



OTTAWA, October 17, 2025

STATEMENT OF REASONS

Concerning an expiry review determination
under paragraph 76.03(7)(a) of the *Special Import Measures Act* respecting

**CERTAIN CARBON STEEL FASTENERS ORIGINATING IN OR EXPORTED FROM
CHINA AND THE SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU,
KINMEN AND MATSU (CHINESE TAIPEI)**

DECISION

On October 2, 2025, pursuant to paragraph 76.03(7)(a) of the *Special Import Measures Act*, the Canada Border Services Agency determined that the expiry of the Canadian International Trade Tribunal's order made on September 2, 2020, in expiry review RR-2019-002:

- is likely to result in the continuation or resumption of dumping of such goods originating in or exported from China and Chinese Taipei; and
- is likely to result in the continuation or resumption of subsidizing of such goods originating in or exported from China.

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EXECUTIVE SUMMARY

[1] On May 5, 2025, the Canadian International Trade Tribunal (CITT), pursuant to subsection 76.03(3) of the *Special Import Measures Act* (SIMA), initiated an expiry review of its order made on September 2, 2020, in Expiry Review No. RR-2019-002, concerning the dumping of certain carbon steel fasteners originating in or exported from China and Chinese Taipei and the subsidizing of such goods originating in or exported from China.

[2] As a result of the CITT's notice of expiry review, on May 6, 2025, the Canada Border Services Agency (CBSA), pursuant to paragraph 76.03(7)(a) of SIMA, initiated an expiry review investigation to determine whether the expiry of the order is likely to result in the continuation or resumption of dumping and/or subsidizing of the subject goods.

[3] The CBSA received responses to its Canadian Producer Expiry Review Questionnaire (ERQ) from Infasco, a Division of Ifastgroupe 2004 L.P. (Infasco)¹ and Leland Industries Inc. (Leland)².

[4] Close of record documents³, as well as case briefs⁴ were also received from Leland, which included information in support of their position that continued or resumed dumping of subject fasteners from China and Chinese Taipei and subsidizing of such goods from China are likely, if the CITT's order is allowed to expire.

[5] The CBSA received responses to its Importer ERQ from seven importers. None of the importers filed a case brief or a reply submission.

[6] The CBSA received responses to its Exporter/Foreign Producer ERQ from 13 companies. None of the exporters or foreign producers filed a case brief or a reply submission.

[7] The CBSA did not receive a response to the Subsidy ERQ from the Government of China nor did the Government of China provide a case brief or reply submission.

[8] Analysis of information on the administrative record indicates a likelihood of continued or resumed dumping into Canada of certain carbon steel fasteners from China should the CITT's order expire. This analysis relied upon the following factors:

- Commodity nature of certain carbon steel fasteners
- Tariffs and safeguard measures on steel imports and diversion of certain carbon steel fasteners into Canada
- China's fastener production and overcapacity
- Imposition of trade measures by Canada and other jurisdictions on China
- Continued interest in the Canadian market and evidence of continued dumping

¹ Exhibits 56 (PRO) & 57 (NC) – Response to producer ERQ – Infasco

² Exhibits 54 (PRO) & 55 (NC) – Response to producer ERQ – Leland

³ Exhibits 87 (PRO) & 88 (NC) – Close of record attachments – Leland

⁴ Exhibits 91 (PRO) & 92 (NC) – Case Briefs filed on behalf of Leland

[9] Analysis of information on the administrative record indicates a likelihood of continued or resumed dumping into Canada of certain carbon steel fasteners from Chinese Taipei should the CITT's order expire. This analysis relied upon the following factors:

- Commodity nature of certain carbon steel fasteners
- Tariffs and safeguard measures on steel imports and diversion of certain carbon steel fasteners into Canada
- Chinese Taipei's fastener production and overcapacity
- Imposition of trade measures by Canada and other jurisdictions on Chinese Taipei
- Continued interest in the Canadian market and evidence of continued dumping

[10] In addition, analysis of information on the administrative record indicates a likelihood of continued or resumed subsidizing of certain carbon steel fasteners originating in or exported from China should the CITT's finding be rescinded. This analysis relied upon the following factors:

- Tariffs and safeguard measures on steel imports and diversion of certain carbon steel fasteners into Canada
- Imposition of countervailing measures by Canada and other jurisdictions on China
- Continued availability of subsidy programs for fastener exporters/producers in China

[11] For the foregoing factors, the CBSA, having considered the relevant information on the administrative record, determined on October 2, 2025, pursuant to paragraph 76.03(7)(a) of SIMA, that the expiry of the order:

- i. in respect of certain carbon steel fasteners originating in or exported from China and Chinese Taipei is likely to result in the continuation or resumption of dumping of the goods into Canada; and
- ii. in respect of certain carbon steel fasteners originating in or exported from China is likely to result in the continuation or resumption of subsidizing of the goods exported to Canada.

BACKGROUND

[12] On April 28, 2004, following a complaint received from Leland, the CBSA initiated investigations, pursuant to subsection 31(1) of SIMA, into the alleged injurious dumping and subsidizing of certain carbon steel fasteners and certain stainless steel fasteners, i.e. screws, nuts and bolts that are used to mechanically join two or more elements, excluding fasteners specifically designed for application in the automotive or aerospace industry, originating in or exported from China and Chinese Taipei.

[13] On December 9, 2004, pursuant to subsection 41(1) of SIMA, the CBSA made a final determination of dumping respecting certain carbon steel fasteners and certain stainless steel fasteners from China and Chinese Taipei, and made a final determination of subsidizing of such goods from China. On the same date, pursuant to subsection 41(1) of SIMA, the CBSA terminated the subsidy investigation of such goods from Chinese Taipei.

[14] On January 7, 2005, the CITT issued its findings in Inquiry No. NQ-2004-005. The CITT terminated its inquiry regarding the dumping and subsidizing of certain stainless steel screws from China, as the volume of such goods was negligible. In its injury findings, the CITT found that the dumping of certain carbon steel screws from China and Chinese Taipei and the subsidizing of such goods from China had caused injury to the domestic industry. Furthermore, the CITT found that the dumping of certain stainless steel screws from Chinese Taipei was threatening to cause injury to the domestic industry. From these injury findings, the CITT excluded specific products.

[15] On the same date, the CITT found that the dumping of certain carbon and stainless steel nuts and bolts from China and Chinese Taipei and the subsidizing of such goods from China have not caused injury and were not threatening to cause injury to the domestic industry.

[16] Following the CITT's initiation of an expiry review of its findings on April 22, 2009, the CBSA commenced its expiry review investigation and determined on August 20, 2009, pursuant to subsection 76.03(7)(a) of SIMA that the expiry of the CITT's findings concerning certain carbon steel fasteners from China and Chinese Taipei and certain stainless steel fasteners from Chinese Taipei was likely to result in the continuation or resumption of dumping of the goods, and that the expiry of the CITT's finding concerning certain carbon steel fasteners from China was likely to result in the continuation or resumption of subsidizing of the goods.

[17] On January 6, 2010, in Expiry Review No. RR-2009-001, the CITT continued, with amendment, its findings concerning certain carbon steel fasteners from China and Chinese Taipei and rescinded its finding concerning certain stainless steel fasteners from Chinese Taipei.

[18] On April 24, 2014, pursuant to subsection 76.03(3) of SIMA, the CBSA initiated an expiry review investigation concerning certain carbon steel fasteners. On August 21, 2014, pursuant to subsection 76.03(7)(a) of SIMA, the CBSA determined that the expiry of the order was likely to result in the continuation or resumption of dumping of the goods from China and Chinese Taipei and in the continuation or resumption of subsidizing of the goods from China.

[19] On January 5, 2015, in Expiry Review No. RR-2014-001, the CITT continued, with amendment, its order concerning certain carbon steel fasteners originating in or exported from China and Chinese Taipei.

