



OTTAWA, August 26, 2025

OCTG5 2025 IN

STATEMENT OF REASONS

Concerning the initiation of the investigation into the alleged dumping of

CERTAIN OIL COUNTRY TUBULAR GOODS ORIGINATING IN OR EXPORTED FROM THE UNITED MEXICAN STATES AND THE REPUBLIC OF THE PHILIPPINES, AND ORIGINATING IN THE REPUBLIC OF TÜRKIYE AND EXPORTED OR PRODUCED BY, OR ON BEHALF OF, BORUSAN MANNESMANN BORU SANAYI VE TICARET A.Ş., ORIGINATING IN THE REPUBLIC OF KOREA AND EXPORTED OR PRODUCED BY, OR ON BEHALF OF, HYUNDAI STEEL COMPANY, AND ORIGINATING IN THE UNITED STATES OF AMERICA AND EXPORTED OR PRODUCED BY, OR ON BEHALF OF, TENARIS S.A.

DECISION

Pursuant to subsection 31(1) of the *Special Import Measures Act*, the Canada Border Services Agency initiated an investigation on August 11, 2025, respecting the alleged injurious dumping of certain oil country tubular goods originating in or exported from the United Mexican States and The Republic of the Philippines, and originating in the Republic of Türkiye and exported or produced by, or on behalf of, Borusan Mannesmann Boru Sanayi Ve Ticaret A.Ş. (or its successors or assigns), originating in the Republic of Korea and exported or produced by or on behalf of Hyundai Steel Company (or its successors or assigns), and originating in the United States Of America and exported or produced by or on behalf of Tenaris S.A. (or its subsidiaries, affiliates, successors, or assigns).

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

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SUMMARY

[1] On June 20, 2025, the Canada Border Services Agency (CBSA) received a written complaint from EVRAZ Inc. NA Canada (EvrAZ) and Welded Tube of Canada Corporation (Welded Tube) (hereinafter, “the complainants”) alleging that imports of certain oil country tubular goods (hereinafter, “OCTG”) originating in or exported from the United Mexican States (Mexico) and the Republic of the Philippines (the Philippines), and originating in the Republic of Türkiye (Türkiye) and exported or produced by, or on behalf of, Borusan Mannesmann Boru Sanayi ve Ticaret A.Ş. (Borusan), originating in the Republic of Korea (South Korea) and exported or produced by, or on behalf of, Hyundai Steel Company (Hyundai Steel), and originating in the United States of America (U.S.) and exported or produced by, or on behalf of, Tenaris S.A. (Tenaris) (collectively, “the subject countries and exporters/producers”), are being injuriously dumped.

[2] On July 11, 2025, pursuant to paragraph 32(1)(a) of the *Special Import Measures Act* (SIMA), the CBSA informed the complainants that the complaint was properly documented. On August 5, 2025, the CBSA informed the governments of the subject countries that a properly documented complaint had been filed.

[3] After receiving notice that the complaint was properly documented, the complainants chose to publish a news release indicating that they had filed a complaint, prior to the initiation of the investigation by the CBSA. Following the publication of the filing of the complaint by the complainants, the CBSA received representations from another domestic producer of OCTG. These representations related to, among other things, the issues of standing and reasonable indication of injury. The CBSA considered the information provided and is satisfied that the conditions as described under section 31(1) of SIMA have been met.

[4] The complainants provided evidence to support the allegations that certain OCTG from the subject countries and exporters/producers have been dumped, as well as evidence that discloses a reasonable indication that the dumping has caused injury or is threatening to cause injury to the Canadian industry producing like goods.

[5] On August 11, 2025, pursuant to subsection 31(1) of SIMA, the CBSA initiated an investigation respecting the dumping of certain OCTG from Mexico, the Philippines, Türkiye (Borusan), South Korea (Hyundai Steel), and the U.S. (Tenaris).

INTERESTED PARTIES

COMPLAINANTS

[6] The names and addresses of the complainants are as follows:

EVRAZ Inc. NA Canada
P.O. Box 1670
100 Armour Road Regina, SK S0G 5K0

Welded Tube of Canada Corporation
111 Rayette Road
Concord, ON L4K 2E9

OTHER PRODUCERS

[7] The complainants identified the one additional Canadian producer of OCTG, Algoma Tubes Inc. (Algoma Tubes), located in Sault Ste. Marie, Ontario. Algoma Tubes is owned and controlled by Tenaris S.A. or its consolidated subsidiaries and is affiliated, through common ownership by Tenaris S.A., with TGS Canada. The complainants also noted that Prudential Steel ULC, the operating entity of Tenaris' former pipe mill in Calgary, Alberta, also produced like goods in Canada until that mill was idled in mid-2020 and afterwards permanently decommissioned.¹

[8] The CBSA is not aware of any other OCTG producers in Canada.

TRADE UNIONS

[9] The complainants identified six trade unions which represent members employed by the supporting domestic producers.²

EXPORTERS

[10] The CBSA identified eight potential exporters and/or producers of the subject goods from CBSA import documentation and from information submitted in the complaint. All of the potential exporters were asked to respond to the CBSA's Dumping Request for Information (RFI).

IMPORTERS

[11] The CBSA identified 11 potential importers of the subject goods from CBSA import documentation and from information submitted in the complaint. All of the potential importers were asked to respond to the CBSA's Importer RFI.

GOVERNMENTS

[12] Upon initiation of the investigation, the Government of Türkiye was sent the CBSA's Government Particular Market Situation (PMS) RFI.

¹ OCTG5 Complaint (NC), paras. 61-62

² OCTG5 Complaint (NC), paras. 95-100

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

PRODUCT INFORMATION

PRODUCT DEFINITION³

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

Oil country tubular goods, comprising casing, tubing, and green tubes made of carbon or alloy steel, welded or seamless, heat-treated or not heat-treated, regardless of end finish or connection (including premium or semi-premium connections), having a nominal outside diameter from 2.375 inches to 13.375 inches (60.3 mm to 339.7 mm), meeting or supplied to meet American Petroleum Institute specification 5CT or equivalent and/or enhanced proprietary standards, regardless of grade, originating in or exported from the United Mexican States and the Republic of the Philippines, and originating in the Republic of Türkiye and exported or produced by, or on behalf of, Borusan Mannesmann Boru Sanayi ve Ticaret A.Ş. (or its successors or assigns), originating in the Republic of Korea and exported or produced by or on behalf of Hyundai Steel Company (or its successors or assigns), and originating in the United States of America and exported or produced by or on behalf of Tenaris S.A. (or its subsidiaries, affiliates, successors, or assigns), but excluding the following:

- drill pipe;
- pup joints;
- unattached couplings;
- coupling stock;
- insulated tubing and vacuum insulated tubing;
- stainless steel casing, tubing, or green tubes containing 10.5 percent or more by weight of chromium; and
- seamless: casing, tubing, or green tubes originating in the United States of America and exported or produced by or on behalf of Tenaris S.A. (or its subsidiaries, affiliates, successors, or assigns).

³ OCTG5 Complaint (NC), para. 5

ADDITIONAL PRODUCT INFORMATION⁴

[15] The product definition includes subject goods originating in the Republic of Türkiye and exported or produced by or on behalf of Borusan, which is currently excluded from the dumping order of the Canadian International Trade Tribunal (CITT) in *Oil Country Tubular Goods* (NQ-2014-002) (OCTG 2). Specifically, on September 8, 2022, as a result of a request by the Minister of Finance under *SIMA* paragraph 76.1(1)(b), the CITT, pursuant to *SIMA* paragraph 76.1(2)(b), continued its threat of injury finding other than in respect of OCTG exported from Türkiye by Borusan. In other words, the finding was not continued in respect of OCTG exported from Türkiye by Borusan and, as such, the product definition for this investigation applies only to subject goods exported or produced by, or on behalf of, Borusan (or its successors or assigns) and not include all OCTG originating in or exported from Türkiye.

[16] The product definition also includes subject goods originating in South Korea and exported or produced by, or on behalf of, Hyundai Steel, which is excluded from the OCTG 2 order. However, Hyundai Steel has since spun-off its steel pipe business into a separate entity, Hyundai Steel Pipe Co., Ltd. (Hyundai Steelpipe) in late 2023, which is reflected in the list of the companies excluded from the finding and orders in OCTG 2 in the CBSA's Measures in Force listing. Specifically, on September 8, 2022, as a result of a request by the Minister of Finance under *SIMA* paragraph 76.1(1)(b) the Tribunal pursuant to *SIMA* paragraph 76.1(2)(b) continued its threat of injury finding other than in respect of OCTG exported from South Korea by Hyundai Steel (which had been operating as Hyundai Hysco Co. Ltd. at the time of the original finding). In other words, the finding was not continued in respect of OCTG exported from Korea by Hyundai Steel and, as such, the product definition for this investigation applies only to subject goods exported or produced by, or on behalf of, Hyundai Steel (or its successors or assigns), including subject goods exported or produced by Hyundai Steelpipe (as successor to Hyundai Steel) and does not include all OCTG originating in or exported from South Korea.

