



Authentication Report – Exporter

Case SE0041: Extension review of safeguard measures on certain steel products

Period of Investigation (POI):

1 April 2018 to 31 March 2023

Date of report:

09 February 2024

Case team contact details:

SE0041@traderemedies.gov.uk

Company authenticated:

Suez Steel Company (Suez Steel Co.)

Company address:

Etaqa
Adabya St.
Suez
Egypt

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



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Executive Summary

We are conducting an extension review to determine whether the expiry of a definitive safeguarding remedy would likely result in a continuation or recurrence of serious injury to UK producers of the relevant goods, following the measure imposed as a result of the reconsideration of the transition review TF0006 from 1 July 2022, the SM0016 tariff rate quota review from 1 July 2022, the SM0019 tariff rate quota review from 1 July 2022, and the TQ0030 tariff rate quota review from 30 June 2023.

As part of the review, we sought to assess the accuracy of the information Suez Steel Co. provided in its questionnaire response, which covered its company structure, its like and goods subject to review, and the cost of production and sales of those goods.

To authenticate the information provided by Suez Steel Co., we have:

- compared questionnaire responses with other accompanying evidence and information from open-sources;
- checked information for internal consistency, consistency with audited financial statements; and
- assessed the relevant accounting systems to determine how much reliance we can place on the data produced.

We conducted remote authentication with Suez Steel Co. ([see annex 1](#)), as well as numerous desk-based authentication activities, including, but not limited to observation, confirmation, re-calculation and analytical review.

Based on the authentication activity that we have undertaken we have concluded that we have a reasonable level of assurance on the completeness, relevance and



accuracy of the information provided by Suez Steel Co., and we can use it for the purpose of this review without any adjustments.

We have noted the claims made about the potential impact of extending the existing safeguard measures, or allowing the existing safeguard measures to expire. Despite the limited supporting evidence, it is reasonable to assume that Suez Steel Co. has answered these questions based on its knowledge and understanding of the market. These claims will be considered alongside responses from other exporters to understand the position of the exporters.

Purpose of authentication

The purpose of the TRA's authentication activity is to provide reasonable assurance on the questionnaire information and data provided by Suez Steel Co. for use in this extension review where such data may then be considered in our assessments and analysis to determine whether the expiry of a definitive safeguarding remedy would likely result in a continuation or recurrence of serious injury to UK producers of the relevant goods.

The activities undertaken did not seek to authenticate all information provided, but to undertake work considered appropriate and possible within the time constraints of the extension review in order to obtain a reasonable level of assurance on which to base a decision.

Purpose of this report

This authentication report documents the work we have completed, the checks we have carried out and conclusions we have reached about the reliability of information provided by Suez Steel Co. It details any adjustments made to the data during the authentication process and forms the basis on which Suez Steel Co. can provide the case team with a non-confidential summary for general publication.



Confidential information

Suez Steel Co. must provide a non-confidential version of the authentication report marked as “non-confidential” in the header of the non-confidential authentication report.

If any information contained in the confidential authentication report is considered confidential, the party 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 authentication report will be placed on the public file.



Authentication

Please find below a summary of work that has been completed and the checks that have been carried out by us to authenticate the information provided by Suez Steel Co. in its questionnaire and annex response.

A. Company structure

What information was authenticated
<ul style="list-style-type: none">• Company establishment and locations; and• ownership and operational details.
How the information was authenticated
<ul style="list-style-type: none">• We checked the information provided by Suez Steel Co. relating to company establishment and location of facilities by examining third party documentation such as company registers, open-source information including news and industry publications, and additional information published independently by Suez Steel Co. for consistency.• We noted that the year of establishment provided by Suez Steel Co. in its full questionnaire response does not corroborate with open source information. The date of establishment found during open source research was consistent across the Suez Steel Co. company website, its financial statements and extensive evidence available from open-sources. We have determined that this inconsistency is of low risk and low importance to the case and likely constitutes a clerical error on the part of Suez Steel Co. As such, no further authentication activity was undertaken in relation to this.• We reviewed the audited financial statements to assess the reliability of the related financial information and to confirm ownership and operational details. We confirmed that the audited financial reports had been compiled by reputable and qualified accountants and that the information contained within them relating



to company structure and accounting policies is consistent with submissions to this extension review and publicly available information.

Exceptions/Findings/Adjustments

No exceptions. No adjustments required.

Conclusions

Based on the work we have done, we have a reasonable level of assurance that the company structure information submitted by Suez Steel Co. can be treated as complete, relevant, and accurate. The information can therefore be used by the TRA for the purposes of this extension review.

B. Goods

What information was authenticated

- Product definitions; and
- goods description and comparability to the definition of the goods subject to review/like goods.

How the information was authenticated

- We analysed the products listed as goods subject to review/like goods in the questionnaire annex and the product descriptions provided, considering any errors, inconsistencies or omissions.
- We completed further checks against product catalogues and production processes, as well as information published independently by Suez Steel Co.
- We identified a discrepancy between the pre-sampling questionnaire and full questionnaire response regarding which product categories Suez Steel Co. produce. Following consultation with Suez Steel Co. and desk-based research, we are satisfied that the full questionnaire response is correct.

