



OTTAWA, June 18, 2015

STATEMENT OF REASONS

**Concerning the final determinations
with respect to the dumping and the subsidizing of**

**CERTAIN PHOTOVOLTAIC MODULES AND LAMINATES
ORIGINATING IN OR EXPORTED FROM THE PEOPLE'S REPUBLIC OF CHINA**

DECISION

Pursuant to paragraph 41(1)(a) of the *Special Import Measures Act*, on June 3, 2015, the President of the Canada Border Services Agency made final determinations of dumping and subsidizing respecting certain photovoltaic modules and laminates originating in or exported from the People's Republic of China.

Cet *Énoncé des motifs* est également disponible en français.
This *Statement of Reasons* is also available in French.

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SUMMARY OF EVENTS

[1] On October 1, 2014, the Canada Border Services Agency (CBSA) received a written complaint from Eclipsall Energy Corporation (Eclipsall) of Toronto, Ontario, Heliene Inc. (Heliene) of Sault Ste. Marie, Ontario, Silfab Ontario Inc. (Silfab) of Mississauga, Ontario, and Solgate Inc. (Solgate) of Woodbridge, Ontario (the complainants), alleging that imports of certain photovoltaic modules and laminates originating in or exported from the People's Republic of China (China) are being dumped and subsidized. The complainants allege that the dumping and subsidizing have caused injury and are threatening to cause injury to the Canadian industry producing these goods.

[2] On October 22, 2014, pursuant to paragraph 32(1)(a) of the *Special Import Measures Act* (SIMA), the CBSA informed the complainants that the complaint was properly documented. The CBSA also notified the government of China (GOC) that a properly documented complaint had been received and provided the GOC with the non-confidential version of the subsidy complaint. The GOC was invited for consultations prior to the initiation of the investigations, pursuant to Article 13.1 of the *Agreement on Subsidies and Countervailing Measures* (ASCM).

[3] On November 20, 2014, consultations pursuant to Article 13.1 of the ASCM were held between the Government of Canada and the GOC. On the same day, the Government of Canada received written representations from the GOC with respect to its views on the accuracy and adequacy of the evidence presented in the non-confidential version of the subsidy complaint. The CBSA considered these written representations in its analysis of whether there was sufficient evidence of subsidization to warrant the initiation of a subsidy investigation.

[4] SIMA provides that, under normal circumstances, the investigations shall be initiated within 30 days of the date of the properly documented complaint. However, on November 20, 2014, the President of the CBSA (President) extended this period to 45 days, pursuant to subsection 31(6) of SIMA in order to provide sufficient time to determine whether there was compliance with the conditions referred to in subsection 31(2) of SIMA.

[5] On December 5, 2014, pursuant to subsection 31(1) of SIMA, the President initiated investigations respecting the dumping and subsidizing of certain photovoltaic modules and laminates from China.

[6] Upon receiving notice of the initiation of the investigations, the Canadian International Trade Tribunal (Tribunal) commenced a preliminary injury inquiry, pursuant to subsection 34(2) of SIMA, into whether the evidence discloses a reasonable indication that the alleged dumping and subsidizing of certain photovoltaic modules and laminates originating in or exported from China has caused injury or retardation or is threatening to cause injury to the Canadian industry producing the goods.

[7] On February 3, 2015, pursuant to subsection 37.1(1) of SIMA, the Tribunal made a preliminary determination that there is evidence that discloses a reasonable indication that the alleged dumping and subsidizing of certain photovoltaic modules and laminates originating in or exported from China have caused or are threatening to cause injury to the Canadian industry.

[8] On March 5, 2015, as a result of the CBSA's preliminary investigations and pursuant to subsection 38(1) of SIMA, the President made preliminary determinations of dumping and subsidizing respecting certain photovoltaic modules and laminates originating in or exported from China and began imposing provisional duties on imports of the subject goods pursuant to subsection 8(1) of SIMA.

[9] On March 6, 2015, the Tribunal initiated a full inquiry pursuant to section 42 of SIMA to determine whether the dumping and subsidizing of the above-mentioned goods had caused injury or were threatening to cause injury to the Canadian industry.

[10] The CBSA continued its investigation and, on the basis of the results, the President was satisfied that certain photovoltaic modules and laminates originating in or exported from China had been dumped and that the margins of dumping were not insignificant. Consequently, on June 3, 2015, the President made a final determination of dumping pursuant to paragraph 41(1)(a) of SIMA.

[11] Similarly, the President was satisfied that certain photovoltaic modules originating in or exported from China had been subsidized and that the amount of subsidy was not insignificant. As a result, on June 3, 2015, the President also made a final determination of subsidizing pursuant to paragraph 41(1)(a) of SIMA.

[12] The Tribunal's inquiry into the question of injury to the Canadian industry is continuing. Provisional duties will continue to be imposed on the subject goods from China until the Tribunal renders its decision. The Tribunal has announced that it will issue its finding by July 3, 2015.

[13] Note: the term "solar" may be used throughout this document and, for the purposes of this *Statement of Reasons*, is considered to be interchangeable with the term "photovoltaic".

PERIODS OF INVESTIGATION

[14] The Period of Investigation (POI) with respect to the dumping investigation covered all subject goods released into Canada from October 1, 2013 to September 30, 2014. With respect to the subsidy investigation, the POI was October 1, 2012 to September 30, 2014.

PROFITABILITY ANALYSIS PERIOD

[15] The Profitability Analysis Period covered domestic sales and costing information for goods sold from October 1, 2013 to September 30, 2014.

INTERESTED PARTIES

Complainants

[16] The complainants are producers of photovoltaic modules and laminates accounting for a major proportion of the production of like goods¹ in Canada. The names and addresses of the complainants are as follows:

Eclipsall Energy Corporation
5900 Finch Avenue East
Toronto, Ontario
M1B 5X7

Silfab Ontario Inc.
240 Courtney Park Drive East
Mississauga, Ontario
L5T 2Y3

Heliene Inc.
520 Allens Side Road
Sault Ste. Marie, Ontario
P6A 6K4

Solgate Inc.
172 Trowers, Unit 29
Woodbridge, Ontario
L4L 8A7

[17] Eclipsall operates in a 165,000 sq. ft. manufacturing facility located in Toronto, Ontario, and has been manufacturing photovoltaic modules since 2009. Heliene operates in a 30,000 sq. ft. manufacturing facility located in Sault Ste. Marie, Ontario, and has been manufacturing photovoltaic modules since 2010. Silfab operates in a 100,000 sq. ft. manufacturing facility in Mississauga, Ontario, and has been manufacturing photovoltaic modules since 2011. Solgate operates in a 28,000 sq. ft. manufacturing facility located in Woodbridge, Ontario, and has been manufacturing photovoltaic modules since 2005.

Other Producers

[18] There are three other producers of photovoltaic modules and laminates in Canada, namely, Canadian Solar Inc. of Guelph, Ontario, Celestica Inc. of Toronto, Ontario and Enerdynamic Hybrid Technologies, of Welland, Ontario.

Importers

[19] At the initiation of the investigations, the CBSA identified 256 potential importers of the subject goods based on both information provided by the complainants and CBSA import entry documentation.

[20] The CBSA sent an importer Request for Information (RFI) to all potential importers of the goods. The CBSA received 16 responses to the importer RFI.

¹ Refer to the definition of like goods in the «Like Goods» section of this document

Exporters

[21] At the initiation of the investigations, the CBSA identified 252 potential exporters of the subject goods from information provided by the complainants and CBSA import entry documentation. The CBSA sent dumping, subsidy and section 20 RFIs to each of these potential exporters.

[22] The CBSA received 15 responses to the exporter dumping RFI, 9 responses to the exporter section 20 RFI and 9 responses to the exporter subsidy RFI. In addition, the CBSA received responses to the exporter subsidy RFI from suppliers of raw materials related to responding exporters.

[23] Prior to the preliminary determinations, one exporter that provided responses to the exporter dumping, subsidy and section 20 RFIs withdrew from the investigation.

Surrogate Producers

[24] As part of the section 20 inquiry, surrogate country RFIs were sent to known producers of photovoltaic modules and laminates in Chinese Taipei, Japan, the Republic of Korea and Malaysia. A total of 14 producers were sent RFIs requesting domestic selling prices and costing information for photovoltaic modules and laminates produced at their facilities.

[25] These countries were selected as they have well-developed photovoltaic module industries in the same geographical area. Producers in these countries also export photovoltaic modules and laminates to Canada.

[26] The CBSA received no responses to these surrogate country RFIs.

Government of China

[27] For the purpose of these investigations, “government of China” refers to all levels of government, i.e. federal, central, provincial/state, regional, municipal, city, township, village, local, legislative, administrative or judicial, singular, collective, elected or appointed. It also includes any person, agency, enterprise, or institution acting for, on behalf of, or under the authority of, or under the authority of any law passed by, the government of that country or that provincial, state or municipal or other local or regional government.

[28] The CBSA sent a government subsidy RFI and government section 20 RFI to the GOC. The GOC provided responses to the subsidy and section 20 RFIs by the deadline, however both responses were found by the CBSA to be incomplete. A deficiency letter was sent to the GOC. The GOC’s responses are summarized in the respective *Results of the Investigations* sections of this document.

PRODUCT INFORMATION

Product Definition

[29] For the purpose of these investigations, the subject goods are defined as:

Photovoltaic modules and laminates consisting of crystalline silicon photovoltaic cells, including laminates shipped or packaged with other components of photovoltaic modules, and thin-film photovoltaic products produced from amorphous silicon (a-Si), cadmium telluride (CdTe), or copper indium gallium selenide (CIGS), originating in or exported from the People's Republic of China, excluding:

modules, laminates or thin-film products with a power output not exceeding 100W; and also excluding modules, laminates or thin-film products incorporated into electrical goods where the function of the electrical goods is other than power generation and these electrical goods consume the electricity generated by the photovoltaic product.

Additional Product Information

[30] The final assembled product sold to end consumers is referred to as a solar module. A laminate refers to the consolidation of various raw materials, including strung-together solar cells, a cover glass and an encapsulant (such as EVA, or ethylene vinyl acetate) which are encapsulated (i.e. consolidated) into a more solid and durable product and most often made into a solar module by affixing to it additional solar module components such as a frame and/or a junction box. The subject goods include both modules and laminates, whether or not the laminate is attached to an electrical junction box or a protective frame or other components, or whether or not the laminate is packaged with any such products or components.

[31] For further clarity, a laminate included in a package of goods or shipped alongside other products serving to create a module (e.g. aluminum extrusions for the frame, and/or an electrical junction box, and/or batteries for electrical storage) falls within the definition of subject goods.

[32] The production of subject goods is measured in watts (W) or megawatts (MW). One megawatt is equivalent to one million watts. Canadian production is also measured in W or MW. Watts are synonymous with peak-watts, which are defined as the direct current (DC) watts output under specified laboratory settings.

[33] As noted above, the definition of subject goods excludes both “modules, laminates or thin-film products with a power output not exceeding 100W” and “modules, laminates or thin-film products where the function of the electrical goods is other than power generation and where these electrical goods consume the electricity generated by the photovoltaic product”. These exclusions serve to exclude small portable modules as well as consumer products and small appliances which use solar modules. For example, items ranging from solar garden lights to calculators, to parking meters, as well as portable modules used as camping equipment, would be excluded from the product definition by virtue of power output, or by virtue of the fact that these goods consume the electricity generated by the product.

Production Process

[34] Photovoltaic modules are produced from ultra-refined polysilicon or other conducting materials which capture sunlight. The term “photovoltaic module” may refer to mono-crystalline, multicrystalline (often referred to as poly-crystalline) or thin-film photovoltaic modules that can be used to generate electricity from the sun. The difference between these three forms of modules lies in the purity of the crystallized silicon (c-Si) used, with superior alignment of the silicon molecules generating higher conversion of solar energy into electricity.

[35] A typical mono-crystalline or multi-crystalline module includes a rectangular matrix of either 60 or 72 solar cells (generally arranged in strings of 12 cells, although a module could have more or fewer cell strings depending on the intended power output of the module). Cells are produced from sliced polysilicon wafers. The lamination serves to assist in the transmission of solar energy to the cells and protects the cells from damage. Various types of conductive metallic pastes or inks are applied to either side of the cell surface to produce conductive fingers, grid lines, bus bars, and surface coating. The frame provides a protective cover for the cells and strengthens the overall module. An electrical junction box is generally attached. Finally, electric inverters may be joined to the module in order to convert direct current electricity into alternating current.

[36] Mono-crystalline cells are made by slicing silicon wafers into cells. Wafer production begins with pure polysilicon chunks. These chunks are characterized by ultra-high silicon purity levels and are refined to an extremely high degree. The wafer, which is essentially a single continuous silicon crystal, is cut in such a manner to increase efficiency, often in an octagonal-like shape. By cutting a single wafer, the cells have a single crystal lattice, and thus a uniform look and colour. Mono-crystalline modules are generally more expensive as they generally yield the highest power output compared to other photovoltaic modules.

[37] Multi-crystalline cells are very similar to mono-crystalline cells, except that rather than resulting from a single wafer, the silicon is melted and formed in a mold, which can then be cut into square wafers after the silicon has cooled and crystallized. Because the crystallization process is imperfect, multi-crystalline cells have variable crystal lattice patterns, meaning there are resulting imperfections and various tones and variations of colour within the same module. Photovoltaic module technologies have increased the efficiency of multi-crystalline modules and these now approach the efficiency of their mono-crystalline counterpart.

[38] Thin-film photovoltaic modules are built by applying a microscopic (thin-film) layer of semiconductor photovoltaic material, generally silicon, cadmium telluride, or copper indium gallium selenide, on glass or a sheet of metal. The thin-film production process, therefore, bypasses the use of silicon crystals and for this reason is often known as “amorphous”. By using less photovoltaic product, thin-film modules have a lower cost of production and can be made into more flexible shapes, though their efficiency is generally lower than crystalline-based modules, as they use significantly less photovoltaic material. Like crystalline modules, thin-film modules are laminated, and framed using aluminum extrusions.

[39] Photovoltaic modules are packed and shipped after quality control and testing is performed at the production facility.

Classification of Imports

[40] The allegedly dumped and subsidized goods are normally classified under the following Harmonized System (HS) classification code:

8541.40.00.22	Photosensitive semiconductor devices, including photovoltaic cells whether or not assembled in modules or made up into panels; light emitting diodes; solar cells assembled into modules or made into panels
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[41] The HS classification code is for convenience of reference only. Refer to the product definition for authoritative details regarding the subject goods.

LIKE GOODS AND CLASSES OF GOODS

[42] Subsection 2(1) of SIMA defines “like goods” in relation to any other goods, as goods that are identical in all respects to the other goods, or in the absence of identical goods, goods the uses and other characteristics of which closely resemble those of the other goods.

[43] Photovoltaic modules and laminates produced by the domestic industry in Canada compete directly with, have the same end uses as, and can be substituted for, the subject goods. Therefore, the CBSA has concluded that photovoltaic modules and laminates produced by the Canadian industry constitute like goods to the subject goods. The CBSA is also of the opinion that subject and like goods constitute only one class of goods.

[44] In the Tribunal’s *Determination and Reasons – Preliminary Injury Inquiry No. PI-2014-003*, issued on February 18, 2015, the Tribunal found that “domestically produced photovoltaic modules and laminates, defined in the same manner as the subject goods, are like goods in relation to the subject goods and that the subject goods and like goods constitute a single class of goods.”²

THE CANADIAN INDUSTRY

[45] The complainants account for a major proportion of the domestic production of like goods. Enerdynamic Hybrid Technologies supported this complaint while Celestica Inc. did not express a position. Canadian Solar Inc. did not form part of the domestic industry for the purposes of standing, as defined in subsection 31(3) of SIMA, as it is related to an exporter or importer of allegedly dumped or subsidized goods, or is an importer of such goods.

IMPORTS INTO CANADA

[46] During the final phase of the investigations, the CBSA refined the volume of imports based on information from CBSA import entry documentation and other information received from exporters and importers.

[47] The following table presents the CBSA’s analysis of imports of certain photovoltaic modules and laminates for purposes of the final determinations:

**Import Volumes of Certain Photovoltaic Modules and Laminates
(as % of MW)**

Country	Dumping POI	Subsidy POI
	October 2013 to September 2014 (1 year)	October 2012 to September 2014 (2 years)
China	81.5%	80.2%
All Other Countries	18.5%	19.8%
Total Imports	100.0%	100.0%

² Preliminary Injury Inquiry No. PI-2014-003; Photovoltaic Modules and Laminates, issued on February 18, 2015, paragraph 37, Reasons available online at www.citt-tcce.gc.ca/en/node/7188.

INVESTIGATION PROCESS

[48] Regarding the dumping investigation, information was requested from all known and potential exporters, producers, vendors and importers, concerning shipments of certain photovoltaic modules and laminates released into Canada during the dumping POI of October 1, 2013 to September 30, 2014.

[49] Regarding the section 20 inquiry, information was requested from all known and potential exporters and producers of photovoltaic modules and laminates in China and from the GOC. The CBSA also sent RFIs to all known producers of photovoltaic modules in Chinese Taipei, Japan, the Republic of Korea and Malaysia to gather information to determine normal values under paragraph 20(1)(c) of SIMA. The importer RFI requested information to determine normal values under paragraph 20(1)(d) of SIMA.

[50] Regarding the subsidy investigation, information related to potential actionable subsidies was requested from all known and potential exporters in China. Information was also requested from the GOC, concerning financial contributions made to exporters or producers of certain photovoltaic modules and laminates released into Canada during the subsidy POI of October 1, 2012 to September 30, 2014.

[51] Several parties, including the GOC, requested an extension to respond to the RFIs.³ The CBSA did not agree to these requests as the reasons identified did not constitute unforeseen circumstances or unusual burdens. At that time, the CBSA indicated that it could not guarantee that submissions received after the due date would be taken into consideration for purposes of the preliminary phase of the investigations.

[52] After reviewing the responses to the RFIs, Supplemental Requests for Information (SRFI) were sent to responding parties to clarify information provided in the submissions and request any additional information needed. In addition, on-site verifications were conducted at the premises of selected exporters during the final phase of the dumping and subsidy investigations.

[53] Details pertaining to the information submitted by the exporters in response to the exporter dumping RFI as well as the results of the CBSA's dumping investigation, including the section 20 inquiry, are provided in the "Dumping Investigation" section of this document. Details pertaining to the information submitted by the exporters and the GOC in response to the subsidy RFI as well as the results of the CBSA's subsidy investigation are provided in the "Subsidy Investigation" section of this document.

³ CBSA Administrative Record Photovoltaic Modules and Laminates Dumping and Subsidy Investigations

[54] As part of the final stage of the investigations, case briefs and reply submissions were provided by counsel representing the complainants, exporters and the GOC. Details of all representations are provided in **Appendix 3**.

[55] Under Article 15 of the World Trade Organization (WTO) *Anti-dumping Agreement*, developed countries are to give regard to the special situation of developing country members when considering the application of anti-dumping measures under the Agreement. Possible constructive remedies provided for under the Agreement are to be explored before applying anti-dumping duty where they would affect the essential interests of developing country members. As China is listed on the *Development Assistance Committee (DAC) List of Official Development Assistance (ODA) Recipients* maintained by the *Organization for Economic Co-operation and Development (OECD)*, the President recognizes China as a developing country for purposes of actions taken pursuant to SIMA.⁴

[56] Accordingly, the obligation under Article 15 of the WTO *Anti-dumping Agreement* was met by providing the opportunity for exporters to submit price undertakings. In this particular investigation, the CBSA did not receive any undertaking proposals from exporters in China.

DUMPING INVESTIGATION

Section 20 Inquiry

[57] Section 20 of SIMA may be applied to determine the normal value of goods in a dumping investigation where certain conditions prevail in the domestic market of the exporting country. In the case of a prescribed country under paragraph 20(1)(a) of SIMA, it is applied where, in the opinion of the President, domestic prices are substantially determined by the government of that country and there is sufficient reason to believe that they are not substantially the same as they would be if they were determined in a competitive market.⁵ Where section 20 of SIMA is applicable, the normal values of goods are not determined using domestic prices or costs in that country.

[58] For purposes of a dumping proceeding, the CBSA proceeds on the presumption that section 20 of SIMA is not applicable to the sector under investigation absent sufficient information to the contrary. The President may form an opinion where there is sufficient information that the conditions set forth in paragraph 20(1)(a) of SIMA exist in the sector under investigation.

⁴ The Organization for Economic Co-operation and Development, DAC List of ODA Recipients from 2014-2016, the document is available at:

www.oecd.org/dac/stats/documentupload/DAC%20List%20of%20ODA%20Recipients%202014%20final.pdf

⁵ China is a prescribed country under section 17.1 of the *Special Import Measures Regulations*.

[59] The CBSA is also required to examine the price effect resulting from substantial government determination of domestic prices and whether there is sufficient information on the record for the President to have reason to believe that the resulting domestic prices are not substantially the same as they would be in a competitive market.