[20] On October 29, 2019, pursuant to subsection 76.03(3) of SIMA, the CBSA initiated an expiry review investigation concerning certain carbon steel fasteners. On March 26, 2020, pursuant to subsection 76.03(7)(a) of SIMA, the CBSA determined that the expiry of the order was likely to result in the continuation or resumption of dumping of the goods from China and Chinese Taipei and in the continuation or resumption of subsidizing of the goods from China.

[21] On September 2, 2020, in Expiry Review No. RR-2019-002, the CITT continued, with amendment, its order concerning certain carbon steel fasteners originating in or exported from China and Chinese Taipei.

[22] On May 6, 2025, the CBSA commenced an expiry review investigation to determine whether the expiry of the CITT's order is likely to result in continued or resumed dumping and/or subsidizing of the subject goods.

[23] Since the CITT's findings on January 7, 2005, the CBSA has conducted seven re-investigations of certain carbon steel fasteners from China and Chinese Taipei. The CBSA's most recent re-investigation to update the normal values, export prices and amounts of subsidy was concluded on May 30, 2024.

PRODUCT DEFINITION

Product Definition

[24] The goods subject to the order under review are defined as:

“Certain carbon steel fasteners originating in/or exported from the People's Republic of China and Chinese Taipei, excluding those specifically designed for application in the automotive or aerospace industry.”

Inclusions, Exclusions and Additional Information

[25] For a full list of inclusions, exclusions and for additional product information please see the [relevant](#)⁵ sections on the Measures in Force page.

⁵ <https://www.cbsa-asfc.gc.ca/sima-lmsi/mif-mev/fas-eng.html> (FAS Measures in Force)

CLASSIFICATION OF IMPORTS

[26] Certain carbon steel fasteners are normally, but not exclusively, imported into Canada under the following tariff classification numbers:

| | | | |
|---------------|---------------|---------------|---------------|
| 7318.11.00.00 | 7318.14.00.00 | 7318.15.00.42 | 7318.15.00.49 |
| 7318.12.00.00 | 7318.15.00.10 | 7318.15.00.45 | |

[27] This listing of tariff classification numbers is for convenience of reference only. Refer to the product definition for authoritative details regarding the subject goods.

PERIOD OF REVIEW

[28] The period of review (POR) for the CBSA's expiry review investigation is from January 1, 2022 to December 31, 2024.

CANADIAN INDUSTRY

[29] The domestic industry for certain carbon steel fasteners is comprised of the following producers: Infasco (Marievalle, Québec), Leland (Toronto, Ontario), Standard Fasteners (Surrey, British Columbia), Hillman Canada (Toronto, Ontario) and Visqué (Anjou, Québec).

[30] Two domestic producers, Leland and Infasco, provided a response to the CBSA's Domestic Producer ERQ.

Infasco, a division of Ifastgroupe 2004 L.P.

[31] Infasco is a large producer of fasteners, which manufactures flange bolts and screws but primarily produces non-subject goods, such as carbon steel nuts and bolts.

Leland Industries Inc.

[32] Leland, the complainant, manufactures a full range of certain carbon steel fasteners as well as other products, including standard and special engineered fasteners, custom and Leland-designed product, and fasteners with custom coatings, platings, assemblies, powder and wet paint and individualized packaging and labeling. It also produces stainless steel fasteners as well as non-subject nuts and bolts.

CANADIAN MARKET

[33] The Canadian production and the apparent market for carbon steel fasteners cannot be disclosed as the total value and volume of Canadian production of carbon steel fasteners during the POR was based on confidential information filed by the a limited number of Canadian producers. The imports of carbon steel fasteners from subject countries and all other countries are presented in dollars and percentage share of total imports in **Table 1** and **Table 2**.

Table 1⁶:
Total Imports
Certain Carbon Steel Fasteners
(Value in Canadian Dollars (CAD))

| Source | 2022 | 2023 | 2024 |
|-----------------------|--------------------|--------------------|--------------------|
| China | 8,884,542 | 8,658,357 | 9,543,359 |
| Chinese Taipei | 57,421,095 | 32,048,399 | 45,099,100 |
| US | 59,989,501 | 70,121,352 | 71,728,634 |
| All Other Countries | 68,075,614 | 70,610,394 | 44,884,288 |
| Total Imports* | 194,370,752 | 181,438,502 | 171,255,382 |

* Totals may vary from row-by-row addition due to rounding.

Note: CBSA's import data on volume as reported on import documentation includes quantity expressed in kilograms, pounds, number of pieces and in units of packaging (boxes, bags, buckets, etc.). As a result, the CBSA was unable to estimate the volume of imports into Canada of certain carbon steel fasteners.

Table 2:
Total Imports
Certain Carbon Steel Fasteners
(% of Total Import Value)

| Source | 2022 | 2023 | 2024 |
|----------------------|------------|------------|------------|
| China | 4.6 | 4.8 | 5.6 |
| Chinese Taipei | 29.5 | 17.7 | 26.3 |
| US | 30.9 | 38.6 | 41.9 |
| All Other Countries | 35.0 | 38.9 | 26.2 |
| Total Imports | 100 | 100 | 100 |

Table 3:
Volume Data (Subject Countries)
Certain Carbon Steel Fasteners
(Quantities in Kilograms)

| Source | 2022 | 2023 | 2024 |
|----------------|------------|------------|------------|
| China | 2,137,173 | 2,380,723 | 3,523,660 |
| Chinese Taipei | 20,662,223 | 13,385,015 | 17,081,658 |

[34] As detailed in **Table 1** and **Table 2** above, imports into Canada for certain carbon steel fasteners declined in value by 11.9% from 2022 to 2024. In regard to the value of imports from China, its market share grew slightly, increasing from 4.6% to 5.6% of total imports from 2022 to

⁶ Exhibit 84 (PRO) – CBSA import statistics – day 50

2024. The share of total imports for Chinese Taipei fluctuated more significantly during the period, beginning at 29.5% in 2022 before falling markedly to 17.7% in 2023, prior to a strong recovery to 26.3% in 2024.

ENFORCEMENT DATA

[35] As detailed in **Table 4** below, the enforcement of the CITT’s order by the CBSA during the POR has resulted in the assessment of anti-dumping and countervailing duties on imports of subject goods from China in the amount of \$24,817,210. In regard to imports of subject goods from Chinese Taipei during the POR, the CBSA assessment of anti-dumping duty was \$42,106,405.

Table 4:
Enforcement Data – SIMA Duties Assessed on Imports of Subject Goods from China and Chinese Taipei⁷
(Value in CAD)

| Source | 2022 | 2023 | 2024 |
|----------------|-------------------|-------------------|-------------------|
| China | 7,936,606 | 7,437,088 | 9,443,516 |
| Chinese Taipei | 14,221,436 | 13,180,549 | 14,704,420 |
| Total | 22,158,042 | 20,617,637 | 24,147,936 |

PARTIES TO THE PROCEEDINGS

[36] On May 6, 2025, the CBSA sent a notice concerning the initiation of the expiry review investigation and ERQs to known Canadian producers, importers and exporters.

[37] The ERQs requested information relevant to the consideration of the expiry review factors found under subsection 37.2(1) of the *Special Import Measures Regulations* (SIMR).

[38] Two domestic producers, Leland and Infasco, provided a response to the CBSA’s Domestic Producer ERQ. In addition, Leland provided additional close of the record documents as well as case briefs in support of their position that continued or resumed dumping of subject fasteners from China and Chinese Taipei and subsidizing of such goods from China are likely, if the CITT’s order is allowed to expire.

[39] Seven importers participated in the expiry review investigation by providing a response to the Importer ERQ. None of the importers filed a case brief or a reply submission.

