



Canada Border
Services Agency

Agence des services
frontaliers du Canada

RB4 2020 IN

OTTAWA, March 19, 2021

STATEMENT OF REASONS

Concerning the preliminary determination with respect to the dumping of

**CERTAIN CONCRETE REINFORCING BAR ORIGINATING IN
OR EXPORTED FROM OMAN AND RUSSIA**

DECISION

Pursuant to subsection 38(1) of the *Special Import Measures Act*, the Canada Border Services Agency made a preliminary determination on March 4, 2021 respecting the dumping of certain concrete reinforcing bar originating in or exported from Oman and Russia.

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

TABLE OF CONTENTS

SUMMARY OF EVENTS.....	1
PERIOD OF INVESTIGATION.....	2
PROFITABILITY ANALYSIS PERIOD	2
INTERESTED PARTIES	2
PRODUCT INFORMATION	3
LIKE GOODS AND SINGLE CLASS OF GOODS.....	6
IMPORTS INTO CANADA	6
REPRESENTATIONS	7
INVESTIGATION PROCESS.....	7
PRELIMINARY RESULTS OF THE DUMPING INVESTIGATION	8
NORMAL VALUE.....	8
EXPORT PRICE	9
MARGIN OF DUMPING.....	9
OMAN	10
RUSSIA	10
SUMMARY OF PRELIMINARY RESULTS.....	11
DECISION.....	12
PROVISIONAL DUTY	12
FUTURE ACTION	12
THE CANADA BORDER SERVICES AGENCY	12
THE CANADIAN INTERNATIONAL TRADE TRIBUNAL.....	13
RETROACTIVE DUTY ON MASSIVE IMPORTATIONS.....	13
UNDERTAKINGS.....	13
PUBLICATION	14
INFORMATION.....	15
APPENDIX 1 – SUMMARY OF ESTIMATED MARGINS OF DUMPING AND PROVISIONAL DUTIES PAYABLE.....	16

SUMMARY OF EVENTS

[1] On September 22, 2020, the Canada Border Services Agency (CBSA) initiated a dumping investigation, referred to as Rebar III, with respect to certain concrete reinforcing bar (commonly known as rebar) originating in or exported from Algeria, Egypt, Indonesia, Italy, Malaysia, Singapore and Vietnam. Following the initiation of this investigation, there was a surge of imports from other countries and the CBSA received allegations that imports of rebar originating in or exported from Oman and Russia (hereinafter “referred to as “subject goods” and “named countries”) have been dumped, have caused injury and are threatening to cause injury to Canadian producers of rebar.

[2] The CBSA conducted its own independent research and analysis. The information available substantiated the allegations that the subject goods originating in and exported from the named countries has been dumped and that this dumping has caused injury and was threatening to cause injury to the domestic industry.

[3] Therefore, on December 4, 2020, pursuant to subsection 31(1) of SIMA, the CBSA, on its own initiative, initiated an investigation respecting the dumping of certain concrete reinforcing bar from the named countries.

[4] Upon receiving notice of the initiation of the investigation, the Canadian International Trade Tribunal (CITT) commenced a preliminary injury inquiry, pursuant to subsection 34(2) of SIMA, into whether the evidence discloses a reasonable indication that the alleged dumping of the above-mentioned goods has caused injury or retardation or is threatening to cause injury to the Canadian industry producing the like goods.

[5] On January 25, 2021, pursuant to subsection 37.1(1) of SIMA, the CITT made a preliminary determination that there is evidence that discloses a reasonable indication that the dumping of rebar from the named countries has caused injury or retardation or is threatening to cause injury to the domestic industry.¹

[6] On March 4, 2021, as a result of the CBSA’s preliminary investigation and pursuant to subsection 38(1) of SIMA, the CBSA made a preliminary determination of dumping of rebar from the named countries.

¹ Canadian International Trade Tribunal; Concrete Reinforcing Bar Determination and Reasons (January 25, 2021), PI-2020-005

[7] On March 4, 2021, pursuant to subsection 8(1) of SIMA, provisional duty was imposed on imports of dumped goods that are of the same description as any goods to which the preliminary determination applies, and that are released during the period commencing on the day the preliminary determination was made and ending on the earlier of the day on which the CBSA causes the investigation in respect of any goods to be terminated pursuant to subsection 41(1) of SIMA or the day the CITT makes an order or finding pursuant to subsection 43(1) of SIMA.

PERIOD OF INVESTIGATION

[8] The Period of Investigation (POI) is June 1, 2020 to November 30, 2020.