[60] For the purpose of this investigation, the complainants requested that section 20 of SIMA be applied in the determination of normal values due to the alleged existence of the conditions set forth in paragraph 20(1)(a) of SIMA. The complainants provided information to support these allegations concerning the solar sector, which includes photovoltaic modules and laminates. This included evidence of government influence on the organization and structure of the solar sector, as well evidence of government influence on the price of inputs and the purchase of solar products. The complainants also cited specific GOC policies such as the 12th Five Year Plan for the Solar Photovoltaic Industry, the Renewable Energy Law, and the 12th Five Year Plan on Solar Power Development.⁶

[61] At the initiation of the investigation, the CBSA had sufficient evidence, supplied by the complainant, from its own research and from past investigations, to support the initiation of a section 20 inquiry to examine the extent of GOC involvement in pricing in the solar sector, which includes photovoltaic modules and laminates. The information indicated that Chinese prices in this sector have been influenced by various GOC industrial policies. Consequently, the CBSA sent section 20 RFIs to the GOC and all known producers and exporters of photovoltaic modules and laminates in China to obtain information on the matter.

Summary of Chinese Exporter Responses

[62] The CBSA received 10 responses to the section 20 RFI from producers and exporters of the subject goods, as well as suppliers of materials used in the production of the subject goods. Included in the responses of a number of cooperative exporters were documents requested by the CBSA in the exporter section 20 RFI. These documents are discussed in the “Results of the Section 20 Inquiry” section of this document.

Government of China Response

[63] The GOC provided a response to the government section 20 RFI. Included in the GOC’s response were a number of documents requested by the CBSA in the government section 20 RFI. However, the GOC did not provide a translated version of certain documents requested by the CBSA.

⁶ Dumping Exhibit 2 (NC) – Solar Modules and Laminates Complaint – Pages 28-45.

[64] The CBSA's section 20 RFI included questions with respect to GOC industrial plans and the impact of these plans on the solar sector. The GOC did not provide a response to a significant number of these questions. Further, the GOC did not provide responses to a number of other questions.

[65] On February 18, 2015, the GOC provided additional information in response to the CBSA's government section 20 RFI. Although this information was provided after the due date, the CBSA considered this information for the final determination.⁷

[66] After reviewing the information provided by the GOC on February 18, 2015, the CBSA finds that the GOC did not provide responses to certain questions. In addition, the GOC's responses to certain questions are general in nature and do not constitute a sufficient response.

Results of the Section 20 Inquiry

[67] The following is the CBSA's analysis of the relevant factors that are present in the solar sector in China, which includes photovoltaic modules and laminates.

Industrial Policies Influencing the Production of Photovoltaic Modules and Laminates

[68] The complainants have noted that in past investigations, the CBSA has determined that section 20 conditions exist based in part on the existence of GOC industrial policies that regulate domestic industry including pricing. The complainants then noted that one manner in which these policies regulate, guide and control an industry is through 5-year plans that regulate, among other things, production capacity and technology requirements.⁸

[69] In response to the CBSA's section 20 RFIs, the GOC and cooperating exporters have provided copies of several policies and measures that, in the opinion of the CBSA, serve to control or guide the development of the solar industry in China. These policies include:

- *12th Five Year Plan for the Solar Photovoltaic Industry and related measures*
- *Standard Conditions for Photovoltaic Manufacturing Industry*
- *Other Industrial Policies*
 - *Renewable Energy Law of the People's Republic of China*
 - *12th Five-Year Plan on Solar Power Development*
 - *12th Five-Year Development Plan for National Strategic New Industries*
 - *12th Five-Year Plan for Energy Development*
 - *12th Five-Year Plan for National Economic and Social Development,*

⁷ Dumping Exhibit 148 (NC) – Supplemental Response to Section 20 RFI – Government of China

⁸ Dumping Exhibit 002 (NC) – Solar Modules Complaint – Page 35, para. 85

12th Five Year Plan for the Solar Photovoltaic Industry

[70] The *12th Five Year Plan for the Solar Photovoltaic Industry* is a policy document that was released by the GOC's Ministry of Industry and Information Technology on February 24, 2012.⁹ It serves as the guiding document for the development of the Chinese solar photovoltaic industry for the period of 2011-2015.¹⁰ The GOC provided a copy of this plan in response to the CBSA's section 20 RFI.

[71] The plan includes directives that specifically address the photovoltaic modules industry, as well as the production of photovoltaic cells and polysilicon, both inputs used in the production of photovoltaic modules. With respect to the photovoltaic modules industry, the plan includes the following policy directives:

- Strengthen national macro policy guidance, persist in overall industry planning and reasonable industrial deployment, and set norms for the healthy development of the photovoltaic industry;
- Concentrate efforts on supporting leading enterprises to grow in strength;
- Encourage key photovoltaic enterprises to promote resource integration, mergers, and reorganization;
- Promote the implementation of favorable policies for the photovoltaic industry;
- Promote diversified applications in the domestic market so as to provide support for the stable development of China's photovoltaic industry;
- Establish and improve photovoltaic standards and product quality inspection and certification systems.¹¹

[72] In the section titled "Strengthen Industry Administration and Standardize the Development of the PV Industry", the document prescribes, with respect to the photovoltaic module industry, to "guide local governments to resolutely curb low-level repetitive construction to avoid a mass rush into the industry, which would lead to vicious market competition."¹²

[73] These policy directives demonstrate the GOC's intention to influence the composition and structure of the domestic solar sector by concentrating efforts on supporting leading enterprises and promoting resource integration and mergers. The evidence also supports the conclusion that the GOC has influenced the production capacity of photovoltaic modules in the domestic market and limited the number of domestic producers.

⁹ Dumping Exhibit 002 (NC) – Solar Modules Complaint – Page 41, para. 89(f)viii

¹⁰ Dumping Exhibit 106 (NC) – Response to Section 20 RFI – Government of China – Pages 297-314

¹¹ Dumping Exhibit 106 (NC) – Response to Section 20 RFI – Government of China – Pages 297-314

¹² Dumping Exhibit 106 (NC) – Response to Section 20 RFI – Government of China – Pages 297-314

[74] The *12th Five Year Plan for the Solar Photovoltaic Industry* identifies economic objectives, as well as technology and innovation goals for the solar module industry, including:

- By 2015, in China there will be one photovoltaic enterprise with annual sales revenue exceeding 100 billion RMB, 3-5 photovoltaic enterprises with annual sales revenue exceeding 50 billion RMB, and 3-4 enterprises specializing in photovoltaic equipment manufacturing with annual sales revenue exceeding 1 billion RMB;
- By 2015, photovoltaic power generation will have a certain degree of economic competitiveness as the cost of photovoltaic modules will drop to 7,000 RMB/ KW, that of photovoltaic systems will drop to 13,000 RMB/ KW, and that of photovoltaic power generation will drop to 0.8 RMB/ KW;
- By 2020, photovoltaic power generation will become economically competitive as the cost of photovoltaic modules will fall to 5,000 RMB/ KW, that of photovoltaic systems to 10,000 RMB/ KW, and that of power generation costs to 0.6 RMB/ KW.¹³

[75] The goals and objectives identified above outline the GOC's intention to guide the development of the domestic photovoltaic module industry in China. These directives identify specific target prices for photovoltaic modules and demonstrate the GOC's attempt to directly control the domestic selling prices of these products.¹⁴

Standard Conditions for Photovoltaic Manufacturing Industry

[76] The *Standard Conditions for the Photovoltaic Manufacturing Industry* was promulgated by the Ministry of Industry and Information Technology on September 16, 2013. The purpose of the document is stated as: "To further strengthen the administration of photovoltaic manufacturing industry, standardize the order of industry development, improve the industry development, and accelerate and promote the transformation and upgrading of photovoltaic industry".¹⁵

¹³ Dumping Exhibit 106 (NC) – Response to Section 20 RFI – Government of China – Pages 297-314

¹⁴ Dumping Exhibit 106 (NC) – Response to Section 20 RFI – Government of China – Pages 297-314

¹⁵ Dumping Exhibit 106 (NC) – Response to Section 20 RFI – Government of China – Page 449

[77] The document includes measures restricting new entrants and capacity expansion, stating:

New photovoltaic manufacturing projects only for the purpose of capacity expansion shall be strictly controlled. New, renovation and expansion projects that are necessary for enhancing technological innovations and reducing production costs shall be reported to the competent industry authority and competent investment authority for records. The minimum proportion of capital funds for new, renovation and expansion photovoltaic manufacturing projects shall be 20%.¹⁶

[78] In the section titled, *Article 2 Production Scale and Process Technology*, the document sets minimum R&D expenditures for photovoltaic manufacturers, namely a minimum of 3% of total sales or 10 million RMB. The document also lists minimum production requirements for polysilicon, silicon ingots, rods and wafers, as well as photovoltaic cells and photovoltaic modules. Finally, specific technological and efficiency requirements are identified for products including polysilicon, photovoltaic cells and photovoltaic modules.¹⁷

[79] Instructions regarding how photovoltaic manufacturing enterprises shall comply with these requirements, as well information concerning the monitoring, enforcement and repercussions of these measures are also found in this document.¹⁸

[80] The repercussions for not complying with the standard conditions, as identified in Article 7 Supervision and Management, include:

1. New, renovation and expansion photovoltaic manufacturing enterprises and projects shall comply with the requirements of the Standard Conditions.
2. Existing photovoltaic manufacturing enterprises and projects shall comply with the requirements of the Standard Conditions. Enterprises or projects that fail to comply shall, according to the requirement of industry transformation and upgrading and under the guidance of national industrial policies, reach the requirements of the Standard Conditions as soon as possible by merger and reorganization or technical transformation.

¹⁶ Dumping Exhibit 106 (NC) – Response to Section 20 RFI – Government of China – Page 450

¹⁷ Dumping Exhibit 106 (NC) – Response to Section 20 RFI – Government of China – Page 451

¹⁸ Dumping Exhibit 106 (NC) – Response to Section 20 RFI – Government of China – Page 457

3. Investment in, land supplies and environment assessment, energy conservation assessment, quality supervision, safety regulation, credit granting for photovoltaic manufacturing enterprises and projects shall be subject to the Standard Conditions. Enterprises and projects that fail to comply with the Standard Conditions shall not be entitled to policy supports such as export rebates and application supports in the domestic market.¹⁹

Other Industrial Policies Influencing the Production of Photovoltaic Modules

[81] Along with the directives and supporting information discussed above, the CBSA identified a number of other GOC industrial plans, policies and directives which are listed at the beginning of this section. At the request of the CBSA, the GOC and cooperating exporters have provided copies of certain documents. These plans, policies and directives provided by the complainants, cooperative exporters and the GOC, may be discussed throughout this document where they relate to government influence on the price of inputs and/or government influence on the purchase of photovoltaic modules.

[82] The cumulative effect of the directives included in the *12th Five Year Plan for the Solar Photovoltaic Industry*, as well as other supporting documents provided by the complaints, cooperative exporters and the GOC, demonstrate a significant level of government influence on all aspects of the domestic solar industry in China, including domestic pricing.

Government Influence on the Price of Inputs

[83] As discussed above, the CBSA has identified GOC industrial policies which influence the photovoltaic modules industry. These documents, including the *12th Five Year Plan for the Solar Photovoltaic Industry*, include measures and directives which demonstrate significant government involvement in the industries that provide key inputs for photovoltaic modules. These products include, but are not limited to, polysilicon and photovoltaic cells. It should also be noted that aluminum extrusions, an input used in the production of photovoltaic modules, have been subject to a previous section 20 inquiry.

¹⁹ Dumping Exhibit 106 (NC) – Response to Section 20 RFI – Government of China – Pages 455-457

Photovoltaic Cells

[84] As previously mentioned, photovoltaic cells represent a significant share of the cost inputs of photovoltaic modules.²⁰ The *12th Five Year Plan for the Solar Photovoltaic Industry* includes goals and directives which relate to the production of photovoltaic cells, these directives include:

- Enhancement of cell conversion efficiency rates;
- Endeavor to reduce the costs of photovoltaic power generation through the mass production of high-purity silicon materials, enhancement of cell conversion efficiency rates, localization of production equipment manufacturing, R&D of new types of cells and raw materials, and system integration;
- By 2015, the conversion efficiency for monocrystal silicon cells will reach 21%, that of polysilicon cells will reach 19%, and that of amorphous silicon thin-film cells will reach 12%;
- Polysilicon, solar cells, and other products can meet the installed capacity requirements set by the national development plans for renewable energy, and can also meet demand in the international market;
- Support will be provided to major enterprises to grow stronger so that by 2015 leading solar cell enterprises will reach the 5GW level, and major enterprises will reach the 1 GW level.²¹

[85] As discussed above, the document *Standard Conditions for Photovoltaic Manufacturing Industry* includes directives respecting the production of photovoltaic cells. The document outlines minimum production capacity requirements, and minimum product efficiency requirements for photovoltaic cell manufacturers and new market entrants.²²

[86] These goals and directives demonstrate the GOC's intention to guide and control the technological development of the photovoltaic cell industry in China. This information also provides evidence that the GOC attempts to influence the structure and composition of the domestic photovoltaic cell industry by providing support for leading enterprises. Further, the GOC has set clear economic objectives which require domestic photovoltaic cell production in sufficient quantities to meet the domestic installed capacity requirements also set by the GOC.

²⁰ Dumping Exhibit 275 (PRO) –Final Determination Section 20 Report – Attachment 1

²¹ Dumping Exhibit 106 (NC) – Response to Section 20 RFI – Government of China – Pages 297-314

²² Dumping Exhibit 106 (NC) – Response to Section 20 RFI – Government of China – Pages 451-452

Polysilicon

[87] Polysilicon is an input used in the production of photovoltaic cells. Based on information provided in the complaint, polysilicon represents a significant portion of the cost of production of photovoltaic cells. The *12th Five Year Plan for the Solar Photovoltaic Industry* includes the following goals and directives with respect to the polysilicon industry:

- Endeavor to reduce the costs of photovoltaic power generation through the mass production of high-purity silicon materials;
- Support will be provided to major enterprises to grow stronger so that by 2015, leading polysilicon enterprises will reach 50,000 metric tons per year, and major enterprises will reach 10,000 metric tons per year;
- Polysilicon, solar cells, and other products can meet the installed capacity requirements set by the national development plans for renewable energy, and can also meet demand in the international market.²³

[88] The document *Notice of Several Opinions on Curbing Overcapacities and Redundant Constructions in Certain Industries and Guiding the Healthy Development of Industries* prescribes specific policy directives to control the expansion of production capacity of polysilicon.²⁴

[89] In response to the CBSA's section 20 RFI, the GOC provided a copy of the *Announcement of the Ministry of Industry and Information Technology, the National Development and Reform Commission and the Ministry of Environmental Protection — Standards for the Polysilicon Industry Access*. The policy measures included in this document are described by the GOC as having been developed "In order to thoroughly implement the scientific outlook on development, regulate and guide the healthy development of the polysilicon industry, and resolutely restrict redundant construction and excess capacity of the industry". To achieve this objective the document identifies a number of conditions which restrict access to the polysilicon industry including capacity restrictions and investment and technology requirements.²⁵

²³ Dumping Exhibit 106 (NC) – Response to Section 20 RFI – Government of China – Pages 297-314

²⁴ Dumping Exhibit 106 (NC) – Response to Section 20 RFI – Government of China – Pages 82-95

²⁵ Dumping Exhibit 106 (NC) – Response to Section 20 RFI – Government of China – Pages 441-448

[90] The goals and directives discussed above, as well as the CBSA's analysis of the GOC's section 20 RFI response, demonstrate the GOC's intention to guide and control the technological development of the polysilicon industry in China. This information provides evidence that the GOC attempts to influence the structure and composition of the domestic polysilicon industry by providing support for leading enterprises. The GOC has also set clear economic objectives which require domestic polysilicon production in sufficient quantities to meet the installed capacity requirements also set by the GOC. Further, the GOC has directly influenced the domestic production of polysilicon by restricting new entrants and promoting mergers and integration.

Aluminum Extrusions

[91] Aluminum extrusions may be considered an input in the production of photovoltaic modules when used to frame and/or provide support and strengthen a photovoltaic laminate. On February 16, 2009, the CBSA concluded an investigation concerning aluminum extrusions from China and was of the opinion that section 20 conditions exist in the aluminum extrusions sector in China.²⁶ The CBSA reaffirmed this position in 2011 following a re-investigation.

Summary – Government Influence on the Price of Inputs

[92] The policies and measures outlined in this section, along with the CBSA's analysis of the GOC's section 20 RFI response, and previous CBSA section 20 opinions regarding photovoltaic module inputs, illustrate that the GOC is closely administering the solar sector and influencing the price of photovoltaic module inputs in China. In addition, the industrial policies, which have been identified and discussed above, have a significant impact on these industries.

[93] The scope of the GOC's macro-economic policies and measures provide a compelling factual basis that the GOC is influencing the Chinese solar sector. The use of such policies and measures can dramatically change the demand and supply balance in the domestic market and could materially alter the domestic prices of photovoltaic module inputs and therefore the domestic prices of photovoltaic modules.

Government Influence on the Purchase of Photovoltaic Modules

[94] The complainants have alleged that the GOC exerts significant influence on the domestic photovoltaic module industry at the customer level. The complainants also argue that the GOC influences electricity rates in China through required installation of solar generation capacity, state ownership in the electricity sector, restrictions on new entrants to the electricity market, and restraints on the merger and acquisition of existing power generation companies.²⁷

²⁶ CBSA - Aluminum Extrusions, Final Determination – Statement of Reasons

²⁷ Dumping Exhibit 002 (NC) – Solar Modules Complaint – Page 37, Paragraph 89 (a)

[95] The evidence provided by the complainants, cooperative exporters, and the GOC, as well as information obtained by the CBSA, indicates that the GOC influences the domestic price of photovoltaic modules through a combination of measures which impact the demand for photovoltaic modules and solar generated electricity. These measures include plans and policies which set specific targets for solar electricity generation capacity and feed-in-tariffs which influence the price of solar generated electricity.²⁸

[96] In response to the CBSA's section 20 RFIs, the GOC and cooperative exporters have provided additional information regarding the GOCs influence on the purchase of photovoltaic modules.

[97] In response to the CBSA's section 20 RFI the GOC provided a copy of the *12th Five-Year Plan on Solar Power Development*. The plan identifies a number of main tasks to be accomplished over the twelfth five year period. These tasks include:

- Vigorously promote distributed solar photovoltaic power generation: during the "Twelfth five-year" period, installed gross capacity shall reach 10 million KW or more.
- Construct new energy demonstration city: during the "Twelfth five-year" period, construct 100 new energy demonstration city and 1000 industrial development parks.
- Promote the healthy development of the photovoltaic manufacturing. Expand domestic photovoltaic products market. Promote the structure optimization of the PV industry. Encourage enterprise merger and reorganization according to market rules. Close down outdated production facilities.²⁹

[98] Further, under the heading *Investment estimation and the social environment impact analysis*, the document identifies a specific investment amount required to achieve these objectives, stating: "Investment estimation: The total investment demand of about 250 billion Yuan".³⁰

[99] The document *Several Opinions of the State Council on Promoting the Healthy Development of Photovoltaic Industry* includes directives which demonstrate the GOC's influence on the demand for photovoltaic modules and laminates. In the section titled Development Goals, the document states "From 2013 to 2015, the average annual increase in installed photovoltaic power generation capacity will be kept at about 10 million KW, and the total installed capacity nationwide by the year 2015 will be above 35 million KW".³¹ The CBSA finds that this statement demonstrates the GOCs intention to control the demand for photovoltaic modules and laminates in China.

²⁸ Dumping Exhibit 002 (NC) – Solar Modules Complaint – Attachment 23, Pages 58-59

²⁹ Dumping Exhibit 106 (NC) – Response to Section 20 RFI – Government of China –Pages 336-338

³⁰ Dumping Exhibit 106 (NC) – Response to Section 20 RFI – Government of China –Pages 336-338

³¹ Dumping Exhibit 106 (NC) – Response to Section 20 RFI – Government of China – Page 424-437

[100] The GOC has also provided evidence of preferential tax policies which may influence the purchase of photovoltaic modules and laminates. The *Notice of the Ministry of Finance and the State Administration of Taxation on Value-Added Tax Policies Applicable to Photovoltaic Power Generation* outlines changes to the value added tax policies applicable to photovoltaic power generation.³² The purpose of this change is identified as, “encouraging the use of solar energy in power generation, and promoting the healthy development of related industries, this Notice is hereby given as follows on the value-added tax (“VAT”) policies applicable to photovoltaic power generation according to replies from the State Council”.³³

[101] The document prescribes the following policy: “From October 1, 2013 to December 31, 2015, taxpayers that sell electric power products manufactured by themselves with solar energy shall enjoy the policy of immediate refund of 50% of the VAT levied”.³⁴

[102] The policies and plans identified above demonstrate the level of the GOC’s influence on all aspects of the photovoltaic module industry. As photovoltaic modules are a key component in solar power generation, government influence on the price of solar generated electricity can significantly impact the domestic demand and price of photovoltaic modules.

Domestic Price Analysis – Photovoltaic Modules and Laminates in China

[103] The CBSA conducted a price analysis on domestic prices of photovoltaic modules and laminates in China. Publicly available information with respect to the domestic price of photovoltaic modules in China is limited. However, the CBSA has obtained published reports and news articles which support the complainants’ assertion that these prices are not substantially the same as they would be if determined in a competitive market.

