**CSWP3 2018 IN** 

OTTAWA, August 3, 2018

# STATEMENT OF REASONS

Concerning the initiation of an investigation into the dumping of

CARBON STEEL WELDED PIPE FROM PAKISTAN, THE PHILIPPINES, TURKEY AND VIETNAM

# **DECISION**

Pursuant to subsection 31(1) of the *Special Import Measures Act*, the Canada Border Services Agency initiated an investigation on July 20, 2018, respecting the alleged injurious dumping of certain carbon steel welded pipe from Pakistan, the Philippines, Turkey and Vietnam.

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



# TABLE OF CONTENTS

SUMMARY	1
INTERESTED PARTIES	1
COMPLAINANT	1
TRADE UNION	
EXPORTERS	
IMPORTERS	
GOVERNMENTS	3
PRODUCT INFORMATION	3
DEFINITION	3
ADDITIONAL PRODUCT INFORMATION	4
PRODUCTION PROCESS	
PRODUCT USE	5
CLASSIFICATION OF IMPORTS	5
LIKE GOODS AND SINGLE CLASS OF GOODS	
THE CANADIAN INDUSTRY	
STANDING	
CANADIAN MARKET	
EVIDENCE OF DUMPING	
NORMAL VALUES	
EXPORT PRICE	13
ESTIMATED MARGINS OF DUMPING	
SECTION 20 INQUIRY	14
EVIDENCE OF INJURY	
PRICE UNDERCUTTING	
PRICE SUPPRESSION	
LOST SALES	17
UNDERUTILIZATION OF CAPACITY	18
IMPACTED FINANCIAL RESULTS	
CBSA's Conclusion – Injury	
THREAT OF INJURY	
VOLUME AND PRICING OF SUBJECT GOOD IMPORTS	19
PERSISTING IMBALANCES IN THE GLOBAL STEEL INDUSTRY	
GLOBAL OVERCAPACITY	20
CANADIAN MARKET CONDITIONS	
SUBJECT COUNTRY MARKET CONDITIONS	
PROLIFERATION OF TRADE MEASURES	
CBSA's CONCLUSION = THREAT OF INJURY	
CAUSAL LINK – DUMPING AND INJURY	
CONCLUSION	
SCOPE OF THE INVESTIGATION	
FUTURE ACTION	
RETROACTIVE DUTY ON MASSIVE IMPORTATIONS	
UNDERTAKINGS	
PUBLICATION	24
INFORMATION	24

#### **SUMMARY**

- [1] On May 31, 2018, the Canada Border Services Agency (CBSA) received a written complaint from Novamerican Steel Inc. on behalf of its subsidiaries Nova Tube Inc. and Nova Steel Inc. (collectively, "Nova") (hereinafter, "the complainant"), alleging that imports of certain carbon steel welded pipe (CSWP) from the Islamic Republic of Pakistan (Pakistan), the Republic of the Philippines (the Philippines), the Republic of Turkey (Turkey) and the Socialist Republic of Vietnam (Vietnam) (hereafter "the named countries") are being dumped. The complainant alleged that the dumping has caused injury and is threatening to cause injury to the Canadian industry producing like goods.
- [2] On June 21, 2018, pursuant to paragraph 32(1)(a) of the *Special Import Measures Act* (SIMA), the CBSA informed the complainant that the complaint was properly documented. The CBSA also notified the governments of Pakistan, the Philippines, Turkey and Vietnam that a properly documented complaint had been received.
- [3] The complainant provided evidence to support the allegations that CSWP from the named countries has been dumped. The evidence also discloses a reasonable indication that the dumping has caused injury and is threatening to cause injury to the Canadian industry producing like goods.
- [4] On July 20, 2018, pursuant to subsection 31(1) of SIMA, the CBSA initiated an investigation respecting the dumping of CSWP from Pakistan, the Philippines, Turkey and Vietnam.

## **INTERESTED PARTIES**

#### Complainant

- [5] Nova was founded in 1979 in Montreal, Quebec as a single location steel processing company. Nova has since grown to include nine locations across North America.
- [6] Nova operates CSWP manufacturing facilities in Montreal and Baie D'Urfé, Quebec. Nova is a producer of CSWP in Canada and accounts for a major proportion of the total domestic production of like goods.

[7] The contact information of the complainant is as follows:

Novamerican Steel Inc. 6001 rue Irwin Montréal, QC H8N 1A1

[8] The other manufacturers of like goods in Canada are: Atlas Tube Canada ULC (Atlas), Bolton Steel Tube Co., Ltd. (Bolton), DFI Corporation (DFI), Evraz Inc. NA Canada (Evraz), Quali-T-Tube Inc. (Quali-T), Tenaris Canada (Tenaris) and Welded Tube of Canada (Welded Tube). Contact information for these manufacturers is as follows:

Company Name	Address
	200 Clark Street
Atlas	Harrow, Ontario
	N0R 1G0
Bolton	455A Piercey Road
	Bolton, Ontario
	L7E 5B8
DFI	2404 -51 Avenue
	Edmonton, Alberta
	T6P 0E4
	200 East Randolph Drive, Suite 7800
Evraz (Headquarters)	Chicago, IL
	60601
Quali-T	22, boul. De l'Aéroport
	Bromont, Quebec
	J2L 1S6
Tenaris	400, 530 – 8th Avenue SW
	Calgary, Alberta
	T2P 3S8
Welded Tube	111 Rayette Road
	Concord, Ontario
	L4K 2E9

#### Trade Union

[9] The complainant identified one trade union that represents persons employed in the production of CSWP in Canada:

United Steelworkers Canada 393 Portneuf Longueuil, Québec J4L 1E5

#### **Exporters**

- [10] The CBSA identified 60 potential exporters of the subject goods from CBSA import documentation and from information submitted in the complaint. All of the potential exporters were asked to respond to the CBSA's Dumping Request for Information (RFI).
- [11] With respect to Vietnam, the complainant alleged that the conditions of section 20 of SIMA exist and that the CBSA should conduct a section 20 inquiry. On July 20, 2018, the CBSA included in its investigation, a section 20 inquiry in order to determine whether the conditions set forth in paragraph 20(1)(a) of SIMA prevail in the carbon steel welded pipe sector in Vietnam. Potential exporters located in Vietnam were therefore also asked to respond to the CBSA's Section 20 RFI.

#### **Importers**

[12] The CBSA identified 26 potential importers of the subject goods from CBSA import documentation and from information submitted in the complaint. All of the potential importers were asked to respond to the CBSA's Importer RFI.

#### Governments

- [13] Upon initiation of this investigation, the Government of Vietnam (GOV) was sent the CBSA's Government Section 20 RFI.
- [14] For the purposes of this investigation, the GOV 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.