[40] 13 exporters/producers participated in the expiry review investigation by providing a response to the Exporter/Foreign Producer ERQ. None of these exporters or foreign producers filed a case brief or a reply submission.

⁷ Exhibit 83 (NC) – CBSA compliance statistics – day 50

[41] The Government of China did not provide a response to the Subsidy ERQ, nor did it provide a case brief or reply submission.

INFORMATION CONSIDERED BY THE CBSA

Administrative Record

[42] The information considered by the CBSA for purposes of this expiry review investigation is contained on the administrative record. The administrative record includes the information on the CBSA's Exhibit List, CBSA exhibits, and information submitted by interested persons, including information which parties feel is relevant to the decision as to whether dumping and/or subsidizing is likely to continue or resume if the order is rescinded. This information may consist of expert analyst reports, excerpts from trade magazines and newspapers, orders and findings issued by authorities of Canada or of a country other than Canada, documents from international trade organizations such as the World Trade Organization and responses to the ERQs, if any, from interested parties.

[43] For purposes of an expiry review investigation, the CBSA sets a date after which no new information submitted by interested parties will be placed on the administrative record or considered as part of the CBSA's investigation. This is referred to as the "closing of the record date" and is set to allow participants time to prepare their case briefs and reply submissions based on the information that is on the administrative record as of the closing of the record date. For this investigation, the administrative record closed on June 25, 2025.

POSITION OF THE PARTIES - DUMPING

[44] Certain details provided in case briefs and reply submissions were designated as confidential information by the submitting counsel. This has restricted the ability of the CBSA to discuss specific details raised in these submissions.

Parties contending that continued or resumed dumping is likely

Domestic Producers - Leland

[45] In their ERQ response, Leland argued that continued or resumed dumping was likely should the order be allowed to expire. Leland provided the CBSA with additional information prior to the close of the record in support of its position. Leland further expanded and elaborated on their position in their case briefs.

[46] The factors identified by Leland in support of their position are summarized as follows:

- Current international market conditions
- Current domestic market conditions
- Commodity nature of fasteners
- Factors specific to China
- Factors specific to Chinese Taipei

Current International Market Conditions

[47] Leland contends that demand for fasteners is moderating due to a slowdown in global growth that is the result of global trade volatility and new protectionist measures. Leland notes that the International Monetary Fund has projected slowing GDP growth in 2025 as compared to 2024. Leland points to the CITT's own observations during the 2020 expiry review in which the Tribunal observed a linkage between general economic growth and fastener demand.⁸

[48] Leland argues that the ongoing trade conflict between China and the United States (US) has caused a notable decline in China's economic activity. This slowdown in China may have further extended to other economies in Asia. Leland contends that the slowdown in the economy will lead to a probable slowdown in fastener demand. Leland further argues that fasteners are particularly susceptible to uncertainty from US's trade policy, given they are included in the scope of the 25 percent tariff that applies to all steel and derivative products, in addition to the 10 percent reciprocal tariff on all imports along with a 30 percent tariff on all imports from China specifically.⁹

⁸ Exhibit 92 (NC) – Case Briefs filed on behalf of Leland, paras. 1-5.

⁹ Ibid., paras. 6-8.

[49] Leland notes that the United States imports several times more self-tapping screws in a single quarter from China than Canada does in an entire year. Leland argues this would leave the Canadian market for fasteners vulnerable to fluctuations in the China-US trade relationship in absence of anti-dumping measures. Leland also notes that Chinese exporters will be seeking other markets after the influx of orders from the US, resulting from a demand surge seeking to front-run the tariffs, dissipate. Leland argues that for Chinese Taipei, there is an order of magnitude larger import volume into the US as compared to Canada for goods under HS code 7318, and Chinese Taipei exporters are also affected by the US's 25 percent steel tariffs. In short, should the order be rescinded, the Canadian market cannot absorb the diverted volumes of fasteners from China or Chinese Taipei.¹⁰

[50] Leland argues that the recent US tariffs have been particularly disruptive of China's exports of fasteners. To support this, Leland provided tables that show a comparison of import volume into the US from China during specific periods in 2018-2019 and 2024-2025 that represent before and after the imposition of section 301 and then section 232 and section 301 tariffs respectively.¹¹

[51] Leland contends that domestic demand for fasteners in China has been severely affected by weak growth and a collapse in the Chinese property market, noting a Goldman Sachs forecast that shows 75 percent lower demand for new homes in China over the next several years as compared to demand levels in 2017. This comes on top of faltering factory activity, in part the result of the US-China trade dispute.¹²

[52] Leland cites findings by the CBSA from the 2020 expiry review, notably the tendency of Chinese exporters to lower prices in the face of tariffs as well as the highly price-sensitive nature of Canadian importers. Leland notes the revocation of restrictive measures on steel and iron in the European Union (EU) in 2016, which resulted in Chinese exporters re-entering the market and lowered prices to compete with suppliers from other low-cost countries. The EU has since re-imposed their anti-dumping duties on Chinese fasteners in 2022.¹³

[53] Leland also noted the commodity nature of fasteners, and how any trade measures undertaken by the US on Chinese fasteners would ripple through the global market, including Chinese Taipei. In order to maintain capacity utilization rates, producers in both China and Chinese Taipei would be incentivized to shift exports to Canada in absence of anti-dumping measures. Leland notes that competitive pressures in the global fastener market is likely greater than that observed by the CBSA in 2020, due reciprocal and steel tariffs by the US that apply to almost all countries. As such, fastener suppliers from not just China but the rest of the world will seek to compete for sales in the other markets, exacerbating the ripple affect on global fastener pricing.¹⁴

¹⁰ Ibid., para. 9.

¹¹ Ibid., para. 10, Table 2 and Table 3.

¹² Ibid., para. 11.

¹³ Ibid., paras. 12-13.

¹⁴ Ibid., paras. 13-15.

Current Domestic Market Conditions

[54] Leland argues that in comparison to other developed markets, Canada's economic growth is set to be relatively robust, even after downward revisions due to trade uncertainty, making Canada a particularly attractive market for dumped and subsidized subject goods. However, Leland points to vulnerabilities in the domestic industry, relating to US tariffs and uncertainty in the Canada-US trade relationship. Leland argues that this uncertainty means the Canadian fastener market is increasingly price sensitive and is therefore vulnerable to continued or resumed dumping of subject goods should the order be rescinded.¹⁵

[55] Leland notes that Canada's economy is expected to fare modestly well compared to other advanced economies, noting stronger forecasted growth than the Eurozone. Additionally, Leland argues that Canada is less affected than other economies by the US tariffs. To support this, Leland points to the Canada's lower average tariff rate imposed by the US compared to other countries, including China and Chinese Taipei. In comparison to other markets, Leland contends that Canada's stable and relatively strong economic forecast make it a particularly attractive market for dumped and subsidized exports should the order be permitted to expire.¹⁶

Commodity Nature of Fasteners

[56] Leland states that it is a well-known and well-established fact that the subject fasteners are a commodity product. To this effect, Leland notes that the CBSA found "... carbon steel fasteners are a commodity product and are sold typically on the basis of price." while the CITT found that "that, subject to few exceptions, carbon steel screws trade largely on the basis of price." Leland further re-iterates CBSA findings, noting that the CBSA noted the significant export dependency of producers in both China and Chinese Taipei during the 2020 Expiry Review, and the conclusion that exporters from those subject countries would likely have to enter the Canadian market at lower prices to maintain market share should the order be rescinded.¹⁷

[57] Leland argues that without the order, subject goods would be sold into Canada at increasingly dumped and subsidized prices to gain competitive advantage. Leland notes that this phenomenon of increasing order volume with reduced unit profitability is already evident in markets outside of Canada. To support this Leland provides the per unit export prices of fasteners from China to the US, noting that while order volumes have increased, value has decreased, representing a decline in selling prices of \$2,300 US to \$2,000 US per ton.¹⁸

¹⁵ Ibid., paras. 16-17.