PROFITABILITY ANALYSIS PERIOD

[9] The Profitability Analysis Period (PAP) is March 1, 2020 to November 30, 2020.

INTERESTED PARTIES

DOMESTIC INDUSTRY

[10] The domestic industry is comprised of five producers, AltaSteel Inc., ArcelorMittal Long Products Canada, G.P., Gerdau Ameristeel Corporation, Max Aicher North America Ltd. and Ivaco Rolling Mills 2004 LP.

TRADE UNION

[11] The United Steel Workers (with its various locals) represents persons employed in the production of rebar in Canada.

IMPORTERS

[12] The CBSA identified five potential importers of the subject goods from CBSA import documentation. The CBSA sent an Importer Request for Information (RFI) to all potential importers of the goods.² Ferrostaal Metals GmbH provided a response to the Importer RFI.³

² EXH 20 (NC) – RFI sent to importers

³ EXH 22 (PRO) & EXH 23 (NC) – Response to importer RFI - Ferrostaal Metals GmbH

EXPORTERS

[13] The CBSA identified five potential exporters, vendors and producers of the subject goods from CBSA import documentation. All of the potential exporters were asked to respond to the CBSA's Dumping RFI.⁴

[14] Five companies provided responses to the CBSA's Dumping RFI: Abinsk Electric and Steel Works Ltd. (AESW)⁵, located in Russia and identifying itself as a producer of subject goods exported to Canada; Balakovo Steel Works JSC (BSW)⁶, located in Russia and identifying itself as a producer of rebar in Russia; One Solution Trading Company DMCC (ONEST)⁷, a trading company located in the United Arab Emirates; America Steel Trade Corporation (AST)⁸, a trading company for subject goods located in the United States of America; Jindal Shadeed Iron & Steel LLC (JSIS)⁹, a producer/exporter of subject goods located in Oman. See "Dumping Investigation" for detailed information regarding these companies.

PRODUCT INFORMATION

Product Definition

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

Hot-rolled deformed steel concrete reinforcing bar in straight lengths or coils, commonly identified as rebar, in various diameters up to and including 56.4 millimeters, in various finishes, excluding plain round bar and fabricated rebar products, originating in or exported from the Sultanate of Oman and the Russian Federation.

Also excluded is 10 mm diameter (10M) rebar produced to meet the requirements of CSA G30 18.09 (or equivalent standards) that is coated to meet the requirements of epoxy standard ASTM A775/A 775M 04a (or equivalent standards) in lengths from 1 foot (30.48 cm) up to and including 8 feet (243.84 cm).

Additional Product Information¹⁰

[16] For greater clarity, the rebar considered to be subject goods includes all hot-rolled deformed bar, rolled from billet steel, rail steel, axle steel, low alloy-steel and other alloy steel that does not comply with the definition of stainless steel.

⁴ EXH 19 (NC) – Dumping RFI

⁵ EXH 33 (PRO) & EXH 34 (NC) – Response to Dumping RFI - Abinsk Electric and Steel Works Ltd.

⁶ EXH 35 (PRO) & EXH 36 (NC) – Response to Dumping RFI - Balakovo Steel Works

⁷ EXH 31 (PRO) & EXH 32 (NC) – Response to Dumping RFI - One Solution Trading Company DMCC

⁸ EXH 29 (PRO) & EXH 30 (NC) – Response to Dumping RFI - America Steel Trade Corporation

⁹ EXH 38 (PRO) & EXH 39 (NC) – Response to Dumping RFI - Jindal Shadeed Iron & Steel LLC

¹⁰ EXH 3 (NC) - Rebar 3 Complaint, page 9.

[17] Uncoated rebar, sometimes referred to as black rebar, is generally used for projects in non-corrosive environments where anti-corrosion coatings are not required. On the other hand, anti-corrosion coated rebar is used in concrete projects that are subjected to corrosive environments, such as road salt. Examples of anti-corrosion coated rebar are epoxy or hot-dip galvanized rebar. The subject goods include uncoated rebar and rebar that has a coating or finish applied.

[18] Fabricated rebar products are generally engineered using Computer Automated Design programs and are made to the customer's unique project requirements. The fabricated rebar products are normally finished with either a protective or corrosion resistant coating. Rebar that is simply cut-to-length is not considered to be a fabricated rebar product excluded from the definition of subject goods.

