



Verification report – UK Producer Case TD0029 - Certain Cast Iron Articles originating from the People’s Republic of China

Period of Investigation (POI):	<i>01 October 2021 – 30 September 2022</i>
Injury Period:	<i>01 October 2018 – 30 September 2021</i>
Date of report:	<i>2 May 2023</i>
Case team contact details:	<i>TD0029@traderemedies.gov.uk</i>
Company verified:	<i>Saint-Gobain Construction Products UK Ltd t/a Saint-Gobain PAM UK</i>

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



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Executive Summary

On 23 November 2022, the TRA initiated a transition review for Certain Cast Iron Articles originating from the People's Republic of China ('the goods subject to review').

The UK Trade Remedies Authority (TRA) carries out a transition review of each trade remedy measure active under the European Union (EU) system that the UK transitioned following the exit from the EU.

More information about the case can be found on the public files:

[Case TD0029 public case file](#)

The Period of Investigation (POI) is from 1 October 2021 to 30 September 2022.

Saint-Gobain Construction Products UK Ltd t/a Saint-Gobain PAM UK (SG PAM), a domestic producer of the like good, returned both a completed, confidential, and non-confidential domestic producer questionnaire ("questionnaire"). The TRA sought to verify the accuracy, relevance and completeness of the data submitted.

We compared questionnaire responses and accompanying evidence against information from open sources, such as Companies House, and HMRC, etc. Information was checked for consistency with audited financial statements and responses from other interested parties. A walkthrough of the accounting systems was conducted to assess the level of reliance to place on data produced by the system. An onsite verification visit was performed to assess the accuracy, relevance and completeness of the data provided in SG PAM's questionnaire response and supporting documents.

An impairment of (this information has been redacted as it relates to a single company and therefore inherently confidential) is attributed to the like goods produced. This, and an impairment in December 2018 were requested and signed off by Auditors, KPMG, and meet UK GAAP standards. We accept these figures as fair write-downs of Capital. However, there is no evidence of a specific event leading to the sudden depreciation of Capital, therefore we believe the impairment of December 2021 reflects a gradual reduction in capital value from January 2019, through to December 2021. (The period between the two impairments.) We therefore consider it appropriate to apportion the cost across that period.

Based on the verification activity undertaken, we concluded that there is a **reasonable level of assurance** on the accuracy, relevance and completeness of the information provided by SG PAM, and it can be used for the purpose of this review.



Purpose of verification

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

Verification activity is carried out through desk-based procedures, remote analysis, and verification work on-site. The activity undertaken did not seek to verify all information provided but to undertake work considered appropriate and practicable within the time constraints of the review to obtain assurance upon which to base our decision.

This verification report documents the work completed. The TRA carried out a variety of verification procedures and checks on SG PAM and this report details the conclusions reached about the accuracy, relevance, and completeness of information provided.

Confidential information

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

If any information contained in the confidential verification report is considered confidential, SG PAM 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 TRA to determine whether the information provided by the SG PAM in their questionnaire response is verifiable.

A. Company structure and associations

What information was considered

We considered the following from the questionnaire:

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

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

How the information was checked

Company details

The TRA compared information supplied to open-source data available on the SG PAM website, Companies House, and other industry information, with that provided in the questionnaire response. No disparities were found.

Audited financial statements showed that SG PAM is made up of four main divisions, with the like goods being produced under the 'Pipe Systems (Saint-Gobain PAM)' division.

General company structure, ownership, and management

The information provided by SG PAM on ownership, structure and associations was cross-checked by examining official documents published on Companies House and the SG PAM website. The information from these sources was consistent with the information provided by SG PAM's questionnaire response.

Associations with other companies

The company website of SG PAM confirmed the associated parties to SG PAM, and this was cross checked with Companies House, along with the details of core trading partners. We found no concerns.

Accounting practices and policies

Audited financial statements 2018 to 2021, were reviewed, and compared to the accounting practices disclosed in the questionnaire response. The financial



statements for SG PAM are prepared in accordance with the United Kingdom Generally Accepted Accounting Practices (GAAP). No issues were found. The auditor’s report for the above periods, confirmed that the accounts are unqualified and give a true and fair view of the company’s affairs.

