Canada Border Services Agency | Agence des services frontaliers du Canada

OTTAWA, November 10, 2026

UBC 2026 IN

STATEMENT OF REASONS

Concerning the final decisions with respect to the dumping and subsidizing of

UNARMOURED BUILDING CABLES ORIGINATING IN OR EXPORTED FROM CHINA

DECISIONS

On October 27, 2026, pursuant to paragraph 41(1)(a) of the *Special Import Measures Act*, the Canada Border Services Agency terminated the subsidy investigation in respect of unarmoured building cables originating in or exported from the People's Republic of China (China) by Tianjin Feiya Fengda Wire & Cable Technology Co., Ltd.

On the same day, pursuant to paragraph 41(1)(b) of the *Special Import Measures Act*, the Canada Border Services Agency made a final determination respecting the dumping of unarmoured building cables originating in or exported from China and a final determination of subsidizing in respect of unarmoured building cables originating in or exported from China, with respect to exporters for which the subsidy investigation has not been terminated.

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

Canada

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SUMMARY

[1] On February 11, 2026, the Canada Border Services Agency (CBSA) received a written complaint from PTI Cables Inc (Pointe-Claire, Québec) (hereinafter, "the complainant") alleging that imports of unarmoured building cables (hereinafter, "UBC") originating in or exported from the People's Republic of China (China) are being injuriously dumped and subsidized.

[2] On February 23, 2026, pursuant to paragraph 32(1)(a) of the *Special Import Measures Act* (SIMA), the CBSA informed the complainant that the complaint was properly documented. On February 24, 2026, the CBSA informed the Government of China that a properly documented complaint had been filed. At that time, the Government of China was provided with a non-confidential version of the subsidy complaint and was invited for consultations pursuant to Article 13.1 of the *Agreement on Subsidies and Countervailing Measures*, prior to the initiation of the subsidy investigation. The CBSA did not receive any request for consultations.

[3] The complainant provided evidence to support the allegations that UBC from China have been dumped and subsidized, as well as evidence that discloses a reasonable indication that the dumping and subsidizing have caused injury or are threatening to cause injury to the Canadian industry producing like goods.

[4] On March 16, 2026, pursuant to subsection 31(1) of SIMA, the CBSA initiated investigations respecting the dumping and subsidizing of UBC from China.

[5] Upon receiving notice of the initiation of the investigations, the Canadian International Trade Tribunal (CITT) commenced a preliminary injury inquiry, pursuant to subsection 34(2) of SIMA, into whether the evidence discloses a reasonable indication that the dumping and subsidizing of the above-mentioned goods have caused injury or are threatening to cause injury to the Canadian industry producing the like goods.

[6] On May 15, 2026, pursuant to subsection 37.1(1) of SIMA, the CITT made a preliminary determination that there is evidence that discloses a reasonable indication that the dumping and subsidizing of UBC from China have caused injury to the domestic industry.

[7] On July 29, 2026, as a result of the CBSA's preliminary investigations and pursuant to subsection 38(1) of SIMA, the CBSA made preliminary determinations of dumping and subsidizing of UBC originating in or exported from China.

[8] On the same date, pursuant to subsection 8(1) of SIMA, provisional duties were imposed on imports of dumped and subsidized goods that are of the same description as any goods to which the preliminary determinations apply, and that are released during the period commencing on the day the preliminary determinations were made and ending on the earlier of the day on which the CBSA causes the investigations in respect of any goods to be terminated pursuant to subsection 41(1) of SIMA or the day the CITT makes an order or finding pursuant to subsection 43(1) of SIMA.

[9] Based on the available evidence, the CBSA is satisfied that UBC originating in or exported from China by Tianjin Feiya Fengda Wire & Cable Technology Co., Ltd. have been subsidized by an insignificant amount. Therefore, on October 27, 2026, the CBSA terminated the subsidy investigation pursuant to paragraph 41(1)(a), in respect of those goods.

[10] On the same day, pursuant to paragraph 41(1)(b) of SIMA, the CBSA made a final determination respecting the dumping of unarmoured building cables originating in or exported from China and a final determination of subsidizing in respect of unarmoured building cables from China, with respect to exporters for which the subsidy investigation has not been terminated.