¹⁶ Ibid., paras. 18-19.

¹⁷ Ibid., paras. 20-21.

¹⁸ Ibid., para. 22.

[58] Leland notes that price competition in the fasteners global market is ever increasing, with producers in Chinese Taipei noting not just the competition from China but increasingly from other sources in Southeast Asia. Leland notes that other jurisdictions have concluded that export volumes from these other Southeast Asian markets may be diverted Chinese goods. Either way, Leland argues that the presence of low-priced competition from other sources supports the conclusion that continued or resumed dumping is likely.¹⁹

Position in regard to China

Chinese Exporters Produce Significant Volumes of Fasteners and Have a Strong Export Focus

[59] Leland states that the Tribunal found an “abundance of evidence” that producers in both China and Chinese Taipei are export orientated during the RR-2019-002 ruling. Leland notes that the Government of China maintained policies aimed at increasing exports, including export tax rebates for subject goods. Leland points to the Tribunal’s conclusions that a decrease in demand in China’s export markets would increase the volume of fasteners available for export.²⁰

[60] Leland notes that China is the leading producer and exporter of fasteners in the world, yet maintains significant excess capacity beyond what was produced and exported in 2024. Leland argues that because of their massive excess capacity, China’s domestic production far outstrips domestic demand. As such, this has corresponded to ever decreasing imports and ever increasing exports. Leland argues that this export orientation is set to only increase due to weak economic conditions and demand domestically. To support this, Leland points to US-China trade conflict and the downstream consequences on industrial production as well a notable slowdown in China’s property sector.²¹

[61] Leland notes that there are producers that exclusively target export markets. Leland summarizes that weak domestic conditions, significant production capacity and subsequent export focus will increase the likelihood that Chinese producers continue to dump fasteners.²²

Chinese Producers Have Substantial Excess Capacity

[62] Leland provides commentary by the Tribunal from the previous expiry review, where the Tribunal stated that given the number of Chinese producers “would, on their own, have sufficient excess capacity to easily overtake the entire Canadian market”. Leland argues that in the face of decreasing domestic demand, China’s export trends demonstrate that their producers have been forced to turn to exports to keep utilization rates high. Leland argues that the excess production capacity in China continues to grow given a lack of domestic or global demand increase.²³

¹⁹ Ibid., paras. 23-24.

²⁰ Ibid., para. 26.

²¹ Ibid., paras. 27-30.

²² Ibid., paras. 31-32.

²³ Ibid., para. 33.

[63] Leland points to the evidence on the record that demonstrates significant excess capacity. Leland provides several tables that analyze the production capacity information provided by the two responding exporters in China. Leland contends that just these two producers have significant amounts of excess capacity that could overwhelm the Canadian Market. Leland argues that true extent of the excess capacity in the Chinese fastener market is much greater given that there are more than 8,000 fastener producers in China.²⁴

Chinese Exporters Have a Sustained Interest in the Canadian Market

[64] Leland argues that many of the exporters have established distribution channels in Canada, including through related distributors. To support this, Leland points to the most recent re-investigation where at least three participating exporters had related importers. Specific to China, Leland points to Robertson Jiaying which has exported nearly continuously to Robertson Inc. (Canada) since the original investigation in 2004 and participated in nearly every re-investigation since. Leland states that 14 exporters from Chinese Taipei and 7 from China participated in the most recent re-investigation. Leland argues that because exporters have established channels of distribution, it would be easy for them to increase exports of dumped and subsidized goods should the order expire.²⁵

[65] Leland points to evidence on the record showing that the volume of fasteners imported from China has grown over the POR, growing by 64 percent. However, Leland notes that the value of imports has increased much more modestly, growing just 7 percent in the same period. This results in a declining average unit value over the POR, which Leland argues shows that should the order expire, would lead to ever greater rates of dumping.²⁶

[66] Leland argues that the Chinese fastener industry is export orientated and chasing every opportunity to increase exports. To support this, Leland cites the initiation of a circumvention proceeding by Ukraine relating to alleged Chinese fasteners being routed through Malaysia. Malaysia had previously been identified as a source of circumvented fasteners by an EU anti-circumvention investigation in 2011. Leland also cited a US Department of Commerce (USDOC) conclusion from 2023 that collated steel staples from China, also made from steel wire, had been circumvented through Southeast Asia, including Thailand and Vietnam.²⁷

²⁴ Exhibit 91 (PRO) – Case Briefs filed on behalf of Leland, paras. 34-37, Tables 4 and 5.

²⁵ Exhibit 92 (NC) – Case Briefs filed on behalf of Leland, paras. 38-39.

²⁶ *Ibid.*, para. 40.

²⁷ *Ibid.*, para. 42.

Chinese Exporters Continue to Dump Significant Volumes into the Canadian Market

[67] Leland notes that throughout the POR, exporters have continued to export dumped and subsidized Chinese subject goods into Canadian market. Leland argues that there is clear and conclusive evidence that subject exports remained dumped over the POR. To support this, Leland points to the significant amounts of SIMA duties collected during the POR. Leland provides a table that provides the rate of dumping and subsidization over the POR by comparing a ratio between the SIMA duties collected and the total value of the goods, and notes that the rate has increased from 89 percent in 2022 to 99 percent in 2024. Further, Leland compares the duties collected during the POR to the previous POR in the last expiry review, noting a significant increase from \$9.58 million to almost \$25 million.²⁸

[68] Leland notes that this behavior of dumping by China in Canada is not limited to subject fasteners but also extends to 20 different steel products.²⁹

Measures in Other Jurisdictions Increase Likelihood of Diversion of Dumped Goods from China

[69] Leland argues that the trade measures applied by other jurisdictions will increase the likelihood of diversion of dumped fasteners from China should the order expire. Leland points to Section 232 tariffs imposed on steel and aluminum and Section 301 tariffs in the US, as well as safeguard measures in South Africa. Leland notes that trade measures create ripple effects. Leland notes that due to the re-imposition of anti-dumping measures against Chinese fasteners by the EU in 2022, the European market is less likely to absorb diverted goods.³⁰

[70] Leland argues that trade diversion is a particularly acute risk for Canada due to Canada's proximity to the US and the close integration of the two economies and supports this argument by pointing to the tariff rate quotas imposed on imports of steel products by Canada. Leland contends that should the order expire, there is significant likelihood of further trade diversions of Chinese fasteners into Canada, as Canada is a prime target because of its relatively robust economy compared to other markets and the long-standing distribution channels established in Canada by Chinese exporters.³¹

²⁸ Ibid., paras. 43-44, Table 7.

²⁹ Ibid., para. 45.

³⁰ Ibid., para. 46-48.

³¹ Ibid., para. 49-50.