[17] Finally, the product definition includes subject goods originating in the U.S. and exported or produced by, or on behalf of, Tenaris (or its subsidiaries, affiliates, successors, or assigns). By operation of the exclusion from the product definition of seamless: casing, tubing, or green tubes originating in the U.S. and exported or produced by or on behalf of Tenaris (or its subsidiaries, affiliates, successors, or assigns), the product definition for this investigation only covers Tenaris' welded subject goods originating in or exported from the U.S. For example, welded OCTG is being exported and/or produced by or on behalf of Maverick Tube Corporation (Maverick Tube), which is an operating subsidiary of Tenaris, doing business in the U.S. as both "Tenaris Hickman" (for welded OCTG production facilities located in Hickman, Arkansas) and "Tenaris Conroe" (for welded OCTG production facilities located in Conroe, Texas). As such, not all OCTG exported from or originating in the U.S. is included in the product definition, the product definition only applies to welded subject goods from the U.S. and exported or produced by or on behalf of Tenaris (or its subsidiaries, affiliates, successors, or assigns).

⁴ OCTG5 Complaint (NC), paras. 6-8 and 15-20

[18] For greater certainty, the term “green tube” refers to unfinished casing or tubing products (including upgradable OCTG that may or may not already be tested, inspected, and/or certified) and imported for use in the production or finishing of OCTG meeting final specifications, including grade and connections, required for use downhole.

[19] Green tubes, as they are commonly referred to in the OCTG industry, are intermediate or in process casing and tubing which require additional processing, such as heat treatment, threading and testing, before they can be used as fully finished oil and gas well casing or tubing in end-use applications. For greater clarity, the product definition does not include green tubes originating in or exported from the subject countries and exporters/producers which are upgraded in the manner described above in an intermediate country prior to being exported to Canada. The CBSA considers these upgraded casing or tubing to originate in the intermediate country for purposes of this investigation.

[20] Drill pipe is excluded from the product definition for this investigation. Drill pipe consists of heavy (usually seamless) tubing with high-strength tool joints on either end that is manufactured to API specification 5DP or API specification 7-1 and is used for drilling oil and gas wells.

[21] Pup joints are also excluded from the product definition for this investigation. These products are essentially short lengths of OCTG used for spacing in a drill string, and these are excluded where their length is 12 feet or below (with a three-inch tolerance), as defined in API 5CT.

[22] Unattached couplings as well as coupling stock are also excluded from the product definition for this investigation. Couplings are used to connect two pipes together, allowing for the flow of hydrocarbons and other production fluids from the reservoir to the surface. Casing and tubing couplings come in various sizes, materials, and designs, and are made from coupling stock. Coupling stock is similar to other OCTG except that the pipe walls are thicker and the coupling stock pipe itself is used for further processing into couplings or other float equipment.

[23] Insulated tubing and vacuum insulated tubing (IT/VIT) are also excluded from the product definition for this investigation. IT/VIT are a subset of OCTG that are used for thermal-enhanced oil recovery of extremely viscous crude oils. IT/VIT may also be described as insulated steam injected tubing and oil production tubing, including double-walled tubing, with or without insulation. These IT/VIT products are used in steam injection wells in Steam Assisted Gravity Drainage (SAGD) drilling applications deployed in oil sands assets and also in Cyclic Steam Stimulation (CSS) drilling applications deployed in heavy oil assets.

[24] Finally, stainless steel OCTG is excluded from the product definition for this investigation.

PRODUCT CHARACTERISTICS AND USES⁵

[25] Oil and gas well casing is used to prevent the walls of the bored hole from collapsing, both during drilling and after the well has been completed. Oil and gas well tubing is used to convey the liquids and gas to the surface.

[26] OCTG may be manufactured by the seamless or welded process. Typical casing and tubing end finishes include plain end, beveled, external upset ends, threaded, or threaded and coupled (including being threaded and coupled with proprietary premium or semi-premium connections).

[27] OCTG is supplied to meet or exceed the American Petroleum Institute (API) specification 5CT, at a minimum, and may also meet enhanced proprietary specifications. OCTG is supplied in all grades including and not limited to, H40, J55, K55, N80, L80, P110, T95, C110, and Q125, or proprietary grades manufactured as substitutes for, or enhancements to, these specifications. The grade numbers define the minimum yield strength required of the grade in thousands of pounds per square inch (ksi).

[28] OCTG must be able to withstand outside pressure and internal yield pressures within the well. In addition, OCTG must have sufficient joint strength to hold the weight of the pipe string and must be equipped with threads sufficiently tight to contain the well pressure where lengths are joined. Threading may be performed by the manufacturer or a third-party threading operation. Various factors limit the total amount of open hole that can be drilled at any one time, and it may be necessary to set more than one string of OCTG concentrically for certain portions of the well depth.

[29] Heat-treated grades are more sophisticated higher strength grades of pipes used in horizontal applications, deeper wells, and more severe environments such as sour service and heavy oil recovery (*i.e.*, thermal drilling applications). These grades begin with specific chemistry of steel (either in billet form for the seamless manufacturing process or in flat hot-rolled steel coil form for the welded manufacturing process) and are further-processed with heat treatment to attain certain combinations of mechanical properties and/or resistance to corrosion and environmental cracking. For example, heat treated alloy grades may achieve maximum strength (*e.g.*, API grades N80, P110, Q125), high-strength with lower ductility (these are normally proprietary enhancements of standard API grades), or high-strength combined with resistance to corrosion and environmental cracking (*e.g.*, API grades L80, T95, C110 and proprietary enhancements of these grades). Semi-premium and premium connections similarly enhance the functionality of an OCTG string by providing additional performance and/or sealing characteristics that may be required in more demanding drilling applications.

[30] Due to their enhanced properties both heat-treated grades as well as premium and semi-premium connections can be easily substituted downwards for non-heated grades and standard API connections.

⁵ OCTG5 Complaint (NC), paras. 9-14

PRODUCTION PROCESS⁶

[31] OCTG is made on the same production equipment, regardless of whether it is casing or tubing, and is generally categorized based on how it was produced (i.e. welded or seamless).

[32] The production of electric resistance welded (ERW) casing or tubing begins with flat hot-rolled steel sheet or plate in coil form (i.e. hot-rolled coil or HRC) of a pre-determined chemistry and thickness. The HRC is first uncoiled, slit to a width required to produce a pipe of a desired outside diameter (OD), and re-coiled for handling in the pipe mill. The specific width to which the coil is slit determines the circumference of the pipe to be formed, as measured in nominal sizes of OD. HRC that has the proper chemistry for energy tubular production and that has been slit to required widths for pipe forming is commonly known as skelp. Once loaded into the pipe mill, the skelp is uncoiled and pulled through a series of forming rolls that bend the two sides of the unrolling steel strip into a tubular shape. Once the skelp reaches the final set of forming rolls, an electric current is passed through the outer edges of the skelp as they are pressed together. The resistance of the steel to the electric current heats the edges of the skelp to the forging temperature and a weld is formed when the heated edges of the skelp are fused together.

[33] The production of seamless casing or tubing begins with the formation of a central cavity in a heated round billet of steel of proper chemistry for energy tubular production. The piercing of the solid steel billet creates a shell that is then rolled on a retained mandrel and reduced in a stretch reduction mill to produce the finished pipe to the required OD and wall thickness. Once formed, the pipe is moved to cool on a walking beam cooling bed.

[34] Whether the OCTG is produced by the ERW or seamless production process, the final production steps include cutting the pipe to length. Depending on the API 5CT or proprietary/enhanced specifications being produced to, OCTG may then also be heat-treated at this point. Once the pipe is cut to length and heat treated (if/as required), the pipe is sent to a finishing line where it is beveled and threaded on both ends. In contrast to casing, tubing may undergo a separate process of end-upsetting and normalizing prior to threading. Finally, a coupling and a coupling protector are applied to one end of the pipe and a thread protector is applied to the other end before the pipe is made ready for shipment. Finishing operations may also include cooling, straightening, and facing, and normally will include testing, marking, coating (to prevent corrosion while being stored), and/or bundling.