[11] The CITT's inquiry into the question of injury to the Canadian industry is continuing, and the CITT will issue its decision by November 26, 2026. Provisional anti-dumping and countervailing duties will continue to be imposed on the subject goods from China until the CITT renders its decision. However, provisional countervailing duties will not be imposed on imports of goods for which the subsidy investigation has been terminated. Any provisional duties paid or security posted on imports of goods for which the subsidy investigation has been terminated will be refunded, as appropriate.

PERIOD OF INVESTIGATION

[12] The Period of Investigation (POI) for the investigations is January 1, 2025 to December 31, 2025.

PROFITABILITY ANALYSIS PERIOD

[13] The Profitability Analysis Period (PAP) for the investigations is January 1, 2025 to December 31, 2025.

INTERESTED PARTIES

[14] Interested parties were notified at the initiation of the investigations and were sent Requests for Information (RFI). Refer to the Statement of Reasons—Initiation of investigations: Unarmoured Building Cables (UBC 2026 IN) for additional information on interested parties.

Exporters

[15] The following three exporters provided substantially complete responses to the CBSA's dumping, section 20 RFIs and subsequent supplemental RFIs (SRFI):

- Hebei Huatong Wires and Cables Group Co., Ltd. ("HT");[1]

[1] Exhibit 89 (PRO) & 90 (NC) – Response to Dumping RFI, Exhibit 141 (PRO) & 142 (NC) – Response to SRFI#1, and Exhibit 106 (PRO) & 107 (NC) – Response to section 20 RFI – HT.

- Tianjin Feiya Fengda Wire & Cable Technology Co., Ltd. ("FY");[2] and
- Zhejiang Cardiff Cable Co., Ltd. ("ZCC").[3]

[16] The CBSA also received substantially complete responses to the CBSA's subsidy RFI from:

- Hebei Huatong Wires and Cables Group Co., Ltd.;[4]
- Tianjin Feiya Fengda Wire & Cable Technology Co., Ltd. ("FY");[5] and
- Zhejiang Cardiff Cable Co., Ltd.[6]

[17] The CBSA also received responses to the CBSA's dumping and subsidy RFI from the following input suppliers, producers, and vendors:

- Cardiff Cable (Hong Kong) Co., Ltd. ("CCHH", related trading company of ZCC);[7]
- Tianjin Fengda Wire & Cable Technology Co., Ltd. ("FD", related trading company of FY);[8]
- Tangshan Fengnan Huaxin SUS Super Control Pipe Co., Ltd. ("HX", related input supplier of HT);[9] and
- Tangshan Huatong Special Wires & Cables Manufacture Co., Ltd. ("HS", related producer of HT).[10]

[2] Exhibit 64 (PRO) & 65 (NC) – Response to Dumping RFI, Exhibit 108 (PRO) & 109 (NC) – Response to section 20 RFI, and Exhibit 171 (PRO) & 172 (NC) – Response to SRFI#1 – FY.
[3] Exhibit 91 (PRO) & 92 (NC) – Response to Dumping RFI, and Exhibit 143 (PRO) & 144 (NC) – Response to SRFI#1 – ZCC.
[4] Exhibit 103 (PRO) & 104 (NC) – Response to Subsidy RFI, and Exhibit 156 (PRO) & 157 (NC) – Response to Subsidy SRFI#1 – HT.
[5] Exhibit 64 (PRO) & 65 (NC) – Response to Dumping RFI, Exhibit 108 (PRO) & 109 (NC) – Response to section 20 RFI, and Exhibit 171 (PRO) & 172 (NC) – Response to SRFI#1 – FY.
[6] Exhibit 93 (PRO) & 94 (NC) – Response to Subsidy RFI, and Exhibit 148 (PRO) & 149 (NC) – Response to SRFI#1 – ZCC.
[7] Exhibit 101 (PRO) & 102 (NC) – Response to Dumping RFI, and Exhibit 143 (PRO) & 144 (NC) – Response to SRFI#1 – CCHH.
[8] Exhibit 64 (PRO) & 65 (NC) – Response to Dumping RFI, and Exhibit 171 (PRO) & 172 (NC) – Response to SRFI#1 – FY.
[9] Exhibit 81 (PRO) & 82 (NC) – Response to Dumping RFI, Exhibit 83 (PRO) & 84 (NC) – Response to Subsidy RFI, and Exhibit 152 (PRO) & 153 (NC) – Response to Subsidy SRFI#1 – HX.
[10] Exhibit 99 (PRO) & 100 (NC) – Response to Dumping RFI, Exhibit 96 (PRO) & 97 (NC) – Response to section 20 RFI, Exhibit 139 (PRO) & 140 (NC) – Response to SRFI#1, Exhibit 85 (PRO) & 86 (NC) – Response to Subsidy RFI, and Exhibit 150 (PRO) & 151 (NC) – Response to Subsidy SRFI#1– HS.