Position in regard to Chinese Taipei

Chinese Taipei Exporters Produce Significant Volumes of Fasteners and Have an Almost Exclusive Export Focus

[71] Leland states that Chinese Taipei is one the largest producers of fasteners with over 90 percent of its production destined for exports. Leland notes that the number of fastener factories has increased, from more than 1,650 during the FAS 2019 ER to more than 1,800 now. Leland cites from the Tribunal decision in 2020, in which the Tribunal found that producers from Chinese Taipei, even with high-capacity utilization rates, could still easily overtake the entire Canadian market. Leland notes that total exports from Chinese Taipei of fasteners in 2024 was valued at over \$3 billion, much larger than the entire Canadian market in that year.³²

[72] Leland notes that Chinese Taipei represents the number one source of fastener exports to the North American market. Leland argues that despite massive existing capacity, fastener producers in Chinese Taipei continue to add capacity. Leland cites a specific response from a participating exporter from Chinese Taipei, Honor Best Co., Ltd., who noted in their ERQ response that they do not have any domestic sales. Leland ultimately contends that the significant production capacity and almost singular export focus of producers in Chinese Taipei increases the likelihood that producers and exporters will turn to dumping to maximize their sales.³³

Fasteners Producers from Chinese Taipei Have Been Increasing Excess Capacity and Turn to Dumping to Relieve Pressure

[73] Leland argues that producers in Chinese Taipei are facing increased excess capacity due to global market conditions. To support this, Leland points to a decline in orders in 2024 as compared to 2023 and increasing levels of customer inventory.³⁴

[74] Leland contends that falling fastener imports into the US will result in a ripple effect as producers in China seek out other markets in Europe and Asia. This in turns has negatively affected Chinese Taipei producers who must compete against these Chinese producers. Producers from Chinese Taipei have also been affected by US tariffs and have had customers request reductions to the selling price to help absorb some of the tariff costs.³⁵

[75] Leland provides the aggregated production, production capacity and capacity utilization rate in a table each year of the POR for three responding exporters from Chinese Taipei. Leland argues that in aggregate, these exporters have low utilization rates during the POR, and reiterates that there are over 1,800 fastener producers in Chinese Taipei.³⁶

[76] Leland contends that the outlook for producers in Chinese Taipei for 2025 and beyond is weak. Leland points to US tariffs on steel, competition with Chinese exporters, Carbon Border

³² Exhibit 91 (PRO) – Case Briefs filed on behalf of Leland, paras. 52-54.

³³ Ibid., paras. 55-56.

³⁴ Ibid., paras. 57-59.

³⁵ Ibid., paras. 60-61.

³⁶ Ibid., para. 62, Table 8.

Adjustment Mechanism (CBAM) in the EU and a generally unfavourable global market for fasteners. Inventory build ups in the US and the EU remain a major concern as well. Leland argues in summary that export reliance in combination with increasing excess capacity and deteriorating market conditions mean that producers from Chinese Taipei will continue or resume dumping should the order expire.³⁷

Chinese Taipei Exporters Have a Sustained Interest in the Canadian Market and Turn to Dumping to Canada When Exports to Other Markets Soften

[77] Leland notes the Tribunal's finding of sustained interest in the Canadian market in the last expiry review. Leland underlines that in the recent re-investigation of subject fasteners, the CBSA received 15 cooperative responses to the RFI from exporters of subject goods originating in Chinese Taipei, all of which were given normal values. Leland contends that the most probative evidence on the record regarding Chinese Taipei exporters' likelihood of dumping is these exporters continue to increase dumping to Canada. To support this, Leland points to the increase in duties per tonne collected over the POR, which increase from \$688 to \$861 per tonne from 2022 to 2024.³⁸

Chinese Taipei Exporters Continue to Dump Significant Volumes of Fasteners into the Canadian Market

[78] Leland notes that CBSA compliance statistics indicate that there were \$42.1 million in SIMA duties collected from Chinese Taipei's fastener exporters during the POR. This represents a substantial increase over the \$29.7 million that was collect over the previous expiry review POR from 2016 to 2019 and a near tripling of the \$14.5 million amount collected over 2014 expiry review POR, which spanned 2011 through Q1 of 2014.³⁹

[79] Leland notes that the excess capacity just from those participating exporters from Chinese Taipei would be enough to significantly impact the Canadian market. Leland points to the Tribunal and there finding from the 2020 expiry review that the duty collected during that POR had prevented further increases in volume from subject exporters. Accordingly, Leland argues that the higher duty amounts collected during the POR for this expiry review demonstrate a likelihood that producers and exporters from Chinese Taipei will continue to dump should the order be allowed to expire.⁴⁰

³⁷ Ibid., paras. 63-65.

³⁸ Ibid., paras. 66-69.

³⁹ Ibid., paras. 70-71.

⁴⁰ Ibid., para. 72.

Importers - Rotho Blaas Canada Construction Products Inc (Rotho Blaas Canada)

[80] In their ERQ response, Rotho Blaas Canada argued that certain foreign producers are currently experiencing excess production capacity. Rotho Blaas Canada submits that this is the result of declining demand from the US, driven by the implementation of Section 232 and section Section 301 tariffs. As result, Rotho Blaas Canada argues that restricted access to the US may cause producers to redirect their excess supply to alternative export destinations, including Canada, increasing the risk of resumed dumping.⁴¹

Parties contending that continued or resumed dumping is unlikely

Exporters and Foreign Producers

[81] No case briefs or reply submissions were submitted contending that the dumping of the subject fasteners from China or Chinese Taipei is not likely to continue or resume if the order is rescinded.

CONSIDERATION AND ANALYSIS - DUMPING

[82] In making a determination under paragraph 76.03(7)(a) of SIMA whether the expiry of the order is likely to result in the continuation or resumption of dumping of the goods, the CBSA may consider the factors identified in subsection 37.2(1) of the SIMR, as well as any other factors relevant under the circumstances.

[83] Before presenting the specific analysis with respect to China and Chinese Taipei concerning the likelihood of the continuation or resumption of dumping in absence of the CITT's order, there are certain issues that relate to the goods on a broader scale that need to be addressed. These issues are as follows:

- commodity nature of certain carbon steel fasteners; and
- tariffs and safeguard measures on steel imports and diversion of steel fasteners into Canada

⁴¹ Exhibit 65 (NC) - Response to importer ERQ – Rotho Blaas Canada

Common Factors

Commodity nature of certain carbon steel fasteners

[84] Generally speaking, carbon steel fasteners produced either by a Canadian manufacturer or by a foreign manufacturer are physically interchangeable. Consequently, the sale of carbon steel fasteners is price-sensitive. As noted by the CITT in its Reasons issue in Expiry Review RR-2019-002: “In particular, the subject goods and like goods are generally interchangeable and are commodity products traded largely on the basis of price across Canada.”⁴² In cases of highly price sensitive commodity products such as fasteners, prices in a given market tend to converge over time towards the lowest available price offering.

[85] Given the commodity nature of fasteners and the corresponding price sensitivity of purchasers, producers and exporters are likely to engage in price undercutting as a strategy to capture market share. If the order were to expire, manufacturers from the subject countries would have a strong incentive to reduce prices in order to gain a competitive foothold in the Canadian market, which may increase the likelihood of continued or resumed dumping of subject goods into Canada.

Tariffs and safeguard measures on steel imports and diversion of certain carbon steel fasteners into Canada

[86] The US has brought in a number of blanket trade measures that impact fasteners. Evidence on the record indicates that the initial Section 232 tariffs of 25% that were implemented on March 12, 2025, were enough to cause significant disruption to the fastener industry in Chinese Taipei. Since then, additional reciprocal tariffs have been imposed on many countries, including the subject countries, as well as an increase to the Section 232 tariffs on steel products, bringing that tariff up to 50% on all steel products with few exceptions.⁴³

[87] While these tariffs remain in effect, subject goods are likely to be diverted from the U.S. to other markets with fewer trade protections. This risk is amplified by the size of the U.S. market. For example, evidence on the record shows that, in each year of the POR, more than 40% of exports under the relevant HS codes from Chinese Taipei were destined for the United States. Even a relatively modest volume of goods diverted from the U.S. could overwhelm a smaller market such as Canada.⁴⁴

⁴² [Expiry Review No. RR-2019-002](#) – Carbon Steel Screws

⁴³ Exhibit 86 (NC) - Articles, reports and CBSA research, Taiwan Fastener Industry Disrupted by U.S. Tariffs – GlobalFastenerNews.com

⁴⁴ Exhibit 88 (NC) - Close of record - attachment from Leland, attachment 6.01

[88] In response to the increased protection measures in the US, other countries have introduced or increased their own protectionary measure. For example, as noted in a previous expiry review proceeding, diversion of exports as a result of the Section 232 tariffs was part of the rationale for extending the duration of safeguard measures on steel in the EU, with EU officials stating:

Accordingly, the risk of trade diversion into the Union market as a result of the US Section 232 measures fully remains if the Union safeguard measure were to lapse.⁴⁵

[89] Additional measures from other jurisdictions have been implemented on fasteners from subject countries. First, the EU re-instated anti-dumping measures against China for carbon steel fasteners in 2022⁴⁶, after having previously dropping them in 2016. Then the Ukraine imposed their own anti-dumping duties on steel fasteners in 2024.⁴⁷

[90] Due to the geographic proximity of the US to Canada and the size of the American market for fasteners, the imposition of these measures will likely cause steel fasteners, including fasteners exported from subject countries, to be diverted to Canada. This diversionary pressure can be expected to be exacerbated by the protectionary measures in other jurisdictions, increasing the likelihood that dumped goods are diverted into Canada.