[19] Rebar is produced in Canada in accordance with the National Standard of Canada CAN/CSA-G30.18-09(R2019) - Carbon Steel Bars for Concrete Reinforcement,¹¹ (the "National Standard") published by the CSA Group and approved by the Standards Council of Canada.

[20] The following are the most common bar designation numbers for the subject goods in Canada, with the corresponding diameter in millimeters in brackets: 10 (11.3), 15 (16.0), 20 (19.5), 25 (25.2), 30 (29.9), 35 (35.7). Rebar sizes are commonly referred to as the bar designation number combined with the letter "M". For example, 10M rebar is rebar with a bar designation number of 10 and a diameter of 11.3 millimeters. Other diameters may also be demanded, and other measurement systems employed. For example, Imperial measure #7 bar (approximately 22 millimeters) is a common designation used in the mine roofing industry.

[21] The National Standard identifies two grades of rebar, namely regular or "R" and weldable or "W". R grades are intended for general applications while W grades are used where welding, bending or ductility is of special concern. Weldable rebar is substitutable for regular rebar in all applications, though the reverse does not hold.

[22] The National Standard also identifies yield strength levels of 300, 400, 500 and 600. This number refers to the minimum yield strength and is measured in megapascal ("MPa"). The grade and yield strength of rebar is identified by combining yield strength number with grade. Regular rebar with a yield strength of 400 MPa is 400R and 400W is weldable rebar with a yield strength of 400 MPa. Yield strength is measured with an extensometer in accordance with the requirements of section 9 of the National Standard.

[23] The standard lengths for rebar are 6 metres (20 feet), 12 metres (40 feet) and 18 metres (60 feet); although rebar can be cut and sold in other lengths as specified by customers or sold in coils.

¹¹ Previously: CAN/CSA-G30.18-M92 - Billet-Steel Bars for Concrete Reinforcement.

Production Process¹²

[24] Deformed steel concrete reinforcing bar can be produced in an integrated steel production facility or using ferrous scrap metal as the principal raw material. Scrap metal is melted in an electric arc furnace and is further processed in a ladle arc-refining unit. The molten steel is then continuously cast into rectangular billets of steel that are cut-to-length. An integrated facility would also produce billets from molten steel. The billets are then rolled into various sizes of rebar which are cut to various lengths depending on the customers' requirements.

[25] Deformed rebar is rolled with deformations on the bar which provides gripping power so that concrete adheres to the bar and provides reinforcing value. The deformations must conform to requirements set out in national standards.

Product Use¹³

[26] Rebar is used in a number of applications, the most common of which is construction. Rebar is most commonly used to reinforce concrete and masonry structures. It enhances the compressional and tensional strength of concrete and helps prevent the concrete from cracking during curing or following changes in temperature. Rebar is also known as "reinforcing steel bar".

Classification of Imports

[27] As of February 4, 2021, the subject goods are usually imported under the following tariff classification numbers:

7213.10.00.11	7213.10.00.13	7214.20.00.00	7215.90.00.30
7213.10.00.12	7213.10.00.90	7215.90.00.20	7227.90.00.50

[28] 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.

¹² EXH 3 (NC) - Rebar 3 Complaint , page 11.

¹³ EXH 3 (NC) - Rebar 3 Complaint, page 12.

LIKE GOODS AND SINGLE CLASS OF GOODS

[29] 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.

[30] In considering the issue of like goods, the 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.

[31] In making both the Rebar 1 and Rebar 2 findings, the CITT determined that domestically produced rebar were like goods to the goods at issue in those inquiries. The complainants maintained that there had been no change of circumstances with respect to the criteria identified by the CITT in the previous proceedings. After considering questions of use, physical characteristics and all other relevant factors, the CBSA initiated its investigation under the premise that domestically produced rebar are like goods to the subject goods and constitute only one class of goods.

[32] In its preliminary injury inquiry for this investigation, the CITT further reviewed the matter of like goods and classes of goods. On February 15, 2021, the CITT issued its preliminary inquiry *Statement of Reasons*¹⁴ for the investigation, indicating that it considered that domestically produced rebar are like goods to the subject goods and that there is one class of goods.

IMPORTS INTO CANADA

[33] During the preliminary phase of the investigation, the CBSA reviewed the estimated volume and value of imports based on information from CBSA import entry documentation and other information received from exporters and importers.