[104] A report from GTM Research lists the average regional selling prices of photovoltaic modules produced in China. The report states that in Q4, 2013 and Q1, 2014, the average selling price of a photovoltaic module was USD 0.62 per watt in China, compared to the global average of USD 0.70 per watt. This report highlights an average regional price discrepancy of over 11%.³⁵

[105] The CBSA compared this Q1, 2014 average selling price in China to the cost of goods information provided in the monthly *Bloomberg New Energy Finance* reports for the same time period. The results show a significant difference between the average selling price and the cost of the goods. Specifically, in Q1, 2014, based on the monthly data, the cost of goods was higher, on average, than the average domestic selling price of the goods as provided by the GTM research report.³⁶

³² Dumping Exhibit 106 (NC) – Response to Section 20 RFI – Government of China – Page 491

³³ Dumping Exhibit 106 (NC) – Response to Section 20 RFI – Government of China – Page 491

³⁴ Dumping Exhibit 106 (NC) – Response to Section 20 RFI – Government of China – Page 491

³⁵ Dumping Exhibit 275 (PRO) –Final Determination Section 20 Report – Attachment 6

³⁶ Dumping Exhibit 275 (PRO) –Final Determination Section 20 Report – Attachment 7

[106] The CBSA has also obtained a publicly available index of spot prices for photovoltaic modules. The report includes the monthly average spot price of photovoltaic modules, as quoted in the European market, and produced in various countries including China.

[107] The source of the spot price information is pvXchange Trading GmbH (pvXchange). The company identifies itself as one of the world's largest brokerage platforms for solar modules, inverters and further PV components. On its Web site, it provides price index information that reflects the "the average prices quoted on the European Spot Market (Chinese goods customs-cleared). All prices are net prices without VAT in Euro per watt peak."³⁷

[108] The CBSA finds this source of information to be reasonably reliable with respect to spot price information in the European market.

[109] The report provides price information by country of production and has grouped price information in the following categories: Germany, Japan/Korea, China, and Southeast Asia/India/Taiwan. The CBSA's analysis of this price information reveals significant differences in the price of photovoltaic modules produced in China and quoted in the European market compared to modules produced in other regions and quoted in the European market.³⁸

[110] The CBSA recognizes that this information is not meant to reflect the domestic selling price of photovoltaic modules in China. However, as described, the spot price index information is meant to reflect the price of photovoltaic modules produced in the respective regions and quoted on the European spot market. As such, the CBSA finds this information would provide a reasonable indication of the domestic selling price of photovoltaic modules produced in Germany.

[111] In the course of the CBSA's dumping and subsidy investigations, certain exporters in China have provided information regarding their domestic sales of photovoltaic modules and laminates. Regarding the domestic prices of photovoltaic modules in countries other than China, no exporters provided a response to the surrogate country exporter RFI.

[112] However, certain responses to the importer RFI included information concerning imports of photovoltaic modules from countries other than China. The CBSA has compared the export price of photovoltaic modules exported from Chinese Taipei, to the domestic price of photovoltaic modules in China, as sold by certain exporters.

³⁷ Dumping Exhibit 275 (PRO) –Final Determination Section 20 Report

³⁸ Dumping Exhibit 275 (PRO) –Final Determination Section 20 Report – Attachment 8

[113] The CBSA calculated the average monthly domestic price of photovoltaic modules in China based on information included in the exporter RFI responses received in the course of the investigations.³⁹ All exporters that provided sufficient information were included in the calculation. The CBSA then compared this average price to the available export prices of goods from Chinese Taipei.

[114] The results demonstrate that the price of photovoltaic modules exported from Taiwan to Canada was, on average, significantly higher than the average domestic price in China.⁴⁰ Although the sample of goods imported from Chinese Taipei is small, the results reveal significant differences in the prices of photovoltaic modules sold in China and those sold in other regions.

[115] A similar comparison may be made between the domestic price information gathered by the CBSA in the course of the investigations, and the publicly available spot price information discussed above. The CBSA compared the average monthly domestic price of photovoltaic modules, calculated as described above, with the publicly available spot price information for modules produced in Germany, Japan/Korea, and Southeast Asia/India/Taiwan and quoted in the European market. The results of this comparison indicate that the price of photovoltaic modules produced in Germany, Japan/Korea, and Southeast Asia/India/Taiwan, and quoted in the European market, are on average significantly higher per watt than the domestic price of photovoltaic modules in China.⁴¹

[116] As discussed above, the CBSA finds the pvXchange spot price index information to be a reasonable indication of the domestic selling price of photovoltaic modules produced in Germany. To provide a comparison of domestic selling prices, that is, goods produced and sold in the same country, the CBSA compared the average domestic selling price of photovoltaic modules in China, as provided in the exporter RFI responses, with the domestic selling price of photovoltaic modules produced in Germany, as provided by pvXchange spot price index. The results demonstrate a significant difference in the per watt price of photovoltaic modules over the POI.

[117] The information provided by the complainants and cooperative exporters, as well as information obtained by the CBSA, supports the conclusion that the domestic prices of photovoltaic modules in China are not substantially the same as they would be if they were determined in a competitive market.

³⁹ Dumping Exhibit 275 (PRO) –Final Determination Section 20 Report – Attachment 10

⁴⁰ Dumping Exhibit 275 (PRO) –Final Determination Section 20 Report – Attachment 9

⁴¹ Dumping Exhibit 275 (PRO) –Final Determination Section 20 Report – Attachment 10

Summary of the Results of the Section 20 Inquiry

[118] The wide range and material nature of the GOC measures have resulted in significant influence on the solar sector in China, which includes photovoltaic modules and laminates. Based on the preceding, the President is of the opinion that:

- domestic prices are substantially determined by the GOC; and
- there is sufficient reason to believe that the domestic prices are not substantially the same as they would be in a competitive market.

[119] Based on the above analysis, for the purposes of the final determination, the President affirmed the opinion rendered at the preliminary determination that the conditions described in paragraph 20(1)(a) apply in the solar sector in China, which includes photovoltaic modules and laminates.⁴²

Results of the Dumping Investigation

[120] The CBSA received responses to the dumping RFI from 15 exporters and producers of the subject goods, of these 12 were considered to be substantially complete.

[121] With respect to the exporters that provided substantially complete responses to the RFI, to the extent possible, company-specific information was used for the final determination in determining export prices for goods shipped to Canada.

[122] For those exporters that did not submit a complete response to the RFI, the normal value of the goods was determined by advancing the export price by the highest amount by which the normal value exceeded the export price on an individual transaction for an exporter that provided a substantially complete response to the RFI, excluding anomalies.

[123] Details relating to the margin of dumping for each of the exporters that provided a response to the RFI are presented in a summary table in **Appendix 1** while margin of dumping details for China can be found in a summary table at the end of this section.

Normal Values

[124] Normal values are generally based on the domestic selling prices of like goods in the country of export, in accordance with section 15 of SIMA, or on the aggregate of the cost of production of the goods, a reasonable amount for administrative, selling and all other costs, plus a reasonable amount for profits, in accordance with paragraph 19(b) of SIMA.

⁴² Preliminary Determination Statement of Reasons for Photovoltaic Modules and Laminates; March 20, 2015

[125] In the case of a prescribed country such as China, if, in the opinion of the President of the CBSA, the government of that country substantially determines domestic prices and there is sufficient reason to believe that the domestic prices are not substantially the same as they would be in a competitive market, the normal values are determined on the basis of section 20 of SIMA using either the selling prices or costs of like goods in a “surrogate” country.

[126] Normal values could not be determined on the basis of domestic selling prices in China or on the full cost of goods plus profit, because the President formed the opinion that the conditions of paragraph 20(1)(a) of SIMA exist in the solar sector, which includes photovoltaic modules and laminates, in China.

[127] Where section 20 conditions exist, the CBSA may determine normal values using the selling price, or the total cost and profit, of like goods sold by producers in a surrogate country designated by the President pursuant to paragraph 20(1)(c) of SIMA. However, sufficient surrogate country data respecting domestic pricing and costing information relating to the like goods was not provided to the CBSA.

[128] Where normal values cannot be determined under paragraph 20(1)(c), SIMA provides an alternative methodology to calculate normal values under paragraph 20(1)(d), using re-sales in Canada of like goods imported from a third country. The CBSA determined that this provision could also not be used given that the importers did not provide sufficient re-sale information.

[129] Accordingly, the CBSA has used an alternative method to determine normal values for the purposes of the final determination, pursuant to a ministerial specification under subsection 29(1) of SIMA.

[130] For the purpose of the ministerial specification, a methodology was used to calculate normal values that closely resembles the methodology set out in subparagraph 20(1)(c)(ii), that is, the aggregate of the cost of production, a reasonable amount for administrative, selling and all other costs, and a reasonable amount for profits, in a surrogate country.

[131] Although the CBSA does not have information regarding the cost of production, administrative, selling and all other costs, or an amount for profit from producers located in a surrogate country, the CBSA does have access to published information which represents the international average of these items.

[132] The CBSA determined normal values for all exporters that provided a substantially complete response to the dumping RFI based on information provided in *Bloomberg New Energy Finance* reports for the period of December 2013 to July 2014. These reports contain the current prevailing price data and cost components of photovoltaic modules and laminates from major suppliers and customers in the industry. The CBSA used the monthly cost build-up information, including an amount for profits, for the purposes of determining the normal values of the subject goods for each respective month of the POI.

Export Prices

[133] The export price of the goods sold to the importers in Canada is generally based on the lesser of the adjusted exporter's selling price or the adjusted importer's purchase price. These prices are adjusted, where necessary, by deducting the costs, charges, expenses, duties and taxes resulting from the exportation of the goods as provided for in subparagraphs 24(a)(i) to 24(a)(iii) of SIMA.

[134] Where there are sales between associated persons or a compensatory arrangement exists, the export price may be determined based on the importer's resale price of the imported goods in Canada to non-associated purchasers, less deductions for all costs incurred in preparing, shipping and exporting the goods to Canada that are additional to those incurred on the sales of like goods for use in the country of export, all costs that are incurred in reselling the goods (including duties and taxes) or associated with the assembly of the goods in Canada and an amount representative of the average industry profit in Canada, pursuant to paragraphs 25(1)(c) and 25(1)(d) of SIMA. Where, in any cases not provided for under paragraphs 25(1)(c) and 25(1)(d) of SIMA, the export price is determined in such manner as the Minister specifies, pursuant to paragraph 25(1)(e).

[135] Where, in the opinion of the President, sufficient information has not been furnished or is not available, export prices are determined pursuant to a ministerial specification under subsection 29(1) of SIMA.

Margin of Dumping

[136] The CBSA determined a margin of dumping for each of the exporters by comparing the total normal value with the total export price of the goods. When the total export price was less than the total normal value, the difference was the margin of dumping for that specific exporter.

[137] The determination of the volume of dumped goods was calculated by taking into consideration each exporter's net aggregate dumping results. If it was determined that an exporter was dumping on an overall or net basis, then the total quantity of exports attributable to that exporter (i.e. 100%) was considered to have been dumped. Similarly, if an exporter's net aggregate dumping results were zero, then the total quantity of exports considered to have been dumped by that exporter was zero.

[138] In determining the margin of dumping for the country, the margin of dumping found in respect of each exporter was weighted according to each exporter's volume of subject goods released into Canada during the POI.

[139] Based on the preceding, 100% of photovoltaic modules and laminates released into Canada during the POI from China were dumped by a margin of dumping of 124.4%, expressed as a percentage of the export price.

[140] A summary of the margin of dumping determined for each exporter is found in **Appendix 1**.

Results of the Dumping Investigation by Exporter

Canadian Solar Manufacturing (Changshu) Inc. & Canadian Solar International Limited

[141] Canadian Solar Manufacturing (Changshu) Inc. (CSM) is a producer of subject goods. The subject goods produced by CSM are exported to Canada through the related trading company Canadian Solar International Limited (CSI Hong Kong). CSM is a limited liability company directly owned by CSI Solar Power, which is a wholly owned subsidiary of Canadian Solar Inc., a NASDAQ listed company.

[142] CSM and CSI Hong Kong provided substantially complete responses to the dumping RFI. Included in CSM's response was a complete database of domestic sales of like goods during the dumping POI.

[143] All subject goods exported to Canada by CSM and CSI Hong Kong were sold to the related importer Canadian Solar Solutions Inc. (CSSI).

[144] Where the exporter and importer are associated, a reliability test is performed to determine whether the section 24 export prices are reliable as envisaged by SIMA. This test is conducted by comparing the section 24 export prices with the section 25 deductive export prices based on the importer's resale prices of the imported goods in Canada to purchasers not associated with the importer, less deductions for all additional costs incurred in preparing, shipping and exporting the goods to Canada, all costs included in the resale prices that are incurred in reselling the goods in Canada (including duties and taxes) and an amount for profit.

[145] As CSM and CSI Hong Kong are related to CSSI, a reliability test was performed to determine whether the section 24 export prices between CSM / CSI Hong Kong and CSSI were reliable as envisaged by SIMA. The test revealed that the export prices determined pursuant to section 24 of SIMA were unreliable and therefore, export prices were determined pursuant to paragraph 25(1)(c) of SIMA. The amount for profit was determined in accordance with paragraph 22(a) of the *Special Import Measures Regulations* (SIMR), based on sales of like goods by vendors in Canada.

[146] The total normal value compared with the total export price results in a margin of dumping of 83.2%, expressed as a percentage of export price, for CSM / CSI Hong Kong.

Changzhou Trina Solar Energy Co., Ltd.

[147] Changzhou Trina Solar Energy Co., Ltd. (TCZ) is a producer and exporter of the subject goods. The subject goods produced and exported to Canada by TCZ are sold exclusively to the related importer, Trina Solar (Canada) (TCA). TCZ is a wholly owned foreign enterprise solely invested by Trina Solar Ltd.

[148] TCZ provided a substantially complete response to the dumping RFI. Included in TCZ's response was a complete database of domestic sales of like goods during the dumping POI.

[149] Where the exporter and importer are associated, a reliability test is performed to determine whether the section 24 export prices are reliable as envisaged by SIMA. This test is conducted by comparing the section 24 export prices with the section 25 deductive export prices based on the importer's resale prices of the imported goods in Canada to purchasers not associated with the importer, less deductions for all additional costs incurred in preparing, shipping and exporting the goods to Canada, all costs included in the resale prices that are incurred in reselling the goods in Canada (including duties and taxes) and an amount for profit.

[150] As TCZ and TCA are related, a reliability test was performed to determine whether the section 24 export prices between TCZ and TCA were reliable as envisaged by SIMA. The test revealed that the export prices determined pursuant to section 24 of SIMA were unreliable and therefore, export prices were determined pursuant to paragraph 25(1)(c) of SIMA. The amount for profit was determined in accordance with paragraph 22(a) of the SIMR, based on sales of like goods by vendors in Canada.

[151] The total normal value compared with the total export price results in a margin of dumping of 120.5%, expressed as a percentage of export price, for TCZ.

Hanwha SolarOne (Qidong) Co., Ltd.

[152] Hanwha SolarOne (Qidong) Co., Ltd., (Hanwha) provided a response to the exporter dumping RFI. For the purposes of the preliminary determination, the CBSA estimated a margin of dumping for the company based on the information submitted in response to the RFI.

[153] During the course of the investigation, Hanwha indicated that it would no longer participate in the CBSA's investigations, as a result this information could not be verified. Therefore, for purposes of the final determination, the margin of dumping for Hanwha is 154.4%, expressed as a percentage of export price. This represents the margin of dumping determined for all other exporters, see the "Other Exporters" section for more information.

Hefei JA Solar Technology Co., Ltd.

[154] Hefei JA Solar Technology Co., Ltd. (JA Hefei) is a producer and exporter of the subject goods. JA Hefei is part of a large group of companies under the holding company JA Solar Holdings Co., Ltd. (JA Group).

[155] JA Hefei provided a substantially complete response to the dumping RFI. Included in JA Hefei's response was a complete database of domestic sales of like goods during the dumping POI.

[156] Shanghai JA Solar Technology Co., Ltd. (JA Shanghai), a producer, is related to JA Hefei. Although the company did not export any subject goods produced by their factory during the POI, JA Shanghai did act as a trading company for one sale of subject goods produced by JA Hefei. JA Shanghai also provided a complete response to the dumping RFI.

[157] For the subject goods exported by JA Hefei to Canada during the POI, export prices were determined pursuant to section 24 of SIMA, based on the exporter's selling price less all costs, charges and expenses resulting from the exportation of the goods.

[158] The total normal value compared with the total export price results in a margin of dumping of 48.4% for the exporter JA Hefei, expressed as a percentage of export price.

Jinko Solar Co., Ltd.

[159] Jinko Solar Co., Ltd. (Jinko Solar) is a producer and exporter of the subject goods. All subject goods exported to Canada during the POI by Jinko Solar were sold to the related importer Jinko Canada Co., Ltd. (Jinko Canada). Jinko Solar is part of a large group of companies under the holding company Jinko Solar Holding Co., Ltd. (Jinko Group). During the POI, another company of this group, Zhejiang Jinko Solar Co., Ltd., produced subject goods that were exported to Canada through a related trading company Zhejiang Jinko Solar Trading Co., Ltd.

[160] Jinko Solar provided a substantially complete response to the dumping RFI. Included in Jinko Solar's response was a complete database of domestic sales of like goods during the dumping POI.

[161] Where the exporter and importer are associated, a reliability test is performed to determine whether the section 24 export prices are reliable as envisaged by SIMA. This test is conducted by comparing the section 24 export prices with the section 25 deductive export prices based on the importer's resale prices of the imported goods in Canada to purchasers not associated with the importer, less deductions for all additional costs incurred in preparing, shipping and exporting the goods to Canada, all costs included in the resale prices that are incurred in reselling the goods in Canada (including duties and taxes) and an amount for profit.

[162] As Jinko Solar is related to Jinko Canada, a reliability test was performed to determine whether the section 24 export prices between Jinko Solar and Jinko Canada were reliable as envisaged by SIMA. The test revealed that the export prices determined pursuant to section 24 were unreliable and therefore, export prices were determined pursuant to paragraph 25(1)(c) of SIMA. The amount for profit was determined in accordance with paragraph 22(a) of the SIMR, based on sales of like goods by vendors in Canada.

[163] The total normal value compared with the total export price results in a margin of dumping of 112.6%, expressed as a percentage of export price, for Jinko Solar.

Renesola Jiangsu Ltd.

[164] Renesola Jiangsu Ltd. (Reenesola) is a producer and exporter of subject goods to Canada. Renesola is a limited liability company directly owned by Renesola Zhejiang Ltd., which is a wholly owned subsidiary of Renesola Ltd. of the British Virgin Islands.

[165] Renesola provided a substantially complete response to the dumping RFI. Included in Renesola's response was a complete database of domestic sales of like goods during the dumping POI.

[166] For the subject goods exported by Renesola to Canada during the POI, export prices were determined pursuant to section 24 of SIMA, based on the exporter's selling price less all costs, charges and expenses resulting from the exportation of the goods.

[167] The total normal value compared with the total export price results in a margin of dumping of 9.3%, expressed as a percentage of export price, for Renesola.

Wuxi Taichen

[168] Wuxi Taichen Machinery & Equipment Co., Ltd. (Wuxi Taichen) is a trading company and exporter of subject goods to Canada. The goods exported to Canada by Wuxi Taichen are produced by the related manufacturing company, Wuxi Taichang Electronic Co., Ltd. (Wuxi Taichang).

[169] Wuxi Taichen and Wuxi Taichang provided substantially complete responses to the dumping RFI. Included in Wuxi Taichang's response was a complete database of domestic sales of like goods during the dumping POI.

[170] For the subject goods exported by Wuxi Taichen and Wuxi Taichang to Canada during the POI, export prices were determined pursuant to section 24 of SIMA, based on the exporter's selling price less all costs, charges and expenses resulting from the exportation of the goods.

[171] The total normal value compared with the total export price results in a margin of dumping of 25.9%, expressed as a percentage of export price, for Wuxi Taichen and Wuxi Taichang.

Zhejiang Jinko Solar Co., Ltd.

[172] Zhejiang Jinko Solar Co., Ltd. (Zhejiang Jinko) is a producer of the subject goods. It is part of a large group of companies under the holding company Jinko Solar Holding Co., Ltd. The subject goods produced by Zhejiang Jinko are exported to Canada through the related trading company, Zhejiang Jinko Solar Trading Co., Ltd. (Zhejiang Trading). All subject goods exported to Canada during the POI were sold to the related importer Jinko Canada Co., Ltd. (Jinko Canada).

[173] Zhejiang Jinko and Zhejiang Trading provided substantially complete responses to the dumping RFI. Included in Zhejiang Jinko's response was a complete database of domestic sales of like goods during the dumping POI.

[174] Where the exporter and importer are associated, a reliability test is performed to determine whether the section 24 export prices are reliable as envisaged by SIMA. This test is conducted by comparing the section 24 export prices with the section 25 deductive export prices based on the importer's resale prices of the imported goods in Canada to purchasers not associated with the importer, less deductions for all additional costs incurred in preparing, shipping and exporting the goods to Canada, all costs included in the resale prices that are incurred in reselling the goods in Canada (including duties and taxes) and an amount for profit.