China

[91] In assessing the likelihood of continued or resumed dumping from China should the CITT's order be rescinded, the CBSA relied on the information on the administrative record which includes the responses to the various ERQs from all interested parties.

[92] The CBSA solicited information from potential producers and exporters of subject fasteners in China, it received two responses to the Exporter/Foreign Producer ERQ from companies located in China. The companies that provided a response were:

- Robertson Inc. (Jiaxing); and
- Suzhou Hongly Hardware Co., Ltd. ("Suzhou Hongly")

[93] Neither producers nor exporters submitted case briefs or reply submissions for the CBSA to consider in making a determination. Furthermore, no importers of subject fasteners from China filed a case brief or reply submission.

⁴⁵ [Statement of Reasons—Expiry review determination: Hot-rolled carbon steel plate 7 \(PLA7 2025 ER\)](#), para. 148

⁴⁶ Exhibit 86 (NC) - Articles, reports and CBSA research, EU Finding for Fasteners

⁴⁷ Exhibit 86 (NC) - Articles, reports and CBSA research, Ukraine confirms anti-dumping duties on steel fasteners from China – gmk.center

China's fastener production and overcapacity

[94] Evidence on the record indicates that China is a leading producer and exporter of fasteners globally. Chinese export values have increased by 42.4% from \$6.42 billion in 2019 to \$9.57 billion 2024, while import values have actually declined 12.7% during this same period, from \$2.84 billion to \$2.48 billion. This growing net export balance of fasteners is likely indicative of growing production capacity that is not matched by a similar increase in domestic demand.⁴⁸

[95] The CBSA also analyzed the excess capacity available to the two producers in China that responded to the ERQ, listed above. Evidence from these two producers demonstrated that excess capacity was significant throughout the POR.⁴⁹ When compared to the import volume from China figures presented in Table 3, excess capacity figures on the record indicate that Chinese exporters could substantially increase import volumes into Canada should they have the opportunity.

[96] This substantial excess capacity from just two exporters in China could conceivably overwhelm the Canadian market. During the most recent CBSA re-investigation proceeding for fasteners, the CBSA received cooperative dumping responses from seven exporters or producers located in China, all of which received normal values⁵⁰. The CBSA found during the previous expiry review that there were more than 8,000 fastener enterprises located China.⁵¹

[97] Based on the available evidence, the CBSA finds that current and potential production capacity of fasteners is large, and that excess production capacity exists in China. The capital-intensive nature and high fixed costs associated with fastener production incentivizes producers to pursue sales even at low prices in order to increase capacity utilization. As such, should the CITT's order expire, Canada represents an attractive market for fasteners producers in China to eliminate excess production capacity which may increase the likelihood of continued or resumed dumping of subject goods into Canada.

Imposition of trade measures by Canada and other jurisdictions on China

[98] Evidence on the record suggests that there are several other jurisdictions with anti-dumping findings for fasteners against China including the EU, the United Kingdom, and the Ukraine. In addition, as of September 1, 2025, there are over 300 anti-dumping measures in force in effect per reporting members impacting base metals and articles of base metal against China.⁵²

⁴⁸ Exhibit 88 (NC) - Close of record - attachment from Leland, attachment 6.02

⁴⁹ Exhibit 45 (PRO) – ERQ response from Roberston, Appendix 1 and Exhibit 68 (PRO) – ERQ response from Suzhou Hongly, Appendix 1

⁵⁰ [Notice of conclusion of a re-investigation: Carbon Steel Fasteners](#)

⁵¹ [Statement of Reasons: Certain Carbon Steel Fasteners](#)

⁵² <https://trade-remedies.wto.org/en/antidumping/measures>

[99] Specific to Canada, as of September 4, 2025, the CBSA has anti-dumping measures in force for 19 steel products originating in or exported from China⁵³:

- Carbon and Alloy Steel Wire (Preliminary Determination)
- Carbon Steel Welded Pipe
- Cold-rolled Steel
- Concrete Reinforcing Bar
- Container Chassis
- Corrosion-resistant Steel Sheet
- Flat Hot-rolled Carbon and Alloy Steel Sheet and Strips
- Large Line Pipe
- Line Pipe
- Oil Country Tubular Goods
- Piling Pipe
- Pup Joints
- Seamless Casing
- Stainless Steel Sinks
- Steel Grating
- Steel Plate 3
- Sucker Rods
- Wind Towers
- Wire Rod

[100] The CBSA finds that the imposition of the numerous anti-dumping measures on various steel products, including measures specific to fasteners, demonstrates that producers in China have a propensity to dump. Should the CITT's order expire, fasteners producers in China would be attracted to the Canadian market which may increase the likelihood of continued or resumed dumping of subject goods into Canada.

Continued Interest in the Canadian Market and Evidence of Continued Dumping

[101] As noted earlier, in the most recent re-investigation that concluded in 2024, there were seven cooperative exporters from China that were all provided normal values. At least one of these Chinese exporters, Robertson, maintains a related importer in Canada, demonstrating their commitment to the market and their clearly established sales distribution channels.

[102] During the POR, the value and volume of imports into Canada from China of subject goods increased by 7.4% and 64.9% respectively, as evidenced by the compliance figures reported in Table 1 and Table 3 of this report. When comparing the total value of imports of subject goods from China from 2022-2024 with figures reported in the previous expiry review proceeding for the years 2016-2018, import values from China have increased 19.3%, from \$21,863,554⁵⁴ to \$27,086,258.

⁵³ <https://www.cbsa-asfc.gc.ca/sima-lmsi/mif-mev/menu-eng.html>

⁵⁴ [Statement of Reasons: Certain Carbon Steel Fasteners](#), Table 1

[103] While not delineated into countervailing and anti-dumping duties, evidence on the record shows that substantial duties continue to be assessed on imports of subject goods from China. These duties, in both absolute terms and relative terms, have increased since the previous expiry review proceeding. Duties assessed from 2022-2024 compared to 2016-2018 have increased from a total of \$7,657,054⁵⁵ to a total of \$24,817,210, based on Table 4 of this report.

[104] Based on the available evidence, the CBSA finds that Chinese exporters of subject goods show a continued interest in the Canadian market, even with an order in effect. Additionally, Chinese exporters have maintained their interest even when selling below normal values or without normal values, as evidenced by the SIMA duties collected during POR. As such, should the CITT's order expire, it is likely that exporters from China would intensify their interest in the Canadian market, which may increase the likelihood of continued or resumed dumping of subject goods into Canada.

Determination regarding likelihood of continued or resumed dumping: China

[105] Based on evidence on the record in respect of: the commodity nature of certain carbon steel fasteners; tariffs and safeguard measures on steel imports and diversion of certain carbon steel fasteners into Canada; China's fastener production and overcapacity; the imposition of trade measures by Canada and other jurisdictions on China; and China's continued interest in the Canadian market and evidence of continued dumping, the CBSA has determined that the expiry of the order is likely to result in the continuation or resumption of dumping into Canada of certain carbon steel fasteners originating in or exported from China.