#### **PRODUCT INFORMATION**

#### **Definition**

[15] For the purpose of this investigation, subject goods are defined as:

Carbon steel welded pipe, commonly identified as standard pipe, in the nominal size range from ½ inch up to and including 6 inches (12.7 mm to 168.3 mm in outside diameter) inclusive, in various forms and finishes, usually supplied to meet ASTM A53, ASTM A135, ASTM A252, ASTM A589, ASTM A795, ASTM F1083 or Commercial Quality, or AWWA C200-97 or equivalent specifications, including water well casing, piling pipe, sprinkler pipe and fencing pipe, but excluding oil and gas line pipe made to API specifications exclusively, originating in or exported from the Islamic Republic of Pakistan, the Republic of the Philippines, the Republic of Turkey and the Socialist Republic of Vietnam.

## **Additional Product Information**

- [16] Steel pipe is generally classified into the following groups according to its end uses: CSWP (or standard pipe), pressure pipe, line pipe, structural pipe, mechanical pipe and oil country tubular goods ("OCTG"). The products within the scope of this definition are commonly referred to within the industry as "CSWP".
- [17] CSWP is generally produced to various industry standards such as American Society for Testing and Materials (ASTM) A53, ASTM A135, ASTM A252, ASTM A589, ASTM A795, ASTM F1083, Commercial Quality and American Water Works Association (AWWA) Standard C200-97. CSWP may also be produced to proprietary specifications rather than to an industry standard, as is often the case with fence tubing or to foreign specifications. For example, imported CSWP may be produced to British Standard ("BS") 1387 or BS EN 10255.

#### **Production Process**

- [18] Production begins with steel sheet that is cast into a more workable starting form. The steel edges are then forced together and sealed by a weld to produce a CSWP. The following provides more detailed information on the production process of CSWP.
- [19] Coils of flat hot-rolled steel sheet are uncoiled and slit. That slit steel is then passed through a series of rollers that form the shape of the pipe.
- [20] CSWP is produced in mills using either the electric resistance weld ("ERW") process or the continuous weld ("CW") process. Both processes begin with strips of steel sheet that have been slit from coils of flat hot-rolled steel sheet. The width of the slit strips is equal to the circumference of the pipe to be produced.
- [21] In the ERW process, cold strips of sheet are passed through a series of rollers to form a tubular shape, and the edges of the strip are heated electrically and welded together under heat and pressure. This welding process produces a bead of "flash" which is generally trimmed from both sides of the weld.
- [22] In the CW process, the strips of sheet are heated in a gas-fired furnace. The hot strips are then passed through a series of rollers to form a tubular shape. The edges are then pressed together under pressure to form a weld.
- [23] CSWP can also be produced using a hot-stretch reduction process. Pipe shells are first produced using the ERW process. The shells are then heated and are passed through a stretch reduction mill. The stretch reduction process reduces the outside diameter of the pipe and can be used to change the thickness of the pipe walls.
- [24] Nova produces CSWP using the ERW process.

- [25] Once the basic pipe is formed using these processes, it is cut to length, straightened and tested. The ends of the pipe may be processed in a variety of ways, including cropping, facing and reaming, threading, coupling, rolling and/or cut grooving. Finishes may also be applied to the surface of the pipe such as lacquer (black) or zinc (galvanizing), depending on the intended application of the pipe. Other finishing operations include stencilling and bundling of the pipe.
- [26] The size of a pipe is generally specified by two values: a nominal pipe size ("NPS") and a schedule. For pipe in the range of diameters included in the subject goods, the NPS relates loosely to the inside diameter. The schedule relates to the wall thickness. For a given NPS, the wall thickness increases with larger schedules. For example, pipe in an NPS size of 1 inch ("NPS 1") meeting the requirements of specification ASTM A53, Schedule 40, has an outside diameter of 1.315 inches (3.34 cm) and a wall thickness of 0.133 inches (0.338 cm). Pipe in an NPS size of 1 meeting the requirements of specification ASTM A53, Schedule 80, also has an outside diameter of 1.315 inches (3.34 cm), but has a wall thickness of 0.179 inch (0.455 cm). Common schedules for CSWP are 10, 40 and 80.

#### **Product Use**

[27] CSWP applications include the low-pressure conveyance of water, steam, natural gas, air and other liquids and gases in plumbing and heating systems, air conditioning units, automatic sprinkler systems and other related uses. CSWP may also be used for light load-bearing and mechanical applications such as for fence tubing, and as an intermediate product for protection of electrical wiring, such as conduit shells.

# **Classification of Imports**

[28] Prior to January 1, 2017, the allegedly dumped goods were normally classified under the following tariff classification numbers:

7306.30.00.14	7306.30.00.19
7306.30.00.24	7306.30.00.29
7306.30.00.34	7306.30.00.39

[29] Beginning January 1, 2017, under the revised customs tariff schedule, subject goods are normally classified under the following tariff classification numbers:

7306.30.00.10 7306.30.00.20 7306.30.00.30

[30] The listing of tariff classification numbers is for convenience of reference only. The tariff classification numbers include non-subject goods. Also, subject goods may fall under tariff classification numbers that are not listed. Refer to the product definition for authoritative details regarding the subject goods.

## **LIKE GOODS AND SINGLE CLASS OF GOODS**

- [31] 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 any identical goods, goods the uses and other characteristics of which closely resemble those of the other goods.
- [32] In considering the issue of like goods, the Canadian International Trade Tribunal (CITT) typically looks at a number of factors, including the physical characteristics of the goods (such as composition and appearance) their market characteristics (such as substitutability, pricing, distribution channels and end uses), and whether the domestic goods fulfill the same customer needs as the subject goods.
- [33] The complainant stated that domestically produced CSWP are like goods in relation to the subject goods as the domestically produced CSWP and the subject goods are commodity products that compete directly in the Canadian market place, through the same channels of distribution, and are fully interchangeable. Further, the complainant submits that the subject goods constitute a single class of goods. The complainant cited CITT decisions in CSWP I and II to support this position.<sup>1</sup>
- [34] After considering questions of use, physical characteristics and all other relevant factors, the CBSA is of the opinion that the domestically produced CSWP, that is of the same description as the subjects goods, is like goods to the subject goods and further, that the subject goods and like goods constitute only one class of goods.

# THE CANADIAN INDUSTRY

- [35] The complaint includes data on domestic production and on domestic sales of CSWP for domestic consumption.
- [36] The complaint contains letters of support from Atlas, Bolton, DFI, Evraz, Quali-T, Tenaris and Welded Tube.<sup>2</sup>
- [37] The complainant and the other supporting producers account for all known domestic production of like goods.

