk Prysmian is verifiable. Based on the work we have done, we have a reasonable level of assurance that the information can be treated as complete, relevant, and accurate and can therefore be used by the TRA for any purpose in this investigation.

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

C. Costs

What information was considered

**Upwards verification**

- The cost to make annex
- SAP Accounting System Extract

**Downwards verification** • The cost to make annex.

- Annex cost information about the purchase of raw materials • Cost source documentation

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

How the information was checked



**Upwards Verification**

As the financial statements present information at Company level, the TRA did not conduct a reconciliation for the total cost to make to the financial statements. However, the TRA was able to compare the cost to make annex data for direct material costs, labour costs, other variable product costs and optical fibre costs to the SAP accounting system. The TRA considered this a low risk as we have completed downwards verification on the key raw material input as discussed below.

**Downwards verification**

The TRA reconciled raw material cost data provided by Türk Prysmian in its questionnaire response to source documentation to check for accuracy and relevance. This was done by requesting Türk Prysmian’s source documentation associated with a sample of selected raw material transactions.

For each transaction the following items were reviewed:

- Purchase Order
- Proof of delivery
- Purchase Invoice
- Proof of payment

We identified that the majority of raw fibre purchases were made from **[Confidential business information: the disclosure of Prysmian’s source of supply of fibres would provide a significant advantage to a competitor]**.

The TRA was able to compare transaction invoices from **[Confidential business information: the disclosure of information concerning Prysmian’s transfer pricing policy would provide a significant advantage to a competitor]**.

All transaction source documents were reconcilable to the annex.

*Publicly disclosing information concerning 1) the main source of supply of optical fibres and 2) the transfer pricing policy, would give competitors an unfair advantage, so we have chosen to redact this information.*

**Exceptions/Findings/Adjustments**

There were no exceptions, findings, and adjustments to report with regards to Türk Prysmian’s submitted cost information.



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

### Conclusions

The information relating to the cost to make annex and raw materials provided by Türk Prysmian is verifiable. Based on the work we have done, we have a reasonable level of assurance that the information can be treated as complete, relevant, and accurate and can therefore be used by the TRA for creating benchmarks, or any other relevant use within the investigation.

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

## Conclusion

The TRA is satisfied that the company and product information we examined can be verified to source documentation.

We have been able to reconcile the questionnaire response from Türk Prysmian to its accounting records in relation to the raw material cost information and we also received satisfactory responses to queries raised when verifying sampled transactional data.

In summary, we have obtained sufficient evidence to conclude that the information we have sampled is verifiable. We therefore have a reasonable level of assurance that the information submitted by Türk Prysmian is complete, relevant and sufficiently accurate for the purpose of this investigation.