[18] Additionally, the CBSA received a late response from one exporter, Taishan City WanAn Cable Co., Ltd., which submitted a response to the CBSA's dumping and subsidy RFIs 110 days after the due date. As the submissions were received less than 28 days prior to the close of the record on September 8, 2026, and due to the voluminous amount of information received, there was insufficient time to conduct a comprehensive review, analysis and verification of the information provided. Due to the limited time remaining prior to the close of the record, the CBSA was unable to issue the necessary supplemental RFIs and follow-up requests required to verify the accuracy, completeness, and reliability of the submitted information, thereby preventing the determination of margin of dumping and subsidy amount.
[19] The CBSA determined that accepting the submission would not allow sufficient time to complete the investigative and verification steps necessary to rely on the information for the purposes of the final determinations. As such, the CBSA was unable to consider the late submission for the purposes of the final determinations.

Importers

[20] Six importers provided a response to the CBSA's importer RFI:

- Juleo Distribution;[11]
- Edison Elm Inc.;[12]
- Impulse Technologies Ltd.;[13]
- Mega Electric Supply Inc.;[14]
- ABB Inc.;[15] and
- Votatec Group Corp.[16]

Surrogates

[21] The CBSA received one response to the surrogate producer RFI and subsequent SRFI from Southwire Company, LLC., a producer of UBC located in the U.S.[17] Verification of the information submitted by Southwire Company, LLC was conducted at their premises in Carrollton, Georgia, in September 2026.

[11] Exhibit 36 (PRO) & 37 (NC) – Response to Importer RFI – Juleo Distribution.
[12] Exhibit 44 (PRO) & 45 (NC) – Response to Importer RFI – Edison Elm Inc.
[13] Exhibit 60 (PRO) & 61 (NC) – Response to Importer RFI – Impulse Technologies Ltd.
[14] Exhibit 72, 77 (PRO) & 73, 78 (NC) – Response to Importer RFI – Mega Electric Supply Inc.
[15] Exhibit 122 (PRO) & 123 (NC) – Response to Importer RFI – ABB Inc.
[16] Exhibit 135 (PRO) & 136 (NC) – Response to Importer RFI – Votatec Group Corp.
[17] Exhibit 66 (PRO) & 67 (NC) – Response to Surrogate Producer RFI, and Exhibit 127 (PRO) & 128 (NC) – Response to SRFI#1 – Southwire Company, LLC.

Government

[22] The Government of China provided a partially complete response to the government subsidy RFI and subsequent SRFIs,[18] however it did not provide a response to the government section 20 RFI.

PRODUCT INFORMATION

DEFINITION

[23] For the purpose of these investigations, subject goods are defined as:

> *Unarmoured Building Cables, and conductors for use in Unarmoured Building Cables, originating or exported from the People's Republic of China, where Unarmoured Building Cables are defined as an assembly of two or three insulated copper or aluminum electrical conductors, plus a metallic conductor intended for use as a bonding wire, and jacketed with a thermoplastic or thermoset, with or without connectors, provided that:*
>
> a. *Each insulated conductor has a voltage rating greater than 80 volts and not exceeding 300 volts*
> b. *Each insulated conductor has a size not less than American Wire Gauge ("AWG") 14 and not greater than AWG 2*
> c. *The primary purpose of the electric cable is distribution of electric current to power lighting, appliances, electrical sockets and like items and*
> d. *The cable is certified to meet applicable Canadian standards by a recognized certifying body*
>
> *Excluding:*
>
> a. *Wire and cable in lengths less than 2 metres*
> b. *Extension cords with permanently attached connections at both ends consisting of a 2 or more prong plug at one end and a receptacle at the other end, designed and intended to connect portable electrical equipment or appliances to a source of electrical supply, and not permanently affixed to a building or structure or part of a permanent electrical wiring system*
> c. *Wire and cable that is to be permanently installed in vehicles and mobile equipment, with the exception of "NMD90" and "NMWU" type cables*
> d. *Wiring harnesses and*
> e. *Wire and cable for use as an input in the manufacturing of mechanical or electrical products, not including electric cable installed as part of a modular construction assembly where the cable is used to distribute power from a power*

[18] Exhibits 137 (PRO) & 138 (NC) – Response to Government Subsidy RFI from the Government of China; Exhibits 291 (PRO) & 292 (NC) – Response to Government Subsidy SRFI #1 from the Government of China; Exhibits 336 (NC) – Response to Government Subsidy SRFI #2 from the Government of China;

source to machinery and equipment attached to the modular construction assembly

For clarity, the product definition:

a. *Does not include cables for the distribution of data, signals, information or communications and*
b. *Does not include cables and wiring typically used in vehicles and mobile equipment where the purpose of the cable relates to the vehicular nature or functions of the item*

[24] For additional product information, the production process, the classification of imports, like goods and classes of goods, and information on the Canadian industry, refer to Statement of Reasons—Initiation of investigations: Unarmoured Building Cables (UBC 2026 IN).

IMPORTS INTO CANADA

[25] The following table presents the CBSA's analysis of imports of UBC for the purposes of the final determinations:

Table 1: Import volume of UBC
(January 1, 2025 to December 31, 2025)

Country	% of total import volume
China	51.7 %
Other	48.3 %
Total	**100 %**

INVESTIGATIONS PROCESS

[26] Regarding the dumping investigation, information was requested from all known and potential exporters, producers, vendors and importers, concerning shipments of UBC imported into Canada during the POI.

[27] Regarding the subsidy investigation, information related to potentially actionable subsidies was requested from all known and potential exporters and producers in China. Information was also requested from the Government of China concerning financial contributions made to exporters or producers of UBC imported into Canada during the POI. The Government of China was also requested to forward the RFIs to all subordinate levels of government that had jurisdiction over the exporters.

[28] The Government of China and the exporters/producers were also notified that failure to submit all required information and documentation, including non-confidential versions, failure to comply with all instructions contained in the RFI, failure to permit verification of any information or failure to provide documentation requested during the verification visits, may result in the margin of dumping, the amount of subsidy and the assessment of dumping and/or countervailing duties on subject goods being based on facts available to the CBSA. Further, the Government of China and the exporters/producers were notified that determinations on the basis of facts available could be less favorable to them than if complete, verifiable information was made available.

[29] After reviewing the RFI responses, SRFIs were sent to responding parties, in order to clarify information provided and request additional information, where necessary.

[30] Details pertaining to the information submitted by companies in response to the dumping and subsidy RFIs, as well as the results of the CBSA's investigations, are provided in the *Results of the Dumping Investigation* and *Results of the Subsidy Investigation* sections of this document, respectively.

[31] As part of the final phase of the investigations, case briefs and reply submissions were provided by counsel representing the complainant, a surrogate producer located in the U.S., two exporters of subject goods from China, and on behalf of the Government of China. A summary of the representations is provided in **Appendix 2**.

DUMPING INVESTIGATION

[32] The following presents the final results of the investigation into the dumping of UBC originating in or exported from China.

NORMAL VALUE

[33] Normal values are generally determined based on the domestic selling prices of like goods in the country of export, in accordance with the methodology of section 15 of SIMA, or on the aggregate of the cost of production of the goods, a reasonable amount for administrative, selling and all other costs, plus a reasonable amount for profits, in accordance with the methodology of paragraph 19(b) of SIMA.

[34] Where, in the opinion of the CBSA, sufficient information has not been furnished or is not available, normal values are determined pursuant to a ministerial specification in accordance with subsection 29(1) of SIMA.