Exceptions/Findings/Adjustments



No exceptions. No adjustments required.

Conclusions

Based on the work we have done, we have a reasonable level of assurance that information in connection with the goods subject to review/like goods submitted by Suez Steel Co. can be treated as complete, relevant, and accurate. The information can therefore be used by the TRA for the purposes of this extension review.

C. Sales

What information was authenticated

- Total sales; and
- the accounting system and methods used to extract the sales data.

How the information was authenticated

- We checked the total sales reported in the questionnaire response annex to audited financial statements and management accounts provided by Suez Steel Co.
- We considered how total sales of the goods subject to review/like goods, as reported in its questionnaire response, relate to total sales for the company. We performed analytical review and assessed the ratios and weightings of different sales types throughout the POI, noting deviations or unexpected trends. We obtained explanations from Suez Steel Co. management which were satisfactory.
- We also documented the accounting system and considered the methods used by Suez Steel Co. when extracting sales data for use in its questionnaire annex.

Exceptions/Findings/Adjustments

No exceptions. No adjustments required.

Conclusions



Based on the work we have done, we have a reasonable level of assurance that information in connection with sales submitted by Suez Steel Co. can be treated as complete, relevant, and accurate. The information can therefore be used by the TRA for the purposes of this extension review.

D. Costs

What information was authenticated

- Total costs; and
- the accounting system and methods used to extract the cost data.

How the information was authenticated

- We checked the total costs reported in the questionnaire response annex to audited financial statements and management accounts provided by Suez Steel Co.
- We considered how the total costs of the goods subject to review/like goods, as reported in questionnaire response, relate to the total costs of the company. We did this by performing analytical review, and assessing the weightings of different cost contributors. Any identified deviations from trend were discussed with management and explanations sought.
- We also documented the accounting system and considered the methods used by Suez Steel Co. when extracting cost data for use in the questionnaire annex.

Exceptions/Findings/Adjustments

No exceptions. No adjustments required.

Conclusions

Based on the work we have done, we have a reasonable level of assurance that cost information submitted by Suez Steel Co. can be treated as complete, relevant, and accurate. The information can therefore be used by the TRA for the purposes of this extension review.



E. Profitability

What information was authenticated
Profitability for the goods subject to review / like goods.
How the information was authenticated
<ul style="list-style-type: none"> Using sales and costs data provided in the questionnaire annex, we considered how the profitability of the goods subject to review/like goods relates to the overall profitability of Suez Steel Co. <p>We also used analytical review and other analysis techniques to consider how the profitability related to the composition of goods produced by Suez Steel Co., and assessed trends by considering known developments affecting industry as a result of geopolitical, economic and pandemic events during the POI.</p>
Exceptions/Findings/Adjustments
No exceptions. No adjustments required.
Conclusions
Based on the work we have done, we have a reasonable level of assurance that information in connection with profitability of the goods under review/like goods submitted by Suez Steel Co. can be treated as complete, relevant, and accurate. The information can therefore be used by the TRA for the purposes of this extension review.

F. Capacity

What information was authenticated
<ul style="list-style-type: none"> Calculation of capacity; and capacity utilisation.



How the information was authenticated

- Total production volume and total production capacity reported in the questionnaire response by Suez Steel Co. were compared to capacity reports, which were checked for consistency.
- We considered whether the calculation basis for capacity utilisation was reasonable, discussed this with management and obtained evidence and explanations.

Exceptions/Findings/Adjustments

No exceptions. No adjustments required.

Conclusions

Based on the work we have done, we have a reasonable level of assurance that capacity information submitted by Suez Steel Co. can be treated as complete, relevant, and accurate. The information can therefore be used by the TRA for the purposes of this extension review.

Conclusions

Suez Steel Co. provided correct information about its ownership and operational functions, and locations in its questionnaire response. We are satisfied that the information contained in its audited financial statements, including details about company structure and accounting policies, is consistent with questionnaire and annex submissions, evidence and explanations sought from Suez Steel Co., as well as other publicly available information.

The information relating to the goods subject to review/like goods that we have been provided with by Suez Steel Co. is reasonable. We have found no evidence to suggest any inconsistencies concerning the omission of in-scope products, or inclusion of out-of-scope products as reported in its questionnaire and annex response.



Information submitted in relation to sales and costs is reasonable, as well as the methods used to extract the data. There were no adverse observations to report concerning the reliability of accounting systems.

Information relating to profits is reasonable and consistent with our understanding of sales, cost behaviours and general market conditions.

Information relating to capacity is also reasonable and is consistent with other evidence and documentation.

We have obtained sufficient and appropriate evidence in order to authenticate the information provided by Suez Steel Co. We have a reasonable level of assurance that the information is complete, relevant and accurate for the purposes of this extension review.



Annex 1: Meeting details

Date and duration	Type of authentication	Company representatives	TRA representatives
30 November 2023 13:30 – 15:00	<input checked="" type="checkbox"/> Remote <input type="checkbox"/> On-site	Redacted – personal details	Redacted – personal details