⁶ OCTG5 Complaint (NC), paras. 39-45

CLASSIFICATION OF IMPORTS

[35] The allegedly dumped goods are normally imported under the following tariff classification numbers:

7304.29.00.12	7304.29.00.46	7306.29.00.13	7306.29.00.47
7304.29.00.13	7304.29.00.47	7306.29.00.14	7306.29.00.49
7304.29.00.14	7304.29.00.49	7306.29.00.15	7306.29.00.52
7304.29.00.15	7304.29.00.52	7306.29.00.16	7306.29.00.53
7304.29.00.16	7304.29.00.53	7306.29.00.17	7306.29.00.54
7304.29.00.17	7304.29.00.54	7306.29.00.19	7306.29.00.55
7304.29.00.19	7304.29.00.55	7306.29.00.22	7306.29.00.56
7304.29.00.22	7304.29.00.56	7306.29.00.23	7306.29.00.57
7304.29.00.23	7304.29.00.57	7306.29.00.24	7306.29.00.59
7304.29.00.24	7304.29.00.59	7306.29.00.25	7306.29.00.62
7304.29.00.25	7304.29.00.62	7306.29.00.26	7306.29.00.63
7304.29.00.26	7304.29.00.63	7306.29.00.27	7306.29.00.64
7304.29.00.27	7304.29.00.64	7306.29.00.29	7306.29.00.65
7304.29.00.29	7304.29.00.65	7306.29.00.32	7306.29.00.66
7304.29.00.32	7304.29.00.66	7306.29.00.33	7306.29.00.67
7304.29.00.33	7304.29.00.67	7306.29.00.34	7306.29.00.69
7304.29.00.34	7304.29.00.69	7306.29.00.35	7306.29.00.72
7304.29.00.35	7304.29.00.72	7306.29.00.36	7306.29.00.73
7304.29.00.36	7304.29.00.73	7306.29.00.37	7306.29.00.74
7304.29.00.37	7304.29.00.74	7306.29.00.39	7306.29.00.75
7304.29.00.39	7304.29.00.75	7306.29.00.42	7306.29.00.76
7304.29.00.42	7304.29.00.76	7306.29.00.43	7306.29.00.77
7304.29.00.43	7304.29.00.77	7306.29.00.44	7306.29.00.79
7304.29.00.44	7304.29.00.79	7306.29.00.45	
7304.29.00.45	7306.29.00.12	7306.29.00.46	

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

LIKE GOODS AND CLASS OF GOODS⁷

[37] Subsection 2(1) of SIMA defines “like goods” in relation to any other goods as “... (a) goods that are identical in all respects to the other goods, or (b) in the absence of any such goods..., goods the uses and other characteristics of which closely resemble those of the other goods.” In considering the issue of like goods, the Canadian International Trade Tribunal (CITT) typically looks at a number of factors, including the physical characteristics of the goods, their market characteristics, and whether the domestic goods fulfill the same customer needs as the subject goods.

⁷ OCTG5 Complaint (NC), paras. 9-14

[38] With respect to the definition of like goods, the complainants submit that they produce the entire range of welded OCTG products included in the scope of this complaint. The complainants then reference previous CITT decisions which indicate that seamless and welded OCTG are like goods to one another as they are “produced to meet comparable specifications,” are “substitutable,” they “generally competed against one another in the Canadian market,” have “the same end uses,” and are “distributed through the same channels.”

[39] Based on previous CITT decisions, including a recent 2024 decision on Seamless Carbon or Alloy Steel Oil and Gas Well Casing, the complainants note that welded and seamless OCTG has been found to belong to the same class of goods and that OCTG of different types, grades, or dimensions are designed for the same end uses and are interchangeable.⁸

[40] For the purposes of this analysis, like goods consist of domestically produced OCTG described in the product definition.

[41] After considering questions of use, physical characteristics and all other relevant factors, the CBSA is of the opinion that subject goods and like goods constitute only one class of goods.

THE CANADIAN INDUSTRY

DOMESTIC PRODUCERS⁹

[42] Based on the information supplied in the complaint, the complainants identified three domestic producers of like goods in Canada, Evraz, Welded Tube, and Algoma Tubes.

ESTIMATES OF DOMESTIC PRODUCTION

[43] The complainants submitted that Algoma Tubes should be excluded from the domestic industry for purposes of determining standing pursuant to 31(2) of SIMA based on the conditions outlined in subsection 31(4) of SIMA. Specifically, the complainants have submitted evidence showing that Algoma Tubes, Tenaris Global Services (Canada) Inc. (TGS Canada) (importer of subject goods), TASMA (Mexican exporter of subject goods), and Maverick Tube (U.S. exporter of subject goods) are all directly or indirectly wholly owned subsidiaries of Tenaris S.A., a Luxembourg société anonyme who legally and operationally controls these entities. The complainants also submitted evidence indicating that TGS Canada and Algoma Tubes behave differently towards related producers and exporters of OCTG, including TAMSA and Maverick Tube, than they do towards unrelated producers and exporters. Finally, the complainants note that excluding Algoma Tubes from the scope of

⁸ [Seamless Carbon or Alloy Steel Oil and Gas Well Casing – Canadian International Trade Tribunal](#), RR-2023-004, July 24, 2024; paras 20-25

⁹ OCTG5 Complaint (NC), paras. 61-62

“domestic producer” for standing and injury purposes would be consistent with the CITT’s findings in the previous OCTG 3 investigation.¹⁰

[44] The complainants provided estimates of Canadian production of like goods, which included the complainants’ production volumes as well as the volume for Algoma Tubes. The estimated volumes they provided covered the period of 2022 through the first quarter of 2025. Details of these estimates cannot be published for confidentiality reasons.¹¹

STANDING

[45] Pursuant to subsection 31(2) of SIMA, the following conditions must be met in order for an investigation to be initiated:

- (a) the complaint is supported by domestic producers whose production represents more than 50% of the total production of like goods by those domestic producers who express either support for or opposition to the complaint, and
- (b) the production of the domestic producers who support the complaint represents 25% or more of the total production of like goods by the domestic industry.

[46] Subsection 31(2.1) of SIMA provides that where a domestic producer is an importer of, or is related to an exporter or importer of, allegedly dumped or subsidized goods, any such producer may be excluded from the definition of “domestic producers”, for purposes of determining the standing under subsection 31(2). Similarly, subsection 31(3) stipulates that such producers may also be excluded from the definition of “domestic industry,” for purposes of standing.

[47] Based on the confidential information provided in the complaint, Evraz and Welded Tube collectively account for more than 25% of the production of like goods in Canada, with the only other remaining domestic producer (Algoma Tubes) being related to an importer (TGS Canada) of the allegedly dumped goods, as well as being related to exporters of allegedly dumped goods.¹²

[48] The relationship between domestic producer, Tenaris Algoma Tubes Inc. and exporters in the United States and Mexico as well as the importer, TGS Canada, is a matter of public record.¹³ As also noted in the *OCTG 3* investigation in 2022:

¹⁰ OCTG5 Complaint (NC), paras. 63-89

¹¹ OCTG5 Complaint (PRO), para. 143, Table 7

¹² OCTG5 Complaint (PRO), para. 143, Table 7

¹³ [Reports | Tenaris](#) – Tenaris 2024 Annual Report, page 67/361.

“The evidence also indicates that Algoma and Prudential were related to each other and to TGSC (which imported subject goods), TAMSA (which produced and exported subject goods), and Tenaris Global Services S.A. in Uruguay (TGSU) (an intermediary vendor which facilitated export sales of subject goods to Canada), through common ownership and control by Tenaris S.A., a Luxembourg public limited liability company (société anonyme). The status of these companies as “related” was not contested by Tenaris Canada before the Tribunal.”¹⁴

[49] Subsection 31(4) provides guidance for determining whether a domestic producer is related to an exporter or importer for purposes of standing. There are criteria for control and behavior in relation to the domestic producer and both must be satisfied in order for the domestic producer to be deemed related to either party for purposes of not being considered for standing.

[50] The criteria in respect of control states:

- (a) the producer either directly or indirectly controls, or is controlled by, the exporter or importer,
- (b) the producer and the exporter or the importer, as the case may be, are directly or indirectly controlled by a third person, or
- (c) the producer and the exporter or the importer, as the case may be, directly or indirectly control a third person,

[51] The criteria in respect of the behavior requires that there are “grounds to believe that the producer behaves differently towards the exporter or importer than does a non-related producer.”

[52] Subsection 2(1.3) of SIMA further clarifies that a person is deemed to control another person where the first person is legally or operationally in a position to exercise restraint or direction over the other person.

[53] The issue of control in paragraph 31(4)(b) has been previously established in relation to Tenaris in other SIMA proceedings. Each of the Tenaris entities primarily subject to this investigation, which include the Canadian producer Algoma Tubes and importer TGS Canada, collectively referred to as “Tenaris Canada,” as well as exporting entities in the United States collectively referred to as Tenaris USA (TEUS) and Mexican exporter Tubos De Acero De Mexico (TAMSA) are controlled by a third person, namely Tenaris, S.A. (Luxembourg).¹⁵

[54] Similarly, previous SIMA proceedings concerning Tenaris and information in the public domain provide sufficient “grounds to believe that Algoma Tubes as a producer behaves differently towards the exporter or importer than does a non-related producer.”¹⁶

¹⁴ [Oil Country Tubular Goods - Canadian International Trade Tribunal](#), NQ-2021-004, January 26, 2022, para. 35

¹⁵ [Reports | Tenaris](#) – Tenaris 2024 Annual Report, page 67/361.