<sup>&</sup>lt;sup>1</sup> Canadian International Trade Tribunal Injury Inquiry nos. NQ-2008-001 and NQ-2012-003; Expiry Review no. RR-2012-003.

<sup>&</sup>lt;sup>2</sup> Exhibit 2 (NC) – CSWP Complaint – Attachment 4.

#### Standing

- [38] Subsection 31(2) of SIMA requires that the following conditions for standing be met in order to initiate an investigation:
  - a. the complaint is supported by domestic producers whose production represents more than 50% of the total production of like goods by those domestic producers who express either support for or opposition to the complaint; and
  - b. the production of the domestic producers who support the complaint represents 25% or more of the total production of like goods by the domestic industry.
- [39] As the complaint is supported by all known producers of like goods in Canada, the CBSA is satisfied that the standing requirements pursuant to subsection 31(2) of SIMA have been met.

#### **CANADIAN MARKET**

- [40] The complaint includes the annual production of like goods for the complainant and Bolton, as well as estimates for the other domestic producers for the period of 2015 through the first quarter of 2018 (Q1 2018).
- [41] The complainant, using Statistics Canada data, estimated the total volume of imports of CSWP originating from all countries for the period of 2015 through Q1 2018. The complainant submitted that the amalgamation of certain tariff classification numbers in 2017 caused the tariff codes relevant to CSWP to include other non-subject goods, such as hollow structural sections and mechanical tubing. The complainant suggests that this has had the most significant impact on volumes reportedly coming from the United States (U.S.). As such, the complainant made adjustments to the U.S. import volumes reported under the relevant tariff classification codes for 2017 and Q1 2018 in an effort to remove non-subject goods.<sup>3</sup>
- [42] The CBSA conducted an analysis of imports of CSWP based on actual import documentation and based on commercial intelligence provided by the complainant.
- [43] A review of CBSA import data demonstrated trends similar to those provided in the complaint with respect to the relative proportion of subject goods imported from each of the named countries. The CBSA notes there are discrepancies in the volumes estimated by the complainant and the CBSA. As noted above, the complainant's estimates of imports rely on information reported by Statistics Canada, which does not report import volumes specific to the product description of the subject goods.
- [44] Detailed information regarding the volume and value of imports of CSWP and domestic production cannot be divulged for confidentiality reasons. The CBSA, however, has prepared the following tables to show the import share of CSWP in Canada, as estimated by the CBSA.

<sup>&</sup>lt;sup>3</sup> Exhibit 2 (NC) – CSWP Complaint – Pages 17-19.

Table 1

CBSA'S ESTIMATE OF IMPORT SHARE
(BASED ON VOLUME)

Country	2015	2016	2017	Q2 2017 – Q1 2018
Pakistan	7%	12%	9%	11%
Philippines	23%	23%	20%	29%
Turkey	17%	13%	12%	4%
Vietnam	14%	31%	13%	8%
Total Imports from Named Countries	60%	78%	55%	51%
Other Countries	40%	22%	45%	49%
Total Imports	100%	100%	100%	100%

<sup>\*</sup> totals may not add to exactly 100% due to rounding

- [45] The complainant notes that domestic producers generally sell CSWP to distributors and large volume end users. The complainant submits that end users consist primarily of companies involved in plumbing, heating and construction businesses in Canada.<sup>4</sup>
- [46] According to the complainant, CSWP producers in the named countries use and compete in the same channels of distribution as the Canadian mills. The complainant indicates that Canadian distributors and end users of CSWP may purchase pipe domestically from the Canadian mills or from importers or other distributors located in Canada or abroad. Alternatively, distributors and end users may import directly from mills in the named countries.<sup>5</sup>

#### **EVIDENCE OF DUMPING**

- [47] The complainant alleged that CSWP from Pakistan, the Philippines, Turkey and Vietnam has been injuriously dumped into Canada. Dumping occurs when the normal value of the goods exceeds the export price to importers in Canada.
- [48] Normal values are generally based on the domestic selling price of like goods in the country of export where competitive market conditions exist or as the aggregate of the cost of production of the goods, a reasonable amount for administrative, selling and all other costs, and a reasonable amount for profits.

<sup>&</sup>lt;sup>4</sup> Exhibit 2 (NC) - CSWP Complaint - Page 8.

<sup>&</sup>lt;sup>5</sup> Exhibit 2 (NC) – CSWP Complaint – Page 8.

- [49] The complainant provided information to support the allegation that the carbon steel welded pipe sector in Vietnam may not be operating under competitive market conditions and as such, that prices of CSWP established in the Vietnamese domestic market may not be reliable for determining normal values.
- [50] If there is sufficient reason to believe that the conditions described in section 20 of SIMA exist in the sector under investigation, normal values will be determined, where such information is available, on the basis of the domestic selling price or the cost of production plus a reasonable amount for administrative, selling and all other costs, plus a reasonable amount for profits of the like goods sold by producers in any country designated by the CBSA and adjusted for price comparability; or on the basis of the selling price in Canada of like goods imported from any country designated by the CBSA and adjusted for price comparability.
- [51] The export price of goods sold to importers in Canada is generally the lesser of the exporter's selling price and the importer's purchase price, less all costs, charges and expenses resulting from the exportation of the goods.
- [52] Estimates of normal values and export prices by both the complainant and the CBSA are discussed below.

#### **Normal Values**

## **Complainant's Estimates**

- [53] The complainant stated that they were unable to locate domestic price information for CSWP in Pakistan, the Philippines or Vietnam. As such, they were unable to estimate normal values using the methodology of section 15 of SIMA for these countries.
- [54] With respect to Turkey, the complainant provided information on Turkish pipe and sheet pricing. The complainant compared these prices and concluded that the difference in pricing was not sufficient to cover the cost of converting HRC into pipe. The complainant submitted that the Turkish producers are pricing CSWP below their production costs and as such, the complainant concluded that normal values should not be estimated in accordance with the methodology of section 15 of SIMA.
- [55] In addition, the complainant submitted that the difference in the Turkish pricing for HRC and CSWP constitutes a particular market situation in Turkey, as described in paragraph 16(2)(c) of SIMA, and therefore normal values should not be estimated using the methodology of section 15 of SIMA. The complainant suggested that a full investigation will determine whether the depreciation of Turkish Lira has had a significant impact on the Turkish producers' production costs and selling prices for CSWP.