[34] The following table presents the CBSA’s analysis of imports of rebar for the purposes of the preliminary determination:

¹⁴ Canadian International Trade Tribunal; Concrete Reinforcing Bar Determination and Reasons (January 25, 2021), PI-2020-005

Imports of Certain Concrete Reinforcing Bar
(POI : June 1, 2020 – November 30, 2020)

Country of origin or export	Estimated % of Total Imports (by Volume)
Oman	8.0%
Russia	5.9%
All Other Countries	86.1%
Total Imports	100%

REPRESENTATIONS

[35] The CBSA did not receive any representations from parties to the proceeding during the preliminary phase of the investigation.

INVESTIGATION PROCESS

[36] Regarding the investigation, information was requested from all known and potential exporters, producers, vendors and importers, concerning shipments of rebar released into Canada during the POI.

[37] The exporters/producers were 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 margins of dumping and the assessment of anti-dumping 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 favorable to them than if complete, verifiable information was made available.

[38] Several parties requested an extension to respond to their respective RFIs. The CBSA reviewed all requests and determined that the basis for these requests represented unforeseen circumstances and unusual burdens and therefore granted an extension of time that allowed the CBSA adequate time to review the responses for purposes of the preliminary determination of the investigation.

[39] The CBSA received responses to the Dumping RFI from two exporters: JSIS located in Oman and AESW located in Russia. Neither of the exporter responses were substantially complete for purposes of the preliminary determination. After reviewing the RFI responses, the CBSA sent out deficiency letters to notify the exporters that information was missing and that without the missing information being furnished, preliminary determinations would be made on the basis of facts available.

[40] The CBSA also received Dumping RFI response from two trading companies located in the United Arab Emirates and the United States of America, who were not the exporter of the subject goods. The CBSA also received a Dumping RFI response from BSW, a producer of rebar in Russia. However, since this company did not produce or sell subject goods to Canada during the POI, their information was not used in estimating a margin of dumping for the preliminary determination.

[41] The preliminary determination is based on the information available to the CBSA at the time of the preliminary determination. During the final phase of the investigation, additional information may be obtained and responding parties information may be verified, the results of which will be incorporated into the CBSA's final decision, which must be made by June 2, 2021.

PRELIMINARY RESULTS OF THE DUMPING INVESTIGATION

[42] The following presents the preliminary results of the investigation into the dumping of rebar from the named countries.

[43] In establishing the methodology for estimating normal values and export prices, the CBSA analyzed all the information on the administrative record, including the CBSA's estimates at the initiation of the investigation, information submitted by exporters of rebar from the named countries, and information from customs documentation. Since the information provided by the exporters was deficient, in order to estimate margins of dumping for the preliminary determination, the CBSA relied upon information from the CBSA's initiation analysis.

Normal Value

[44] Normal values are generally estimated based on the domestic selling prices of like goods in the country of export, in accordance with the methodology of section 15 of SIMA which relies on domestic prices, or one of the methodologies of section 19. Where the methodology of subsection 19(b) is used, it is based 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.

[45] For normal values, given the insufficient information available with respect to domestic sales in the named countries, the CBSA relied on information from the CBSA's initiation analysis, based on the methodology of paragraph 19(b) of SIMA, by estimating the costs of production of the goods, an amount for general selling and administrative expenses, plus an amount for profit. Adjustments were made to the cost of raw materials and the cost of labour to more reasonably represent costs which may be incurred in the named countries.

Export Price

[46] The export price of goods sold to importers in Canada is generally estimated in accordance with the methodology of section 24 of SIMA based on the lesser of the adjusted exporter's sale price for the goods 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.

[47] Given the insufficient information provided during the preliminary phase of the investigation, the CBSA considered that the information submitted on the CBSA customs entry documentation, reflecting actual import date, would be the best information on which to base the estimates of the export prices of the subject goods.

Margin of Dumping

[48] The estimated margin of dumping by exporter is normally equal to the amount by which the total estimated normal value exceeds the total estimated export price of the goods, expressed as a percentage of the total estimated export price. All subject goods imported into Canada during the POI are included in the estimation of the margins of dumping of the goods. Where the total estimated normal value of the goods does not exceed the total estimated export price of the goods, the margin of dumping is zero.

[49] As previously noted, the exporter/producers in the named countries did not provide responses that were substantially complete such that they would enable the CBSA to estimate the values or the margin of dumping. Therefore, the information provided by the respondents has not been used for the purposes of the preliminary determination of dumping. Instead, the CBSA estimated the margin of dumping for each of the exporters from the named countries, by using the highest amount by which the estimated normal value exceeded the estimated export price, on a single transaction, excluding anomalies. No such anomalies were found in this phase of the investigation. The chosen methodology limits the advantage that an exporter may gain from not providing necessary information requested as part of the dumping investigation.