¹⁶ [Oil Country Tubular Goods - Canadian International Trade Tribunal](#), NQ-2021-004, February 10, 2022; para. 48

[55] Subject exports from the United States and Mexico account for the overwhelming majority of subject goods in this investigation. Consequently, it was reasonable for the President to exercise the discretion afforded under subsection 31(2.1). As such, for purposes of standing, Algoma Tubes was excluded from the definition of “domestic producer” as per the aforementioned SIMA provisions. Since there are no other producers of like goods in Canada,¹⁷ this means that the Complainants satisfy the requirements for standing under both paragraphs 31(2)(a) and 31(2)(b) of SIMA.

THE CANADIAN MARKET

[56] The complainants, using Statistics Canada data¹⁸, estimated the total value of imports of certain OCTG from all subject countries and exporters/producers and all other countries from January 1, 2022 to March 31, 2025.

[57] The CBSA conducted its own independent review of imports of certain OCTG from the CBSA’s Facility Information Retrieval Management (FIRM) database and the CBSA Assessment and Revenue Management (CARM) system using the tariff classification numbers under which the subject goods are imported from the subject countries and exporters/producers and all other countries. In addition, the CBSA reviewed its Accelerated Commercial Release Operations Support System (ACROSS) data and some sampled import documentation to correct any errors and remove non-subject imports.

[58] Detailed information regarding the sales from domestic production by each Canadian producer cannot be divulged for confidentiality reasons. However, the CBSA has prepared the following tables to show estimated imports of certain OCTG into Canada from January 1, 2022 to March 31, 2025. Volumes are expressed in metric tonnes (MT) and values expressed in Canadian dollars (CAD).

¹⁷ [Oil country tubular goods 3 2021 investigations—Statement of Reasons—Initiation of an investigation](#), para. 92

¹⁸ OCTG5 Complaint (NC), Public Exhibit 7-08

**Table 1:
CBSA's Estimated Volume of Certain OCTG Imports (MT)**

Country/Exporter	2022	2023	2024	Q1 2025	POI (Q2 2024 to Q1 2025)
Mexico	10.6%	7.2%	27.3%	32.6%	26.4%
Philippines	1.5%	3.0%	6.6%	4.5%	6.5%
Türkiye – Borusan	2.0%	2.6%	3.4%	3.8%	3.5%
South Korea – Hyundai Steel	0.0%	0.0%	2.2%	4.2%	3.2%
U.S. – Tenaris (welded OCTG only)	0.3%	0.7%	6.8%	6.7%	7.3%
Subject Imports Total	14.5%	20.0%	46.4%	51.9%	46.9%
China	34.1%	15.9%	6.5%	4.1%	6.4%
U.S.*	20.0%	31.3%	32.9%	42.4%	35.2%
All Other Countries	31.4%	32.8%	14.3%	1.6%	11.6%
Total Imports	100.0%	100.0%	100.0%	100.0%	100.0%

* - Includes exports of both seamless and welded OCTG from all other U.S. exporters.

**Table 2:
CBSA's Estimated Value of Certain OCTG Imports (CAD)**

Country/Exporter	2022	2023	2024	Q1 2025	POI (Q2 2024 to Q1 2025)
Mexico	13.3%	13.4%	34.9%	42.8%	34.5%
Philippines	1.2%	3.6%	5.6%	3.9%	5.5%
Türkiye – Borusan	1.5%	3.1%	2.7%	3.1%	2.8%
South Korea – Hyundai Steel	0.0%	0.0%	1.2%	2.7%	1.8%
U.S. – Tenaris (welded OCTG only)	0.3%	0.9%	5.3%	5.7%	5.7%
Subject Imports Total	16.4%	20.8%	49.6%	58.1%	50.2%
China	31.2%	15.4%	6.0%	3.9%	5.9%
U.S.*	17.4%	20.0%	26.5%	32.4%	28.8%
All Other Countries	35.1%	43.7%	17.8%	5.6%	15.1%
Total Imports	100.0%	100.0%	100.0%	100.0%	100.0%

* - Includes exports of both seamless and welded OCTG from all other U.S. exporters.

[59] The import data generated by the CBSA shows comparable trends to those provided by the complainants in terms of the quantity of imports and relative share of imports of the subject countries and exporters/producers in comparison to other countries.

[60] The CBSA will continue to gather and analyze information on the volume of imports during the Period of Investigation (POI) of April 1, 2024 to March 31, 2024 as part of the preliminary phase of the dumping investigation and will refine these estimates.

EVIDENCE OF DUMPING

[61] The complainants alleged that certain OCTG from the subject countries and exporters/producers have been injuriously dumped into Canada. Dumping occurs when the normal value of the goods exceeds the export price to importers in Canada.

[62] Normal values are generally based on the domestic selling price of like goods in the country of export where competitive market conditions exist or as the aggregate of the cost of production of the goods, a reasonable amount for administrative, selling and all other costs, and a reasonable amount for profits.

[63] The complainants alleged that a PMS exists in the OCTG sector in Türkiye, such that the domestic sales of like goods in the country of export do not permit a proper comparison with the sales of the goods to the importer in Canada. This allegation had no impact on the estimation of normal values for subject goods exported by Borusan from Türkiye as normal values for those shipments were not based on the domestic selling prices of certain OCTG. Instead, for the purposes of the initiation, normal values were estimated based on the aggregate of the cost of production of the goods, a reasonable amount for administrative, selling and all other costs, and a reasonable amount for profits.

[64] The export price of goods sold to importers in Canada is generally the lesser of the exporter's selling price and the importer's purchase price, less all costs, charges and expenses resulting from the exportation of the goods.

[65] Estimates of normal values and export prices by both the complainants and the CBSA are discussed in the following sections.

PARTICULAR MARKET SITUATION ALLEGATIONS

[66] In accordance with paragraph 16(2)(c) of SIMA, and for purposes of determining normal values under section 15 of SIMA, the CBSA will not consider any sales of like goods for use in the country of export that, in the opinion of the CBSA, do not permit a proper comparison with the sale of the goods to the importer in Canada due to the existence of a particular market situation (PMS). The normal value of those goods will be determined under section 19 of SIMA, where possible, or section 29 of SIMA.

[67] Where the CBSA forms the opinions that a PMS does not allow for a proper comparison with like goods pursuant to section 15 of SIMA and that a PMS also impacts the cost of an input, for the purposes of constructing normal values pursuant to paragraph 19(b) of SIMA, the CBSA will not take into consideration the acquisition price of an input that does not allow a proper comparison as it does not reasonably reflect the actual costs of that input due to a PMS. The input costs will be determined in accordance with subsection 11.2(2) of SIMR, to be the amounts that reasonably reflects the actual cost of the input in the country of export to permit a proper comparison.

[68] Subsection 16(2.1) of SIMA provides that, for the purposes of paragraph 16(2)(c), a PMS may be found to exist in respect of any goods of a particular exporter or of a particular country, as appropriate in the circumstances.

[69] The information available to the CBSA demonstrates that a PMS may exist with respect to Türkiye for the following reasons: government regulations such as price ceilings, low-priced OCTG imports distorting OCTG prices in Türkiye, evidence of distorted input costs, and the volatile economic conditions.

[70] Evidence indicates that several ministries in Türkiye are required, pursuant to Presidential Decree, to provide price ceilings at which they will purchase inputs, including steel natural pipe and tube.¹⁹ By placing a price ceiling on certain products, producers may not be able to sell OCTG domestically to a large purchaser (the government) at a market rate and will be forced to settle for prices which are less than they would be able to obtain elsewhere.

[71] Evidence suggests that Turkish domestic OCTG prices may be impacted by low-priced OCTG imports from China. Export data presented in the complaint indicated that the total value of OCTG exports from China to Türkiye rose significantly in 2022 and has remained consistently high since.²⁰ Additional evidence shows that the average unit value of these exports declined by 21% between 2022 and 2024, further disrupting the domestic OCTG sector.²¹

[72] Hot-rolled coils are a major input for the production of OCTG. Available evidence suggests that input prices may have been distorted during the POI before the Government of Türkiye imposed anti-dumping duties on hot-rolled coil imports from China, Russia, India, and Japan, which were enacted only on October 11, 2024.

[73] Furthermore, evidence provided suggests that domestic producers may be exempt from paying the anti-dumping duties on hot-rolled coil if the raw material is imported under Türkiye's Inward Processing Regime.²² Consequently, the cost of hot-rolled coil used in the production of exported OCTG may continue to be affected by the presence of dumped imports.

[74] Evidence further indicates that the volatile economic conditions in Türkiye during the POI have contributed to a particular market situation in which domestic sales of like goods within Türkiye cannot be reliably compared to export sales to Canada. The broader economic instability, marked by hyperinflation and significant depreciation of the Turkish lira, has further compounded these market distortions.²³

¹⁹ OCTG5 Complaint (NC), Public Exhibit A-02, Public Exhibit A-03, Public Exhibit A-04, Public Exhibit A-05, and Public Exhibit A-06.