[175] As Zhejiang Jinko and Zhejiang Trading are related to Jinko Canada, a reliability test was performed to determine whether the section 24 export prices between Zhejiang Trading and Jinko Canada were reliable as envisaged by SIMA. The test revealed that the export prices determined in accordance with section 24 were unreliable and therefore, export prices were determined pursuant to paragraph 25(1)(c) of SIMA. The amount for profit was determined in accordance with paragraph 22(a) of the SIMR, based on sales of like goods by vendors in Canada.

[176] The total normal value compared with the total export price results in a margin of dumping of 115.9%, expressed as a percentage of export price, for Zhejiang Jinko.

Other Exporters

[177] At the initiation of the investigation, all known and potential exporters were sent exporter dumping and section 20 RFIs in order to solicit information required for purposes of determining normal values and export prices of subject goods in accordance with the provisions of SIMA. As such, all exporters are given the opportunity to participate in the investigation. In the RFIs, the exporters were notified that failure to submit all required information and documentation, including non-confidential versions, or failure to permit verification of any information, would result in the normal values of the subject goods exported by their company being based on the facts available. It was further stated that such a decision may be less favourable to their company than if full and verifiable information were made available.

[178] For exporters that, in the opinion of the President, did not provide sufficient information in response to the dumping and section 20 RFIs, normal values and export prices were determined under a ministerial specification pursuant to subsection 29(1) of SIMA on the basis of facts available. In establishing the methodology for determining normal values and export prices under the ministerial specification, the CBSA examined all information on the record, including information from the complaint, information provided by exporters, publicly available information and customs documentation.

[179] The CBSA considered that the normal values and export prices determined for the responding exporters, rather than the information provided in the complaint, was the best information on which to base the methodology for determining normal values since it reflects exporters' trading practices during the POI. The CBSA examined the difference between the normal value and export price of each individual transaction for the exporters that provided sufficient information in order to obtain an appropriate amount for the normal value methodology. The transactions were also examined to eliminate anomalies from being considered; such anomalies can include low volume shipments, very low value sales, effects of seasonality or other business or environmental factors.

[180] The CBSA considers that the highest amount by which the normal value exceeded the export price found on an individual transaction (expressed as a percentage of the export price), excluding anomalies, is an appropriate basis for determining normal values. This method of determining normal values is based on information on the record and limits the advantage that an exporter may gain from not providing necessary information requested in a dumping investigation as compared to an exporter that did provide the necessary information. Therefore, the normal values were determined under a ministerial specification pursuant to subsection 29(1) of SIMA, based on the export price as determined under section 24, 25 or 29 of SIMA, plus an amount equal to 154.4% of that export price.

[181] The CBSA considered that the information submitted on the CBSA customs entry documentation was the best information on which to determine the export price of the goods as it reflects actual import data. This information is more comprehensive than what was available in the complaint.

[182] Based on the above methodologies, the subject goods exported to Canada by all other exporters were found to be dumped by a margin of dumping of 154.4%, expressed as a percentage of the export price.

Summary of Results - Dumping

[183] A summary of the results of the dumping investigation respecting all subject goods released into Canada during the POI follows:

Summary of Results - Dumping Period of Investigation (October 1, 2013 to September 30, 2014)

Country	Volume of Dumped Goods as Percentage of Country Imports	Margin of Dumping*	Volume of Country Imports as Percentage of Total Imports	Volume of Dumped Goods as Percentage of Total Imports
China	100%	124.4%	81.5%	81.5%

*Expressed as a percentage of the export price.

[184] Under paragraph 41(1)(a) of SIMA, the President shall make a final determination of dumping when he is satisfied that the goods have been dumped and that the margin of dumping of the goods of a country is not insignificant. Pursuant to subsection 2(1) of SIMA, a margin of dumping of less than 2% of the export price of the goods is defined as insignificant.

[185] The margin of dumping of certain photovoltaic modules from China is above 2% of the export price of the goods and is, therefore, not insignificant.

SUBSIDY INVESTIGATION

[186] In accordance with section 2 of SIMA, a subsidy exists if there is a financial contribution by a government of a country other than Canada that confers a benefit on persons engaged in the production, manufacture, growth, processing, purchase, distribution, transportation, sale, export or import of goods. A subsidy also exists in respect of any form of income or price support within the meaning of Article XVI of the *General Agreement on Tariffs and Trade*, 1994, being part of Annex 1A to the WTO Agreement that confers a benefit.

[187] Pursuant to subsection 2(1.6) of SIMA, there is a financial contribution by a government of a country other than Canada where:

- (a) practices of the government involve the direct transfer of funds or liabilities or the contingent transfer of funds or liabilities;
- (b) amounts that would otherwise be owing and due to the government are exempted or deducted or amounts that are owing and due to the government are forgiven or not collected;
- (c) the government provides goods or services, other than general governmental infrastructure, or purchases goods; or

- (d) the government permits or directs a non-governmental body to do anything referred to in any of paragraphs (a) to (c) where the right or obligation to do the thing is normally vested in the government and the manner in which the non-governmental body does the thing does not differ in a meaningful way from the manner in which the government would do it.

[188] Where subsidies exist they may be subject to countervailing measures if they are specific in nature. According to subsection 2(7.2) of SIMA a subsidy is considered to be specific when it is limited, in a legislative, regulatory or administrative instrument, or other public document, to a particular enterprise within the jurisdiction of the authority that is granting the subsidy; or is a prohibited subsidy.

[189] A “prohibited subsidy” is either an export subsidy or a subsidy or portion of a subsidy that is contingent, in whole or in part, on the use of goods that are produced or that originate in the country of export. An export subsidy is a subsidy or portion of a subsidy contingent, in whole or in part, on export performance. An “enterprise” is defined as including a group of enterprises, an industry and a group of industries. These terms are all defined in section 2 of SIMA.

[190] Notwithstanding that a subsidy is not specific in law, under subsection 2(7.3) of SIMA a subsidy may also be considered specific having regard as to whether:

- (a) there is exclusive use of the subsidy by a limited number of enterprises;
- (b) there is predominant use of the subsidy by a particular enterprise;
- (c) disproportionately large amounts of the subsidy are granted to a limited number of enterprises; and
- (d) the manner in which discretion is exercised by the granting authority indicates that the subsidy is not generally available.

[191] For purposes of a subsidy investigation, the CBSA refers to a subsidy that has been found to be specific as an “actionable subsidy,” meaning that it is subject to countervailing measures if the persons engaged in the production, manufacture, growth, processing, purchase, distribution, transportation, sale, export or import of goods under investigation have benefited from the subsidy.

[192] Financial contributions provided by State-Owned Enterprises (SOEs) may also be considered to be provided by the government for purposes of this investigation. A SOE may be considered to constitute “government” for the purposes of subsection 2(1.6) of SIMA if it possesses, exercises, or is vested with governmental authority. Without limiting the generality of the foregoing, the CBSA may consider the following factors as indicative of whether the SOE meets this standard: 1) the SOE is granted or vested with authority by statute; 2) the SOE is performing a government function; 3) the SOE is meaningfully controlled by the government; or some combination thereof.

Results of the Subsidy Investigation

[193] At the initiation of the investigation, the CBSA sent a subsidy RFI to the GOC, as well as to all known exporters/producers of photovoltaic modules and laminates in China. Information was requested in order to establish whether there had been financial contributions made by any level of government, including SOEs possessing, exercising or vested with government authority, and, if so, to establish if a benefit had been conferred on persons engaged in the production, manufacture, growth, processing, purchase, distribution, transportation, sale, export or import of certain photovoltaic modules and laminates; and whether any resulting subsidy was specific in nature. As such, the GOC and all exporters were given the opportunity to participate in the investigation.

[194] The GOC was also requested to forward the RFI to all subordinate levels of government that had jurisdiction over the exporters/producers and was notified that failure to submit all required information and documentation, including non-confidential versions, or failure to permit verification of any information, may result in the assessment of countervailing duties on subject goods based on the facts available to the CBSA.

[195] The exporters were directed to forward a portion of the RFI to their input suppliers, who were asked to respond to questions pertaining to their legal characterization as SOEs. They were also notified that failure to submit all required information and documentation, including non-confidential versions, failure to comply with all instructions contained in the RFI, failure to permit verification of any information or failure to provide documentation requested during the verification visits may result in the amount of subsidy and the assessment of countervailing duties on subject goods being based on facts available to the CBSA. Further, they were notified that a determination on the basis of facts available could be less favourable to their firm than if complete, verifiable information was made available.

[196] The GOC provided a response to the government subsidy RFI by the deadline. In general, the GOC's response was limited in scope, questions were answered only in reference to responding exporters and the GOC did not provide information for subsidy programs which were not already identified by exporters who provided sufficient information in response to the exporter subsidy RFI. This significantly impeded the CBSA's investigation as the required information, relating to the financial contribution, benefit and specificity, was not provided to enable the determination of the amount of subsidy in the prescribed manner, pursuant to subsection 30.4(1) of SIMA. It also limited the CBSA's ability to determine whether solar producers, or other suppliers of goods and services, including the providers of financial services, are public bodies.

[197] Due to this lack of information, subsidy amounts for all exporters have been determined under a ministerial specification, pursuant to subsection 30.4(2) of SIMA based on the best information available to the CBSA.

[198] For each of the nine exporters that provided sufficient information in response to the RFI, an individual amount of subsidy was determined under ministerial specification, based on the information provided in response to the RFI and obtained during the on-site verification or desk audit.

[199] For exporters that did not provide sufficient information in response to the RFI, amounts of subsidy were determined under a ministerial specification on the basis of facts available.

[200] At the initiation of the subsidy investigation, the CBSA identified 189 potential subsidy programs in the following seven categories:

- I. Special Economic Zones (SEZ) and other Designated Areas Incentives;
- II. Preferential Loans and Loan Guarantees;
- III. Grants and Grant Equivalents;
- IV. Preferential Income Tax Programs;
- V. Relief from Duties and Taxes on Inputs, Materials and Machinery;
- VI. Goods/Services Provided by the Government at Less than Fair Market Value; and
- VII. Equity Programs.

[201] As a result of information obtained in the course of the investigation, 10 subsidy programs were removed as they were found by the CBSA to not be relevant to the investigation since none of the exporters identified are located in regions which would allow them to qualify for these subsidies. Additionally, 170 new programs were found to exist.

[202] In total, 349 programs were investigated for purposes of this investigation. Information concerning these programs can be found in **Appendix 2**.

Results of the Subsidy Investigation by Exporter

Canadian Solar Manufacturing (Changshu) Inc. & Canadian Solar International Limited

[203] Canadian Solar Manufacturing (Changshu) Inc. (CSM), is a producer and exporter of subject goods and provided a substantially complete response to the CBSA's subsidy RFI. In addition, the related suppliers Canadian Solar Manufacturing (Luoyang) Inc., CSI Solar Technologies Inc., CSI Solar Power (China) Inc., Suzhou Sanysolar Co., Ltd., and CSI Cells Co., Ltd., also provided responses to the CBSA's subsidy RFI.

[204] For purposes of the final determination, CSM was found to have benefitted from 73 subsidy programs. The amount of subsidy for CSM is 0.014 RMB per watt.

Changzhou Trina Solar Energy Co. Ltd.

[205] Changzhou Trina Solar Energy Co Ltd. (TCZ) is a producer and exporter of subject goods and provided a substantially complete response to the subsidy RFI. Two of TCZ's related suppliers, Trina Solar (Changzhou) Science & Technology and Changzhou Youze Technology, responded to the subsidy RFI.

[206] For purposes of the final determination, TCZ was found to have benefitted from 43 subsidy programs. The amount of subsidy for TCZ is 0.018 RMB per watt.

Hanwha SolarOne (Qidong) Co., Ltd.

[207] Hanwha SolarOne (Qidong) Co., Ltd., (Hanwha) provided a response to the subsidy RFI and an amount of subsidy was estimated for the company at the preliminary determination. During the investigation, Hanwha indicated that it no longer would participate in the CBSA's investigations. Therefore, for purposes of the final determination, the amount of subsidy for Hanwha is 0.34 RMB per watt per the all other exporter rate.

Hefei JA Solar Technology Co., Ltd.

[208] Hefei JA Solar Technology Co., Ltd. (JA Hefei) is a producer and exporter of the subject goods and provided a substantially complete response to the subsidy RFI. Two related suppliers, JingAo Solar Co., Ltd. and JA Solar Technology Yangzhou Co., Ltd. as well as the related producer Shanghai JA Solar Technology Co., Ltd., also provided responses to the subsidy RFI.

[209] For purposes of the final determination, JA Hefei was found to have benefitted from a total of 31 subsidy programs. The amount of subsidy for JA Hefei is 0.011 RMB per watt.

Jinko Solar Co., Ltd.

[210] Jinko Solar is a producer and exporter of the subject goods and provided a substantially complete response to the subsidy RFI. Four related suppliers, Jiangxi Jinko PV Material Co., Ltd., Jinko Solar Import and Export Co., Ltd., Jinko Solar Technology Ltd. and Jinko Solar Management Co., Ltd. also provided responses to the subsidy RFI.

[211] For purposes of the final determination, Jinko Solar was found to have benefitted from a total of 28 subsidy programs. The amount of subsidy for Jinko Solar is 0.028 RMB per watt.

Renesola Jiangsu Ltd.

[212] Renesola is a producer and exporter of the subject goods and provided a substantially complete response to the subsidy RFI. Four of Renesola's associated companies, Renesola Zhejiang Ltd., Zhejiang Renesola System Integration Ltd., Renesola Deutschland, and Renesola Singapore, responded to the subsidy RFI. All parties filed substantially complete responses to their respective RFI(s).

[213] For purposes of the final determination, Renesola was found to have benefitted from a total of 10 subsidy programs. The amount of subsidy for Renesola is 0.003 RMB per watt.

Wuxi Taichen Machinery & Equipment Co., Ltd.

[214] Wuxi Taichen Machinery & Equipment Co., Ltd. (Wuxi Taichen) is an exporter of subject goods and provided a substantially complete response to the subsidy RFI. Wuxi Taichang Electronic Co., Ltd. (Wuxi Taichang), a related producer, provided a response to the subsidy RFI.

[215] For purposes of the final determination, Wuxi Taichen was found to have benefitted from a total of 4 subsidy programs. The amount of subsidy for Wuxi Taichen is 0.074 RMB per watt.

Wuxi Suntech Power Co., Ltd.

[216] Wuxi Suntech Power Co., Ltd. (Wuxi Suntech) is a producer and exporter of subject goods and provided a substantially complete response to the subsidy RFI. Luoyang Suntech Power Co., Ltd. (Luoyang Suntech) and Shunfeng Technology are related suppliers, and provided responses to the subsidy RFI.

[217] For purposes of the final determination, Wuxi Suntech was found to have benefitted from a total of 14 subsidy programs. The amount of subsidy for Wuxi Suntech is 0.032 RMB per watt.

Zhejiang Jinko Solar Co., Ltd.

[218] Zhejiang Jinko is a producer of the subject goods. Zhejiang Trading is a related trading company which handles exports of subject goods to Canada. Both companies provided substantially completed responses to the subsidy RFI. Four related suppliers, Jiangxi Jinko PV Material Co., Ltd., Jinko Solar Import and Export Co., Ltd., Jinko Solar Technology Ltd. and Jinko Solar Management Co., Ltd. also provided responses to the subsidy RFI.

[219] For purposes of the final determination, the exporter, Zhejiang Jinko was found to have benefitted from a total of 32 subsidy programs. The amount of subsidy for Zhejiang Jinko is 0.046 RMB per watt.

All Other Exporters

[220] For all other exporters in China that did not, in the opinion of the President, provide sufficient information in response to the CBSA's subsidy RFI, the amount of subsidy was determined under a ministerial specification pursuant to subsection 30.4(2) of SIMA on the basis of facts available.

[221] In establishing the methodology for amounts of subsidy for all other exporters, the CBSA examined all information on the record, including information from the complaint, information provided by exporters, information provided by the GOC and publicly available information. The CBSA considered that the information provided by exporters who provided sufficient information in response to the CBSA's RFI, as well as the information on the potentially actionable subsidy programs that were identified in the investigation was the best information on which to base the methodology for determining amounts of subsidy for all other exporters.

[222] The amounts of subsidy were determined under a ministerial specification pursuant to subsection 30.4(2) of SIMA, on the basis of the following methodology:

- 1) the highest amount of subsidy for each of the 225 programs, as found at the final determination, for the 9 responding exporters; plus,
- 2) the average of the amounts of subsidy for the 225 programs referenced in (1), applied to each of the remaining 124 potentially actionable subsidy programs for which sufficient information is not available or has not been provided at the final determination.

[223] The CBSA considers that this is an appropriate basis for determining the amounts of subsidy since the information available supports that the potentially actionable subsidy programs outlined in **Appendix 2** may be available to exporters and producers of the subject goods located in China. Without a complete response to the subsidy RFI from the GOC and all known exporters, the CBSA does not have sufficient information to determine that any of these programs should be removed from the investigation for purposes of the final determination. Furthermore, the amount of subsidy applied to each of these potentially actionable subsidy programs is based on the benefits received by the responding exporters. This method of determination of amounts of subsidy is based on information on the record and limits the advantage that an exporter may gain from not providing necessary information requested in a subsidy investigation as compared to an exporter that did provide the necessary information.

[224] Using the above methodology, the amount of subsidy for all other exporters is 0.34 RMB per watt or 10.9%, expressed as a percentage of the total export price.

[225] The overall weighted average amount of subsidy for China is equal to 6.2%, when expressed as a percentage of the total export price of the subject goods.

[226] Based on the preceding, 100% of certain photovoltaic modules and laminates originating in or exported from China were subsidized. A summary of the amount of subsidy applicable to all cooperative exporters is provided in **Appendix 1**.

Summary of Results - Subsidy

[227] The following table summarizes the results of the subsidy investigation respecting all subject goods released into Canada during the POI.

Summary of Results - Subsidy
Period of Investigation (October 1, 2012 to September 30, 2014)

Country	Volume of Subsidized Goods as Percentage of Country Imports	Amount of Subsidy*	Volume of Country Imports as Percentage of Total Imports	Volume of Subsidized Goods as Percentage of Total Imports
China	100%	6.2%	80.2%	80.2%

*Expressed as a percentage of the export price.

[228] In making a final determination of subsidizing under paragraph 41(1)(a) of SIMA, the President must be satisfied that the subject goods have been subsidized and that the amount of subsidy on the goods of a country is not insignificant. According to subsection 2(1) of SIMA, an amount of subsidy that is less than 1% of the export price of the goods is considered insignificant.

[229] However, according to section 41.2 of SIMA, the President is required to take into account Article 27.10 of the *WTO Agreement on Subsidies and Countervailing Measures* when conducting a subsidy investigation. This provision stipulates that a countervailing duty investigation involving a product from a developing country should be terminated as soon as the authorities determine that the overall level of subsidies granted upon the product in question does not exceed 2% of its value calculated on a per unit basis.

[230] SIMA does not define or provide any guidance regarding the determination of a “developing country” for purposes of Article 27.10 of the *WTO Agreement on Subsidies and Countervailing Measures*. As an administrative alternative, the CBSA refers to the DAC list of ODA recipients for guidance.⁴³ As China is included in the listing, the CBSA has extended developing country status to China for purposes of this investigation.

⁴³ The Organization for Economic Co-operation and Development, DAC List of ODA Recipients from 2014-2016, the document is available at: www.oecd.org/dac/stats/documentupload/DAC%20List%20of%20ODA%20Recipients%202014%20final.pdf

[231] The amount of subsidy of certain photovoltaic modules and laminates for China is above 2% and is therefore not insignificant.

DECISIONS

[232] On the basis of the results of the dumping investigation, the President is satisfied that certain photovoltaic modules and laminates originating in or exported from China have been dumped and that the margins of dumping are not insignificant. Consequently, on June 3, 2015, the President made a final determination of dumping pursuant to paragraph 41(1)(a) of SIMA.

[233] On the basis of the results of the subsidy investigation, the President is satisfied that certain photovoltaic modules and laminates originating in or exported from China have been subsidized and that the amounts of subsidy are not insignificant. Consequently, on June 3, 2015, the President made a final determination of subsidizing pursuant to paragraph 41(1)(a) of SIMA.

FUTURE ACTION

[234] The provisional period began on March 5, 2015, and will end on the date the Tribunal issues its finding. The Tribunal is expected to issue its decision by July 3, 2015. Subject goods imported during the provisional period will continue to be assessed provisional duties as determined at the time of the preliminary determinations. For further details on the application of provisional duties, refer to the *Statement of Reasons* issued for the preliminary determinations, which is available on the CBSA's Web site at www.cbsa-asfc.gc.ca/sima-lmsi/menu-eng.html.

[235] If the Tribunal finds that the dumped and subsidized goods have not caused injury and do not threaten to cause injury, all proceedings relating to these investigations concerning the named country will be terminated. In this situation, all provisional duties paid or security posted by importers will be returned.

[236] If the Tribunal finds that the dumped and subsidized goods have caused injury, the anti-dumping and/or countervailing duties payable on subject goods released by the CBSA during the provisional period will be finalized pursuant to section 55 of SIMA. Imports released by the CBSA after the date of the Tribunal's finding will be subject to anti-dumping duty equal to the margin of dumping and countervailing duty equal to the amount of subsidy.