[50] Further information regarding each responding exporter is detailed below.

Oman

Jindal Shadeed Iron & Steel LLC¹⁵

[51] JSIS is a producer and exporter of subject goods. JSIS is located in Sohar, Oman. Exports of subject goods by JSIS represent 100% of the volume of subject goods exported from Oman during the POI.

[52] JSIS provided an incomplete response to the Dumping RFI on February 1, 2021, and was issued a letter of deficiency on March 1, 2021.¹⁶ The letter noted deficiencies and advised JSIS to provide a revised RFI response as soon as possible to ensure that the CBSA has sufficient time to review, analyze and verify the information provided.

[53] For purposes of making a preliminary determination, the CBSA calculated the highest amount by which the estimated normal value exceeded the estimated export price on a single transaction, based on the methodology set out earlier in this section. This resulted in an estimated margin of dumping of 8.0% for JSIS, expressed as a percentage of the export price.

Russia

Abinsk Electric and Steel Works Ltd.¹⁷

[54] AESW is a producer and exporter of subject goods. AESW is located in Abinsk, Krasnodar, Russia. Exports of subject goods by AESW represent nearly 100% of the volume of subject goods exported from Russia during the POI.

[55] AESW provided an incomplete response to the Dumping RFI on February 1, 2021, and was issued a letter of deficiency on February 16, 2021.¹⁸ The letter noted deficiencies and advised AESW to provide a revised RFI response as soon as possible to ensure that the CBSA has sufficient time to review, analyze and verify the information provided.

[56] AESW provided additional information on February 24, 2021.¹⁹ This additional information will be reviewed and considered by the CBSA in the final phase of the investigation.

[57] For purposes of making a preliminary determination, the CBSA calculated the highest amount by which the estimated normal value exceeded the estimated export price on a single transaction, based on the methodology set out earlier in this section. This resulted in an estimated margin of dumping of 45.0% for AESW, expressed as a percentage of the export price.

¹⁵ EXH 38 (PRO) & EXH 39 (NC) – Response to Dumping RFI - Jindal Shadeed Iron & Steel LLC

¹⁶ EXH 50 (PRO) - Deficiency Letter sent to Jindal Shadeed Iron & Steel LLC.

¹⁷ EXH 33 (PRO) & EXH 34 (NC) – Response to Dumping RFI - Abinsk Electric and Steel Works Ltd.

¹⁸ EXH 37 (PRO) - Deficiency Letter sent to Abinsk Electric Steel Works Ltd.

¹⁹ EXH 42 (PRO) & EXH 43 (NC) – Response to deficiency letter Abinsk Electric Steel Works Ltd.

Summary of Preliminary Results

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

Summary of Preliminary Results
Period of Investigation (June 1, 2020 – November 30, 2020)

Country of origin or export	Estimated volume of subject goods as a percent of total imports	Estimated Margin of Dumping (as % of Export Price)
Oman		
All Exporters	8.0%	8.0%
Russia		
All Exporters	5.9%	45.0%
All Other Countries	86.1%	N/A
All Countries	100.0%	N/A

[59] Under section 35 of SIMA, if at any time before making a preliminary determination the CBSA is satisfied that the actual and potential volume of goods of a country is negligible, the CBSA is required to terminate the investigation with respect to goods of that country.

[60] Pursuant to subsection 2(1) of SIMA, the volume of goods of a country is considered negligible if it accounts for less than 3% of the total volume of goods that are released into Canada from all countries that are of the same description as the goods.

[61] The volume of subject goods from each of the named countries are above 3% of the total volume of goods released into Canada from all countries. Based on the definition above, the volumes of subject goods from these countries are therefore not negligible.

[62] If, in making a preliminary determination, the CBSA determines that the margin of dumping of the goods of a particular exporter is insignificant pursuant to section 38 of SIMA, the investigation will continue in respect of those goods but provisional duties will not be imposed on goods of the same description imported during the provisional period.

[63] 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. The margins of dumping, estimated for exporters in each of the named countries, are greater than the threshold of 2% and are therefore not considered insignificant.

[64] A summary of the estimated margins of dumping and provisional duties by exporter is presented in **Appendix 1**.

DECISION

[65] On March 4, 2021, pursuant to subsection 38(1) of SIMA, the CBSA made a preliminary determination of dumping respecting rebar originating in or exported from Oman and Russia.