EXPORT PRICE

[35] The export price of goods sold to importers in Canada is generally determined in accordance with the methodology of section 24 of SIMA based on the lesser of the adjusted exporter's sale price for the goods or the adjusted importer's purchase price. These prices are adjusted where necessary by deducting the costs, charges, expenses, duties and taxes resulting from the exportation of the goods as provided for in subparagraphs 24(a)(i) to 24(a)(iii) of SIMA.

[36] Where there are sales between associated persons and/or a compensatory arrangement exists, the export price is based on the importer's resale price of the imported goods in Canada to unrelated purchasers, less deductions for all costs incurred in preparing, shipping and exporting the goods to Canada that are additional to those incurred on the sales of like goods for use in the country of export, all costs included in the resale price that are incurred in reselling the goods (including duties and taxes) or associated with the assembly of the goods in Canada and an amount representative of the average industry profit in Canada as provided for in paragraphs 25(1)(c) and 25(1)(d) of SIMA.

[37] Where, in the opinion of the CBSA, sufficient information has not been furnished or is not available, export prices are determined pursuant to a ministerial specification under subsection 29(1) of SIMA.

MARGIN OF DUMPING

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

BACKGROUND OF SECTION 20 INQUIRIES

[39] Section 20 is a provision of SIMA that may be applied to determine the normal value of goods in a dumping investigation where certain conditions prevail in the domestic market of the exporting country. In the case of a prescribed country (which includes China) under paragraph 20(1)(a) of SIMA, it is applied where, in the opinion of the CBSA, the government of that country substantially determines domestic prices and there is sufficient reason to believe that the domestic prices are not substantially the same as they would be in a competitive market.[19]

[40] The provisions of Section 20 are applied on a sectoral basis rather than on the country as a whole. The relevant sector includes the industry producing and exporting the goods under investigation.

[19] China is a prescribed country under Section 17.1 of the *Special Import Measures Regulations.*

[41] The complainant alleged that the conditions described in section 20 of SIMA prevail in the electric cables sector in China. That is, the complainant alleged that this industry sector in China does not operate under competitive market conditions and consequently, the domestic prices of electric cables in China, would not be reliable for determining normal values.[20]

[42] Based on the CBSA's research and for the purposes of this investigation, the electric cables sector cover the manufacturing of cables, connectors, and wires, for use in the conducting and transmission of electricity. As such, for the purposes of the Section 20 inquiry, the electric cables sector in China, which includes UBC, is the sector under review.

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

[44] For the purposes of obtaining information necessary to calculate normal values pursuant to subparagraph 20(1)(c) of SIMA, the CBSA requested information from producers in surrogate countries. As such, the CBSA has selected Australia, Mexico, South Korea, Thailand and the U.S., because they have domestic production of UBC, produce comparable goods, and are believed to operate under fair market conditions, and has sent questionnaires to known producers of UBC in these countries.

[45] Importers were also requested to provide information on sales of like goods produced in surrogate countries, in the event that normal values must be determined under paragraph 20(1)(d) of SIMA.

ANALYSIS OF SECTION 20 CONDITIONS

Government Control Analysis

[46] This section will present the CBSA's analysis of the extent to which the Government of China exerts control over the electric cables sector in China, by examining the following:

- Government of China ownership and control in China's copper and aluminum industries
- Government of China control and influence in determining the price of copper and aluminum inputs of electric cables in China

[20] Exhibits 1 (PRO) & 2 (NC) – UBC Complaint: Appendix A

- Government of China control and influence in determining the price of PVC, nylon and XLPE inputs of electric cables in China
- Subsidies to the production of electric cables and inputs of electric cables
- Government of China control and influence in determining the price of electric cables in China

Government of China ownership and control in China's copper and aluminum industries

[47] State-owned enterprises (SOEs) comprise 85% of China's copper smelters. Since 2000, China has accounted for 75% of total global smelter capacity growth and the country's copper smelting capacity now outpaces the global supply of copper concentrate.[21]