Systems Walkthrough

On 18 April 2023, the TRA remotely conducted a walkthrough of SG PAM’s accounting systems:

SAP – Integrated financial accounting software that invoices, manages stock, and produces financial accounts

Connexis – Online software that allows management of cash, bank, and trading activities for foreign currency payments

The TRA identified two transactions from the questionnaire annex (one for sales and one for raw materials) and SG PAM walked through the SAP system for these. Supporting documentation for each transaction was viewed from order to payment confirmation. The purchase of raw material was traced to the bill of materials for a PCN and subsequent payment to the supplier. The TRA also followed the sale through to the receipt of payment for the invoice from the customer. The organised (supported by primary evidence, linked into the SAP system) and secure system processes gave a reasonable assurance of the trustworthiness of the sources of data used by SG PAM.

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

No issues were found with the data presented and checked. No adjustments or amendments are required.

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 SG PAM is verifiable. Based on the work done, we have a reasonable level of assurance that the information can be treated as accurate, relevant, and complete and can therefore be used by the TRA for the transition review into Cast Iron Articles (TD0029) and for any other purpose within the investigation.



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

B. Goods

What information was considered

We examined the following from the questionnaire:

- SG PAM's internal product coding system
- Goods description and comparability to the like goods and the other products produced
- Product Control Number (PCN) allocations
- UK market for the goods

The minutes of a previous site visit were also examined (completed in November 2022.)

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



The TRA compared information supplied to open-source data available on the SG PAM website, Companies House, and other industry information.

Internal product code system and allocation of products to PCN:

SG PAM allocate a product number using their accounting system which picks the next available number. The internal number therefore has no connection to the product type. The PCN SG PAM assigned to each product description, was compared against product technical sheets, website data, and invoice details to check that SG PAM had followed the PCN structure correctly in its questionnaire response.

We did not find an occurrence of an incorrectly allocated product.

Goods description and comparability to the like goods and the other products produced:

Products SG PAM declared as not the like goods were compared against the product scope in the case initiation document. A selection of PCNs were compared to check the PCN structure had been followed correctly. No goods were found to have been wrongly excluded.

Consistency between different sections of the annex

We cross-checked all worksheets in the questionnaire annex to ensure that there was consistency between internal product codes, PCNs, and product information sheets. We found no product codes or PCNs in the annex document that were not described in the questionnaire. Figures allocated to each PCN in each annex could always be reconciled to the same allocation as reported in all other relevant areas of the questionnaire.

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

Site Visit:

We completed a site visit on 29 November 2022 to establish the production methods used by SG PAM. We viewed the production process from start to finish and inspected the finished products as well as viewing the postproduction storage facilities. This helped confirm that the products being produced can be described as the like goods. We saw a small number of products that are not like goods which also reflects the level of production indicated in the questionnaire responses.



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

Exceptions/Findings/Adjustments

We found no issues with the data presented and checked. No adjustments or amendments were required.

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 SG PAM is verifiable. Based on the work done, we have a reasonable level of assurance that the information can be treated as accurate, relevant, and complete and can therefore be used by the TRA for the next steps in the transition review for TD0029 Certain Cast Iron Articles, and for any other purpose within the investigation.

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

C. Costs

What information was considered

We considered the following from the questionnaire, annexes, and appendixes:

- Direct and indirect cost components
- Sample of relevant cost components – major inputs, direct labour, manufacturing overheads, AS&G etc.
- Shared services
- Costs affected by vertical integration
- Depreciation and amortisation policies and methods
- Impairment
- Cost allocations for any by-products and/or joint products
- Associated party transaction and arm's length prices

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



How the information was checked

Upward verification

Analysis confirmed that total costs to make for all goods and the like goods provided in the questionnaire response were consistent with the published audited financial statements submitted by SG PAM.

The financial year for SG PAM UK runs from 1st January to 31st December whereas the POI is 1 October 2021 to 30 September 2022. Management accounts for the POI were compared with the data for the accounting years 2021 and 2022, matching the POI to the accounting year information.