Chinese Taipei

[106] In assessing the likelihood of continued or resumed dumping from Chinese Taipei should the CITT's order be rescinded, the CBSA relied on the information on the administrative record which includes the responses to the various ERQs from all interested parties.

[107] The CBSA solicited information from potential producers and exporters of subject fasteners in Chinese Taipei, it received nine responses to the Exporter/Foreign Producer ERQ from companies located in Chinese Taipei. The companies that provided a response were:

- Cheng Hao Enterprise co., Ltd.;
- Honor Best Co., Ltd. (Honor Best);
- Jau Yeou Industry Co., Ltd. (Jau Yeou);
- Katsuhana Fasteners Corp. (Katsuhana);
- Kind-Auspice Industrial Co., Ltd. (Kind-Auspice);
- Kwantex Research Inc. (Kwantex);
- Pro Power Co., Ltd;
- Taiwan Shan Yin International Co., Ltd. (Shan Yin); and
- Way Fast International Co., Ltd.

⁵⁵ Ibid., Table 3.

[108] Neither producers nor exporters submitted case briefs or reply submissions for the CBSA to consider in making a determination. Furthermore, no importers of subject fasteners from Chinese Taipei filed a case brief or reply submission.

Chinese Taipei's fastener production and overcapacity

[109] Evidence on the record suggests that Chinese Taipei is a leading producer and exporter of fasteners globally. Chinese Taipei producers have a particularly strong export orientation, with over 90 percent of fastener production being exported, and is the largest exporter of fasteners to North America. Evidence on the record indicates that fastener production and capacity in Chinese Taipei continues to expand, with the number of fastener manufacturers growing from more than 1,650 during the previous expiry review to now more than 1,800.⁵⁶

[110] While aggregate fastener production totals for producers in Chinese Taipei are not available on the record, aggregate fastener export totals are. Given the very high proportion of production that is exported, these figures provide a reasonable estimate of total fastener production in Chinese Taipei. Figures on the record suggest that export volumes and value of products under HS codes 731811, 731812, 731814 and 731815 peaked in 2022 at \$4.56 billion USD and 1.27 billion KG respectively before falling down to \$3.14 billion and 0.97 billion KG in 2024.⁵⁷ Despite this decline over the POR, the \$3.14 billion USD figure in 2024 can be compared to the total imports of fasteners into Canada of \$171,255,382 CAD in 2024 from Table 1, demonstrating that Chinese Taipei exports are more than an order of magnitude larger than this figure.

[111] The CBSA analyzed the capacity and production figures provided by the responding producers from Chinese Taipei. Total capacity reported by the responding exporters was very substantial. In aggregate, capacity utilization rates were low throughout the POR. As a result, the calculated excess capacity figures were also very significant.

[112] When comparing these calculated excess capacity figures to the Canadian market, it is clear that the excess capacity from participating producers in Chinese Taipei could conceivably overwhelm the Canadian market. As noted earlier, there are more than 1,800 fastener manufacturers in Chinese Taipei.

[113] Based on the available evidence, the CBSA finds that current and potential production capacity of fasteners is large, and that excess production capacity exists in Chinese Taipei. The capital-intensive nature and high fixed costs associated with fastener production incentivizes producers to pursue sales even at low prices in order to increase capacity utilization. As such, should the CITT's order expire, Canada represents an attractive market for fasteners producers in Chinese Taipei to eliminate excess production capacity which may increase the likelihood of continued or resumed dumping of subject goods into Canada.

Imposition of trade measures by Canada and other jurisdictions on Chinese Taipei

⁵⁶ Exhibit 55 (NC) – Response to producer ERQ – Leland, Q31 Attachment

⁵⁷ Exhibit 88 (NC) - Close of record - attachment from Leland, attachment 6.01

[114] As of September 1, 2025, there 50 anti-dumping measures in force in effect per reporting members impacting base metals and articles of base metal against Chinese Taipei, the majority being steel products.⁵⁸

[115] Specific to Canada, as of September 4, 2025, the CBSA has anti-dumping measures in force for six steel products originating in or exported from Chinese Taipei⁵⁹:

- Carbon and Alloy Steel Wire (Preliminary Determination)
- Carbon Steel Welded Pipe 2
- Concrete Reinforcing Bar 2
- Corrosion-resistant Steel Sheet
- Heavy Plate
- Oil Country Tubular Goods 2

[116] The CBSA finds that the imposition of the numerous anti-dumping measures on various steel products demonstrates that producers in Chinese Taipei have a propensity to dump. Should the CITT's order expire, fasteners producers in Chinese Taipei would be attracted to the Canadian market which may increase the likelihood of continued or resumed dumping of subject goods into Canada.

Continued Interest in the Canadian Market and Evidence of Continued Dumping

[117] In the most recent re-investigation that concluded in 2024, there were 14 cooperative exporters from Chinese Taipei that were all provided normal values, in addition to one exporter of goods from Chinese Taipei located in the US. This is not a new development, as exporters from Chinese Taipei have participated consistently starting with the original investigation in 2004 and each subsequent proceeding since then.

[118] Based on information in Table 1 and Table 3, exports from Chinese Taipei were at their highest in terms of both value and volume in 2022, falling significantly in 2023 before recovering in 2024, albeit still below their 2022 peak. When comparing the total value of imports of subject goods from Chinese Taipei from 2022-2024 with figures reported in the previous expiry review proceeding for the years 2016-2018, import values from Chinese Taipei have increased 21.4%, from \$110,821,598⁶⁰ to \$134,568,594.

[119] While the volume and value of exports from Chinese Taipei may have fallen during the POR, the same cannot be said for anti-dumping duties assessed. Based on Table 4, anti-dumping duties assessed in 2024 were 3.4% higher than in 2022, despite export value declining by 21.5% from 2022 to 2024. When comparing the anti-dumping duties assessed during the POR with figures reported in the previous expiry review proceeding for the years 2016-2018, they have increased substantially from \$25,101,960⁶¹ to \$42,106,405, representing a 67.7% increase. This

⁵⁸ <https://trade-remedies.wto.org/en/antidumping/measures>

⁵⁹ <https://www.cbsa-asfc.gc.ca/sima-lmsi/mif-mev/menu-eng.html>

⁶⁰ [Statement of Reasons: Certain Carbon Steel Fasteners](#), Table 1

⁶¹ *Ibid.*, Table 3.

result is particularly concerning, as it demonstrates that while export values from Chinese Taipei have increased since the last POR, the growth in duties assessed has been even more rapid.

[120] Based on the available evidence, the CBSA finds that exporters from Chinese Taipei of subject goods show a continued interest in the Canadian market, even with an order in effect. Additionally, exporters from Chinese Taipei have increasingly resorted to selling below normal values or without normal values, as evidenced by the rapid rise in SIMA duties collected during this POR as compared to the previous proceeding, outpacing the growth in export values. As such, should the CITT's order expire, it is likely that exporters from Chinese Taipei would intensify their interest in the Canadian market, which may increase the likelihood of continued or resumed dumping of subject goods into Canada.

Determination regarding likelihood of continued or resumed dumping: Chinese Taipei

[121] Based on evidence on the record in respect of: the commodity nature of certain carbon steel fasteners; tariffs and safeguard measures on steel imports and diversion of certain carbon steel fasteners into Canada; Chinese Taipei's fastener production and overcapacity; the imposition of trade measures by Canada and other jurisdictions on Chinese Taipei; and Chinese Taipei's continued interest in the Canadian market and evidence of continued dumping, the CBSA has determined that the expiry of the order is likely to result in the continuation or resumption of dumping into Canada of certain carbon steel fasteners originating in or exported from Chinese Taipei.