[237] The importer in Canada shall pay all applicable duties. If the importers of such goods do not indicate the required SIMA code or do not correctly describe the goods in the customs documents, an administrative monetary penalty could be imposed. The provisions of the *Customs Act* apply with respect to the payment, collection or refund of any duty collected under SIMA.⁴⁴ As a result, failure to pay duty within the prescribed time will result in the application of interest.

[238] In the event of an injury finding by the Tribunal, normal values and amounts of subsidy have been provided to the co-operating exporters for future shipments to Canada and these normal values and amounts of subsidy would come into effect the day after an injury finding. Information regarding normal values of the subject goods should be obtained from the exporter.

[239] Exporters of subject goods who did not provide sufficient information in the dumping investigation will have normal values established by advancing the export price by 154.4% based on a ministerial specification pursuant to section 29 of SIMA. Anti-dumping duty will apply based on the amount by which the normal value exceeds the export price of the subject goods. Similarly, exporters of subject goods who did not provide sufficient information in the subsidy investigation will be subject to a countervailing duty amount of 0.34 Renminbi per watt, based on a ministerial specification pursuant to subsection 30.4(2) of SIMA.

[240] For purposes of the preliminary determination of dumping or subsidizing, the CBSA has responsibility for determining whether the actual and potential volume of dumped or subsidized goods is negligible. After a preliminary determination of dumping or subsidizing, the Tribunal assumes this responsibility. In accordance with subsection 42(4.1) of SIMA, the Tribunal is required to terminate its inquiry in respect of any goods if the Tribunal determines that the volume of dumped or subsidized goods from a country is negligible.

RETROACTIVE DUTY ON MASSIVE IMPORTATIONS

[241] Under certain circumstances, anti-dumping and/or countervailing duty can be imposed retroactively on subject goods imported into Canada. When the Tribunal conducts its inquiry on material injury to the Canadian industry, it may consider if dumped and/or subsidized goods that were imported close to or after the initiation of the investigation constitute massive importations over a relatively short period of time and have caused injury to the Canadian industry. Should the Tribunal issue a finding that there were recent massive importations of dumped and/or subsidized goods that caused injury, imports of subject goods released by the CBSA in the 90 days preceding the day of the preliminary determination could be subject to anti-dumping and/or countervailing duty.

⁴⁴ *Customs Act* R.S.C. 1985

[242] In respect of importations of subsidized goods that have caused injury, this provision is only applicable where the CBSA has determined that the whole or any part of the subsidy on the goods is a prohibited subsidy. In such a case, the amount of countervailing duty applied on a retroactive basis will equal the amount of subsidy on the goods that is a prohibited subsidy. An export subsidy is a prohibited subsidy according to subsection 2(1) of SIMA.

PUBLICATION

[243] A notice of these final determinations of dumping and subsidizing will be published in the *Canada Gazette* pursuant to paragraph 41(3)(a) of SIMA.

INFORMATION

[244] This *Statement of Reasons* has been provided to persons directly interested in these proceedings. It is also posted on the CBSA's Web site at the address below. For further information, please contact the officers identified as follows:

Mail: SIMA Registry and Disclosure Unit
Trade and Anti-dumping Programs Directorate
Canada Border Services Agency
100 Metcalfe Street, 11th floor
Ottawa, Ontario K1A 0L8
Canada

Telephone: Shawn Ryan 613-954-7341
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E-mail: simaregistry@cbsa-asfc.gc.ca

Web site: www.cbsa-asfc.gc.ca/sima-lmsi/



Brent McRoberts
Director General

Trade and Anti-dumping Programs Directorate

ATTACHMENTS

1. Summary of Margins of Dumping and Amounts of Subsidy
2. Summary of Findings for Named Subsidy Programs
3. Dumping and Subsidy Representations

APPENDIX 1 – SUMMARY OF MARGINS OF DUMPING AND AMOUNTS OF SUBSIDY

Exporter	Margin of Dumping*	Amount of Subsidy (Renminbi per watt)	Amount of Subsidy*
Canadian Solar Manufacturing (Changshu) Inc. / Canadian Solar International Limited	83.2%	0.014	0.4%
Changzhou Trina Solar Energy Co., Ltd.	120.5%	0.018	0.8%
Hefei JA Solar Technology Co., Ltd.	48.4%	0.011	0.3%
Jinko Solar Co., Ltd.	112.6%	0.028	1.1%
Renesola Jiangsu Ltd.	9.3%	0.003	0.1%
Wuxi Taichen Machinery & Equipment Co., Ltd.	25.9%	0.074	1.8%
Wuxi Suntech Power Co., Ltd.	N/A	0.032	0.6%
Zhejiang Jinko Solar Co., Ltd.	115.9%	0.046	1.7%
All other exporters	154.4%	0.340	10.9%

* As a percentage of export price

NOTE: The margins of dumping reported in the table above are the margins determined by the CBSA for purposes of the final determination of dumping. These margins do not reflect the amount of anti-dumping duty to be levied on future importations of dumped goods. In the event of an injury finding by the Tribunal, normal values and amounts of subsidy have been provided to the exporters which provided sufficient information for future shipments to Canada and these normal values and amounts of subsidy would come into effect the day after an injury finding. Information regarding normal values of the subject goods and amounts of subsidy should be obtained from the exporter. Imports from exporters that did not provide sufficient information to the CBSA during the dumping and subsidy investigations and who are not listed in the table above will be subject to the All Other Exporters anti-dumping duty rate of 154.4%, expressed as a percentage of the export price, and countervailing duty rate of 0.34 RMB per Watt, pursuant to a ministerial specification. Please check the SIMA Self-Assessment Guide for more detailed information explaining how to determine the amount of SIMA duties owing.

APPENDIX 2 – SUMMARY OF FINDINGS FOR NAMED SUBSIDY PROGRAMS

As noted in the body of this document, the GOC's response to the subsidy RFI was considered to be insufficient, which significantly impeded the CBSA's ability to conduct a proper analysis of the programs and therefore did not provide the required information relating to the financial contribution, benefit and specificity. This significantly impeded the CBSA's investigation as all information has not been furnished to enable the determination of the amount of subsidy in the prescribed manner. Due to this lack of information, subsidy amounts for all exporters have been determined under a ministerial specification pursuant to subsection 30.4(2) of SIMA based on the best information available to the CBSA. In consideration of the level of cooperation received from the exporters that provided complete responses to the subsidy RFI, an individual amount of subsidy has been determined for each exporter using information provided in the responses to the subsidy RFI and publicly available information.

Subsidy Programs Used by Responding Exporters

The CBSA has used the best information available to describe the potentially actionable subsidy programs used by the responding exporters and related companies in the current investigation. This includes using information obtained from CBSA research on potential subsidy programs in China and information provided by the responding exporters and related suppliers. Since the GOC did not submit a sufficient response to the subsidy RFI, the information available to identify the legal instruments pertaining to the programs is limited and such references may be inaccurate or incomplete. Additionally, as much of the information was identified as being confidential, that information could not be disclosed in a public document.

III. Grants and Grant Equivalents

On the basis of the available information, the following programs under grants and grant-equivalents constitute a financial contribution pursuant to paragraph 2(1.6)(a) of SIMA; i.e., a practice of government that involves a direct transfer of funds. These grants confer a direct benefit to the recipient in the form of a grant and the benefit is equal to the amount of the grant provided.

Due to the insufficient information provided by the GOC, there is not sufficient information on the record to determine whether the following grants and grant-equivalents are specific pursuant to subsection 2(7.2) or subsection 2(7.3) of SIMA; nor is there sufficient information to indicate that the subsidy programs are not specific pursuant to the criteria set out in subsection 2(7.1). On the basis of the available information these programs do not appear to be generally available to all enterprises in China.

The amount of subsidy respecting each of these programs was calculated under ministerial specification pursuant to subsection 30.4(2) of SIMA, by distributing the benefit amount received by the exporter over the total quantity of goods to which the benefit was attributable.

- Program 31: Advanced Science/Technology Enterprise Grant
- During the POI, one company received a grant under this program for being an advanced enterprise. This program was administered by a local provincial government.
- Program 33: Assistance for Optimizing the Structure of Import/Export of High-Tech Products
- During the POI, two companies received a grant under this program for being a new high-tech enterprise.
- Program 34-1: Assistance for Technology Innovation - R&D Project
- During the POI, one of the companies received a grant under this program for significant achievements in technological innovation in 2012. This program was established in the document titled, “Interim Opinions on Promoting Economic Restructuring and Upgrading and Technological Innovation Incentives”. The program was administered by Changshu Xinzhuang Town Government.
- Program 34-2: Assistance for Technology Innovation - R&D Project
- During the POI, one of the companies received a grant under this program for significant investments in production equipment for innovative technologies. The program was administered by Changshu Xinzhuang Town Government.
- Program 34-3: Assistance for Technology Innovation - R&D Project
- During the POI, one of the companies received a grant under this program for a science and technology project. The program was administered jointly by local municipal and provincial governments.
- Program 34-4: Assistance for Technology Innovation - R&D Project
- During the POI, one of the companies received a grant under this program for a science and technology project.
- Program 34-5: Assistance for Technology Innovation - R&D Project
- During the POI, one of the companies received a grant under this program for science and technology. The program was administered by the Ministry of Sciences and Technology of the GOC.

Program 34-6: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program for scientific and technological achievement. The program was administered by the Department of Sciences and Technology from a local provincial government.

Program 34-7: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program for a science and technology innovation project.

Program 34-8: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program for engaging in intellectual property development in the field of high technology leading to a patent. The program was administered by the Science and Technology Bureau of a local municipal government.

Program 34-9: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program for engaging in an intellectual property project. The program was administered jointly by the Science and Technology Bureau and Financial Bureau of a local municipal government.

Program 34-10: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program for engaging in intellectual property development in the field of high technology leading to a patent.

Program 34-11: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program for outstanding patents.

Program 34-12: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program for a well-known trademark. The program was administered by the local municipal government.

Program 34-13: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program for a trademark.

Program 34-14: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program for a foreign patent.

Program 34-15: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program to support postdoctoral research. This program was administered jointly by the Department of Human Resources and Social Security of a local provincial government and the Technology Human Resources Office of a local municipal government.

Program 34-16: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program to support scientist and technician training in the field of high technology.

Program 34-17: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program to support postdoctoral research.

Program 34-18: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program for urban and rural labour training related to the field of high technology.

Program 34-19: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program to support senior management in the field of high technology. The program was administered by the Management Committee of the local municipal government.

Program 34-20: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program to support doctors in the field of high technology.

Program 34-21: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program for technology insurance. The program was administered by the Management Committee of the local municipal government.

Program 34-22: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program for science and technology.

Program 34-23: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program for science and technology progress.

Program 34-24: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program for the interest of a technology-related loan.

Program 34-25: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program for assistance in research and development. This program was administered jointly by the Finance Department and Department of Commerce of the local provincial government.

Program 34-26: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program for the research and development of applied technology. This program was administered by the Finance and Technology Bureaus of the local municipal government.

Program 34-27: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program for patents, advanced technology and good market prospects. This program was administered by the Science and Technology Bureau of the local municipal government.

Program 34-28: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program for foreign patent applications. This program was administered by the Science and Technology Bureau of the local municipal government.

Program 34-29: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program to support the hiring of selected foreign experts. This program was administered jointly by the Human Resources Administration Committee, Financial Bureau, and Human Resources and Social Security Bureau of the local municipal government.

Program 34-30: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program to support the project of industry talents.

Program 34-31: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program for companies that possess their own intellectual property rights.

Program 34-32: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program for possessing a registered Chinese and international trademark.

Program 34-33: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program for the application and registration of foreign patents.

Program 34-34: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program for technological transformation projects. This program was administered by the Science and Technology Bureau of a local municipal government.

Program 34-35: Assistance for Technology Innovation - R&D Project

During the POI, one of the companies received a grant under this program for possessing intellectual property rights.

Program 36-1: Awards for the Contributions to Local Economy and Industry Development

During the POI, one of the companies received a grant under this program for designated companies' internal training. This program was administered by the Changshu Xinzhuang Town Government.

- Program 36-2: Awards for the Contributions to Local Economy and Industry Development
- During the POI, one of the companies received a grant under this program for improvements to operating efficiency. This program was administered by the Changshu Xinzhuang Town Government.
- Program 36-3: Awards for the Contributions to Local Economy and Industry Development
- During the POI, one of the companies received a grant under this program for the establishment of a youth internship program. This program was administered by the Changshu Xinzhuang Town Government.
- Program 36-4: Awards for the Contributions to Local Economy and Industry Development
- During the POI, one of the companies received a grant under this program for high level leading personnel and key enterprises making contributions to local finance.
- Program 36-5: Awards for the Contributions to Local Economy and Industry Development
- During the POI, one of the companies received a grant under this program for industrial restructuring and upgrading.
- Program 36-6: Awards for the Contributions to Local Economy and Industry Development
- During the POI, one of the companies received a grant under this program as it was one of the enterprises in China whose imported products were included in the Catalogue of Encouraged Imported Technologies and Products. This program was administered jointly by the Ministry of Finance and Ministry of Commerce of the GOC.
- Program 36-7: Awards for the Contributions to Local Economy and Industry Development
- During the POI, one of the companies received a grant under this program for being a part of designated enterprise technology centres. This program was administered by the Economic and Information Commission of the local provincial government.
- Program 36-8: Awards for the Contributions to Local Economy and Industry Development
- During the POI, one of the companies received a grant under this program for a cross-border settlement.

Program 36-9: Awards for the Contributions to Local Economy and Industry Development

During the POI, one of the companies received a grant under this program for being an honest and law-abiding advanced enterprise. This program was administered by the Law-abiding Guidance Committee of the local municipal government.

Program 36-10: Awards for the Contributions to Local Economy and Industry Development

During the POI, one of the companies received a grant under this program for being a leading enterprise that met performance requirements. This program was administered by the local municipal government.

Program 36-11: Awards for the Contributions to Local Economy and Industry Development

During the POI, one of the companies received a grant under this program for achieving industrial optimization. This program was administered by the local municipal government.

Program 36-12: Awards for the Contributions to Local Economy and Industry Development

During the POI, one of the companies received a grant under this program for being a leading company engaged in the exportation of goods. This program was administered by the local municipal government.

Program 36-13: Awards for the Contributions to Local Economy and Industry Development

During the POI, one of the companies received a grant under this program for unemployment insurance as it was one of the selected companies that had operational difficulties. This program was administered by the local municipal government.

Program 36-14: Awards for the Contributions to Local Economy and Industry Development

During the POI, one of the companies received a grant under this program for the prevention of industrial injury. This program was administered by the local municipal government.

Program 36-15: Awards for the Contributions to Local Economy and Industry Development

During the POI, one of the companies received a grant under this program. This program supports those in the photovoltaic industry who have suffered from industry injury. This program was administered by the local municipal government.

Program 36-16: Awards for the Contributions to Local Economy and Industry Development

During the POI, one of the companies received a grant under this program for being a leading company in a region. This program was administered by the local municipal government.

Program 36-17: Awards for the Contributions to Local Economy and Industry Development

During the POI, one of the companies received a grant under this program for reaching an industrial economic target in a region. This program was administered by the local municipal government.

Program 36-18: Awards for the Contributions to Local Economy and Industry Development

During the POI, one of the companies received a grant under this program for having its headquarters and functional operations located in a region. This program was administered by the Finance Bureau and Commerce Bureau of the local provincial government.

Program 37: Awards to Enterprises Whose Products Qualify for “Well-Known Trademarks of China” or “Famous Brands of China”

During the POI, one of the companies received a grant under this program for being recognized as a famous export enterprise. The program was administered by the local provincial government.

Program 41-1: Emission Reduction and Energy-saving Award

During the POI, one of the companies received a grant under this program for energy-savings and being part of a circular economic project. This program was established in the document titled, “Changshu Measures for the Management of Special Funds for Energy-saving and Circular Economy”. The program was administered by the Changshu Commission Economy and Information and Finance Bureau of the Changshu Xinzhuang Town Government.

Program 41-2: Emission Reduction and Energy-saving Award

During the POI, one of the companies received a grant under this program as it had a technology innovation project that realized emission reductions and energy-savings.

Program 41-3: Emission Reduction and Energy-saving Award

During the POI, one of the companies received a grant under this program for emission reduction.

The criteria for the company to obtain the grant are as follows:

The company has legally registered in the administrative area of the city, possesses independent legal personality and conducts normal operation for more than one year. The enterprise has standard corporate governance structure, sound financial management system, and good accounting and tax credit. The enterprise emphasizes energy saving, consumption reduction and circular economy works, and has sound energy management system, including original record, measuring instruments, statistical accounting, regular education and training. The project for declaration must comply with the declaration requirements of special fund project of the city. The investment should reach a certain size. When the project is put into operation, it should have significant benefit of social demonstration and economic benefit. The pilot enterprises passing acceptances of clean production made by the province, Nantong and Qidong (circular economy) respectively receive rewards of RMB 60,000, 40,000 and 20,000.

This program was established in the document titled, “Interim Measure for the Management of Special Fund for Energy Saving and Development of Circular Economy in Qidong”.

Program 41-4: Emission Reduction and Energy-saving Award

During the POI, one of the companies received a grant under this program for emission reduction and energy-savings

Program 41-5: Emission Reduction and Energy-saving Award

During the POI, one of the companies received a grant under this program for demonstration projects of water conservation and emission reduction.

Program 41-6: Emission Reduction and Energy-saving Award

During the POI, one of the companies received a grant under this program for energy-saving. This program was administered jointly by the Economic and Information Commission and Financial Bureau of the local municipal government.

Program 41-7: Emission Reduction and Energy-saving Award

During the POI, one of the companies received a grant under this program for a clean production project.

Program 41-8: Emission Reduction and Energy-saving Award

During the POI, one of the companies received a grant under this program for achieving emission reductions and energy-saving revolving around a regional body of water. This program was administered jointly by the Financial Department and Environment Protection Department of the local provincial government.

Program 41-9: Emission Reduction and Energy-saving Award

During the POI, one of the companies received a grant under this program for emission reduction and energy-savings.

Program 41-10: Emission Reduction and Energy-saving Award

During the POI, one of the companies received a grant under this program for energy saving and cycling projects. This program was administered jointly by the Development and Reform Commission, Environment Protection Bureau, and Financial Bureau of the local municipal government.

Program 43: Energy-saving Technology Renovation Fund

During the POI, two of the companies received a grant under this program for energy-saving through technology.

Program 44: Export Assistance Grant

During the POI, two of the companies received a grant under this program for realized export growth.

Program 45: Export Brand Development Fund

During the POI, one of the companies received a grant under this program for export brand development. Additionally, the company must pay taxes according to the law, have a sound financial management system and good financial records, and have an independent legal personality.

Program 46: Export Credit Subsidy Programs: Export Buyer's Credits

During the POI, one of the companies received a grant under this program.

The criteria for the company to obtain the grant are as follows:

All foreign economic and trade enterprises registered within Jiangsu with independent legal person qualification and such enterprises shall be endowed with export business right or foreign economic cooperation right approved by the national government and have obtained export enterprise code given by the competent foreign trade authority after verification. Get involved in ordinary export and "overseas" projects. Foreign economic and trade businesses that SINOSURE in Jiangsu provides short-term export credit insurance and overseas investment insurance and guarantee and insured enterprises shall uniformly make declaration, subscribe specified premium and obtain formal premium invoice (Insured enterprises engaged in ordinary trade export and having subscribed advance premium and lowest premium are not entitled to support development fund before actual export businesses and handling insurance declaration). Show no violations in terms of foreign economic and trade, finance, export tax refund, exchange management, customs supervision, etc. Provincial foreign trade enterprises represent those having some business and income tax subscribing to the provincial treasury.

This program was established under the document titled, "SCQ [2006] No.:34 Interim Administration Method of Support Development Fund for Policy Export Credit Insurance in Jiangsu Province".

Program 48-1: Financial Subsidy

During the POI, one of the companies received a grant under this program for carrying out business activities related to the photovoltaic industry in the Photovoltaic Industrial Park in Changshu. The program was established under the document titled, "Opinions on Encouraging and Supporting the Development of the Photovoltaic Industry in Our City". The program was administered by the Changshu Xinzhuang Town Government.

Program 48-2: Financial Subsidy

During the POI, one of the companies received a grant under this program for the 2.2MW grid-connected roof-top PV demonstration project of Linyang Industrial Park.

Program 48-3: Financial Subsidy

During the POI, one of the companies received a grant under this program for a cross-border settlement. The program was administered by the Financial Bureau of a local municipal government.

Program 48-4: Financial Subsidy

During the POI, one of the companies received a grant under this program for meeting import and export qualifications and participating in foreign fairs and product certification. This program was administered jointly by the Ministry of Finance and the Ministry of Commerce of the GOC.

Program 48-5: Financial Subsidy

During the POI, one of the companies received a grant under this program related to exhibitions. This program was administered by the Development and Reform Commission of the local municipal government.

Program 54-1: Foreign Trade Development Fund Program – Grants

During the POI, one of the companies received a grant under this program for participating in activities related to foreign trade development. This program was administered by the local municipal government.

Program 54-2: Foreign Trade Development Fund Program – Grants

During the POI, two of the companies received a grant under this program related to foreign trade activities.