Costs are not detailed for the like goods, in the audited financial statements, we have not been able to match the data from the questionnaire and annex specifically to the audited financial statements. We were however able to break down the cost of sales to show the allocation of material inputs and direct and indirect labour. Individual cost inputs were traced back to and reconciled with the management accounts for each Trial Balance line. We gained a reasonable degree of assurance that the data is correct.

We observed the SAP standard cost to make and added in the variances detailed in the variances report, provided for the production site where 99.1% of the goods produced are the like goods. This gave us a CTM of within 0.007% of that reported in the questionnaire response.

Downward verification

Downward verification work was completed to check the accuracy and relevance of the transactions listed in the questionnaire annex response.

The TRA checked the accuracy and relevance of the data by tracing cost data provided by SG PAM in the questionnaire response to source documents. SG PAM provided source documentation associated with a sample of selected transactions and demonstrated its accounting system in reference to these transactions during the verification visit. The SAP system allowed full sight of transactions from purchase order through to payment (Connexis PDF demonstrating payment). We were able to see the total costs and how they linked into the general ledger line and then how they were detailed in the management accounts.

For the raw material transactions, samples were selected for coke, scrap metal and ferrous silicon. For these, we received the purchase order, supplier invoice, goods received confirmation, remittance advice and bank statement. We were able to trace all transactions to source documents with no material variances.



We reviewed the direct labour cost in the questionnaire annex and were able to reconcile this to the direct labour cost per the general ledger for the Holwell site (production site for the like goods). The data provided in the questionnaire did not take into account the difference in like goods and other goods for labour, however as like goods made up 99.1% of production at the site, it was reasonable.

The TRA reviewed the method for allocating AS&G costs and concluded that it was reasonable and consistently applied. We also traced a sample of AS&G costs to source documents and through the SAP system.

An impairment, of (this information has been redacted as it relates to a single company and therefore inherently confidential) for the year ending 31 December 2021 for all goods, recorded in the accounts and questionnaire was also disclosed in the audited financial statements. The impairment was then attributed to the like goods, based on sales value taking into account domestic and export sales. We reviewed the impairment breakdown; we are happy with the detail and accounting treatment. However, the impairment offers a single one-off cost transaction within the POI reducing the value of the assets, affecting the “cost to sell” and therefore the overall cost to make and sell. Considering that the previous impairment was dealt with in the December 2018 accounts, we have chosen to apportion the impairment over a three-year period – 2019, 2020 and 2021.

Accounting for the impairment only in the financial year 2021 results in the costs to make for that year being higher than they would otherwise be, and whilst that is the correct way from an accounting perspective to deal with the impairment, we have for the purposes of injury calculation decided to apportion the impairment costs over the 3 year period the impairment covers. (the remainder of this paragraph has been redacted as it relates to a single company and therefore inherently confidential)

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

the information contained has been redacted as it relates to a single company and therefore inherently confidential

Exceptions/Findings/Adjustments

We found no issues with the data presented, except for the Impairment of (this information has been redacted as it relates to a single company and therefore inherently confidential) listed in the audited financial statements of December 2021. No adjustments or amendments were required for the other data checked; however, we have chosen to adjust the impairment as follows:



The impairment to be included in the POI is therefore a 3 month (October - December 2021) apportionment of (this information has been redacted as it relates to a single company and therefore inherently confidential)

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 costs that we have been provided by SG PAM is verifiable. Based on the work we have done, we have a reasonable level of assurance that the information can be treated as accurate, relevant, and complete.

However, for the impairment data, we have apportioned the total amount to the previous accounting years 2019-2021 on an equal basis to demonstrate a fairer view of the costs over the periods.

The adjusted cost data can be used by the TRA for the next steps in the transition review for TD0029 Certain Cast Iron Articles, and for any other purpose within the investigation.

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

D. Sales

What information was considered

Upward Verification

- Transaction-by-transaction domestic sales data for the like goods.
- Accounts run through
- Audited financial statements.
- Trial Balances
- Management accounts.