POSITION OF THE PARTIES - SUBSIDIZING

Parties contending that continued or resumed subsidizing is likely

Domestic Producers

[122] Leland provided a case brief supporting its position that subsidizing from China is likely to continue or resume in the event the order is allowed to expire.⁶²

[123] Leland identified several factors that are common to both dumping and subsidization that have already been presented in the dumping portion:

- Current international market conditions
- Current domestic market conditions
- Commodity nature of fasteners
- Factors specific to China

These positions will not be re-iterated here, please refer to the relevant section in the dumping portion for a summary of Leland's position on these factors.

[124] Leland provided an additional factor to support their argument that continued or resumed subsidization is likely if the order is expired, that China fastener imports remained subsidized during the POR.

Chinese Fastener Imports Remained Subsidized During the POR

[125] Leland noted that SIMA duties, which includes amounts collected for subsidy, collected from exports of subject goods from China have increased substantially from the previous POR to the current POR.⁶³

[126] Leland argues that Chinese exporters continue to benefit from countervailable subsidies. To support this, Leland points to the most recent CBSA re-investigation completed, noting that the CBSA found the seven cooperative exporters to have availed themselves of a wide range of programs. Leland also points to increased export tax rebates as found by the Tribunal in the 2020 expiry review, in response to the US Section 301 tariffs. Leland argues that the subsidization of the fastener industry is demonstrative of broader subsidization of the Chinese steel industry, noting that Canada has findings against no less than 19 different categories of steel products.⁶⁴

Parties contending that continued or resumed subsidizing is unlikely

[127] No case briefs or reply submissions were submitted contending that the subsidizing of certain carbon steel fasteners from China is not likely to continue or resume if the order is rescinded. No submissions were received from the GOC.

⁶² Exhibit 091 (PRO), Case Brief Filed on Behalf of Leland

⁶³ Exhibit 92 (NC) – Case Briefs filed on behalf of Leland, para. 74.

⁶⁴ Ibid., paras. 75-78.

CONSIDERATION AND ANALYSIS – SUBSIDIZING

[128] In making a determination under paragraph 76.03(7)(a) of SIMA whether the expiry of the order is likely to result in the continuation or resumption of dumping of the goods, the CBSA may consider the factors identified in subsection 37.2(1) of the SIMR, as well as any other factors relevant under the circumstances.

LIKELIHOOD OF CONTINUED OR RESUMED SUBSIDIZING

China

[129] In assessing the likelihood of continued or resumed subsidization from China should the CITT's order be rescinded, the CBSA relied on the information on the administrative record which includes the responses to the various ERQs from all interested parties.

[130] The CBSA solicited information from potential producers and exporters of subject fasteners in China, it received two responses to the Exporter/Foreign Producer ERQ. The companies that provided a response were:

- Robertson Inc. (Jiaxing); and
- Suzhou Hongly Hardware Co., Ltd. (“Suzhou Hongly”)

[131] Neither producers nor exporters submitted case briefs or reply submissions for the CBSA to consider in making a determination. Furthermore, no importers of subject fasteners from China filed a case brief or reply submission. Furthermore, the Government of China did not provide a response to the Subsidy ERQ, nor did the Government of China provide a case brief or reply submission.

Tariffs and safeguard measures on steel imports and diversion of certain carbon steel fasteners into Canada

[132] The diversionary threat outlined in the dumping portion of this report is likewise applicable to subsidized goods. Please review the aforementioned section for a full analysis.

[133] Due to the geographic proximity of the US to Canada and the size of the American market for fasteners, the imposition of these measures will likely cause steel fasteners, including fasteners exported from China, to be diverted to Canada. This diversionary pressure can be expected to be exacerbated by the protectionary measures in other jurisdictions, increasing the likelihood that subsidized goods are diverted into Canada.

Imposition of countervailing measures by Canada and other jurisdictions on China

[134] As of September 1, 2025, there are over 50 countervailing measures in force in effect per reporting members impacting base metals and articles of base metal against China.⁶⁵

[135] Specific to Canada, as of September 4, 2025, the CBSA has countervailing measures in force for 14 steel products originating in or exported from China⁶⁶:

- Carbon Steel Welded Pipe
- Cold-rolled Steel
- Concrete Reinforcing Bar
- Container Chassis
- Large Line Pipe
- Line Pipe
- Oil Country Tubular Goods
- Piling Pipe
- Pup Joints
- Seamless Casing
- Stainless Steel Sinks
- Steel Grating
- Sucker Rods
- Wind Towers

[136] The existence of numerous countervailing measures in place in Canada against a variety of Chinese steel products, as well as numerous countervailing measures imposed by other jurisdiction on steel and other base metal products demonstrate that the Government of China continues to subsidize its steel industry. As such, it is likely that exporters from China will benefit from continued or resumed subsidizing if the order expires.

Continued availability of subsidy programs for fastener exporters/producers in China

[137] At the outset of the most recent re-investigation conducted by the CBSA, a total of 43 potential subsidy programs were identified by the CBSA. The CBSA received six cooperative subsidy responses from producers and exporters located in China, all of which were found to have benefitted from some number of subsidies during the period of investigation (POI).

[138] In total, at the conclusion of the most recent re-investigation, the CBSA found that responding exporters benefited from 21 different programs during the POI, some of which were programs which had not been previously identified prior to the re-investigation. These programs included preferential loans and loan guarantees, grants and grant equivalents, preferential tax programs, relief from duties and taxes, and goods or services provided by the government at less than fair value.⁶⁷

⁶⁵ <https://trade-remedies.wto.org/en/antidumping/measures>

⁶⁶ <https://www.cbsa-asfc.gc.ca/sima-lmsi/mif-mev/menu-eng.html>

⁶⁷ <https://www.cbsa-asfc.gc.ca/sima-lmsi/ri-re/fas2023/fas2023-nc-eng.html>

[139] Information on subsidies available to fastener producers and exporters in China remains limited, owing to the Government of China's non-participation in this expiry review and in previous related proceedings. Nevertheless, it is noteworthy that the CBSA identified additional subsidy programs benefiting Chinese fastener producers and exporters during the most recent re-investigation, over and above those recognized prior initiating said re-investigation. This strongly suggests that the Government of China continues to introduce new subsidy schemes that confer benefits to fastener producers and exporters.

[140] As a result of the aforementioned continued availability of subsidy programs for fastener exporters in China, there is an increased likelihood that fasteners exported from China to Canada will resume or continue to be subsidized, if the CITT's order expires.

Determination Regarding Likelihood of Continued or Resumed Subsidizing

[141] Based on evidence on the record in respect of: tariffs and safeguard measures on steel imports and diversion of certain carbon steel fasteners into Canada; imposition of countervailing measures by Canada and other jurisdictions on China; and continued availability of subsidy programs for fastener exporters/producers in China, the CBSA has determined that the expiry of the order is likely to result in the continuation or resumption of subsidizing of certain carbon steel fasteners originating in or exported from China.

CONCLUSION

[142] For the purpose of making determinations in this expiry review investigation, the CBSA conducted its analysis within the scope of the factors found under subsection 37.2(1) of the SIMR and considered any other factors relevant in the circumstances. Based on the foregoing analysis of pertinent factors and consideration of information on the administrative record, on October 2, 2025, the CBSA made a determination pursuant to paragraph 76.03(7)(a) of SIMA that the expiry of the order made by the CITT on September 2, 2020, in expiry review RR-2019-002, in respect of certain carbon steel fasteners originating in or exported from China and Chinese Taipei:

- i. is likely to result in the continuation or resumption of dumping of such goods originating in or exported from China and Chinese Taipei; and
- ii. is likely to result in the continuation or resumption of subsidizing of such goods originating in or exported from China.

CONTACT US

[143] For further information, please contact the SIMA Registry listed below:

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A handwritten signature in black ink, appearing to read 'S. Borg', with a stylized flourish at the end.

Sean Borg
A/Executive Director
Trade and Anti-dumping Programs Directorate