Program 55: Government Export Subsidy and Product Innovation Subsidy

During the POI, one of the companies received a grant under this program for adopting advanced technology and methods to improve enterprises' quality management.

Program 58: Grant - Large Taxpayer Award

During the POI, one of the companies received a grant under this program. The purpose of the grant is to encourage companies to expand and to provide financial support. This program was established under the document titled, "Methods on assessment and awarding of major taxpayer". The program was administered by the Qidong Development and Reform Commission.

Program 59-1: Grant - Patent Application Assistance

During the POI, one of the companies received a grant under this program for obtaining a patent of a liquid system of monocrystalline wafer.

Program 59-2: Grant - Patent Application Assistance

During the POI, one of the companies received a grant under this program for applying and undertaking high and new technology and industrialization projects, small and mid-sized enterprise technology innovation projects and the promotion of scientific and technological achievements.

Program 59-3: Grant - Patent Application Assistance

During the POI, one of the companies received a grant under this program for patenting an invention. This program was administered by a local municipal government.

Program 59-4: Grant - Patent Application Assistance

During the POI, one of the companies received a grant under this program for having either 20 effective patents, more than five invention patents or more than 3 foreign invention patents in the past three years.

Program 59-5: Grant - Patent Application Assistance

During the POI, one of the companies received a grant under this program for technology innovation projects.

Program 59-6: Grant - Patent Application Assistance

During the POI, one of the companies received a grant under this program for patent applications. The fund for each service invention patent is RMB 7,500 (of which RMB 1,500 is used for processing fee, actual review and actual review notice and 6,000 for authorized funding). The fund for non-service invention patent is RMB 6,900 (of which RMB 900 is used for processing fee, actual review and actual review notice and 6,000 for authorized funding). The fund for each practical new patent is RMB 800.

The program was established under the document titled, “Measures on Administration of Funding Patents of Qidong”.

- Program 59-7: Grant - Patent Application Assistance
- During the POI, one of the companies received a grant under this program for possessing patents. This program was administered by the local municipal government.
- Program 59-8: Grant - Patent Application Assistance
- During the POI, one of the companies received a grant under this program for possessing patents.
- Program 59-9: Grant - Patent Application Assistance
- During the POI, one of the companies received a grant under this program for patent application assistance.
- Program 61-1: Grant - Provincial Foreign Economy and Trade Development Special Fund
- During the POI, one of the companies received a grant under this program for the exportation of goods and increasing export value. The program was established under the document titled, “Policy Encouraging Export for 2012 - Cai Qi [2013] No. 208”. The program was administered jointly by the Department of Finance and Department of Commerce of the provincial Government of Anhui.
- Program 61-2: Grant - Provincial Foreign Economy and Trade Development Special Fund
- During the POI, one of the companies received a grant under this program for surpassing foreign trade targets and participating in trade exhibition shows.
- Program 63: Grant - Resources Conservation and Environment Protection Grant
- During the POI, one of the companies received a grant under this program for investing in fixed assets over 30 million yuan that are related to clean production.
- Program 64: Grant - Special Fund for Fostering Stable Growth of Foreign Trade in 2009
- During the POI, one of the companies received a grant under this program relating to exports, attending trade exhibitions, and participating in self-brand construction projects. The program was administered by Finance Bureau of the local municipal government.

Program 65: Grant - State Service Industry Development Fund

During the POI, one of the companies received a grant under this program for importing and exporting goods. The program was developed under the document titled, “The Development of Foreign Trade And Economic Cooperation - He Shang Wai Mao [2014] No. 62”.

Program 69: Grants for International Certification

During the POI, one of the companies received a grant under this program for international product certification. The program was developed under the document titled, “QCG[2011]No.6 Detailed Measures for Implementing Special Business Development Fund of Qidong City to Support Transformation and Upgrading of Foreign Trade and Economic Cooperation” and QCG[2011]No.42 Detailed Rules for the Implementation of the Measures for Administration of International market developing funds of Small and Medium-sized Enterprises of Jiangsu Province”.

Program 76: Guaranteed Growth Fund

During the POI, one of the companies received a grant under this program for accelerating transformation of industry. This program was administered by the local municipal government.

Program 78: Implementing Measures on the Supporting Fund for Foreign Trade & Economic Development of Jiangxi Province (Implementing Measures)

During the POI, one of the companies received a grant under this program for conducting foreign trade. The program was administered by the provincial Government of Jiangxi.

Program 89-1: Local and Provincial Government Reimbursement Grants on Export Credit Insurance Fees

During the POI, one of the companies received a grant under this program for the payment of import and export insurance. The program was established under the document titled, “Special Commercial Development Funds for Supporting Foreign Economy and Trade Transformation and Upgrading in Jiangsu (2013 revised) (Su Cai Gong Mao [2013] No.90)”. The program was administered jointly by the Department of Finance and Department of Commerce of the provincial Government of Jiangsu.

Program 89-2: Local and Provincial Government Reimbursement Grants on Export Credit Insurance Fees

During the POI, one of the companies received a grant under this program for purchasing short-term export credit insurance.

Program 89-3: Local and Provincial Government Reimbursement Grants on Export Credit Insurance Fees

During the POI, one of the companies received a grant under this program for the purchase of export credit insurance. The program was administered by the local municipal government.

Program 89-4: Local and Provincial Government Reimbursement Grants on Export Credit Insurance Fees

During the POI, one of the companies received a grant under this program for purchasing export credit insurance from the China Export and Credit Insurance Corporation.

Program 89-5: Local and Provincial Government Reimbursement Grants on Export Credit Insurance Fees

During the POI, one of the companies received a grant under this program. This award is provided to companies that purchase import/export credit insurance with Jiangsu Branch of China Export Credit Insurance Company with a minimum annual export amount of USD 5 million. The program was administered by the Changshu Bureau of Commerce.

Program 89-6: Local and Provincial Government Reimbursement Grants on Export Credit Insurance Fees

During the POI, one of the companies received a grant under this program for purchasing export credit insurance for equipment, exporting goods, and project contracting outside China. The program was administered jointly by the Financial Bureau and Bureau of Commerce of the local provincial government.

Program 90: Miscellaneous Grants

During the POI, one of the companies received a grant under this program. No descriptive details were provided by the company.

Program 92-1: Municipal Government - Exhibition Grant

During the POI, one of the companies received a grant under this program for participating in exhibitions which are under the annual trade promotion program, sponsored by MOFCOM, sponsored by provincial ministry of commerce and approved by provincial government, or attended by the company's own discretion. A grant equivalent to 50%-100% of exhibition expenses is available to the companies that qualify. The grant is administered by the local municipal government.

Program 92-2: Municipal Government - Exhibition Grant

During the POI, one of the companies received a grant under this program for participating in exhibitions.

Program 92-3: Municipal Government - Exhibition Grant

During the POI, one of the companies received a grant under this program for attending overseas exhibitions. The program was administered by the local municipal government.

Program 92-4: Municipal Government - Exhibition Grant

During the POI, one of the companies received a grant under this program for the exploration of the international market and attending overseas exhibitions.

The program was established under the documents titled, "QCG[2011]No.6 Detailed Measures for Implementing Special Business Development Fund of Qidong City to Support Transformation and Upgrading of Foreign Trade and Economic Cooperation" and "SCG [2011] No.42 Detailed Rules for the Implementation of the Measures for Administration of International market developing funds of Small and Medium-sized Enterprises of Jiangsu Province".

Program 102-1: Provincial Government - Equipment Grant

During the POI, one of the companies received a grant under this program for investing in equipment of 3-10 million or more than 10 million yuan and the project conforms to all regulations.

Program 102-2: Provincial Government - Equipment Grant

During the POI, one of the companies received a grant under this program. The company did not provide descriptive details of the program.

- Program 104: Provincial Scientific Development Plan Fund
- During the POI, one of the companies received a grant under this program. The company did not provide descriptive details of the program.
- Program 109: Research & Development (R&D) Assistance Grant
- During the POI, two of the companies received a grant under this program for research and development on technology application.
- Program 110-1: Science and Technology Award
- During the POI, one of the companies received a grant under this program related to science and technology.
- Program 110-2: Science and Technology Award
- During the POI, one of the companies received a grant under this program for having a science and technology patent.
- Program 110-3: Science and Technology Award
- During the POI, one of the companies received a grant under this program for being recognized as an enterprise technology centre.
- Program 110-4: Science and Technology Award
- During the POI, one of the companies received a grant under this program for transferring key technical achievements related to national development.
- Program 110-5: Science and Technology Award
- During the POI, one of the companies received a grant under this program for science and technology. The program was established under the document titled, “TKC[2010]No. 86 Detailed Implementation Rules of Scientific and Technological Progress Awarding Method in Nantong: Chapter II Awarding Scope and Review Criterion”.
- Program 110-6: Science and Technology Award
- During the POI, one of the companies received a grant under this program for the development of science and technology.

Program 114: Special Supporting Fund for Commercialization of Technological Innovation and Research Findings

During the POI, one of the companies received a grant under this program for the achievement of goals regarding power generation and sales of power generating equipment. This program was issued under the document titled, "According to Notice of Special Fund (Seventh) for Provincial Prospective Study". The program was administered by the Jiangsu Science and Technology Bureau.

Program 115: State Special Fund for Promoting Key Industries and Innovation Technologies

During the POI, one of the companies received a grant under this program. No descriptive details of the program were provided by the company.

Program 123: Technology Project Assistance

During the POI, one of the companies received a grant under this program. No descriptive details of the program were provided by the company.

Program 127-1: Water Conservancy Fund Deduction

During the POI, one of the companies received a grant under this program for water conservation technological upgrading projects in 2012 and 2013.

Program 127-2: Water Conservancy Fund Deduction

During the POI, two of the companies received a grant under this program for water conservancy.

Program 129: Water Saving Enterprise

During the POI, one of the companies received a grant under this program. No descriptive details of the program were provided by the company.

Program 130-1: Award for Excellent Enterprise

During the POI, one of the companies received a grant under this program for being recognized as an excellent enterprise. The program was administered by the local provincial government.

Program 130-2: Award for Excellent Enterprise

During the POI, one of the companies received a grant under this program for being recognized as an excellent enterprise. The program was established under the document titled, “Administration Committee of Hefei High-tech Industrial Development Zone - He Gao Guan (2013) No.28”. The program was administered by the City of Hefei.

Program 131-1: Export Award

During the POI, one of the companies received a grant under this program for being a company that exports high-technology products listed in the Chinese Export Catalogue of High-tech Products with a minimum annual export amount of USD 2 million. The program was administered by the Changshu Bureau of Commerce.

Program 131-2: Export Award

During the POI, one of the companies received a grant under this program for being an enterprise with sustainable increases of exports in the first half of 2012. The program was administered by the Finance Bureau of a local municipal government.

Program 131-3: Export Award

During the POI, one of the companies received a grant under this program for being an enterprise with sustainable increases of exports in the last half of 2012. The program was administered by the Finance Bureau of a local municipal government.

Program 131-4: Export Award

During the POI, one of the companies received a grant under this program for the exportation of specific products. The program was administered by a local municipal government.

Program 133: Foreign Trade Promotion Award

During the POI, one of the companies received a grant under this program. No descriptive details were provided by the company.

Program 135: Medium Size and Small Size Enterprises Development Special Fund

During the POI, two of the companies received a grant under this program for being a small to medium sized enterprise with technological innovation.

Program 137-1: Reduction in Land Use Fees, Land Rental Rates, and Land Purchase Prices

During the POI, one of the companies received a grant under this program for a reduction in land use fees. The program was administered by the Management Committee of the local municipal government.

Program 137-2: Reduction in Land Use Fees, Land Rental Rates, and Land Purchase Prices

During the POI, two of the companies received a grant under this program for land fee incentives.

Program 144: Golden Sun Demonstration Program

During the POI, four of the companies received a grant under this program.

According to Article 5 of the Temporary Management Method of Financial Funds for Golden Sun Demonstration Project, a project that is entitled to this program needs to meet the following criteria: 1. The project is selected in the local plan for golden sun demonstration project. 2. Installed capacity for each project is higher than 300 KWp. 3. The construction period for the project is less than 1 year and the running period is for at least 20 years. 4. Total assets of the company that hosts the project are more than 0.1 billion, and the capital contribution for the project is more than 30% of the total investment. In addition, the host company for the photovoltaic power-generating project is capable of running the project on a long-term basis. 5. The specific project meets the following technical requirements: (1) Photovoltaic power generation and its system integration shall be advanced; (2) The photovoltaic modules, controllers, inverters and storage batteries and so on must be certified by the state authority of approval and certification. (3) The solar grid power system must meet the technology standard. (4) The project shall be equipped with functioning power measurement meters.

Program 146: Fund for Economic, Scientific and Technology Development

During the POI, one of the companies received a grant under this program for a scientific research project.

Program 150: Capital Increase Award

During the POI, one of the companies received a grant under this program.

The program is described as follows: Capital increase projects shall be awarded according to 0.6% of the actually received amount and shall not exceed RMB 1,000,000. Distribution scheme: RMB100,000 shall be awarded for legal representative of the Company, and the balance shall be distributed as per the proportion of 5:5 by legal representative of the Company and the park where the project is located. This program was established under the document titled, “No.8 Document of Qidong City”.

Program 191: Exhibition subsidy for 2012

During the POI, one of the companies received a grant under this program for being recognized as an export enterprise that attended an overseas exhibition.

Program 192: Industry development subsidy by finance bureau

During the POI, two of the companies received a grant under this program from the Finance Bureau. No additional details were provided by the companies.

Program 194: Investment promotion grant

During the POI, one of the companies received a grant under this program to promote investment in the region. The program was administered by the provincial Government of Hebei.

Program 195: Three-new industry supporting fund

During the POI, one of the companies received a grant under this program for engaging in the three-new (new energy, new light source and new material) industrial project. The program was established under the document titled, “Notice of General Office of Municipal Government on Printing and Issuing Relevant Implementation Rules for Yangzhou Development Technology Innovation Economic Reward Supporting Policy”. The program was administered by Yangzhou Municipal Development and Reform Commission.

Program 196: Solar power station grant

During the POI, one of the companies received a grant under this program for building a new solar power station. The company was administered by the local municipal government.

Program 197-1: Imports interest discount fund

During the POI, one of the companies received a grant under this program. The imports interest discount fund was granted for the imported goods purchased. Criteria set forth to obtain the grant, as provided by the company, is as follows: 1) No illegal behaviour within the recent three years and no malicious default of governmental fund; 2) the company should be the company listed in consignee of the Goods Declaration for importation; 3) The imported goods should complete the import declaration during January 1 to December 31 of last year. 4) The imported goods don't list in other interest discount project.

The program is administered by the Ministry of Finance of the GOC.

Program 197-2: Imports interest discount fund

During the POI, one of the companies received a grant under this program for certain goods imported by the company. The program was administered by the Economic and Technology Development Zone Financial Bureau of the local provincial government.

Program 198-1: Fixed assets investment fund

During the POI, one of the companies received a grant under this program.

The company received a grant under the program for innovation and achievement transformation.

The eligibility criteria to apply for the innovation and achievement transformation program is as follows: 1) The project shall comply with the national industrial and technology polices, have independent intellectual property rights, comply with the environmental protection requirements, with high technologies, strong innovation, high mature and leading in the domestic and international area. 2) The project shall have high value-added product, increasing market capacity, strong industry development and strong economic benefit and society benefit.

The program was administered by the Economic and Technology Development Zone Financial Bureau of the local provincial government.

Program 198-2: Fixed assets investment fund

During the POI, one of the companies received a grant under this program.

The company received a grant under the program for electronic information industry development. The eligibility criteria to apply for the program is as follows: 1) legal personality; 2) have professional technology staff; 3) have the necessary production equipment and facilities for research and development; 4) achieve relevant scientific achievements in the research and development area.

The program was administered by the Economic and Technology Development Zone Financial Bureau of the local provincial government

Program 199: Municipal Government High-Tech Zone supporting fund

During the POI, one of the companies received a grant under this program for obtaining an ISO 1400 environment management system certification. The program was administered by the local municipal government.

Program 200: Safety production standardization grant

During the POI, one of the companies received a grant under this program for passing the class II of safety production standardization. The program was administered by the local municipal government.

Program 201: Municipal Government Science and Technology Bureau Award

During the POI, one of the companies received a grant under this program for being a Project Research Center, Enterprise Technology Center or International Unite Research Center.

The program was administered by the Development and Reform Commission of the local municipal government.

Program 202: Municipal Government high and new technology enterprise award

During the POI, one of the companies received a grant under this program for being recognized as a new and high-tech enterprise. The program was administered by the Science and Technology Bureau of the local municipal government.

- Program 203: Innovative award
- During the POI, one of the companies received a grant under this program for establishing a provincial level technology innovation platform. The program is jointly administered by engineering research centres of the local provincial and municipal governments.
- Program 204: Production and sale growth award
- During the POI, one of the companies received a grant under this program for growth in production and sales. The program was jointly administered by the Commission of Economy and Information and the Financial Bureau of the local municipal government.
- Program 205: Income growth award of 2012
- During the POI, one of the companies received a grant under this program for being a new high-tech enterprise who met increasing income targets per year. The program was administered by the local municipal government.
- Program 206: Engineering technology research centre award of 2012
- During the POI, one of the companies received a grant under this program for the establishment of an engineering technology research centre.
- Program 207: Fixed assets investment rewards
- During the POI, one of the companies received a grant under this program for the investment of fixed assets such as buildings, land, and production equipment. The program was administered by the local municipal government.
- Program 208: Environmental Protection Agency award
- During the POI, one of the companies received a grant under this program for implementing clean production, energy conservation and emission reduction. The program was administered by the local municipal government.
- Program 209: Dredging fund
- During the POI, one of the companies received a grant under this program related to expenses incurred for clearing land. The program was administered by the local municipal government.

- Program 210: Production efficiency award
- During the POI, one of the companies received a grant under this program for being a top producer in the region. The program was administered by the local municipal government.
- Program 211: Photovoltaic industry development policy fund
- During the POI, one of the companies received a grant under this program for domestic sales of solar modules or solar cells. The program was administered by the local municipal government.
- Program 212: Energy Saving Grant 2012
- During the POI, two of the companies received a grant under this program for saving energy or conserving water.
- Program 213: Import Fund 2011
- During the POI, one of the companies received a grant under this program. No descriptive details of the program were provided by the company.
- Program 214: Environmental pollution liability insurance premium subsidy
- During the POI, one of the companies received a grant under this program for having an environmental pollution liability insurance premium.
- Program 215: Safety production standardization enterprise subsidy
- During the POI, one of the companies received a grant under this program for meeting the safety standards of mine enterprises. This program was administered by the local municipal government.
- Program 216: Encourage for export enterprises to develop Electronic Commerce Trade
- During the POI, one of the companies received a grant under this program to develop electronic commerce trade in order to export products.
- Program 217: Development Zone Subsidy
- During the POI, one of the companies received a grant under this program. The company did not provide any descriptive details of the program.

- Program 218: High school graduates youth Internship Program
- During the POI, one of the companies received a grant under this program to develop a high school graduate youth internship program.
- In order receive the grant, companies must meet the following criteria:
1).have knowledge of this project, have internal management system and working procedure specification and have special executive to take charge;
2). have certain scale and visibility to attract college graduates; 3). can provide certain technical positions and have relevant teaching staffs; 4) recruit no less than 20% of the trainees after the project.
- Program 219: Science and technology subsidy – Municipal Government Science & Technology Bureau
- During the POI, one of the companies received a grant under this program for the development of science and technology. The program was administered by the local municipal government.
- Program 220: Expanded Production Incentives
- During the POI, one of the companies received a grant under this program to expand production.
- Program 221: Foreign Experts Financial Subsidy
- During the POI, one of the companies received a grant under this program to attract foreign experts.
- Program 222: Identification Subsidy
- During the POI, one of the companies received a grant under this program. The company did not provide any descriptive details of the program.
- Program 223: The Subsidy Income
- During the POI, one of the companies received a grant under this program. The company did not provide any descriptive details of the program.
- Program 224: Strategic Planning Subsidy
- During the POI, one of the companies received a grant under this program. The company did not provide any descriptive details of the program.

- Program 225: Grant in-aid
- During the POI, one of the companies received a grant under this program for personnel training.
- Program 226: Subsidies for Internship
- During the POI, one of the companies received a grant under this program. The company did not provide any descriptive details of the program.
- Program 227: Technology Infrastructure support-- Solar vertical integration research centre
- During the POI, one of the companies received a grant under this program for technology infrastructure support. The program was administered by the Science and Technology Office of the local municipal government.
- Program 228: Technology development award from Science and Technology Office of local municipal government.
- During the POI, one of the companies received a grant under this program for technology development. The program was administered by the Science and Technology Office of the local municipal government.
- Program 229: Award for high-technology enterprises
- During the POI, one of the companies received a grant under this program. The company did not provide any additional information regarding the program.
- Program 230: Subsidies from provincial Photovoltaic Industry Association - Project of technical standard components staebler-wronski effect development costs
- During the POI, one of the companies received a grant under this program for the participation in a photovoltaic project. The program was administered by the local provincial government.
- Program 231: Provincial international cooperation projects funding-Research program corporated with one company in Israel
- During the POI, one of the companies received a grant under this program for a research program related to one company in Israel. The program was administered by the Finance Department of the local provincial government.