[48] Copper smelting is an essential step in copper refining by processing the initial copper concentrate (typically 24-36% copper) into an intermediate copper product like blister or anode, which will be further refined into copper cathode (99.99% pure copper). Copper cathode is used as a melting stock for copper rod, which is manufactured into conduit for electric cables.[22]

[49] Despite a tightening of copper concentrate supply since 2023, Chinese copper smelters have during the POI continued to increase their refined copper output relative to 2024 production volumes. The shortage of copper concentrate supply combined with increasing production volumes of Chinese copper smelters has caused the processing fees of copper smelters in China to turn negative. As such, copper smelters in China are paying mines more than the value of the copper in copper concentrate in order to maintain their operations. Nevertheless, Chinese SOE smelters have reported profits despite the high cost of obtaining the requisite raw materials.[23]

[50] The increase of copper smelting output in China during the POI stands in contrast with reported weakening demand for copper products in China, as well as the decrease in copper smelting output in neighbouring Asian countries. For instance, producers in China of copper rod, which is manufactured into conduit for electric cables, have cut their production during the POI. As well, in contrast with China's increasing smelting volumes during the POI, copper smelters in neighbouring Asian countries such as Japan and the Philippines have reported production cuts during the same period.[24]

[51] Overall, during the POI, China's SOE-dominated copper industry showed potentially mutually contradicting characteristics of increasing copper raw material prices, increasing demand for copper concentrate, increasing copper smelting volumes and weakening demand for downstream copper products.

[21] Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 26-29
[22] Exhibit 2 (NC) – UBC Complaint: Appendix A, para. 25
[23] Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 30-32; and Exhibit 248 (NC) – Close of record - attachment from PTI Cables Inc., Attachment 1
[24] Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 33-35

[52] The Chinese exporter Tianjin Feiya Fengda Wire & Cable Technology Co., Ltd submitted representations that copper, the raw material input used to produce copper electric cables, is priced on international markets and is therefore a freely traded commodity not subject to Chinese government price control.[25] However, the CBSA notes that import-export controls exist in China[26] and that a government is generally able to directly or indirectly control the domestic prices on a range of downstream product even when its upstream inputs are not subject to import-export controls (for example, by mandating a domestic price ceiling on gasoline and plastics whilst importing crude oil at market rates).

[53] The information on the record also suggests a meaningful degree of involvement by the Government of China in supporting the development of China's domestic aluminum refining industry using state policy and institutional support to subsidize the development costs in building refining infrastructure and subsidize operating costs.

[54] The Government of China's *14th Five-Year Plan for National Economic and Social Development and Long-Range Objectives for 2035* identified the production of certain non-ferrous metals including aluminum was essential to modernizing China's manufacturing sector.[27]

[55] Other measures of state support to the development of China's aluminum refining industry include evidence suggesting: financing by the Government of China of advanced aluminum research at major technical universities in China to develop electrolysis technologies which were licensed to Chinese smelters at little to no cost; major infrastructure spending by the Government of China which increased demand for aluminum refining capacity; accelerated issuance of permits that enabled aluminum smelters to construct necessary infrastructure within a single year; and infrastructure development support from the Chinese Construction Army.[28]

[56] The *Implementation Plan for High-Quality Development of the Aluminum Industry (2025-2027)* announced by the Government of China in March 2025 explicitly outlines certain actions that the Government of China may use to influence the aluminum industry in pursuit of its policy objectives. These actions include: coordinating funding for new research in aluminum related technologies, encouraging financial institutions to better support the aluminum industry, changes in tax policy, stronger guidance of SOEs, closely monitoring changes in the aluminum market, and providing firms with industry reports and indices.[29] The CBSA previously determined in the 2019 Expiry Review of Aluminum Extrusions that SOEs account for more than 50% of total primary aluminum output in China, and that these SOEs are the "greatest recipients and providers of government support" such as financing and provision of inputs for less than adequate renumeration.[30]

[25] Exhibits 256 (NC) – Close of record - additional information from Tianjin Feiya Fengda Wire & Cable Technology Co., Ltd, Section C
[26] Exhibit 248 (NC) – Close of record - attachment from PTI Cables Inc., Attachments 3-4, 7-13
[27] Exhibit 2 (NC) – UBC Complaint: Appendix A, Public Attachment A21
[28] Exhibit 2 (NC) – UBC Complaint: Appendix A, para. 45
[29] Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 41-52
[30] Expiry Review *Statement of Reasons* for Aluminum Extrusions – August 16, 2019, paras. 128-129

[57] Furthermore, the CBSA has previously determined that section 20 conditions exist in China's copper and aluminum industry in the following proceedings:

- Copper Tube[31],
- Aluminum Extrusions[32]; and
- Truck Bodies[33].