²⁰ OCTG5 Complaint (NC), para. 383, table 35

²¹ OCTG5 Complaint (NC), para. 383, table 36

²² OCTG5 Complaint (NC), Public Exhibit A-35

²³ OCTG5 Complaint (NC), Public Exhibit A-48, Public Exhibit A-55, Public Exhibit A-68, Public Exhibit A-76

[75] On the basis of the above, the CBSA has sent RFIs to all relevant parties to obtain information and conduct a detailed analysis as to whether a PMS exists in Türkiye for OCTG. Further, the CBSA has made a conservative estimate of Türkiye's margin of dumping at initiation and therefore did not utilize the PMS methodology for this purpose, including for the substitution of input costs.

NORMAL VALUE

Complainants' Estimates of Normal Value

[76] The complainants' allegations of dumping were based on a comparison of their estimated normal values for the allegedly dumped goods with their estimated export prices. The complainants calculated margins of dumping for the 12-month period of Q2 2024 through Q1 2024.²⁴ The estimated normal values and estimated export prices for certain OCTG were stated in CAD/MT.

[77] The tariff classification numbers applicable to certain OCTG allow for the identification of most of the main product characteristics including: the production process (seamless or welded), product type (casing or tubing), grade (carbon or alloy), outside diameter range, and end connection (plain end, API, premium/semi-premium).²⁵ As a result, the complainants were able to use Statistics Canada data for each applicable tariff classification code as a basis for estimating product specific export prices. This also enabled the complainants to estimate product specific normal values using published pricing, where available, or the complainants' own production costs, adjusted where appropriate.

Section 15

[78] The complainants stated that they were unable to find any market pricing for OCTG sold domestically in Mexico, the Philippines, South Korea, or Türkiye. The complainants were able to locate domestic pricing for OCTG in the U.S. using Pipe Logix, which tracks and published spot market pricing in the United States at the distributor trade level. This is the same publication used by the CBSA to determine surrogate normal values for shipments of OCTG from China which are subject to the existing OCTG 1 measure-in-force. As the published prices relate to sales made at the distributor level of trade, the complainants deducted 6.8% to account for the distributor margin. The distributor margin was based on Statistics Canada's "Annual wholesale trade survey" for "Metal service centres". By deducting the distributor margin, the complaints were able to estimate quarterly normal values at the producer level of trade, which is the same trade level as the importer of U.S. subject goods in Canada.²⁶

²⁴ OCTG5 Complaint (NC), para. 101

²⁵ OCTG5 Complaint (NC), para. 105

²⁶ OCTG5 Complaint (NC), paras. 117-118

Section 19

[79] For all subject countries and subject goods producers/exporters other than Tenaris in the U.S., the complainants estimated quarterly normal values using a constructed cost approach based on the methodology in paragraph 19(b) of SIMA, calculated based on the aggregate of estimates of the cost of production of the subject goods, a reasonable amount for administrative, selling and other costs and a reasonable amount for profits.

Complainants' Estimate of Cost of Production

[80] As detailed costs of OCTG production in the subject countries were not available, the complainants estimated the costs of production of OCTG from the subject countries and exporters/producers based on the complainants' own costs of production. Specifically, the complainants used Evraz's production costs, adjusted to reflect conditions in the subject countries, as well as publicly available information on costs and profits in the subject countries.

Raw Material Cost

[81] For the purposes of estimating the cost of raw materials, the complainants used prices published by Metal Bulletin Fastmarkets for the main raw material input used in each subject country to produce OCTG, which is hot-rolled coil (HRC) for Türkiye, South Korea and the Philippines, and steel-scrap for Mexico. Specifically, for Türkiye they used the "Steel hot-rolled coil domestic, exw Turkey, \$/tonne" (MB-STE-0108) to estimate Borusan's raw material costs. For South Korea and the Philippines, they used "Steel hot-rolled coil (Japan, Korea, Taiwan-origin), import, cfr Vietnam, \$/tonne" (MB-STE-0888). Finally, for Mexico, the complainants used "Steel scrap No1 busheling, consumer buying price, delivered mill Bajio" (MB-STE-0551).²⁷

[82] As the published HRC prices were for a construction grade of steel, the complainants used their own costs relating to the additional alloys required to adjust the raw material prices to reflect the higher-quality grade of steel needed to produce OCTG. As well, the complainants also used their own costs to estimate the costs incurred by exporters in slitting the HRC coil into the appropriate dimensions for OCTG. As scrap is used by Tenaris in Mexico to produce its own billets, the complainants included their own alloy costs which are added to produce OCTG grades of steel.²⁸

[83] For the Philippines, the complainants also added a cost to the HRC raw material cost to account for offloading the HRC from the ship and transporting the HRC to the Philippines' manufacturer located 70 kilometres from the port.²⁹

²⁷ OCTG5 Complaint (NC), para. 121

²⁸ OCTG5 Complaint (NC), para. 123

²⁹ OCTG5 Complaint (NC), para. 123

[84] Finally, the complainants also used their own coupling costs to determine the raw material amount applicable to OCTG from South Korea, Mexico, the Philippines, and Türkiye.³⁰

Labour Cost

[85] With respect to labour costs, the complainants also used their own labour costs associated with OCTG production, which they adjusted to reflect labour rates in each of the subject countries using information available from the International Labour Organization. The complainants calculated a labour adjustment factor by comparing the manufacturing wage data in each subject country to Canadian manufacturing wage data.³¹

Overhead Cost

[86] For overhead, the complainants used Evraz’s overhead costs. The complainants noted that estimated overhead costs for Mexico include the labour for both the melt shop and the tubular mill given that Tenaris TAMSА produces its own billets. Conversely, estimated overhead costs for South Korea, the Philippines, and Türkiye only include tubular labour costs since they purchase their hot-rolled coil. As such, the complainants adjusted the labour component of the overhead costs using the same adjustment rates mentioned in the preceding section.³²

Other Manufacturing Costs Adjustments

[87] As Evraz produces welded OCTG products but subject imports are also seamless, the complainants created an adjustment to recognize the difference in production process for the seamless HS Codes. To develop this adjustment, the complainants used the costs of production incurred by Evraz’s sister company in Pueblo Colorado—Evraz Pueblo—who manufactures seamless OCTG. The complainants compared the Evraz Pueblo costs of producing seamless OCTG to Evraz’s own costs of producing welded OCTG in Canada of an identical grade and OD in Q1 2024 and Q2 2024 to come up with an adjustment ratio.³³

[88] The complainants also made one final adjustment to their product specific estimated normal values in relation to imports of non-API OCTG. The Customs Tariff requires separate classification of carbon grade OCTG (grade H40, J55, K55), API alloy grade OCTG (grade N80, L80, P110), and “other” alloy grades, which would likely be proprietary grades of alloy OCTG. As imports under HS codes with “other” grade are higher grade and include proprietary grades such as “high collapse,” “improved collapse,” “enhanced yield,” or “mild sour”, it was necessary to create an adjustment that can be applied to the costs for ordinary API alloy grades to account for the additional costs of producing proprietary alloy products with higher grade properties. The complainants calculated an adjustment by comparing the

³⁰ OCTG5 Complaint (NC), para. 123

³¹ OCTG5 Complaint (NC), para. 124

³² OCTG5 Complaint (NC), para. 125

³³ OCTG5 Complaint (NC), para. 127

cost to produce a proprietary higher-grade product with the cost to produce a standard API grade.³⁴

Administrative, Selling and Other Costs

[89] For general, selling and administrative expenses (GS&A), and financial expenses, the complainants used the 2024 public financial statements of the parent companies of the exporters of subject goods from Mexico, Türkiye, and South Korea. As no public financial statements were available for the only OCTG producer in the Philippines, the complaints used an average of the amounts used for the other subject countries. Using that information, the complainants calculated the following rates:³⁵

- Borusan/Türkiye: 5.1% for GS&A and 1.9% for financial expenses.
- Hyundai/South Korea: 5.3% for GS&A and 1.1% for financial expenses.
- Mexico: 23.4% for GS&A and 0.0% for financial expenses.
- Philippines: 11.3% for GS&A and 1.5% for financial expenses.

Amount for Profits

[90] In estimating an amount for profits for Mexico, the complainants used the Tenaris S.A. profit amount reported in their 2024 public financial statements. For Türkiye and South Korea, the 2024 financial statements for Borusan and Hyundai Steel that were used for expenses, as discussed above, only reported a breakeven level of profit. As such, the complaints used other information for those two countries/exporters to estimate an amount for profits. For Türkiye/Borusan, the complaints instead used the weighted-average profit earned by Enka İnşaat ve Sanayi A.Ş., who owns an OCTG producer and reports their profits in its “construction segment” results. For South Korea/Hyundai Steel, the complainants used a weighted-average profit rate earned by OCTG producers Nexteel Co., Ltd, Husteel Co., Ltd, and SeAH Steel Corp. For the Philippines, the complainants used an average of the amounts for profits used for the other subject countries, similar in the approach they used for expenses. The resulting amount for profits calculated by the complainants are:³⁶

- Borusan/Türkiye: 19.7%.
- Hyundai/South Korea: 5.7%.
- Mexico: 25.5%.
- Philippines: 17.0%.