- Program 232: R&D Incentives for Medium/Large-sized Enterprises
- During the POI, one of the companies received a grant under this program. No descriptive details were provided by the company regarding this program.
- Program 233: 863 project-Project of MW thin film silicon/crystalline silicon heterojunction solar cell industrialization key technology project
- During the POI, one of the companies received a grant under this program for undertaking a solar cell key technology project. The program was administered by the Finance Office of the local provincial government.
- Program 234: 863/1 project-National high-tech research and development plan in 2012
- During the POI, one of the companies received a grant under this program for undertaking a solar cell project. The program was established under the document titled, “Guo Ke Fa Cai [2012] No.51”. The program was administered by the Ministry of Science and Technology of the GOC.
- Program 235: 863/2 project-Program of Crystalline silicon cells industrialization key technology and Demonstration of the production line with 21% efficiency
- During the POI, one of the companies received a grant under this program for undertaking crystalline silicon cells industrialization key technology projects and demonstrating 21% efficiency. The program was established under the documents titled, “Guo Ke Fa Cai [2013] No.418, Guo Ke Fa Cai [2013] No.20, and Guo Ke Fa Cai [2014] No.13”. The program was administered by the Ministry of Science and Technology of the GOC.
- Program 236: 863/3 project-Development of silica-based nanowire solar cells
- During the POI, one of the companies received a grant under this program for the development of silica-based nanowire solar cells. The program was established under the documents titled, “Guo Ke Fa Cai [2011] No.129”. The program was administered by the Ministry of Science and Technology of the GOC.
- Program 237: 973/2 project -Low defect high efficiency crystalline silicon solar cell research
- During the POI, one of the companies received a grant under this program for obtaining low defects and high efficiency of crystalline silicon solar cells. The program was established under the documents titled, “Chang Xin Ke[2012] No.24, and Chang Xin Ke[2012] No.46”. The program was administered by the Ministry of Science and Technology of the GOC.

- Program 238: Technical standards award in 2012, 2013-Specification for package protection technology for PV Modules, Test Method for Vinyl Acetate in EVA Applied in PV modules
- During the POI, one of the companies received a grant under this program for meeting technical standards in the photovoltaic industry. This program was administered by the Finance Office of the local municipal government.
- Program 239: Infrastructure Construction
- During the POI, one of the companies received a grant under this program for completing an infrastructure project. This program was administered by the Administrative Committee of the local municipal government.
- Program 240: 220KV Line Settlement Construction Funds
- During the POI, one of the companies received a grant under this program for completing an infrastructure project. This program was administered by the Finance Office of the local municipal government.
- Program 241: Allowance for Colling Circulating Water Project
- During the POI, one of the companies received a grant under this program. No additional details were provided by the company.
- Program 242: Special funds to support the business development of foreign trade from Finance Bureau
- During the POI, one of the companies received a grant under this program to support business development in foreign trade. This program was administered by the Finance Bureau of the local municipal government.
- Program 243: Patent Fund in 2013
- During the POI, one of the companies received a grant under this program for patents applied for in 2013. This program was administered by the Intellectual Property Office of the local municipal government.
- Program 244: Fifth Science and Technology Award for major patent creators
- During the POI, one of the companies received a grant under this program for possessing over 10 granted patents. This program was administered jointly by the Science and Technology Office and Finance Office of the local municipal government.

- Program 245: Patent fund (PCT) in 2013 from provincial Intellectual Property Office
- During the POI, one of the companies received a grant under this program for patent application assistance. This program was administered by the Intellectual Property Office of the local provincial government.
- Program 246: Patent award from Science and Technology Office of Municipal Government
- During the POI, one of the companies received a grant under this program for patent application assistance in 2012. This program was administered by the Science and Technology Office of the local municipal government.
- Program 247: Patents Fund in 2012
- During the POI, one of the companies received a grant under this program. This program was administered by the Science and Technology Office of the local municipal government.
- Program 248: Patent grants-the patents applied in the first half of 2012; the patents granted in the second half of 2012
- During the POI, one of the companies received a grant under this program. This program was administered jointly by the Science and Technology Office and Intellectual Property Office of the local district government.
- Program 249: Patent award for the project of a core science and education town and eight industrial parks garden
- During the POI, one of the companies received a grant under this program. This program was administered jointly by the Science and Technology Offices of the local municipal and district governments.
- Program 250: Provincial Strategic Emerging Industry Development Funds
- During the POI, one of the companies received a grant under this program. This program was administered by the Finance Bureau of the local municipal government.
- Program 251: Major Achievements-MW Square crystal silicon heterostructure solar cells development and industrialization
- During the POI, one of the companies received a grant under this program for completing a solar cell project. The program was administered by the Finance Department of the local provincial government.

- Program 252: Fund for promoting the transformation and upgrading of standardization from Provincial Department of Finance
- During the POI, one of the companies received a grant under this program. This program was administered by the Finance Department of the local provincial government.
- Program 253: Laboratory Development Supporting Funds
- During the POI, one of the companies received a grant under this program. This program was administered by the Finance Bureau of the local municipal government.
- Program 254: The 4th technology plan (technology infrastructure supporting) in 2013 to match with Provincial-level technology development award
- During the POI, one of the companies received a grant under this program to match a provincial subsidy granted related to technology development. This program was administered by the Finance Bureau of the local municipal government.
- Program 255: Supporting Funds in 2012 Finance Bureau of Changzhou City
- During the POI, one of the companies received a grant under this program. This program was administered by the Finance Bureau of the local municipal government.
- Program 256: Provincial forwarding looking research in 2013 -Research program corporated with one company in Israel
- During the POI, one of the companies received a grant under this program. This program was administered by the Finance Department of the local provincial government.
- Program 257: Funds on Provincial natural science in 2014-projects of Industrial Grade crystalline silicon solar cell device physics and loss analysis
- During the POI, one of the companies received a grant under this program for projects of industrial grade crystalline silicon solar cells. This program was administered by the Science and Technology Department of the local provincial government.

- Program 258: Water Conservation Projects in 2012 in Southeast Factory
- During the POI, one of the companies received a grant under this program for water conservation. This program was administered by the Agricultural Office of the local district government.
- Program 259: On-point site for building as the provincial-level water conservation city
- During the POI, one of the companies received a grant under this program for meeting provincial water conservation targets. This program was administered by the Leading Team of Building of the local municipal government.
- Program 260: Water conservation project for degumming cleaning by using wastewater in west silicon-production factories
- During the POI, one of the companies received a grant under this program for completing water conservation projects. This program was administered by the Water Conservancy Bureau of the local municipal government.
- Program 261: Award for R&D development for large and medium-sized enterprises
- During the POI, one of the companies received a grant under this program. This program was administered by the Photovoltaic Industrial Zone of the local municipal government.
- Program 262: Funds on Postdoctoral Workstation
- During the POI, one of the companies received a grant under this program. This program was administered by the Finance Bureau of the local municipal government.
- Program 263: National Key new Product Projects Awards
- During the POI, one of the companies received a grant under this program for high efficiency cell modules. This program was administered by the Finance Office of the local district government.

IV. Preferential Income Tax Programs

On the basis of available information, the following programs under relief from duties and taxes on inputs, materials and machinery constitute a financial contribution pursuant to paragraph 2(1.6)(b) of SIMA, i.e., amounts that would otherwise be owing and due to the government are reduced and/or exempted, and confers a benefit to the recipient equal to the amount of the reduction/exemption.

Due to the insufficient information provided by the GOC, there is not sufficient information on the record to determine whether the following preferential tax programs are specific pursuant to subsection 2(7.2) or subsection 2(7.3) of SIMA; nor is there sufficient information to indicate that the subsidy programs are not specific pursuant to the criteria set out in subsection 2(7.1). On the basis of the available information these programs do not appear to be generally available to all enterprises in China.

The amount of subsidy respecting each of these programs was calculated under ministerial specification pursuant to subsection 30.4(2) of SIMA, by distributing the benefit amount received by the exporter over the total quantity of goods to which the benefit was attributable.

Program 151: Corporate Income Tax Reduction for New High-Technology Enterprises

During the POI, five of the companies received a benefit under this program. Foreign investment enterprises which are recognized as a High New Technology Enterprise can enjoy the preferred income tax rate 15%. The program was established under the document titled, “Article 28 of Law of the PRC on Enterprise Income Tax”. The program is administered by the GOC.

Program 158: Provincial Government of Guangdong Tax Offset for R&D

During the POI, one of the companies received a benefit under this program as a tax offset for research and development expenses incurred for developing new products and technologies. The program was established under the document titled, “Trial Measures for the Administration of Pre-Tax Deduction of Research and Development Expenses for Enterprises”.

Program 164: Preferential Tax Policies for the Research and Development of FIEs

During the POI, two of the companies received a benefit under this program. The company did not provide any descriptive details regarding this program.

Program 165: Preferential Tax Policies in the Western Regions

During the POI, one of the companies received a benefit under this program for starting business in the western regions and promoting western development.

Program 168: City maintenance and Construction Taxes and education surcharges for Foreign Invested Enterprises

During the POI, one of the companies received a benefit under this program for the construction of offices for new residents.

Program 171: Tax policies for the deduction of research and development expenses

During the POI, one of the companies received a benefit under this program.

The criteria for this program is as follows:

If a company incurs research and development expenses for the development of new technology, new products and new craftsmanship, in case the R&D expenses are not forming an intangible asset, but being charged to profit and loss for the current period, the company is allowed to claim, on top of the actual deduction, an additional deduction of 50% of the research and development expenses.

The program was established under the documents titled, “Enterprise Income Tax Law of the PRC (Article 30.1)” and “Implementation Rule (Article 95)”.

Program 172: Tax Preference Available to Companies that Operate at a Small Profit

During the POI, one of the companies received a benefit under this program.

The criteria provided by the company to receive the benefit are as follows:

The annual tax payable is no more than 100,000 RMB. The company has no more than 100 employees. Total assets are no more than 30,000,000 RMB.

Program 173: Two free, three half tax exemptions for the productive FIEs

During the POI, two of the companies received a benefit under this program.

The details of the program are as follows:

Award provided to productive FIEs that are scheduled to operate for more than ten years. These companies are exempted from income tax in the first two profitable years, and need only pay half of the statutory tax rates from year three to year five.

The program was established under the documents titled, “Article 8 of the FIE Tax Law” and “Article 72 of the implementation Rules of the Income tax Law of the People’s Republic of China of FIEs and Foreign Enterprises”. The program is administered by the GOC.

Program 174: VAT exemption for products sold by FIEs

During the POI, one of the companies received a benefit under this program. The company was provided with an exemption to VAT for as it produced and sold solar energy electrical products. The program was established under the document titled, “Notice of the Ministry of Finance and the State Administration of Taxation on the Value-added Tax Policy for Photovoltaic Power Generation issued by Ministry of Finance and State Administration of Taxation on September 23th, 2013”. The program was administered by the GOC.

V. Relief from Duties and Taxes on Inputs, Materials and Machinery

On the basis of available information, the following programs under relief from duties and taxes on inputs, materials and machinery constitute a financial contribution pursuant to paragraph 2(1.6)(b) of SIMA, i.e., amounts that would otherwise be owing and due to the government are reduced and/or exempted, and confers a benefit to the recipient equal to the amount of the reduction/exemption.

Due to the insufficient information provided by the GOC, there is not sufficient information on the record to determine whether the following programs under relief from duties and taxes on inputs, materials and machinery are specific pursuant to subsection 2(7.2) or subsection 2(7.3) of SIMA; nor is there sufficient information to indicate that the subsidy programs are not specific pursuant to the criteria set out in subsection 2(7.1). On the basis of the available information these programs do not appear to be generally available to all enterprises in China.

The amount of subsidy respecting each of these programs was calculated under ministerial specification pursuant to subsection 30.4(2) of SIMA, by distributing the benefit amount received by the exporter over the total quantity of goods to which the benefit was attributable.

- Program 175: Exemption of Tariff and Import VAT for the Imported Technologies and Equipment
- During the POI, one of the companies received a benefit under this program for importing equipment under the encouragement project.
- Program 176: Relief from Duties and Taxes on Imported Material and Other Manufacturing Inputs
- During the POI, one of the companies received a benefit under this program. The company did not provide any descriptive details of this program.
- Program 177: VAT rebates on domestically produced equipment
- During the POI, one of the companies received a benefit under this program. The company did not provide any descriptive details of this program.
- Program 178: VAT refunds to FIEs purchasing domestically produced equipment
- During the POI, one of the companies received a benefit under this program.
- Criteria set out in the program are as follows:
- The project falls within the encouraged category of the industrial policies on foreign investments. The project ratification conforms to the presently applicable provision of the state on the administration of foreign-funded projects. The contents of application meet the requirements of the project ratification document. The project meets the requirements of other relevant laws and regulations on foreign investments.
- The program was established under the title, “Trial Implementation Measures on Tax Refund Administration for the Purchase of Home-made Equipment for Foreign-funded Projects”.
- Program 181: Import tariff and VAT exemptions for FIEs and certain domestic enterprises using imported equipment in encouraged industries
- During the POI, three of the companies received a benefit under this program.
- Criteria set out in the program are as follows:

The project is in the encouraged category in accordance with Industrial Guidance Catalogue for Foreign Investment. Imported equipment shall be self-owned and auxiliary equipment within the total investment amount. If business scope includes licensed and restricted category, imported equipment within business scope of this category shall not listed in Equipment List.

The program was established under the document titled, “Circular of the State Council on Adjustment of Imported Equipment Taxation Policies GF(1997) No. 37”.

VII. Equity Programs

On the basis of available information, the following equity program constitutes a financial contribution pursuant to paragraph 2(1.6)(a) of SIMA, i.e., a practice of government that involves a direct transfer of funds. These grants confer a direct benefit to the recipient in the form of a grant and the benefit is equal to the amount of the grant provided.

Due to the insufficient information provided by the GOC, there is not sufficient information on the record to determine whether the following program is specific pursuant to subsection 2(7.2) or subsection 2(7.3) of SIMA; nor is there sufficient information to indicate that the subsidy program is not specific pursuant to the criteria set out in subsection 2(7.1). On the basis of the available information this program does not appear to be generally available to all enterprises in China.

The amount of subsidy respecting each of these programs was calculated under ministerial specification pursuant to subsection 30.4(2) of SIMA, by distributing the benefit amount received by the exporter over the total quantity of goods to which the benefit was attributable.

Program 187: Dividend exemption between qualified resident enterprises
During the POI, one company received benefits under this program in accordance with Article 26-2 of the PRC Enterprise Income Tax Law (effective as of January 1, 2008) and Article 83 of the Implementing Regulations of the PRC Enterprise Income Tax Law (effective as of January 1, 2008). Qualified resident enterprises can benefit from the exemption of income tax for the dividend or investment income received from other resident enterprises.

OTHER POTENTIALLY ACTIONABLE SUBSIDY PROGRAMS

The following 124 programs were also included in the current investigation. Questions concerning these programs were included in the RFI sent to the GOC and to all known exporters of the goods in China. The exporters that provided responses to the RFI reported not using these programs during the subsidy POI. Without a complete response to the subsidy RFI from the GOC and all known exporters, the CBSA does not have sufficient information to

determine that any of these programs do not constitute actionable subsidies. In other words, the CBSA does not have sufficient information to determine that any of the following programs should be removed from the investigation for purposes of the final determination.

I. Special Economic Zone (SEZ) and Other Designated Areas Incentives

- Program 2: Fuyang and Hangzhou City Government Grants for Enterprises Operating Technology and Research and Development Centers
- Program 4: Corporate Income Tax Exemption and/or Reduction in SEZs and other Designated Areas
- Program 5: Exemption/Reduction of Special Land Tax and Land Use Fees in SEZs and Other Designated Areas
- Program 6: Income Tax Refund where Profits Re-invested in SEZs and other Designated Areas
- Program 7: Preferential Tax Policies for Enterprises with Foreign Investment (FIEs) Established in Special Economic Zones (excluding Shanghai Pudong Area)
- Program 8: Preferential Tax Policies for FIEs Established in the Coastal Economic Open Areas and in the Economic and Technological Development Zones
- Program 9: Tariff and Value-added Tax (VAT) Exemptions on Imported Materials and Equipment in SEZs and other Designated Areas
- Program 10: Tax concessions for Central and Western regions
- Program 11: Local Income Tax Exemption and/or Reduction in SEZs and other Designated Areas
- Program 12: Preferential Costs of Services and/or Goods Provided by Government or State-owned Enterprises (SOEs) in SEZs and Other Designated Areas
- Program 13: VAT Exemptions for the Central Region

II. Preferential Loans and Loan Guarantees

- Program 14: Loan from Local Finance Bureau
- Program 15: Loans and Interest Subsidies provided under the Northeast Revitalization Program
- Program 16: Policy Lending to Particular Industries
- Program 17: Preferential Loans Characterized as a Lease Transaction
- Program 18: Preferential Loans for SOEs
- Program 19: Debt Forgiveness
- Program 20: Preferential Loans for FIEs

III. Grants and Grant Equivalents

- Program 22: Export Seller's Credit for High- and New-Technology Products by China EMIX Bank
- Program 23: Changzhou Qishuyan District Environmental Protection Fund (Jiangsu)
- Program 24: Changzhou Technology Plan (Jiangsu)
- Program 25: Enterprise Innovation Award of Qishuyan District (Jiangsu)
- Program 27: Environment Protection Award (Jiangsu)
- Program 28: Grant - Jiangsu Province Finance Supporting Fund
- Program 29: "Large and Excellent" Enterprises Grant
- Program 30: "Two New" Product Special Funds of Guangdong Province
- Program 32: Allowance to Pay Loan Interest (Zhongshan City, Guangdong)
- Program 35: Award for Good Performance in Paying Taxes
- Program 38: Business Bureau 2012 Market Monitoring System of Subsidies
- Program 39: Business Development Overseas Support Fund (Foshan)
- Program 40: Circular on Issuance of Management Methods for Foreign Trade Development Support Fund (Support Fund)

- Program 42: Energy Saving Grant 2008
- Program 47: Export Grant 2006, 2007, 2008
- Program 50: Foreign Trade Grant 2008
- Program 51: Fund for SME Bank-Enterprise Cooperation Projects
- Program 52: Funds for Outward Expansion of Industries in Guangdong Province
- Program 53: Funds of Guangdong Province to Support the Adoption of E-Commerce by Foreign Trade Enterprises
- Program 57: Grant - Financial Subsidies from Wei Hai City Gao Cun Town Government
- Program 60: Grant - Policy on Value-added Tax for Recyclable Resources
- Program 62: Grant - Provisional Industry Promotion Special Fund
- Program 66: Grant - Water Pollution Control Special Fund for Taihu Lake
- Program 67: Grant for key enterprises in equipment manufacturing industry of Zhongshan
- Program 68: Grants for Encouraging the Establishment of Headquarters and Regional Headquarters with Foreign Investment
- Program 70: Grants to Privately-Owned Export Enterprises
- Program 71: Grants Under Regulations for Export Product Research and Development Fund Management
- Program 72: Grants under the Science and Technology programme of Hebei Province
- Program 73: Grants under the Science and technology programme of Jiangsu Province
- Program 74: Guangdong - Hong Kong Technology Cooperation Funding Scheme
- Program 75: Guangdong Supporting Fund
- Program 77: Hangzhou City Government Grants Under the Hangzhou Excellent New Products/Technology Award
- Program 79: Important Structural Adjustment Program of Jiangsu Province

- Program 80: Initial Public Offering (IPO) Grants from the Hangzhou Prefecture and the City of Fuyang
- Program 81: Innovative Experimental Enterprise Grant
- Program 82: Innovative Small and Medium-Sized Enterprise Grants
- Program 83: Interim Measures of Fund Management of Allowance for Zhongshan Enterprises to Attend Domestic and Overseas Fair (Zhongshan)
- Program 84: International Market Fund for Small- and Medium-sized Export Companies) [Matching Funds for International Market Development for SMEs]
- Program 85: Jiangxi Provincial Bulk Cement Special Fund: Transformation of Bulk Cement Facilities and Equipment
- Program 86: Jiangxi Provincial Environmental Protection Special Fund
- Program 87: Jiangxi Provincial Wall Material Renovation Special Fund: Special Subsidies for New Wall Materials
- Program 91: Modern Service Grant
- Program 93: Municipal Government - Export Grant
- Program 94: Municipal Government - Insurance Fee Grant
- Program 95: National Environmental Protection and Resources Saving Program: Grants for the Optimization of Energy Systems
- Program 96: National Innovation Fund for Technology Based Firms
- Program 97: Outstanding Growth Private Enterprise and Small- and Medium-sized Enterprises Development in Jiangyin Fund
- Program 98: Patent award in Guangdong province
- Program 99: Pension Fund Grants
- Program 100: Product Quality Grant
- Program 101: Provincial Fund for Fiscal and Technological Innovation
- Program 103: Provincial Loan Discount Special Fund for SMEs