Downward verification

- Transaction-by-transaction domestic sales data for the like goods.
- Sales source documentation, such as purchase order, order confirmation, invoices, and payment remittances/bank reconciliation.
- Internal accounts system data - walk through screen shots
- Rebates and price reductions
- Management accounts



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

How the information was checked

Upwards Verification

We performed upwards verification for the sales data submitted by SG PAM by reconciling the sales information reported in its questionnaire annex to figures in its audited annual accounts published on Companies House. SG PAM is made up of a number of different divisions, the audited financial statements do not breakdown the performance of every division.

The audited financial statements include the sales for 'Pipe Systems' which includes the sales for all the like goods but also a significant level of sales of other goods. We were able to run through the accounts data on the SAP system and link this to the management accounts data.

We observed how the management accounts values for sales of all goods had been constructed in the accounting system. The supporting values for sales were generated entirely from SAP (i.e. no manual intervention). We then used the management accounts sales data broken down to the different divisions such as Pipe Systems, the like goods production site (adjusted for the POI). When aggregated this reconciled to the audited financial statements within an acceptable level of materiality.

Downwards Verification

We performed downwards verification to ensure that the sales data provided by SG PAM is reconcilable to source documentation and that all cost allocation is reasonable. We requested source documentation associated with a sample of sales transactions and SG PAM demonstrated its internal accounting system in reference to these transactions during the verification visit. We gave forward notice of some of the transactions and also chose two transactions to test without notice.

Transaction selection was based on the accounting system walkthrough findings and the analysis of questionnaire annex sales data. The transactions chosen were spread across the POI in order to provide assurance on unit prices over time and between buyers. Ten transactions were chosen which provided a broad range of customers, and large transactions, including either end of the POI.

We received the following documents for each transaction:

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



We are assured by the data provided, as all documents that we were provided matched to a sales transaction, we were able to follow this down to the original purchase order on all the sampled transactions including two transactions that were reviewed without notice.

We checked for price reductions and rebates and confirmed that the net price after any discount is applied is the price listed in the sales T by T listings, so we were comfortable that there are no material price reductions not reported in the questionnaire and annexes.

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 sales of the goods.

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

Conclusions

The information relating to sales that we have been provided by the interested party SG PAM is verifiable. Based on the work we have done, we have a reasonable level of assurance that the information can be treated as accurate, relevant, and complete and can therefore be used by the TRA for the next steps in the transition review for TD0029 Certain Cast Iron Articles, and for any other purpose within the investigation.

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

E. Injury

What information was considered

- Domestic and export sales value and volume for the like goods.
- Profitability for all goods and like goods.



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

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

- **Domestic and export sales value and volume for the like goods.**

The Injury period runs from 1 October 2018 to 30 September 2021 and the financial statements do not align with this as they run yearly, January to December. For the POI we used the management accounts and a pro-rata rate from the financial statements for our reconciliation.

The data provided in the annex do tie up with the data detailed in the financial statements.

- **Profitability for all goods and like goods.**

As no individual profit and loss account is given for Pipe Systems, or SG PAM, profitability figures could not be verified against published audited financial statements. However, for the POI, no issues were found in the data detailed within the Questionnaire annex provided, regarding costs or sales through the transactions examined, when checked back to the base documents. The Questionnaire response provided a record of variable losses, though the fluctuations turned to a steady downward trend, when impairment was adjusted, see the table below:

Table 1: SG PAM operating profit compared to amended operating profit after impairment apportionment.

(the table has been redacted as it relates to a single company and therefore inherently confidential)

Note:

Profits from other areas of the business were declared as covering the losses made within sales of the 'Like Goods'.



The data for the period 1 October 2018 to 30 September 2019 includes an impairment that was approved in the audited financial statements of (this information has been redacted as it relates to a single company and therefore inherently confidential). We have not apportioned this impairment in the period 1 October 2018 to 30 September 2019 as we have limited details of the time span for this impairment to apportion this fairly.