- [56] Due to the fact that domestic price information was not available for Pakistan, the Philippines or Vietnam and in light of the arguments put forth by the complainant with respect to domestic Turkish pricing, the complainant estimated normal values using a constructed cost approach reflecting the methodology under paragraph 19(b) of SIMA for all subject countries. The complainant based these estimates on their own costs of production for domestically produced CSWP that are like goods to the subject goods, during the period of April 1, 2017 to March 31, 2018, as well as public information respecting the named countries for the same period.
- [57] The complainant estimated normal values for two products, black CSWP and galvanized CSWP, for each named country by aggregating the estimated costs of producing the goods (materials, conversion costs, direct labour and overhead), a reasonable amount for selling, general and administrative (SG&A) costs and other costs, and a reasonable amount for profits.
- [58] Material costs were estimated based on import pricing of HRC, a key input in the production of CSWP, in each of the respective subject countries or comparable regions. For Pakistan, the Philippines and Turkey, the complainant used the weighted average import price of HRC into each respective country for 2017 as reported by ComTrade. The complainant was unable to find information on the cost of producing or importing HRC for Vietnam for this period and therefore used the weighted average import price of HRC into Pakistan as reported by ComTrade. The complainant submitted that Pakistan serves as a reasonable proxy due to similar economic indicators such as debt (% of GDP), deficit and expenditures.
- [59] The complainant also estimated an amount for conversion costs, which relates to the cost of converting HRC to pipe shell, for each of the subject countries based on the difference between the complainant's base pipe shell cost and its cost of HRC. A downward adjustment was applied to the portion of conversion costs that relates to labour to reflect the labour cost differences between Canada and the subject countries.<sup>8</sup>
- [60] The complainant also added additional material costs to the base pipe shell cost to reflect the material costs associated with finishing pipe shell into black CSWP and galvanized CSWP, respectively.<sup>9</sup>
- [61] Labour costs were estimated based on the complainant's direct labour costs, adjusted to reflect wage differences between Canada and the subject countries. This downward adjustment was applied to the costs based on publically available information reported by the International Labour Organization (ILO) and World Bank data.<sup>10</sup>

<sup>&</sup>lt;sup>6</sup> ComTrade is a source of international trade statistics and relevant analytical tables.

<sup>&</sup>lt;sup>7</sup> Exhibit 2 (NC) – CSWP Complaint – Pages 23-24.

<sup>&</sup>lt;sup>8</sup> Exhibit 2 (NC) – CSWP Complaint – Page 24.

<sup>&</sup>lt;sup>9</sup> Exhibit 2 (NC) – CSWP Complaint – Pages 24-25.

Exhibit 2 (NC) - CSWP Complaint - Pages 26-27; Attachment 16.

[62] The labour adjustment factors were as follows:

Pakistan – downward adjustment of 85% Philippines – downward adjustment of 77% Turkey – downward adjustment of 43% Vietnam – downward adjustment of 78%

- [63] Overhead costs were based on the complainant's factory overhead costs, with a downward adjustment applied to the portion of overhead relating to indirect labour for each subject country.<sup>11</sup>
- [64] The complainant estimated the amounts for SG&A and other costs (specifically, financial expenses), as well as the amounts for profits, based on the publicly available financial statements of CSWP producers in the named countries or comparable regions. For Pakistan, the complainant used amounts reported by International Industries Ltd. in its annual financial statements. This information was also used for the Philippines, as the complainant indicated that financial data of a pipe producer in the Philippines was not publically available. The complainant submitted that data for the Philippines and Pakistan is similar due to relevant economic country conditions including GDP, debt per capita, government expenditures and other indexes. The complainant used financial data reported by Hao Sen Group to estimate the amounts for SG&A, other costs and profits for Vietnam. For Turkey, the complainant used financial information from FS Erbo and Borusan Mannesmann Boru. The amounts for SG&A and other costs, as well as the amounts for profits, were calculated as a percent of the costs.
- [65] The complainant provided information supporting the initiation of a section 20 inquiry respecting the allegedly dumped goods from Vietnam. The complainant submitted that domestic selling prices in Vietnam are substantially determined by the GOV and should not be used in the calculation of normal values since the prices are not reflective of competitive market conditions.<sup>14</sup>
- [66] Although the complainant has not provided a section 20 normal value calculation, it is the CBSA's understanding that the complainant suggests estimating section 20 normal values for Vietnam in the same manner as the Vietnamese paragraph 19(b) normal values discussed above.

#### CBSA's Estimates

[67] The CBSA finds that sufficient information was not provided prior to the initiation of the investigation to support the complainant's allegation that, in accordance with paragraph 16(2)(c) of SIMA, Turkish pipe pricing cannot be used due to the presence of a particular market situation. During the investigation, the CBSA will solicit information from exporters and endeavor to gather other relevant information in order to form an opinion as to whether paragraph 16(2)(c) of SIMA is applicable.

<sup>&</sup>lt;sup>11</sup> Exhibit 2 (NC) – CSWP Complaint – Pages 26-27.

<sup>&</sup>lt;sup>12</sup> Exhibit 2 (NC) – CSWP Complaint – Pages 27-28; Attachments 12-15.

<sup>&</sup>lt;sup>13</sup> Exhibit 2 (NC) – CSWP Complaint – Pages 25-26.

<sup>&</sup>lt;sup>14</sup> Exhibit 2 (NC) – CSWP Complaint – Pages 29-35 & 102-112.

- [68] The complainant provided certain pricing information on Turkish pipe and sheet. The CBSA notes however that the pricing information provided is not specific to like goods, nor is it presented in a manner that would allow for comparison to the estimated export prices for black and galvanized CSWP. The CBSA concluded that the Turkish domestic pipe pricing information provided by the complainant is not appropriate to use for purposes of estimating normal values in accordance with the methodology of section 15 of SIMA.
- [69] In the absence of pricing information specific to CSWP in the subject countries, the CBSA was unable to estimate normal values following the methodology described in section 15 of SIMA.
- [70] In analyzing the paragraph 19(b) normal values estimated by the complainant, the CBSA noted that there were errors in the formulas relating to certain cost of goods manufactured (COGM) information provided by the complainant. The CBSA corrected the estimated normal values. Based on the information available to the complainant, the CBSA found that the corrected paragraph 19(b) normal value estimates are reasonable and representative.
- [71] The CBSA notes that the complainant's estimated normal values lack specificity. Although the estimated normal values do not account for all product characteristics which the CBSA recognizes may have an effect on the cost and/or price of CSWP, the complainant provided separate normal values for black CSWP and galvanized CSWP.
- [72] Notwithstanding the above, the CBSA finds this approach to be reasonable based on the information that was available to the complainant. The CBSA finds that it is reasonable to assume that the subject goods imported during the period of April 1, 2017 to March 31, 2018 would reflect a product mix similar to the complainant's production for that period.
- [73] As discussed above, if there is sufficient reason to believe that conditions described in section 20 of SIMA exist in the sector under investigation, normal values will be determined pursuant to section 20 of SIMA on the basis of the domestic selling price or cost of production plus a reasonable amount for SG&A, plus a reasonable amount for profits of the like goods sold by producers in any country designated by the CBSA and adjusted for price comparability; or on the basis of the selling price in Canada of like goods imported from any country designated by the CBSA and adjusted for price comparability.
- [74] As detailed in the "Section 20 Inquiry" section of this *Statement of Reasons*, the CBSA has information which demonstrates that the prices of CSWP in Vietnam may be significantly affected by the GOV and that prices of CSWP in Vietnam may not be substantially the same as they would be if they were determined in a competitive market. As a result, the CBSA has estimated normal values for Vietnam in accordance with the methodology of section 20 of SIMA.