- Program 105: Refund from Government for Participating in Trade Fair (Foshan)
- Program 106: Reimbursement of Anti-dumping and/or Countervailing Legal Expenses by the Local Governments
- Program 107: Reimbursement of Foreign Affairs Services Expenses (Foshan)
- Program 108: Repaying Foreign Currency Loan by Returned VAT
- Program 111: Small and Medium-sized Enterprise Support Funds
- Program 112: Special Fund for Significant Science and Technology in Guangdong Province
- Program 113: Special Support Fund for Non-State-Owned Enterprises
- Program 116: Subsidy for Promoting Energy-saving Buildings
- Program 117: Subsidy for the Technology Development
- Program 118: Superstar Enterprise Grant
- Program 119: Support Funds for Construction of Project Infrastructure Provided by Administration Commission of Lianyungang Economic and Technological Development Zone (LETDZ)
- Program 120: Supporting Fund for Non-refundable Export Tax Loss on Mechanical & Electrical Product and High-tech Product
- Program 121: Taxpayer Grant
- Program 122: Technical Renovation Loan Interest Discount Fund
- Program 124: Technology to Improve Trade R&D Fund
- Program 125: The State key technology project fund
- Program 126: Venture Investment Fund of Hi-Tech Industry
- Program 128: Water Fund Refund/Exemption 2008
- Program 132: Financial Assistance for an Overseas Market Survey
- Program 134: Fund for Supporting Strategic Emerging Industries by Guangdong Governments

- Program 136: Medium Size and Small Size Trading Enterprises Development Special Fund
- Program 138: Special Supporting Fund for Key Projects of “500 Strong Enterprises in Contemporary Industries” by Guangdong Governments
- Program 139: Stamp Tax Exemption on Share Transfers under Non-tradable Share Reform
- Program 140: Supporting Fund for Becoming Publicly Listed Company
- Program 141: Supporting Fund for the “Working Capital” Loan Interest
- Program 142: Supporting Fund for the Development from Guangzhou Local Governments
- Program 143: Foreign Trade Development Fund Program - VAT Refunds
- Program 145: Special Energy Fund
- Program 147: Grants for “International Top 500 Enterprises”
- Program 148: Foreign Trade Development Fund of Old Industrial Bases of Northeast China
- Program 149: New Product Award

IV. Preferential Income Tax Programs

- Program 152: Deed Tax Exemptions For Land Transferred through Merger or Restructuring
- Program 153: Income tax concessions for the enterprises engaged in the comprehensive resource utilisation (‘special raw materials’)
- Program 155: Income Tax Refund for Re-investment of FIE Profits by Foreign Investors
- Program 156: Local income tax exemption and reduction programmes for the productive FIEs
- Program 157: Municipal Government - Preferential Tax Program
- Program 159: Preferential income tax policies for particular regions
- Program 160: Preferential Tax Policies for Domestic Enterprises Purchasing Domestically Produced Equipment for Technology Upgrading Purpose

- Program 161: Preferential Tax Policies for FIEs and Foreign Enterprises Which Have Establishments or Places in China and are Engaged in Production or Business Operations Purchasing Domestically Produced Equipment
- Program 162: Preferential Tax Policies for FIEs which are Technology Intensive and Knowledge Intensive
- Program 163: Preferential Tax Policies for Foreign Invested Export Enterprises
- Program 166: Preferential Tax Programs for Encouraged Industries or Projects
- Program 167: Accelerated Depreciation on Fixed Assets
- Program 169: Various local tax discounts (Shandong Province, Chongqing City, Guangxi Region Zhuang, Tax privileges to develop central and western regions)
- Program 170: VAT and Income Tax Exemption/Reduction for Enterprises Adopting Debt-to-Equity Swaps

V. Relief from Duties and Taxes on Inputs, Materials and Machinery

- Program 179: VAT deduction on fixed assets in the Central region
- Program 180: Income tax credit for the purchase of domestically manufactured production equipment

VI. Goods/Services Provided by the Government at Less Than Fair Market Value

- Program 182: Acquisition of Government Assets at Less than Fair Market Value
- Program 183: Export Restrictions on raw materials (e.g. Coke)
- Program 184: Input Materials Provided by Government at Less than Fair Market Value
- Program 185: Utilities Provided by Government at Less than Fair Market Value

VII. Equity Programs

- Program 186: Debt-to-Equity Swaps
- Program 188: Equity Infusions
- Program 189: Unpaid Dividends

APPENDIX 3 – DUMPING AND SUBSIDY REPRESENTATIONS

Case briefs were received on behalf of the complainants⁴⁵, the Government of China⁴⁶, and the following exporters and importers:

- Canadian Solar Manufacturing (Changshu) Inc. & Canadian Solar International Limited (CSM)⁴⁷
- Changzhou Trina Solar Energy Co. Ltd. & Trina Solar (Canada) (Trina)⁴⁸
- Hefei JA Solar Technology Co., Ltd. (JA Hefei)⁴⁹
- Jinko Solar Co., Ltd., Zhejiang Jinko Solar Co., Ltd. and Jinko Canada Co., Ltd. (Jinko)⁵⁰

Reply submissions were received on behalf of the complainants⁵¹, the Government of China⁵², and the following exporters:

- Changzhou Trina Solar Energy Co. Ltd. & Trina Solar (Canada) (Trina)⁵³
- Hefei JA Solar Technology Co., Ltd.⁵⁴
- Jinko Solar Co., Ltd., Zhejiang Jinko Solar Co., Ltd. and Jinko Canada Co., Ltd. (Jinko)⁵⁵

Following each representation listed in this section is a response explaining the position of the CBSA. Since there are at times common positions from multiple parties, the CBSA may make specific reference to only one or two parties when documenting the issue raised.

Given that the CBSA's final determinations supersede any decision made at the preliminary determination stage of the investigation, the CBSA will only address issues raised within the context of the preliminary determinations to the extent that these issues carry relevance for the final determinations.

Certain details provided in case arguments and reply submissions were qualified as confidential information by the submitting counsel. Consequently, this public *Statement of Reasons* does not disclose or discuss parts of representations where such a designation has protected those particulars.

⁴⁵ Dumping Exhibit 255 (NC) – Case brief – Complainants

⁴⁶ Dumping Exhibit 257 (NC) – Case brief – Government of China

⁴⁷ Dumping Exhibit 263 (NC) – Case brief – Canadian Solar

⁴⁸ Dumping Exhibit 261 (NC) – Case brief – Trina

⁴⁹ Dumping Exhibit 259 (NC) – Case brief – JA Solar

⁵⁰ Dumping Exhibit 256 (NC) – Case brief – Jinko Entities

⁵¹ Dumping Exhibit 271 (NC) – Reply brief – Complainants

⁵² Dumping Exhibit 272 (NC) – Reply brief – Government of China

⁵³ Dumping Exhibit 269 (NC) – Reply brief – Trina

⁵⁴ Dumping Exhibit 267 (NC) – Reply brief – JA Solar

⁵⁵ Dumping Exhibit 272 (NC) – Reply brief – Jinko Entities

Representations

The CBSA's International Obligations

Counsel for the GOC and certain exporters have made representations identifying the CBSA's obligations under the WTO's *Anti-Dumping Agreement* and *Agreement on Subsidies and Countervailing Measures (ASCM)* as it relates to both the procedures and methodologies employed in the respective anti-dumping and countervailing investigations. In identifying these obligations, counsel have alleged a number of CBSA violations of these agreements including, but not limited to, the CBSA's determination that the GOC's response to the subsidy RFI was incomplete.⁵⁶

CBSA Response:

The CBSA acknowledges its obligations under the WTO Agreements and has met the standards set forth in both the *Anti-Dumping Agreement* and the *Agreement on Subsidies and Countervailing Measures*.

The CBSA administers the relevant Canadian legislation, namely the *Special Import Measures Act (SIMA)*. The CBSA's anti-dumping and countervailing investigations were conducted in accordance with the SIMA.

With respect to the the CBSA's determination that the GOC's response to the subsidy RFI was incomplete, the CBSA found that the GOC's response was limited in scope and questions were answered only in reference to responding exporters rather than all exporters from China. The GOC did not provide information for subsidy programs which were not already identified by exporters who provided sufficient information in response to the exporter subsidy RFI.

The CBSA's Process and GOC Involvement

Counsel for the GOC has made representations regarding the CBSA's investigations process and the GOC's involvement. The GOC has argued that "the conduct of this investigation by the CBSA, including its refusal to grant reasonable extension requests, its refusal to consider relevant evidence submitted by the GOC and its continued and persistent failure to provide even basic particulars concerning numerous alleged subsidy programs it is investigating has violated the GOC's right to procedural fairness under both Canadian domestic law and under the ASCM and the WTO *Anti-dumping Agreement*".⁵⁷

⁵⁶ Dumping Exhibit 257 (NC) – Case brief – Government of China; Dumping Exhibit 263 (NC) – Case brief – Canadian Solar; Dumping Exhibit 261 (NC) – Case brief – Trina; Dumping Exhibit 259 (NC) – Case brief – JA Solar; Dumping Exhibit 256 (NC) – Case brief – Jinko Entities.

⁵⁷ Subsidy Exhibit 252 (NC) – Case brief – Government of China.

CBSA Response:

The CBSA does not believe that its denial of the deadline extension request from the GOC in respect of its RFI responses in any way denied the GOC its right to meaningfully participate in the investigations. The CBSA provided the GOC with 30 days from the date of receipt of the RFI, which is deemed to be seven days from the date it was sent, to respond to the RFI. In addition, the CBSA afforded the GOC the opportunity to submit information right up until the close of the record, provided that there was sufficient time to analyze the information. The close of the record was April 23, 2015, which is far beyond the RFI deadline of January 12, 2015. This is consistent with the CBSA's handling of similar requests in other investigations involving the GOC.⁵⁸

In no way did the CBSA prevent the GOC from participating in the investigations. There was ample time to submit a complete response to the RFI in advance of the close of the record, which was April 23, 2015. The information requested by the CBSA in these RFIs was relevant to the proceedings and the subsequent responses from the GOC fell substantially short of the fulsome responses required.

The alleged programs at initiation, with a few exceptions, were identified by the CBSA in previous investigations. The GOC was notified that Chinese exporters had received subsidies under these programs in previous investigations involving other products. The CBSA considers that the GOC has had ample opportunities to research those programs.

The CBSA has considered all information on the record, including the information provided by the GOC in response to the CBSA's government section 20 and subsidy RFIs.

The application of section 20 of SIMA

Counsel for the complainants, certain exporters, and the GOC made arguments regarding the application of section 20 of SIMA. Counsel for the GOC and certain exporters argued that the evidence on the record supports the determination by the President that section 20 of SIMA should not be applied.⁵⁹ The complainants argued that the conditions described in paragraph 20(1)(a) of SIMA are present in the solar sector in China, and that the evidence on the record is demonstrative of this fact.⁶⁰

⁵⁸ Subsidy Exhibit 158(NC) - Notice of Preliminary Determinations - Government of China

⁵⁹ Dumping Exhibit 257 (NC) – Case brief – Government of China; Dumping Exhibit 263 (NC) – Case brief – Canadian Solar; Dumping Exhibit 261 (NC) – Case brief – Trina; Dumping Exhibit 259 (NC) – Case brief – JA Solar; Dumping Exhibit 256 (NC) – Case brief – Jinko Entities.

⁶⁰ Dumping Exhibit 255 (NC) – Case brief – Complainants

The GOC and certain exporters made representations concerning the CBSA's domestic price and government control analysis contained in the *Preliminary Determination Statement of Reasons* and the CBSA's *Preliminary Determination Section 20 Memorandum*.⁶¹

In general, with respect to the CBSA's section 20 analysis at the preliminary determination, the GOC noted:

The section 20 finding in the present case greatly resembles section 20 findings in previous cases. The GOC respectfully submits that the PD and other recent findings are similar in their approach to the section 20 analysis and the CBSA's approach has been consistently wrong.⁶²

Specifically, with respect to the CBSA's section 20 domestic price analysis, the GOC argued:

It is not sufficient for the CBSA to observe lower prices in the export market for a section 20 finding to be made. There must be a demonstrable causal link between government measures and lower prices. The PD SOR fails to make any coherent, logical link between specific GOC measures and any related, measureable impact on prices.⁶³

The GOC and certain exporters also made arguments regarding the CBSA's analysis of certain industrial plans. With respect to the CBSA's analysis of certain industrial plans, the GOC noted:

The CBSA relied solely on the complainant's evidence and refused to consider any of the extensive evidence filed by the GOC in its response to the section 20 RFI. As set out in correspondence to the GOC and in more detail below, failing to consider this evidence was an error and a breach of procedural fairness under Canadian law, as well as a breach of Canada's WTO obligations.⁶⁴

In case and reply briefs the complainants made submissions which allege that the conditions described in section 20 of SIMA are present in the solar sector in China. In support of this position, counsel for the complainants referenced information on the record, including the GOC's government section 20 RFI response.⁶⁵

⁶¹ *Supra* note 57

⁶² Dumping Exhibit 257 (NC) – Case brief – Government of China, para 29

⁶³ *Ibid*, para 127

⁶⁴ *Ibid*, para 74

⁶⁵ Dumping Exhibit 255 (NC) – Case brief – Complainants; Dumping Exhibit 271 (NC) – Reply brief – Complainants.

CBSA Response:

The CBSA has undertaken extensive research into the GOC's involvement in the solar sector, which includes photovoltaic modules and laminates. Contrary to the GOC's assertion that the CBSA only considered evidence provided by the complainants, the CBSA would note that all information on the record, including the RFI responses of the GOC and exporters, has been considered for the purposes of the final determination. The CBSA has also considered the representations made by interested parties.

Based on information on the record and in accordance with the provisions of SIMA, the President formed the opinion that domestic prices in the solar sector in China, which includes photovoltaic modules and laminates, are substantially determined by the GOC and there is sufficient reason to believe that the domestic prices are not substantially the same as they would be in a competitive market.

Further explanation of the CBSA's position regarding its section 20 opinion can be found in the "Section 20 Inquiry" portion of this document.

The use of Bloomberg New Energy Finance Information to Determine Normal Values

Counsel for the complainants and certain exporters have made representations regarding the use of information from the publication *Bloomberg New Energy Finance* as the basis for estimating normal values for the purposes of the preliminary determination. Further, these parties have made representations concerning the CBSA's potential use of this information to determine normal values for the purposes of the final determination.⁶⁶

Counsel for certain exporters have made submissions concerning the reliability of the information provided by the Bloomberg publication. Among other things, counsel has pointed to the disclaimer included in the publication and alleged that this demonstrates that this information is unreliable.⁶⁷

The complainants have argued that the information provided by the publication *Bloomberg New Energy Finance* is reliable and accurate.⁶⁸ Further, the complainants have noted, "published pricing methodology has previously been used by CBSA to establish normal values".⁶⁹

⁶⁶ *Supra* note 57; Dumping Exhibit 255 (NC) – Case brief – Complainants; Dumping Exhibit 271 (NC) – Reply brief – Complainants.

⁶⁷ Dumping Exhibit 256 (NC) – Case brief – Jinko Entities

⁶⁸ Dumping Exhibit 255 (NC) – Case brief – Complainants, para 34

⁶⁹ *Ibid*, para 35

CBSA Response:

For the purposes of the final determination, the President has formed the opinion that the conditions of paragraph 20(1)(a) of SIMA exist in the solar sector, which includes photovoltaic modules and laminates, in China.

The CBSA did not receive sufficient information to allow for normal values to be determined pursuant to paragraph 20(1)(c) or paragraph 20(1)(d) of SIMA. Therefore, since sufficient information is not available to the CBSA to determine normal values using either of these two methods, normal values were determined under section 29 of SIMA as previously explained.

The CBSA has considered the representations made by interested parties and is of the opinion that the monthly cost build up information, including the amounts for profits, as provided by the publication *Bloomberg New Energy Finance*, constitutes the best available information for the purposes of determining normal values.

Further explanation with respect to the CBSA's determination of normal values, export prices and margin of dumping can be found in the *Dumping Investigation* section of this document.

Methodology Used to Determine the Amount for Profit for Purposes of the Section 25 Export Price Calculations

Counsel for the complainants and certain exporters made representations regarding the CBSA's determination of the amount for profit used in the calculation of export prices pursuant of paragraph 25(1)(c) of SIMA.⁷⁰ In some instances counsel for certain exporters made representations based on an attempt to reconstruct the amount for profit calculated by the CBSA, and used for the purposes of the preliminary determination.⁷¹

Counsel for certain exporters have proposed alternative methodologies for determining an amount for profit for the purposes of section 25 export price calculations. Counsel for Trina has argued that the use of Trina Solar Canada's actual amount for profit would be more representative of the profit on selling modules in Canada.⁷² Counsel for Jinko proposed a "nominal amount for profit" but did not provide any supporting information.⁷³

⁷⁰ Dumping Exhibit 255 (NC) – Case brief – Complainants; Dumping Exhibit 263 (NC) – Case brief – Canadian Solar; Dumping Exhibit 261 (NC) – Case brief – Trina; Dumping Exhibit 259 (NC) – Case brief – JA Solar; Dumping Exhibit 256 (NC) – Case brief – Jinko Entities.

⁷¹ Dumping Exhibit 256 (NC) – Case brief – Jinko Entities, para 167-173

⁷² Dumping Exhibit 261 (NC) – Case brief – Trina, para 17

⁷³ Dumping Exhibit 256 (NC) – Case brief – Jinko Entities, para 167-177

Counsel for certain exporters also made reference to the Federal Court of Appeal (FCA) decision in *Hyundai Heavy Industries Co. Vv. ABB Inc. Et. Al.* Counsel for Jinko noted that “the facts in this dumping investigation are similar to *Hyundai*” and that “the CBSA should be careful to not double count profit”.⁷⁴

CBSA Response:

The CBSA determined an amount for profit from sales of like goods in Canada by vendors at substantially the same trade level as the importer pursuant to paragraph 22(a) of the SIMR for the purposes of determining export prices pursuant to paragraph 25(1)(c) of SIMA.

The CBSA has determined the amount for profit in the manner prescribed in paragraph 22(a) of the SIMR, based on the financial information relating to the vendors that operated at a profit during the POI. These vendors are Canadian Solar Solutions, Heliene Inc., Silfab Ontario Inc. and Trans Canada Energies. The amount for profit is calculated to be 15.1%.

Regarding the methodologies proposed by counsel for certain exporters, the CBSA finds that these methodologies are not consistent with the conditions described in paragraph 22(a) of the SIMR.

With respect to references made to the FCA decision in *Hyundai Heavy Industries Co. Vv. ABB Inc. Et. Al.*, the CBSA is of the opinion that the amount for profit determined in accordance with paragraph 22(a) of the SIMR is consistent with this decision.

Double Counting in Relation to Dumping Margins and Domestic Subsidies

Counsel for the GOC and certain exporters submitted that the dual imposition of anti-dumping duties and countervailing duties on goods exported from a non-market economy, where normal values have been established based on surrogate sales or cost data that is not reflective of the effects of domestic subsidization which are reflected in export prices, results in double counting. Counsel argues that this double counting is in violation of international obligations and has the effect of levying excessive duties.⁷⁵

CBSA Response:

The CBSA would like to emphasize that the Appellate Body’s decision in DS379 does not preclude the concurrent application of anti-dumping and countervailing duties where non-market economy dumping methodologies are used.

⁷⁴ Dumping Exhibit 256 (NC) – Case brief – Jinko Entities, para 177

⁷⁵ Dumping Exhibit 263 (NC) – Case brief – Canadian Solar; Dumping Exhibit 259 (NC) – Case brief – JA Solar; Dumping Exhibit 256 (NC) – Case brief – Jinko Entities; Dumping Exhibit 257 (NC) – Case brief – Government of China.

Exporter and Importer Specific Representations

The president has formed the opinion that the conditions of section 20 exist in the solar sector in China and, as described in the “Normal Values, Export Prices and Margins of Dumping” section of this document, the CBSA has determined normal values pursuant to a ministerial specification. As such, the CBSA will not respond to exporter specific representations which would not be applicable in light of the ministerial specification.

Representations concerning issues which are addressed earlier in this section will not be replicated below.

Jinko

Counsel for Jinko made representations regarding the general, selling and administrative expenses (GS&A) used in the determination of export prices pursuant to paragraph 25(1)(c). Counsel argued that the CBSA did not use the correct GS&A for Jinko Canada and provided a revised calculation.⁷⁶

CBSA Response:

The CBSA considered the information provided by counsel for Jinko. However, the information on which these adjustments are based was provided on the day of the closing of the record and after on-site verification and therefore could not be verified by the CBSA. As a result, the CBSA could not make adjustments to the export price deductions.

Trina

Counsel for Trina made representations regarding the CBSA’s use of Trina Canada’s overall GS&A as a deduction for determining export price pursuant to paragraph 25(1)(c) of SIMA. Counsel argued that Trina Canada’s overall GS&A should not be used and that the only deductions should be for domestic freight and storage expense.⁷⁷

CBSA Response:

To determine the export price pursuant to paragraph 25(1)(c) of SIMA, the CBSA deducted all costs incurred on or after importation of the goods as well as all costs resulting from the sale of the goods, as described in subparagraph 25(1)(c)(i).

The CBSA is of the opinion that Trina Canada’s overall GS&A expense represents a cost as described in subparagraph 25(1)(c)(i).

⁷⁶ Dumping Exhibit 256 (NC) – Case brief – Jinko Entities

⁷⁷ Dumping Exhibit 261 (NC) – Case brief – Trina