[91] Using the information above, the complainants estimated quarterly normal values using a constructed cost approach based on the methodology in paragraph 19(b) of SIMA. The complainants also noted that in a few instances, Evraz did not have costs that matched the specific criteria of the applicable HS Code and as such, they conservatively matched a lower cost model to the HS Code.³⁷

³⁴ OCTG5 Complaint (NC), para. 127

³⁵ OCTG5 Complaint (NC), para. 129

³⁶ OCTG5 Complaint (NC), para. 130.

³⁷ OCTG5 Complaint (NC), para. 131

Particular Market Situation

[92] The complainants also made allegations that a particular market situation exists in the OCTG market in Türkiye.³⁸ However, this allegation had no impact on the paragraph 19(b) normal values estimated for Türkiye as the raw material costs were estimated based on the published price of HRC sold domestically in Türkiye.

CBSA's Estimate of Normal Value

Section 15

[93] With respect to subject goods exported from the U.S., the CBSA agreed with the approach used by the complainants to estimate section 15 normal values based on domestic prices published by Pipe Logix. The CBSA also found the 6.8% deduction, applied as a trade level adjustment to the published prices, to be reasonable and supported. As a result, the CBSA used the section 15 normal values, as estimated by the complainants, to match to the CBSA's estimated exported prices for purposes of estimating a margin of dumping for subject goods from the U.S.

Section 19

[94] Like the complainants, the CBSA was unable to find published domestic OCTG prices for Mexico, the Philippines, South Korea, or Türkiye. Therefore, for subject goods exported from Mexico, the Philippines, South Korea, or Türkiye, the CBSA also estimated normal values using a constructed cost approach based on the methodology in paragraph 19(b) of SIMA, calculated based on the aggregate of estimates of the cost of production of the subject goods, a reasonable amount for administrative selling and other costs and a reasonable amount for profits.

[95] In reviewing the methodology and information used by the complainants, the CBSA found the complaints' approach reasonable and supported in most instances. While the CBSA used the same approach and most of the same information used by the complainants, it also made some adjustments and corrections in estimating normal values under paragraph 19(b) of SIMA, all of which are detailed in the following paragraphs.

[96] In reviewing the source information used by the complainants to calculate an amount for profits for South Korea in Public Exhibit 6-17, the CBSA found that the financial statements for Nexteel³⁹ and SeAH⁴⁰ did not match the numbers shown in that exhibit. In using the correct information found in the financial statement for those two companies and also excluding the non-operating income and expenses for both Nexteel and SeAH, the CBSA estimated an amount for profits equal to 5.1%, which was slightly lower than the original 5.7% estimated in the complaint.

³⁸ OCTG5 Complaint (NC), Annex A, paras. 371-433

³⁹ OCTG5 Complaint (NC), Public Exhibit 6-16c

⁴⁰ OCTG5 Complaint (NC), Public Exhibit 6-16d

[97] The above correction for South Korea also had an impact on the amount for profits estimated for the Philippines given their amount for profits represents an average of the amounts estimated for Mexico, South Korea, and Türkiye. As a result, the CBSA estimated an amount for profits for the Philippines equal to 16.8%, which was slightly lower than the original 17.0% estimated in the complaint.

[98] No other adjustments were made to the expense and profit ratios estimated by the complainants. The following table summarizes the expense and profit ratios used by the CBSA to estimate normal values under paragraph 19(b) of SIMA.

**Table 3:
CBSA Estimated Amounts for GS&A, Financial Expenses, and an Amount for Profits**

Country/Exporter	GS&A	Financial Expenses	Amount for Profits
Mexico	23.4%	0.0%	25.5%
Türkiye – Borusan	5.1%	1.9%	19.7%
South Korea – Hyundai Steel	5.3%	1.1%	5.1%
Philippines	11.3%	1.5%	16.8%

[99] Finally, the CBSA also adjusted the raw material cost for the Philippines. Specifically, the complainants had added an amount to the cost of HRC to account for the cost of offloading the HRC at the port and transporting the HRC to the OCTG producer’s facility. In reviewing confidential entry documents for subject goods and reviewing publicly available information on the internet, the CBSA found that the cost for handling and inland transport from the Subic Port in the Philippines ranged greatly, including at rates below what was estimated in the complaint. Further, the CBSA also noted that the MetalBulletin Fastmarkets HRC prices being used by the complainants also already include a freight cost component, which is not shown separately and cannot be quantified. As a result, the CBSA chose a conservative approach and excluded the handling and inland freight charge from the Philippines’ raw material cost for purposes of estimating normal values under paragraph 19(b) for the Philippines.

[100] Based on the above methodology, the CBSA estimated quarterly normal values for the subject goods exported from Mexico, the Philippines, South Korea, or Türkiye.

Export Price

Complainants' Estimates of Export Price

[101] The export price of goods sold to an importer in Canada is generally determined in accordance with section 24 of SIMA as the lesser of the exporter's sale price for the goods and the price at which the importer has purchased or agreed to purchase the goods adjusted by deducting all costs, charges, expenses, and duties and taxes resulting from the exportation of the goods.

[102] The complainants estimated quarterly export prices for the subject countries and exporters/producers based on import data from Statistics Canada for goods imported during the POI under the under HS Codes 7304.29 and 7306.29. The HS Codes permit identification of products by production process (seamless or welded), product type (casing or tubing), grade (carbon or alloy), outside diameter range, and end connection (plain end, API, premium/semi-premium. Statistics Canada data are intended to be reported as a value for duty without freight costs and other movement-related charges related to the export of the goods from the point of direct shipment to Canada. For Türkiye and South Korea, no adjustments were made to the Statistics Canada value for duty for purposes of estimating exporter prices under section 24.⁴¹

[103] Based on market intelligence, the complainants believed that the values reported by Statistics Canada for the Philippines included an amount for freight to Canada as the values reported are higher than the prices witnessed by the complainants in the market. As a result, the complainants made a deduction to reported values to account for freight based on confidential supporting documentation.⁴²

[104] For exports from Mexico and from Tenaris S.A., the complainants submitted evidence that export sales from these sources were made at "unreliable" prices. The complainants submitted evidence they believe demonstrates that the importer, TGS Canada, resold product in Canada sourced from its affiliates Tenaris TAMSA (Mexico) and Tenaris S.A. (U.S.) at downstream selling prices below their acquisition price from their affiliated exporters, after accounting for related importer expenses and profit. The complainants calculated section 25 export prices using confidential information they had regarding TGS Canada's resale prices in Canada for a sample number of transactions and deducting amounts for operating expenses and profit found using Statistics Canada's "Annual wholesale trade survey" for "Metal service centres". In comparing those section 25 prices with the section 24 prices based on the Statistics Canada import data, they found that a significant number of those sampled transactions had section 25 export prices below the section 24 export prices. As a result, the complaints considered the section 24 export prices unreliable and estimated export prices under section 25 of SIMA for subject imports from Mexico and the U.S. The section 25 normal values were estimated by applying the weighted-average difference between the section 25 and section 24 exports prices as a deduction to the value reported by Statistics Canada.⁴³

⁴¹ OCTG5 Complaint (NC), paras. 104-105

⁴² OCTG5 Complaint (NC), para. 106

⁴³ OCTG5 Complaint (NC), paras. 108-116

CBSA’s Estimates of Export Price

[105] In order to estimate export prices, the CBSA relied on information available through FIRM, CARM, ACROSS, and some sampled import documentation for the period of April 1, 2024 to March 31, 2024. The CBSA reviewed customs data for goods imported within the tariff classification numbers under which certain OCTG is imported.

[106] For subject goods imported from the Philippines, South Korea, or Türkiye, the CBSA estimated exports prices in accordance with section 24 of SIMA based on the import data available.

[107] For subject goods imported by Tenaris from its related companies in both Mexico and the U.S., the CBSA estimated exports prices using the same section 25 based methodology as was used by the complainants.

ESTIMATED MARGINS OF DUMPING

[108] For the purposes of the initiation of the investigation, the CBSA has estimated margin of dumping using normal values based on the methodologies of section 15 for subject imports from the U.S. and paragraph 19(b) of SIMA for subject imports from Mexico, the Philippines, South Korea, or Türkiye, as explained above.

[109] Based on the normal values estimated under section 15 and paragraph 19(b), the CBSA estimated the margin of dumping for subject goods from the subject countries and exporters/producers by comparing the estimated normal values with the estimated export prices for the period of April 1, 2024 to March 31, 2025. The CBSA estimates that subject goods from subject countries and exporters/producers were dumped in the range of 8.1% to 23.4%, expressed as a percentage of the export price, as follows:

**Table 4:
CBSA Estimated Margins of Dumping**

Country/Exporter	Margin of Dumping
United States - Tenaris	8.1%
South Korea - Hyundai	12.2%
Mexico	23.4%
Philippines	6.1%
Türkiye - Borusan	12.2%

EVIDENCE OF INJURY

[110] The complainants alleged that the subject goods have been dumped and that the dumping has caused and is threatening to cause material injury to the OCTG industry in Canada.