[75] The CBSA has estimated normal values for Vietnam based on the methodology of subparagraph 20(1)(c)(ii) of SIMA using information available for Pakistan, i.e. based on the normal values estimated for the goods from Pakistan using the methodology of paragraph 19(b) of SIMA.

## **Export Price**

- [76] The export price of goods sold to an importer in Canada is generally determined in accordance with section 24 of SIMA as being an amount equal to the lesser of the exporter's sale price for the goods and the price at which the importer has purchased or agreed to purchase the goods adjusted by deducting all costs, charges, expenses, and duties and taxes resulting from the exportation of the goods.
- [77] The complainant estimated export prices based on importation data available from Statistics Canada for the period of April 1, 2017 to March 31, 2018. For each subject country, the complainant estimated one export price for black CSWP and one export price for galvanized CSWP using the total declared value for duty and total declared quantity information for the relevant tariff classification codes for this period.
- [78] The CBSA estimated export prices for black and galvanized CSWP for each named country based on the value for duty as declared on the customs entry documentation and reports generated through the Facility for Information Retrieval Management (FIRM) of imports of the goods classified under the relevant tariff classification codes during the period of April 1, 2017 to March 31, 2018. In the CBSA's review of customs entry documentation for CSWP entering Canada, adjustments were made to the FIRM data to correct any errors respecting the quantity and value for duty as necessary.

## **Estimated Margins of Dumping**

[79] The CBSA estimated the margins of dumping for the subject countries by comparing the estimated normal values with the weighted average estimated export prices. Based on this analysis, it is estimated that CSWP imported into Canada from each of the named countries were dumped. The estimated margin of dumping for each country are listed in the table below.

TABLE 2
ESTIMATED MARGINS OF DUMPING

Country	Estimated Margin of Dumping as % Export Price
Pakistan	43.6%
Philippines	37.0%
Turkey	6.3%
Vietnam	14.3%

## **SECTION 20 INQUIRY**

- [80] Section 20 is a provision of SIMA that 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 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.<sup>15</sup>
- [81] The provisions of section 20 are applied on a sector basis rather than on the country as a whole. The sector reviewed will normally only include the industry producing and exporting the goods under investigation.
- [82] A section 20 inquiry refers to the process whereby the CBSA collects information from various sources in order to form an opinion as to whether the conditions described under subsection 20(1) of SIMA exist with respect to the sector under investigation. Before initiating such an inquiry, the CBSA must first analyze the information submitted in the complaint and the evidence it has gathered independently to determine if it is sufficient to warrant the initiation of an inquiry.

<sup>&</sup>lt;sup>15</sup> Vietnam is a prescribed countries under Section 17.1 of the Special Import Measures Regulations.

- [83] The complainant alleged that the conditions described in section 20 prevail in the carbon steel welded pipe sector in Vietnam. That is, the complainant alleges that this industry sector in Vietnam does not operate under competitive market conditions and that prices of CSWP in the Vietnamese domestic market are not reliable for determining normal values.<sup>16</sup>
- [84] The complainant provided evidence supporting its claim that the GOV substantially determines domestic prices of CSWP, including evidence of government control of steel projects and investments as well as state-ownership in the steel industry, which encompasses the carbon steel welded pipe sector. The complainant also cited specific GOV policies such as the *Steel Master Plan*.<sup>17</sup>
- [85] The information currently available to the CBSA indicates that there are numerous GOV industrial policies that have been implemented which influence the steel industry, which includes CSWP, in Vietnam. Further, the information currently available indicates that prices of CSWP in Vietnam may not be substantially the same as they would be if they were determined in a competitive market.
- [86] In summary, the CBSA believes that there is sufficient evidence to support an inquiry into the allegations that measures taken by the GOV substantially influence prices in the carbon steel welded pipe sector and that the prices are substantially different than they would be in a competitive market.
- [87] Consequently, on July 20, 2018, the CBSA included in its investigation, a section 20 inquiry in order to determine whether the conditions set forth in paragraph 20(1)(a) of SIMA prevail in the carbon steel welded pipe sector in Vietnam.
- [88] As part of this section 20 inquiry, the CBSA sent section 20 RFIs to all potential producers and exporters of CSWP in Vietnam, as well as to the GOV, requesting detailed information related to the carbon steel welded pipe sector.
- [89] As the investigation already includes appropriate countries to serve as potential "surrogates", should paragraph 20(1)(a) of SIMA be applicable, no additional producers in countries not named in this investigation were requested to provide domestic pricing and costing information. The CBSA also requested information from Canadian importers of CSWP regarding their sales of CSWP from other countries.

<sup>&</sup>lt;sup>16</sup> Exhibit 2 (NC) – CSWP Complaint – Pages 34-35 & 102-112.

<sup>&</sup>lt;sup>17</sup> Exhibit 2 (NC) – CSWP Complaint – Pages 102-112.

[90] In the event that the CBSA forms the opinion that domestic prices of CSWP in Vietnam are substantially determined by their government and there is sufficient reason to believe that the domestic prices are not substantially the same as they would be if they were determined in a competitive market, the normal values of the goods under investigation will be determined, pursuant to paragraph 20(1)(c), where such information is available, on the basis of the domestic selling price or the aggregate of the cost of production, a reasonable amount for SG&A, and a reasonable amount for profits of the like goods sold by producers in any country designated by the CBSA and adjusted for price comparability; or, pursuant to paragraph 20(1)(d), where such information is available, on the basis of the selling price in Canada of like goods imported from any country designated by the CBSA and adjusted for price comparability.

#### **EVIDENCE OF INJURY**

- [91] The complainant alleges that the subject goods have been dumped and that such dumping has caused and is threatening to cause injury to the domestic industry producing like goods in Canada.
- [92] SIMA refers to material injury caused to the domestic producers of like goods in Canada. The CBSA has concluded that CSWP produced by the domestic industry are like goods to the subject goods from the named countries.
- [93] In support of their injury allegations, the complainant provided evidence of price undercutting, price suppression, lost sales, capacity under-utilization and impacted financial results.