- **Production output by volume and value for the like goods.**

During the verification visit production figures for the whole injury period were sighted, from production systems data. There is a small discrepancy in figures, due to the annex data being pulled from Management reporting on a week ending basis, and not a specific end date. The difference is accepted as non-material (<0.1%). Price lists examined within the transaction selection also confirmed the declared values of products. Production dropped (this information has been redacted as it relates to a single company and therefore inherently confidential) during the injury period, though inconsistently over the period, the lack of demand and difficulty in obtaining raw materials during COVID being given as the main reason. Due to increased production costs (due to higher prices for input materials) the value of the like goods produced rose, while production volume did not. The price per Kg therefore rose.

- **Market share for the like goods.**

10-digit HRMC import data, and sales data from questionnaire returns for the other IP's, was examined to test the validity of annex figures contained in E4. SG PAM confirmed that their own analysis was flawed, as there was little publicly held data on the goods concerned, using 8-digit Eurostat data, and IAS – infrastructure Access Solutions.

We calculate that SG PAM held between 20 and 40% of the UK market during the period of investigation, further analysis is needed to determine changes to that share, though issues with overseas supply during COVID and the shipping crisis could distort any trends.

- **Investments and return on investment (ROI) figures.**

Annex E15 was examined, and the allocation of investments queried. A document walkthrough on SAP showed that investments were directly related to the Holwell plant and the Like Goods. A spreadsheet providing the direct investment costs for different plants, covering the whole injury period, was also examined and no discrepancies or issues found with the annex information.

- **Total production capacity and capacity utilisation for the like goods.**

Total production capacity and capacity utilisation has been reconciled to the component elements of its calculation. The rationale given behind maximum capacity was sound, and declared figures for utilisation matched the production



volume for each year. Their method produced a slight underreporting of less than .05% in the POI, which has been deemed immaterial.

- **Cashflow for all goods.**

The injury section of the questionnaire annex was examined, and SG PAM provided a walkthrough of how cash-flow was derived for the like goods. We discussed the trends with management and obtained explanations for why these fluctuated over the injury period.

Cash flows are negative as this part of the business is loss making and essentially being supported by other parts of SGPAM.

The main reasons for the downward trend in net cash flow during the POI is due to a provision on the pension liability as disclosed in the audited financial statements 2021. This was apportioned based on turnover. Even if apportioned by employees, the results would have been similar.

The way cashflow was apportioned is based on the turnover of the like goods against the turnover for the whole of SGPAM (this information has been redacted as it relates to a single company and therefore inherently confidential). We walked through the calculation for the POI on screen. We note the complexity of accurately apportioning cash movements to the like goods and are comfortable that the way it has been performed is reasonable.

- **Inventory of the like goods.**

The questionnaire response was examined for issues with stock levels and value. Although the level of stock did not vary unusually, there is a divergence in the value of the stock next to volume by kg. SG PAM stated it has had to pass on continuing materials increases to customers via price rises of (this information has been redacted as it relates to a single company and therefore inherently confidential) during the POI, which accounts for a large part of the difference in value per kg.

- **Employment, median wage, and productivity for the like goods.**

The questionnaire annex response was compared against data provided in a walkthrough of the SAP system. The TRA had sight of a screen shot of employees signing into Holwell plant for Jan 2022, at between 100 and 200 , with a small number of employees not required to sign in, such as the production director. When reconciled against the figures in the annex, albeit median versus mean, we found a variance of less than 2.5%, and were convinced of the reliability of the data provided. The injury period has seen a decline in productivity per employee, (this information has been redacted as it relates to a single company and therefore inherently confidential) This was described as due to aging machinery (causing more stoppage time on the production line) and reducing capacity utilisation.



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

The only adjustment made was regarding the apportionment of Impairment costs arising in the POI as described in greater detail under 'Costs' above.

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

Conclusions

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

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

F. Economic Interest Test

What information was considered

During the verification visit we had sight of the confidential human resources data, pay roll data on employee numbers, and monthly head counts.

