



Ottawa, May 1, 2006

# CUSTOMS NOTICE 640

## Certain Hot-Rolled Steel Plate

1. This notice advises that the Canada Border Services Agency (CBSA) concluded two re-investigations of normal values and export prices on February 3, 2006, in accordance with the *Special Import Measures Act* (SIMA), with respect to certain hot-rolled carbon steel plate and high-strength, low-alloy steel plate. The two re-investigations relate to:

(a) certain hot-rolled carbon steel plate and high-strength, low-alloy steel plate originating in or exported from the People's Republic of China (China), the Republic of South Africa (South Africa) and the Russian Federation (Russia), subject to the Canadian International Trade Tribunal's (Tribunal) finding of material injury, issued on October 27, 1997, and continued on January 10, 2003 (**Plate III**); and

(b) certain hot-rolled carbon steel plate and high-strength, low-alloy steel plate originating in or exported from Bulgaria, the Czech Republic and Romania, subject to the Tribunal's finding of material injury, issued on January 9, 2004 (**Plate V**).

2. The re-investigations are part of the CBSA's enforcement of the Tribunal's findings.

3. The goods subject to the Tribunal's findings are described in the attached appendix and are properly classified under the listed 10-digit harmonized system classification numbers.

4. At the initiation of the re-investigations, the CBSA sent Requests for Information (RFI) to importers, exporters and vendors, to elicit information on the production and sales of subject and like goods. The information was requested to determine the normal values and export prices for subject goods imported into Canada during the period of investigation, that is, January 1, 2005, to August 31, 2005, and for future shipments.

5. With respect to China, information available to the CBSA at the start of the re-investigation indicated that there was reason to believe that section 20 conditions exist in the primary steel industry<sup>1</sup> (steel industry) in China, including the hot-rolled steel plate product segment covered by this inquiry. Section 20 of SIMA is applicable to China where, in the opinion of the President of the CBSA, domestic prices

are substantially determined by the government and there is sufficient reason to believe that they are not substantially the same as they would be if they were determined in a competitive market.

6. Accordingly, a section 20 inquiry was initiated and the CBSA requested the government of China, steel producers/exporters in that country and other interested parties, to supply information and evidence on the matter. During the same period, the CBSA continued to research and review publicly available information sources concerning the status of the Chinese steel industry.

7. Responses to the CBSA's exporter RFI were submitted by the following companies:

China	Angang Group AnSteel Co. Ltd. Angang New Steel Co. Ltd. Jinan Iron and Steel Co. Ltd. Shanghai Baosteel Group Corporation Wuyang Iron and Steel Co., Ltd.
Romania	Mittal Steel Galati (SA)
Russia	JSC Severstal
South Africa	Highveld Steel and Vanadium Corp. Mittal Steel South Africa Ltd. (formerly Ispat Iscor Ltd.)

Stemcor USA Inc. of the United States of America also provided information on sales of subject goods originating in and exported from a named country. Mittal Canada Inc. and Acier Wirth Steel submitted responses to the importer RFI. No party submitted case arguments for the re-investigations. In the course of the re-investigations, verification visits were conducted at the premises of the cooperating exporters from Romania, Russia and South Africa.

8. Normal values for future shipments of certain subject goods produced and exported by the following exporters have been determined on the basis of the normal provisions of SIMA, based on the most recent period for which exporter data were available (for China, refer to paragraph 12 below):

Romania	Mittal Steel Galati (SA)
Russia	JSC Severstal
South Africa	Highveld Steel and Vanadium Corp. Mittal Steel South Africa Ltd.

<sup>1</sup> For purposes of this inquiry, the primary steel industry covers primary steel products—created when the steel is initially cast and formed. In general terms, long and flat-rolled products are the two main categories of primary steel products.

9. If the exporters mentioned above ship subject goods, for which a specific normal value has not been determined, to Canada, the normal value will be determined by way of a ministerial specification in the manner described in paragraph 14.

10. Where a producer or exporter becomes aware that domestic prices, market conditions or costs associated with production and sales have changed, the CBSA should be told so that normal values can be reviewed and updated, if required, to reflect current conditions. Similarly, the export charges to be deducted from the export price may also need revision to reflect current conditions. Where changes have occurred and the CBSA has not been advised in a timely manner, the extent of these changes could warrant retroactive assessments of anti-dumping duty.

11. The CBSA has completed its section 20 inquiry and, based on available information, is satisfied that section 20 conditions continue to exist in the Chinese primary steel industry, including the hot-rolled steel plate product segment. Additional details on this decision, including supporting information, is available from the CBSA's administrative record.

12. For Chinese producers that provided sufficient information in response to the CBSA's RFI, normal values have been determined for certain subject goods on the basis of domestic selling prices and costs of like goods in a surrogate country, namely South Africa. Export price information (i.e., export charge deductions) was determined on the basis of the information provided by the Chinese exporters. The Chinese producers that have received normal values in accordance with section 20 of SIMA are:

- Angang Group AnSteel Co. Ltd.;
- Angang New Steel Co. Ltd.;
- Jinan Iron and Steel Co. Ltd.;
- Shanghai Baosteel Group Corporation; and
- Wuyang Iron and Steel Co., Ltd.

13. If the exporters mentioned above ship subject goods, for which a specific normal value has not been determined, to Canada, the normal value will be determined by a ministerial specification based on the export price of the goods advanced by 80.2 percent.

14. No other exporters provided information to the CBSA. Accordingly, normal values for all other exporters will be determined in accordance with a ministerial specification based on the export price of the goods advanced by 80.2 percent for subject goods originating in or exported from China, South Africa and Russia or by 74.6 percent for subject goods originating in or exported from Bulgaria, the Czech Republic and Romania.