# Price Undercutting<sup>18</sup>

- [94] The complainant states that CSWP is a commodity product that is sold largely on the basis of price. As such, new entrants gain market share by offering lower prices. The complainant argues that the allegedly dumped goods have captured market share by undercutting the prices of the Canadian producers.
- [95] The complainant submitted evidence demonstrating that the average import prices of CSWP from the subject countries have been significantly lower than those of the complainant. The average import prices calculated by the CBSA reveal a trend similar to that described by the complainant.
- [96] As a result of these significant price discrepancies, the complainant states that it has been forced to reduce its pricing. In support of this, the complainant provided evidence of several instances where they were forced to discount pricing in order to compete with imports of subject goods. The complainant also noted that imports from the subject countries often have "extras" such as surface finishing or end finishing at minimal or no extra charge to the Canadian customer. This, the complainant alleges, has further contributed to the price undercutting that is occurring in the market and has forced the complainant to also discount value-added items.

<sup>&</sup>lt;sup>18</sup> Exhibit 2 (NC) - CSWP Complaint - Pages 37-40; Attachments 6 and 8.

[97] Based on the CBSA's analysis of import pricing as well as the information contained in the complaint, the CBSA finds the claim of price undercutting to be well supported and sufficiently linked to the allegedly dumped goods.

# Price Suppression<sup>19</sup>

- [98] As evidenced by information provided in the complaint, prices of CSWP increased during 2017. Generally, an increase in domestic pricing of like goods would not support an allegation of price suppression; however, according to the complainant, this increase in pricing is due largely to the increased cost of direct materials. The complainant submits that they have not been able to pass on the full cost increase to customers due to the low prices of imported subject goods.
- [99] The CBSA reviewed the financial information<sup>20</sup> provided by the complainant and finds that this information supports the complainant's allegation that it was unable to increase pricing to reflect the full increases in the cost of manufacturing of the goods.
- [100] The complainant also referenced pricing in the U.S. as an indicator of the effect that imports of subject goods have had on domestic pricing. The complainant alleges that pricing of CSWP in the U.S is substantially higher than Canadian market pricing and that a key reason for this difference is the existence of anti-dumping and/or countervailing measures in place in the U.S against three of the subject countries.
- [101] Based on its analysis of the information contained in the complaint, the CBSA recognizes that prices in the Canadian market may not have increased as they would have in the absence of the allegedly dumped goods. The CBSA finds the claim of price suppression to be well supported and sufficiently linked to the allegedly dumped goods.

#### Lost Sales<sup>21</sup>

- [102] The complainant provided evidence of lost sales on a customer/account specific basis. The complaint included examples of numerous sales that were lost either entirely or in part by the complainant to exporters of subject goods. The evidence includes a detailed statement of evidence from the General Manager of Nova's Structural Tube & Pipe division as well as correspondence that supports the various lost sales allegations.
- [103] Based on the CBSA's analysis of the information contained in the complaint as well as the CBSA's estimate of imports and market share, the CBSA finds the claim of lost sales to be well supported and sufficiently linked to the allegedly dumped goods.

<sup>&</sup>lt;sup>19</sup> Exhibit 2 (NC) - CSWP Complaint - Pages 38-40 & 57-58.

<sup>&</sup>lt;sup>20</sup> Exhibit 1 (PRO) – CSWP Complaint – Attachment 9.

<sup>&</sup>lt;sup>21</sup> Exhibit 2 (NC) - CSWP Complaint - Pages 36-37 & 41-56; Attachment 8.

# Underutilization of Capacity<sup>22</sup>

[104] The complainant states that they are operating with substantial excess capacity due to the presence of the dumped goods. The complainant argues that this unused capacity has contributed to poor financial performance by increasing the cost of production per metric tonne.

[105] The CBSA has reviewed the complainant's production and capacity information provided in the complaint. Although the complainant has not identified a capacity utilization rate that it considers to be sufficient, the CBSA notes that certain information provided by the complainant has estimated global crude steelmaking utilisation at a rate above that of the complainant.

[106] Based on the CBSA's analysis of information contained in the complaint, including the complainant's confidential production information, the CBSA finds that there is a reasonable link between the presence of the allegedly dumped goods and the complainant's inability to increase capacity utilization with respect to CSWP.

# Impacted Financial Results<sup>23</sup>

[107] The complainant submits that the injurious impact of the dumped goods is demonstrated by diminished net sales revenues, gross margins and net profits. To support these allegations, the complainant provided income statement information with respect to sales of CSWP for the period of 2015 through the first quarter of 2018.

[108] The CBSA has reviewed the complainant's confidential financial information concerning CSWP.<sup>24</sup> The CBSA finds that the information contained in the complaint establishes a trend of a worsening financial situation, thereby supporting the complainant's allegation of impacted financial results. The CBSA finds it reasonable that the presence of the injury factors described above would have some impact on the financial results of the domestic industry, and that the information in the complaint has sufficiently linked the allegedly dumped goods to the complainant's impacted financial results.

#### **CBSA's Conclusion – Injury**

[109] Overall the CBSA finds that there is a reasonable indication that material injury has occurred to the CSWP industry in Canada. The nature of the injury is well documented with respect to price undercutting, price suppression, lost sales, capacity under-utilization and impacted financial results. The CBSA finds that the injury can be reasonably attributed to the allegedly dumped goods from the named countries.

<sup>&</sup>lt;sup>22</sup> Exhibit 2 (NC) – CSWP Complaint – Pages 59 and 67.

<sup>&</sup>lt;sup>23</sup> Exhibit 2 (NC) – CSWP Complaint – Pages 57-58: Attachment 8.

<sup>&</sup>lt;sup>24</sup> Exhibit 1 (PRO) – CSWP Complaint – Pages 57-58; Attachment 9.

#### **THREAT OF INJURY**

- [110] The complainant alleges that the dumped goods from the named countries threaten to cause further material injury to the Canadian domestic industry. For purposes of evaluating the threat of injury, the complainant suggested an assessment period of 12-24 months.<sup>25</sup>
- [111] The complainant provided the following information to support the allegation that imports from the named countries threaten to cause further injury to the Canadian industry.