We used confidential data from all UK producers and HMRC 10-digit data to verify the market share of SG PAM. We extracted from the questionnaire and verified:

- Other producers of the like good, upstream, and downstream industry.
- Supply chain.
- Geographical concentration of industry.
- Effects on consumers.
- Environmental factors.



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

As previously stated, we were not able to verify data back to the audited published accounts.

We focused on being able to verify back to the management accounts, using the companies SAP accounting system. We did this as the management account sales data could be verified to the audited financial statements.

We saw evidence through the accounting system of the location of suppliers, checking the suppliers submitted invoices for post codes and locating them using an online mapping tool.

For market share data there is no publicly available data; we therefore saw how adjusted 8-digit commodity data was used by SG PAM to obtain market share information. We were able to compare this with the confidential 10-digit commodity data we held, as well as other confidential production data we had been able to obtain.

We viewed carbon reduction plans that SG PAM had made to meet carbon reduction goals on the lead up to net zero carbon for 2050.

Market share forecasts:

The estimated loss in market share given by SG PAM, was based on some experience of a recent price rise (this information has been redacted as it relates to a single company and therefore inherently confidential) While this is not entirely reflective of the market should PRC prices fall if the anti dumping duty was removed (25.4% duty rate for cooperating exporters), SG PAM used this as the basis for market share forecasts. We were able to look at the reduction of the sales following an increase in the sales price that SG PAM introduced following inflationary pressures. The fall in sales due to the price rise was identical to the estimated loss SG PAM predict if the ADD was removed.

The remainder of this paragraph has been redacted as this information relates to a single company and therefore inherently confidential

Geographical concentration:

We found that the SG PAM business centres around the geographical location of Holwell (Melton Mowbray), and that the supply chain and the employees are local to the site, with supply chain (260 small to medium sized enterprises) spanning 100 miles for 70% of purchases, and 90% of staff being within 10 miles of the site.



Wages into the local economy were (this information has been redacted as it relates to a single company and therefore inherently confidential)

Environmental:

SG PAM are building up to the net zero carbon programme, to be net zero by 2050. This year they are investing in greener delivery solutions using HVO (a form of biodiesel) powered vehicles to reduce greenhouse gas emissions. They have investment plans in place (this information has been redacted as it relates to a single company and therefore inherently confidential) to further reduce emissions by 2026-8.

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 sales of the goods.

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

Conclusions

The information relating to economic interest that we have been provided by the interested party is verifiable except for the expected market share fall if the measure was removed.

Based on the work we have done, we have a reasonable level of assurance that the remaining EIT information can be treated as accurate, relevant, and complete and can therefore be used by the TRA for the economic interest section of the statement of essential facts and for any other purpose within the investigation.

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



Conclusions

Verification of SG PAM's submitted data, financial statements, and its accounting system identified minor discrepancies below materiality levels. We do not consider any of these minor discrepancies of material risk to the case and do not affect the way that the TRA intends to use SG PAM's submitted data.

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

We reconciled submitted questionnaire data back to SG PAM's audited financial statements, in respect of sales and impairment. For other elements of cost, where it was not possible to reconcile back to the audited financial statements, we reconciled back to the general ledger and management accounts. The SAP system was able to breakdown costs to the production site of Pipe Systems that produced the like good (Holwell); the like good representing 99.1% of the production of the site. We were able to review the source documents to obtain a reasonable level of assurance of the data.

One adjustment has been made to the data received in the questionnaire and this relates to the value of impairment. We were able to verify the impairment value to the figures in the December 2021 financial statements. A decision was made to apportion the "Impairment" over the injury and investigation period to not unfairly represent the cost to make and sell for the period of investigation.

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



Annexes

Annex 1: Meetings

Date and duration	Type of authentication	Company representatives	TRA representatives
18 th April 2023	<input checked="" type="checkbox"/> remote <input type="checkbox"/> on-site	Finance Director	Redacted for data protection reasons
24 th to 28 th April 2023	<input type="checkbox"/> remote <input checked="" type="checkbox"/> on-site	Finance Director Director of Marketing, Sustainability and Communications Financial Controller	Redacted for data protection reasons