PROVISIONAL DUTY

[66] Pursuant to subsection 8(1) of SIMA, provisional duty payable by the importer in Canada will be applied to dumped imports of rebar that are released from the CBSA during the period commencing on the day the preliminary determination is made and ending on the earlier of the day on which the CBSA causes the investigation in respect of any goods to be terminated, in accordance with subsection 41(1), or the day on which the CITT makes an order or finding. The CBSA considers that the imposition of provisional duty is needed to prevent injury. As noted in the CITT's preliminary determination, there is evidence that discloses a reasonable indication that the dumping of rebar has caused injury or is threatening to cause injury to the domestic industry.

[67] Imports of rebar from the named countries released by the CBSA on or after March 4, 2021, will be subject to provisional duties equal to the estimated margin of dumping, expressed as a percentage of the export price of the goods per exporter. **Appendix 1** contains the estimated margins of dumping and the rates of provisional duty.

[68] Importers are required to pay provisional duty in cash or by certified cheque. Alternatively, they may post security equal to the amount payable. Importers should contact their CBSA regional office if they require further information on the payment of provisional duty or the posting of security. If the importers of such goods do not indicate the required SIMA code or do not correctly describe the goods in the import documents, an administrative monetary penalty could be imposed. The imported goods are also subject to the *Customs Act*. As a result, failure to pay duties within the specified time will result in the application of the provisions of the *Customs Act* regarding interest.

FUTURE ACTION

The Canada Border Services Agency

[69] The CBSA will continue its investigation and will make final decisions by June 2, 2021.

[70] If the CBSA is satisfied that the goods were dumped, and that the margins of dumping were not found to be insignificant, a final determination will be made. Otherwise, the CBSA will terminate the investigation in respect of those goods and any provisional duty paid or security posted will be refunded to importers, as appropriate.

The Canadian International Trade Tribunal

[71] The CITT has begun its inquiry into the question of injury to the Canadian industry. The CITT is expected to issue its finding by July 2, 2021.

[72] If the CITT finds that the dumping has not caused injury, retardation or is not threatening to cause injury, the proceedings will be terminated and all provisional anti-dumping duty collected or security posted will be refunded.

[73] If the CITT makes a finding that the dumping has caused injury, retardation or is threatening to cause injury, anti-dumping duty in an amount equal to the margin of dumping will be levied, collected and paid on imports of rebar that are of the same description as goods described in the CITT's finding.

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

RETROACTIVE DUTY ON MASSIVE IMPORTATIONS

[75] Under certain circumstances, anti-dumping duty can be imposed retroactively on subject goods imported into Canada. When the CITT conducts its inquiry on material injury to the Canadian industry, it may consider if dumped 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 CITT issue a finding that there were recent massive importations of dumped 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 duty.

UNDERTAKINGS

[76] After a preliminary determination of dumping by the CBSA, 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. An acceptable undertaking must account for all or substantially all of the exports to Canada of the dumped goods.

[77] In view of the time needed for consideration of undertakings, written undertaking proposals should be made as early as possible, and no later than 60 days after the preliminary determination of dumping. Further details regarding undertakings can be found in the CBSA's Memorandum D14-1-9, available online at:
www.cbsa-asfc.gc.ca/publications/dm-md/d14/d14-1-9-eng.html.

[78] 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.

[79] 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

[80] A notice of this preliminary determination of dumping will be published in the *Canada Gazette* pursuant to paragraph 38(3)(a) of SIMA.

INFORMATION

[81] This *Statement of Reasons* is posted on 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
Canada Border Services Agency
100 Metcalfe Street, 11th floor
Ottawa, Ontario K1A 0L8
Canada

Telephone: Rob Wright 343-553-1729
Valerie Ngai 343-553-1635

E-mail: simaregistry@cbsa-asfc.gc.ca

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

Doug Band
Director General
Trade and Anti-dumping Programs Directorate

ATTACHMENT

Appendix 1: Summary of Estimated Margins of Dumping and Provisional Duties Payable

**APPENDIX 1 – SUMMARY OF ESTIMATED MARGINS OF DUMPING AND
PROVISIONAL DUTIES PAYABLE**

The following table lists the estimated margins of dumping and the provisional duty by exporter as a result of the decision mentioned above. Imports of subject goods released from the Canada Border Services Agency on or after March 4, 2021, will be subject to provisional duties at the rates specified below.

Country of origin or export	Estimated Margin of Dumping*	Total Provisional Duty Payable*
Oman – All Exporters	8.0%	8.0%
Russia – All Exporters	45.0%	45.0%

* As a percentage of export price.