## Volume and Pricing of Subject Good Imports<sup>26</sup>

- [112] The complainant alleges that subject goods have been imported in increasing volumes since 2014 at prices that are underselling domestic products. The complainant argues that import volumes of subject goods are expected to increase and this trend poses a threat of further injury to Nova and the rest of the Canadian industry.
- [113] This allegation is supported by import statistics provided by the complainant, which demonstrate increasing volumes of subject goods from 2015 through to the period of April 1, 2017 to March 31, 2018, at prices below that of the complainant.
- [114] The CBSA's analysis of import data supports the allegation of an increase in the import volume of the allegedly dumped goods. Based on the CBSA's analysis of imports, from 2015 to the period of April 1, 2017 March 31, 2018, the collective volume of imported goods from the subject countries increased by 56.3%.

# Persisting Imbalances in the Global Steel Industry<sup>27</sup>

- [115] The complainant cited various reports published by the Organisation for Economic Co-operation and Development (OECD) Steel Committee and World Steel Association which support the complainant's allegation that uncertainty and concern continue to exist in the steel industry, including the CSWP market. Some of the risks identified include financial vulnerabilities of steel firms, distortive subsidies and government supports, persisting structural imbalances, U.S. economic policies, normalization of monetary policies, geopolitical conflicts, financial market and debt problems, and rising protectionism in the trade environment. In light of these risks, the OECD predicts that steel demand growth will remain below GDP growth, indicating weak performance in the global steel industry. Specifically, the OECD expects that world steel demand growth will fall from 1.3% in 2017 to less than 1% in 2018.
- [116] Despite declining steel demand growth, the complainant indicates that global steel production has continued to grow, leading to imbalances in the global steel market. This, the complainant alleges, creates a climate whereby oversupply encourages the selling of low-priced steel and steel products, including CSWP, affecting markets such as Canada.

<sup>&</sup>lt;sup>25</sup> Exhibit 2 (NC) – CSWP Complaint – Pages 59-60.

<sup>&</sup>lt;sup>26</sup> Exhibit 2 (NC) – CSWP Complaint – Pages 36-37 & 59-62; Attachment 6.

<sup>&</sup>lt;sup>27</sup> Exhibit 2 (NC) – CSWP Complaint – Pages 62-66; Attachments 18-27.

# Global Overcapacity<sup>28</sup>

[117] The complainant referenced information published by a variety of sources, including the World Steel Association, the OECD Steel Committee, EUROFER (European Steel Association), etc., to support the allegation of excess global capacity in the steel industry. The complainant points to China's surplus production as a driving force behind the overcapacity problem in the global CSWP market, stating that the impact of the low priced Chinese imports on Asian countries such as the Philippines and Vietnam pose a significant threat to the complainant as these countries are forced to seek new markets for their surplus CSWP. The complainant raises similar concerns regarding the European steel market which is also facing challenges arising from global overcapacity. Specifically, the complainant alleges that oversupply and soft demand in Europe threatens to divert CSWP imports normally destined for the European market to other markets and additionally, that producers in Europe, including Turkey, will seek new markets for their CSWP production.

#### Canadian Market Conditions<sup>29</sup>

[118] Referencing forecasts made by TD Economics and the Royal Bank of Canada, the complainant stated that economic growth in Canada is expected to be moderate at below 2% in 2018. Reports provided by the complainant indicate that various factors, including NAFTA renegotiations, the Canadian housing market slowdown, and the possibility of U.S. tariffs broadening out to steel and aluminum products, have created uncertainty which is expected to limit business investment and economic growth.

[119] Despite softening demand both in Canada and globally, the complainant alleges that producers in subject countries will continue to produce CSWP, due in part to the capital intensive nature of the steel industry and the strong production imperative. The complainant alleges that this will lead exporters of subject goods to look to export markets to sell off their excess production. This is further supported by the complainant's estimation of Canadian market share realized by exporters of subject CSWP. The complainant notes that although pricing in Canada is soft, it is still high relative to other markets thereby making it an attractive market. In its discussion of the attractiveness of the Canadian market, the complainant also points to other trade measures that are in force in Canada concerning steel products from the subject countries. In light of the above, the complainant states that the subject countries are likely to continue to export significant volumes of CSWP to Canada.

<sup>&</sup>lt;sup>28</sup> Exhibit 2 (NC) – CSWP Complaint – Pages 62-63, 66-73 & 98; Attachments 18-33.

<sup>&</sup>lt;sup>29</sup> Exhibit 2 (NC) – CSWP Complaint – Pages 36-37 & 95-99; Attachments 6 & 95-97.

# Subject Country Market Conditions<sup>30</sup>

[120] The complainant states that CSWP producers in each of the subject countries have significant capacity, continued overproduction of steel and a propensity to export. The complainant has used publically available information to estimate production capacity of CSWP for each subject country. In linking the capacity of the producers of subject goods to their likeliness to export to Canada, the complainant discusses domestic demand in the subject countries, volumes of exports to other countries, including Canada, and other trade measures in force against the subject countries with respect to similar goods.

#### Proliferation of Trade Measures<sup>31</sup>

[121] The complainant states that several countries have imposed trade measures to mitigate the impact of the global market situation, including the global excess capacity challenges, and that such foreign trade remedy actions are likely to lead to diversion of subject goods into the Canadian market. Specifically, the complainant pointed to the recent Section 232 Investigation in the United States and the potential impact that these measures may have on the Canadian market. The complainant also discussed the initiation of a safeguard investigation concerning the import of steel products by the EU. The complainant also made reference to the various anti-dumping measures that have been put in place by other countries with respect to goods of the same or similar description.

## CBSA's Conclusion – Threat of Injury

[122] The complaint contains evidence that discloses a reasonable indication that there is a threat of injury to the CSWP industry in Canada. The information provided by the complainant indicates that an increase in the volume of imports of allegedly dumped goods, persisting imbalances in the global steel industry, global overcapacity, Canadian market conditions, subject country conditions and the proliferation of trade measures, as described above, are collectively posing a threat to the Canadian industry.

#### CAUSAL LINK – DUMPING AND INJURY

[123] The CBSA finds that the complainant has provided sufficient evidence that discloses a reasonable indication that they have suffered injury due to the alleged dumping of subject goods imported into Canada. There is a reasonable indication that the injury the complainant has suffered in terms of price undercutting, price suppression, lost sales, capacity under-utilization and impacted financial results, is related directly to the price advantage the apparent dumping has produced between the subject imports and the Canadian produced goods.

[124] Evidence has been provided by the complainant to establish this link in the form of import data, specific examples of lost sales and financial information related to the complainant's production and sales of like goods in Canada.

<sup>&</sup>lt;sup>30</sup> Exhibit 2 (NC) – CSWP Complaint – Pages 77-95; Attachments 6, 13, 23, 33, 46-50, 52-94 & 116.

<sup>31</sup> Exhibit 2 (NC) - CSWP Complaint - Pages 63, 73-77 & 98-101; Attachments 42-49.