[111] SIMA refers to material injury caused to the domestic producers of like goods in Canada. The CBSA has concluded that OCTG produced by the domestic industry are like goods to the subject goods from the subject countries.

[112] Given concerns with respect to the confidentiality of the information of the domestic producers, the CBSA is limited in its ability to discuss certain information contained in the complaint.

[113] In support of their allegations, the complainants provided evidence of:

- Increase in volume of subject goods imports and lost market share;
- Price undercutting;
- Price depression and price suppression;
- Adverse impact on industry market share, sales volumes, production, and capacity utilization;
- Adverse impact on financial performance and profitability;
- Adverse impact on employment; and
- Adverse impact on investment and ability to raise capital.⁴⁴

INCREASE IN VOLUME OF SUBJECT GOOD IMPORTS AND LOST MARKET SHARE

[114] The complainants alleged that the volume of subject imports nearly doubled between 2022 and 2024, increasing 99% on an absolute basis. The absolute increase over the last two full years was even more significant, particularly during the period of H2 2023-Q1 2025. Between 2023 and 2024, imports of subject goods increased in volume from 73,707 tonnes to 161,832 tonnes, or 119%. In Q1 2025, the subject imports grew another 8% over Q1 2024, from 44,317 tonnes to 47,863 tonnes. To support its allegation, the complainants provided estimates of imports and domestic sales volumes during the period from 2022 to Q1 2025 based on Statistics Canada import data and the complainants' own data.⁴⁵

[115] The complainants stated that between 2022 and 2024 subject imports increased significantly relative to total domestic sales from domestic production. Moreover, in Q1 2025 over Q1 2024, subject import volumes continued to grow relative to domestic sales. The complainants noted that this increase in relative terms took place as the total estimated Canadian market declined significantly from 2022 to 2024.

⁴⁴ OCTG5 Complaint (NC), paras. 144-229

⁴⁵ OCTG5 Complaint (NC), paras. 144-149

[116] The CBSA's analysis of import data supports the allegation of an increase in the import volume of the allegedly dumped goods from 2022 to 2024. Based on the CBSA's estimate of imports, the total volume of imports from the subject countries increased significantly. At the same time, the complainants highlighted that by 2024, Chinese imports had been largely replaced by subject imports, including nearly 120,000 tonnes of TAMSA Mexico-origin and Tenaris S.A. U.S.-origin imports.⁴⁶

[117] Based on the CBSA's estimates and analysis of import volumes, the CBSA finds that the increased volume of subject goods and lost market share of the domestic producers are sufficiently supported and linked to the allegedly dumped goods.

⁴⁶ OCTG5 Complaint (NC), para. 145

PRICE UNDERCUTTING

[118] The complainants asserted that the subject imports have significantly undercut the prices of domestically produced like goods, thereby contributing to lost sales volumes and revenue for the domestic industry over the period of investigation. The complainants emphasized that even as import volumes surged, particularly in 2024, the pricing of subject imports remained aggressively low, pressuring domestic producers to reduce their own prices to compete.⁴⁷

[119] The evidence of price undercutting submitted by the complainants includes detailed transaction-specific examples provided by Mr. Coffin and Ms. Blair for sales in 2023, 2024, and the first quarter of 2025. These examples illustrate instances where distributors offering subject imports undercut domestic prices in transactions involving various product types, with undercutting margins observed across multiple cases.

[120] Supporting this evidence, major distributors such as Trimark Tubulars and Alberta Tubular Products confirmed that subject imports have acted as price leaders in the market, leading to reduced orders from domestic producers and demands for lower pricing to match import levels. Alberta Tubular Products provided account-specific examples of lost sales due to undercutting by subject imports over the 2023 to first quarter 2025 period, and noted the preference for imports over domestic production despite available capacity.⁴⁸

[121] While aggregate market data show mixed results on undercutting when including all subject imports, the complainants refined the analysis by excluding certain higher-priced seamless imports from Mexico, revealing consistent undercutting by the remaining subject goods in 2024 and the first quarter of 2025. Further granular analysis using Statistics Canada data for specific product categories, such as carbon casing with API connections, demonstrated undercutting of domestic prices to distributors in every comparison during the period of import volume growth.

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

PRICE DEPRESSION AND PRICE SUPPRESSION

[123] The complainants submitted that the price undercutting discussed above has resulted in price depression and price suppression between 2022 and Q1 2025. While the complaint shows that the domestic industry's weighted average selling prices increased between 2022 and 2023, the complainants stated that they were forced to begin lowering prices from 2023 onward, despite robust market demand and drilling activity, when imports of subject goods surged into the Canadian market following enforcement actions against Chinese OCTG.⁴⁹

⁴⁷ OCTG5 Complaint (NC), paras. 154-175

⁴⁸ OCTG5 Complaint (NC), paras. 164-165

⁴⁹ OCTG5 Complaint (NC), paras. 176-192

[124] To support the allegations of price depression, the complainants provided average domestic industry pricing from 2022 to Q1 2025, including product-specific data for carbon casing with API connections. The complainants emphasized that this price depression occurred while the import volumes of subject goods and their market share were significantly increasing. During the same period, the prices of subject goods were lower than the average prices of domestically produced OCTG. The complainants alleged that this was the cause of the resulting price depression to their domestic sales of OCTG, as they had to chase subject import pricing to maintain sales volumes.

[125] To support the allegations of price suppression, the complainants provided information which suggests that although the industry was able to increase prices between 2022 and 2023, these price increases barely kept up with costs at that time, with the domestic industry's cost of goods sold to net sales ratio increasing over the period, resulting in a decline in the industry's gross margin results. The complainants submitted that the price suppression became critically acute in 2024 and Q1 2025, with the cost of goods sold to net sales ratio increasing to unsustainable levels amid falling prices and ongoing competition from subject imports.

[126] To further support the allegations of price depression and price suppression, the complainants provided specific evidence of instances where they were forced to reduce prices in response to pricing pressure by their distributor customers in light of lower available prices on imports of subject goods, as detailed in witness declarations.

[127] Based on the information contained in the complaint, as well as the CBSA's analysis, the CBSA finds the claims of price depression and price suppression to be well supported and sufficiently linked to the allegedly dumped goods.

ADVERSE IMPACT ON INDUSTRY MARKET SHARE, SALES VOLUMES, PRODUCTION, AND CAPACITY UTILIZATION

[128] The complainants alleged that the increase in subject import volume and market share described above has directly led to the domestic industry's decreased market share, sales volumes, production output, and capacity utilization.

[129] The complainants indicate that the market share growth of subject imports corresponds with the decrease in the market share of the domestic industry. The complainants further noted that while Chinese OCTG imports declined significantly following the CBSA re-investigation, the resulting market share loss by Chinese imports was largely captured by subject imports rather than the domestic industry, preventing the domestic industry from benefiting from the enforcement actions.⁵⁰

⁵⁰ OCTG5 Complaint (NC), paras. 196-202

[130] The complainants emphasized that the domestic industry also lost significant sales volumes since 2022, which was consistent with the decrease of the domestic industry's market share. While the domestic industry managed a slight increase in sales volumes in 2024, this was achieved at the expense of profitability, with overall sales declining over the period from 2022 to 2024. The complainants argue that Canadian market demand also declined over this period, but the domestic industry should have seen market share improvement in 2024; instead, subject imports increased substantially, capturing the volumes vacated by Chinese imports.

[131] The complaint includes data with respect to the capacity utilization and production volumes of the domestic producers of OCTG. This information suggests a worsening trend in regard to capacity utilization and production for domestic sales. The complainants stressed that their declining capacity utilization rates and reduced production occurred during the same timeframe that the volume of imports of subject goods significantly increased, with any recoveries in 2024 coming at significant cost to profitability.

[132] Based on the CBSA's analysis of information concerning the market share, consolidated sales, production and capacity utilization of the domestic producers, as well as the CBSA's estimate of imports and market share, the CBSA finds the complainants' claim of an adverse impact on industry market share, sales volumes, production volumes, and capacity utilization, to be reasonable and well supported. As such, the CBSA is of the opinion that this injury factor is sufficiently supported and linked to the allegedly dumped goods.

ADVERSE IMPACT ON FINANCIAL PERFORMANCE AND PROFITABILITY

[133] The complaint alleges that the dumped goods have had an adverse impact on the financial performance and profitability of the domestic industry. To support this allegation, the complainants provided their consolidated financial results on domestic sales from domestic production from 2022 to Q1 2025.

[134] The complainants demonstrated that their financial results declined as they lost market share and sales volume, and were forced to lower prices when imports of subject goods increased in the Canadian market between 2022 and Q1 2025. The complaint demonstrated significant reductions in both gross margin and net income from 2022 to Q1 2025.⁵¹

[135] The CBSA has reviewed the financial information contained in the complaint and finds that there is a trend of a deteriorating financial situation, thereby supporting the complainants' allegations of adverse impact on financial performance and reduced profitability. The CBSA finds that the injury factor is sufficiently supported and reasonably linked to the alleged dumped goods.