15. The normal values will be effective for subject goods released from the CBSA on or after February 3, 2006. Normal values previously in place expired on that date.

16. In addition, the normal values determined on the basis of the re-investigations will be applied to any entries of subject goods under appeal that have yet to be re-determined at the time of the conclusion of the re-investigations.

17. Importers are reminded that it is their responsibility to calculate and declare their anti-dumping duty liability. If importers are using the services of a customs broker to clear importations, the brokerage firm should be advised that the goods are subject to anti-dumping action and be provided with sufficient information necessary to clear the shipments. To determine their liability for anti-dumping duty, importers should contact their suppliers, who can provide information on normal values. Under limited circumstances, the CBSA may make this information available to importers. Please refer to Memorandum D14-1-2, *Disclosure of Normal Value and Export Price*, for more information.

18. The *Customs Act* applies, with any modifications that the circumstances require, with respect to the accounting and payment of anti-dumping duty. As such, failure to pay duties within the prescribed time will result in the application of the interest provisions of the Act.

19. Should the importer disagree with the determination made on any importation of goods, a request for re-determination may be filed with the Director General, Anti-dumping and Countervailing Directorate, Ottawa ON K1A 0L8. Such a request must be received within 90 days from the making of the determination, in the form and manner outlined in Memorandum D14-1-3, *Procedures for Making a Request for a Re-determination (an Appeal) of Goods Under the Special Import Measures Act*.

20. Any questions concerning the above should be directed to:

SIMA Registry and Disclosure Unit  
Anti-dumping and Countervailing Program  
Canada Border Services Agency  
100 Metcalfe St., 11th floor  
Ottawa ON K1A 0L8

Facsimile: (613) 948-4844  
Website: [www.cbsa.gc.ca/sima](http://www.cbsa.gc.ca/sima)

Officers: Denis Chénier  
Telephone: (613) 954-7394  
Email: [Denis.Chenier@cbsa-asfc.gc.ca](mailto:Denis.Chenier@cbsa-asfc.gc.ca)

Iqbal Motani  
Telephone: (613) 952-7547  
Email: [Iqbal.Motani@cbsa-asfc.gc.ca](mailto:Iqbal.Motani@cbsa-asfc.gc.ca)

**APPENDIX**

**Plate III Product Definition**  
**(People's Republic of China, Republic of South Africa, Russian Federation)**

Subject goods are:

“Hot-rolled carbon steel plate and high strength, low alloy plate not further manufactured than hot-rolled, heat-treated or not, in cut lengths, in widths from 24 inches (+/- 610 mm) to 152 inches (+/- 3,860 mm) inclusive, and thicknesses from 0.187 inches (+/- 4.75 mm) to 4 inches (+/- 101.6 mm) inclusive, originating in or exported from the People's Republic of China, the Republic of South Africa and the Russian Federation, but excluding plate for use in the manufacture of pipe and tube (also known as skelp); plate in coil form; plate having a rolled, raised figure at regular intervals on the surface (also known as floor plate); and plate produced to ASTM specifications A515 and A516M/A516, grade 70, in thicknesses greater than 3.125 inches (+/- 79.3 mm).”

ASTM standards, such as A6/A6M and A20/A20M, recognize permissible variations for dimensions.

It should be noted that the metric equivalent dimensions in the definition of the subject goods are rounded numbers as indicated by the “+/-” symbols.

The subject goods are normally imported into Canada under the following harmonized system classification numbers:

7208.51.91.10	7208.51.99.10	7208.52.90.10
7208.51.91.91	7208.51.99.91	7208.52.90.91
7208.51.91.92	7208.51.99.92	7208.52.90.92
7208.51.91.93	7208.51.99.93	7208.52.90.93
7208.51.91.94	7208.51.99.94	7208.52.90.94
7208.51.91.95	7208.51.99.95	7208.52.90.95

**Plate V Product Definition**  
**(Bulgaria, Czech Republic and Romania)**

Subject goods are:

“Hot-rolled carbon steel plate and high-strength, low-alloy steel plate not further manufactured than hot-rolled, heat-treated or not, in cut lengths in widths from 24 inches (+/- 610 mm) to 152 inches (+/- 3,860 mm) inclusive and in thicknesses from 0.187 inches (+/- 4.75 mm) to 5.25 inches (+/-133 mm) inclusive, originating in or exported from Bulgaria, the Czech Republic and Romania, excluding plate produced to American Society for Testing and Materials (ASTM) specifications A515 and A516M/A516 Grade 70 in thickness greater than 3.125 inches (+/- 79.3 mm), universal mill plate, plate for use in the manufacture of pipe and plate having a rolled, raised figure at regular intervals on the surface (also known as floor plate).”

The following goods are excluded: hot-rolled carbon steel plate and high-strength, low-alloy steel plate in thicknesses greater than four inches (+/-100 mm).

ASTM standards, such as A6/A6M and A20/A20M, recognize permissible variations for dimensions.

It should be noted that the metric equivalent dimensions in the definition of the subject goods are rounded numbers as indicated by the “+/-” symbols.

The subject goods are normally imported into Canada under the following harmonized system classification numbers:

7208.51.91.10	7208.51.99.10	7208.52.90.10
7208.51.91.91	7208.51.99.91	7208.52.90.91
7208.51.91.92	7208.51.99.92	7208.52.90.92
7208.51.91.93	7208.51.99.93	7208.52.90.93
7208.51.91.94	7208.51.99.94	7208.52.90.94
7208.51.91.95	7208.51.99.95	7208.52.90.95