[125] The CBSA also finds that the complainant provided sufficient evidence that discloses a reasonable indication that continued dumping of subject goods imported into Canada from the named countries threatens to cause injury to the Canadian industry producing these goods.

#### **CONCLUSION**

[126] Based on information provided in the complaint, other available information, and the CBSA's import documentation, the CBSA is of the opinion that there is evidence that CSWP originating in or exported from Pakistan, the Philippines, Turkey and Vietnam have been dumped. Further, there is a reasonable indication that such dumping has caused and is threatening to cause injury to the Canadian industry. As a result, pursuant to subsection 31(1) of SIMA, a dumping investigation was initiated on July 20, 2018.

#### **SCOPE OF THE INVESTIGATION**

- [127] The CBSA is conducting an investigation to determine whether the subject goods have been dumped.
- [128] The CBSA has requested information from all potential exporters and importers to determine whether or not subject goods imported into Canada during the CBSA's period of investigation of July 1, 2017 to June 30, 2018, were dumped. The information requested will be used to determine the normal values, export prices and margins of dumping, if any.
- [129] The CBSA requested information from producers and exporters of CSWP in Vietnam as well as the GOV to determine whether the conditions of section 20 exist in the sector under investigation.
- [130] All parties have been clearly advised of the CBSA's information requirements and the time frames for providing their responses.

## **FUTURE ACTION**

- [131] The CITT will conduct a preliminary inquiry to determine whether the evidence discloses a reasonable indication that the alleged dumping of the goods has caused or is threatening to cause injury to the Canadian industry. The CITT must make its decision on or before the 60<sup>th</sup> day after the date of the initiation of the investigation. If the CITT concludes that the evidence does not disclose a reasonable indication of injury to the Canadian industry, the investigation will be terminated.
- [132] If the CITT finds that the evidence discloses a reasonable indication of injury to the Canadian industry and the CBSA's preliminary investigation reveal that the goods have been dumped, the CBSA will make a preliminary determination of dumping within 90 days after the date of the initiation of the investigation, by October 18, 2018. Where circumstances warrant, this period may be extended to 135 days from the date of the initiation of the investigation.

- [133] Under section 35 of SIMA, if, at any time before making a preliminary determination, the CBSA is satisfied that the volume of goods of a country is negligible, the investigation will be terminated with respect to goods of that country.
- [134] Imports of subject goods released by the CBSA on and after the date of a preliminary determination of dumping, other than goods of the same description as goods in respect of which a determination was made that the margin of dumping of the goods is insignificant, may be subject to provisional duty in an amount not greater than the estimated margin of dumping on the imported goods.
- [135] Should the CBSA make a preliminary determination of dumping, the investigation will be continued for the purpose of making a final decision within 90 days after the date of the preliminary determination.
- [136] After the preliminary determination, if, in respect of goods of a particular exporter, the CBSA's investigation reveals that imports of the subject goods from that exporter have not been dumped, or that the margin of dumping is insignificant, the investigation will be terminated in respect of those goods.
- [137] If a final determination of dumping is made, the CITT will continue its inquiry and hold public hearings into the question of material injury to the Canadian industry. The CITT is required to make a finding with respect to the goods to which the final determination of dumping applies, not later than 120 days after the CBSA's preliminary determination.
- [138] In the event of an injury finding by the CITT, imports of subject goods released by the CBSA after that date will be subject to anti-dumping duty equal to the applicable margin of dumping on the imported goods.

#### RETROACTIVE DUTY ON MASSIVE IMPORTATIONS

- [139] When the CITT conducts an inquiry concerning injury to the Canadian industry, it may consider if dumped goods that were imported close to or after the initiation of an investigation constitute massive importations over a relatively short period of time and have caused injury to the Canadian industry.
- [140] Should the CITT issue such a finding, anti-dumping duties may be imposed retroactively on subject goods imported into Canada and released by the CBSA during the period of 90 days preceding the day of the CBSA making a preliminary determination of dumping.

#### <u>UNDERTAKINGS</u>

[141] After a preliminary determination of dumping by the CBSA, other than a preliminary determination in which a determination was made that the margin of dumping of the goods is insignificant, an exporter may submit a written undertaking to revise selling prices to Canada so that the margin of dumping or the injury caused by the dumping is eliminated.

- [142] An acceptable undertaking must account for all or substantially all of the exports to Canada of the dumped goods. Interested parties may provide comments regarding the acceptability of undertakings within nine days of the receipt of an undertaking by the CBSA. The CBSA will maintain a list of parties who wish to be notified should an undertaking proposal be received. Those who are interested in being notified should provide their name, telephone and fax numbers, mailing address and e-mail address to one of the officers identified in the "Information" section of this document.
- [143] If undertakings were to be accepted, the investigation and the collection of provisional duties would be suspended. Notwithstanding the acceptance of an undertaking, an exporter may request that the CBSA's investigation be completed and that the CITT complete its injury inquiry.

## **PUBLICATION**

[144] Notice of the initiation of this investigation is being published in the Canada Gazette pursuant to subparagraph 34(1)(a)(ii) of SIMA.

## **INFORMATION**

- [145] Interested parties are invited to file written submissions presenting facts, arguments, and evidence that they feel are relevant to the alleged dumping. Written submissions should be forwarded to the attention of the SIMA Registry and Disclosure Unit.
- [146] To be given consideration in this phase of the investigation, all information should be received by the CBSA by August 28, 2018.
- [147] Any information submitted to the CBSA by interested parties concerning this investigation is considered to be public information unless clearly marked "confidential". Where the submission by an interested party is confidential, a non-confidential version of the submission must be provided at the same time. This non-confidential version will be made available to other interested parties upon request.
- [148] Confidential information submitted to the CBSA will be disclosed on written request to independent counsel for parties to these proceedings, subject to conditions to protect the confidentiality of the information. Confidential information may also be released to the CITT, any court in Canada, or a World Trade Organisation (WTO) or North American Free Trade Organization (NAFTA) dispute settlement panel. Additional information respecting the CBSA's policy on the disclosure of information under SIMA may be obtained by contacting one of the officers identified below or by visiting the CBSA's website.
- [149] The schedule of the investigation and a complete listing of all exhibits and information are available at: <a href="www.cbsa-asfc.gc.ca/sima-lmsi/i-e/menu-eng.html">www.cbsa-asfc.gc.ca/sima-lmsi/i-e/menu-eng.html</a>. The exhibit listing will be updated as new exhibits and information are made available.

[150] This *Statement of Reasons* has been provided to persons directly interested in these proceedings. It is also available through the CBSA's website 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

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