⁵¹ OCTG5 Complaint (NC), paras. 203-218

ADVERSE IMPACT ON EMPLOYMENT

[136] The complainants submitted that the loss of sales volume and revenue due to increased subject goods from subject countries have adversely affected employment levels across the domestic industry. In support of this allegation, the complainants provided information concerning employment levels.⁵²

[137] The CBSA has analyzed the information provided in the complaint and found a reduction in employment from 2022 to 2024.

[138] The available evidence supports the complainants' claim of an adverse effect on employment. The CBSA finds that this injury factor is sufficiently supported and reasonably linked to the allegedly dumped goods.

ADVERSE IMPACT ON INVESTMENT AND ABILITY TO RAISE CAPITAL

[139] The complainants alleged that the injurious impact of the dumped goods is demonstrated by an actual or potential decline in the return on investments, as well as actual or potential negative effects on the ability to raise capital.

[140] The complainants and a supporting domestic producer have provided confidential information to support this allegation.⁵³

[141] After reviewing the information provided in the complaint, and in consideration of the presence of the other injury factors discussed above, the CBSA finds that this injury factor is sufficiently supported and linked to the allegedly dumped goods.

CBSA'S CONCLUSION - INJURY

[142] Overall, based on the evidence provided in the complaint, and supplementary data available to the CBSA through its own research, the CBSA finds that the evidence discloses a reasonable indication that the dumping of the subject goods from the subject countries have caused injury to the OCTG industry in Canada in the form of:

- Increase in volume of subject good imports and lost market share;
- Price undercutting;
- Price depression and price suppression;
- Adverse impact on industry market share, sales volumes, production, and capacity utilization;
- Adverse impact on financial performance and profitability;
- Adverse impact on employment; and
- Adverse impact on investment and ability to raise capital.

⁵² OCTG5 Complaint (NC), paras. 219-222

⁵³ OCTG5 Complaint (NC), paras. 223-225

THREAT OF INJURY

[143] The complainants have listed several factors as indications that the alleged dumping of subject goods threatens to injure the domestic industry.⁵⁴ These factors are:

- International market conditions are likely to result in increased exports to Canada;
- Subject country market conditions will encourage even greater exports to Canada;
- Excess capacity, and export orientation of subject country exporters;
- Canada remains an attractive market for dumped subject goods;
- Likelihood of substantially increased subject imports into Canada;
- Subject imports are likely to continue causing significant adverse price effects;
- Likely impact of subject goods on the domestic industry; and
- The Magnitude of the margin of dumping is significant.

CBSA'S CONCLUSION - THREAT OF INJURY

[144] With respect to threat of injury, the complainants submit that imports of allegedly dumped subject goods from subject countries are posing a threat of injury to the Canadian domestic industry. In light of the CBSA's conclusion that sufficient evidence has been provided to indicate that the allegedly dumped subject goods from subject countries have caused injury to the domestic industry and in order to fulfill objectives of administrative efficiency, the CBSA will not address whether there is a reasonable indication that the dumping of the subject goods is threatening to cause injury.

CAUSAL LINK - DUMPING AND INJURY/THREAT OF INJURY

[145] The CBSA finds that the complainants have sufficiently linked the injury to the alleged dumping of the subject goods imported into Canada. This injury includes increase in volume of subject good imports and lost market share, price undercutting, price depression and price suppression, adverse impact on industry market share, sales volumes, production, and capacity utilization, adverse impact on financial performance and profitability, adverse impact on employment, adverse impact on investment and ability to raise capital.

[146] In summary, the CBSA is of the opinion that the information provided in the complaint has disclosed a reasonable indication that the alleged dumping has caused injury to the Canadian domestic industry.

⁵⁴ OCTG5 Complaint (NC), paras. 230-330

SCOPE OF THE INVESTIGATION

[147] The CBSA is conducting an investigation to determine whether the subject goods have been dumped.

[148] The CBSA has requested information from all potential exporters and importers to determine whether or not subject goods imported into Canada during the POI of April 1, 2024 to March 31, 2025 were dumped. The information requested will be used to determine the normal values, export prices and margins of dumping, if any. The CBSA also requested information from the Government of Türkiye with respect to the possibility that a particular market situation exists with regard to OCTG in Türkiye.

[149] All parties have been clearly advised of the CBSA's information requirements and the time frames for providing their responses.

FUTURE ACTION

[150] The CITT will conduct a preliminary inquiry to determine whether the evidence discloses a reasonable indication that the alleged dumping of the goods has caused or is threatening to cause injury to the Canadian industry. The CITT must make its decision on or before the 60th day after the date of the initiation of the investigation. If the CITT concludes that the evidence does not disclose a reasonable indication of injury to the Canadian industry, the investigation will be terminated.

[151] If the CITT finds that the evidence discloses a reasonable indication of injury to the Canadian industry and the CBSA's preliminary investigation reveals that the goods have been dumped, the CBSA will make a preliminary determination of within 90 days after the date of the initiation of the investigation, by November 10, 2025. Where circumstances warrant, this period may be extended to 135 days from the date of the initiation of the investigation.

[152] Under section 35 of SIMA, if, at any time before making a preliminary determination, the CBSA is satisfied that the volume of goods of a country is negligible, the investigation will be terminated with respect to goods of that country.

[153] Imports of subject goods released by the CBSA on and after the date of a preliminary determination of dumping, other than goods of the same description as goods in respect of which a determination was made that the margin of dumping of the goods is insignificant, may be subject to provisional duty in an amount not greater than the estimated margin of dumping on the imported goods.

[154] Should the CBSA make a preliminary determination of dumping, the investigation will be continued for the purpose of making a final decision within 90 days after the date of the preliminary determination.

[155] After the preliminary determination, if, in respect of goods of a particular exporter, the CBSA's investigation reveals that imports of the subject goods from that exporter have not been dumped, or that the margin of dumping is insignificant, the investigation will be terminated in respect of those goods.

[156] If a final determination of dumping is made, the CITT will continue its inquiry and hold public hearings into the question of material injury to the Canadian industry. The CITT is required to make a finding with respect to the goods to which the final determination of dumping apply, not later than 120 days after the CBSA's preliminary determination.

[157] In the event of an injury finding by the CITT, imports of subject goods released by the CBSA after that date will be subject to anti-dumping duty equal to the applicable margin of dumping on the imported goods.

RETROACTIVE DUTY ON MASSIVE IMPORTATIONS

[158] When the CITT conducts an inquiry concerning injury to the Canadian industry, it may consider if dumped goods that were imported close to or after the initiation of the investigation constitute massive importations over a relatively short period of time and have caused injury to the Canadian industry.

[159] Should the CITT issue such a finding, anti-dumping duties may be imposed retroactively on subject goods imported into Canada and released by the CBSA during the period of 90 days preceding the day of the CBSA making preliminary determination of dumping.

UNDERTAKINGS

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

[161] An acceptable undertaking must account for all or substantially all of the exports to Canada of the dumped goods. Interested parties may provide comments regarding the acceptability of undertakings within nine days of the receipt of an undertaking by the CBSA. The CBSA will maintain a list of parties who wish to be notified should an undertaking proposal be received. Those who are interested in being notified should provide their name, telephone number, mailing address and email address to the email identified in the "Contact us" section of this document.

[162] If an undertaking 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

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

CONTACT US

[164] Interested parties are invited to file written submissions presenting facts, arguments, and evidence that they feel are relevant to the alleged dumping. Written submissions must be filed through CBSA's ACE web application.

[165] To be given consideration in this investigation, all information should be received by the CBSA by December 23, 2025 at noon.

[166] Any information submitted to the CBSA by interested parties concerning this investigation is considered to be public information unless clearly marked "confidential". Where the submission by an interested party is confidential, a non-confidential version of the submission must be provided at the same time. This non-confidential version will be made available to other interested parties upon request.

[167] Confidential information submitted to the CBSA will be disclosed on written request to independent counsel for parties to these proceedings, subject to conditions to protect the confidentiality of the information. Confidential information may also be released to the CITT, any court in Canada, or a WTO or Canada-United States-Mexico Agreement (CUSMA) dispute settlement panel. Additional information respecting the CBSA's policy on the disclosure of information under SIMA may be obtained by contacting the SIMA Registry and Disclosure Unit identified below or by visiting the CBSA's website.

[168] The schedule of the investigation and a complete listing of all exhibits and information are available at: www.cbsa-asfc.gc.ca/sima-lmsi/i-e/menu-eng.html. The exhibit listing will be updated as new exhibits and information are made available.

[169] This *Statement of Reasons* is available through the CBSA's website at the address below. For further information, please contact the SIMA Registry and Disclosure Unit as follows:

Email: simaregistry-depotlmsi@cbsa-asfc.gc.ca

Website: www.cbsa-asfc.gc.ca/sima-lmsi

A handwritten signature in black ink, appearing to be 'S. Borg', written in a cursive style.

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