[58] The CBSA has previously found that a government can indirectly control the prices of the sector being investigated by controlling the prices of the primary inputs. Given that copper and aluminum are the primary input materials in the production of UBC, previous section 20 findings on the copper and aluminum industries in China are relevant to this investigation.

[59] The information on the record for these previous findings corroborates the information on the administrative record of this section 20 inquiry, as many of the factors that previously demonstrated that section 20 conditions exist in China's copper and aluminum industries remained in effect during the POI.

[60] The significant presence of SOEs in China's copper and aluminum industries, support from the Government of China in developing these industries, ongoing policies and directives relevant to these industries, and market behaviour in these industries that may not be the same as they would be if they were in a freely competitive market, suggest a sufficient degree of control by the Government of China in the copper and aluminum industries to substantially determine domestic prices in China's electric cables sector.

Government of China control and influence in determining the price of copper and aluminum inputs of electric cables in China

[61] Various plans, policies, directives, and measures from the Government of China affect the price of copper and aluminum inputs used in the electric cables sector in China. The Government of China's five-year plans and industrial policies are used by the government and industry parties as a roadmap and direction in relation to the development of a specific industry. These five-year plans and industrial policies exist on both a national and provincial level. Examples of five-year plans (current and past plans), national policy documents, and other government policies affecting the price of copper and aluminum inputs used in the electric cables sector in China are summarized below:

Made in China 2025

[31] Final determination *Statement of Reasons* for Copper Tube – November 18, 2013
[32] Final determination *Statement of Reasons* for Aluminum Extrusions – February 16, 2009
[33] Final determination *Statement of Reasons* for Truck Bodies – June 4, 2026

[62] An industrial policy which aimed to make China dominant in global high-tech manufacturing through government subsidies, mobilizing SOEs, new policy directions related to innovation and development, and regulatory changes. This industrial policy may have a long-term impact on the copper and aluminum sectors given the sectors' relevance to many of the ten priority sectors identified in the industrial policy. For instance, this industrial policy includes subsidies for input for advanced aluminum products. As well, copper demand is targeted as an area of growth through the adopting of higher efficiency industrial motors and distribution transformers, developments of more advanced railway networks, and in the expansion of the new energy vehicles and wind power generation sectors.[34]

14th Five-Year Plan for the Raw Materials Industry

[63] Issued in late 2021, the plan includes the sectors of petrochemicals, steel, non-ferrous metals, and building materials. This plan contains detailed and technically specific plans pertaining to the mining and refining of both copper and aluminum. The plan shows at least eight specific examples of initiatives that demonstrate intentional planning by the Government of China to influence numerous areas of the copper and aluminum sectors, including but not limited to the type of technologies employed, specifying raw materials sourcing, and guiding enterprises in optimizing their production processes.[35]

Work Plan for Stabilizing Growth in the Nonferrous Metals Industry

[64] A policy from 2023 which outlined targeted support to the copper and aluminum industries in China. Specific initiatives include a target of maintaining steady growth in output levels at approximately 5% annually, increasing domestic exploration and development of strategic minerals, stabilizing the supply of key products such as copper and aluminum, carrying out the efficient management of applicable industries, and guiding the raw materials' sector to implement energy-saving and carbon-reducing process upgrades. In September 2025, eight departments of the Government of China issued the updated "*Work Plan for Stabilizing Growth in the Nonferrous Metals Industry (2025-2026)*" which sought to coordinate efforts in optimising industrial growth and productivity that had originated from the 2023 plan. The updated work plan contained ten measures that appear to show coordinated planning by the Government of China's state institutions, SOEs, and industry associations, to achieve policy objectives that span the copper and aluminium production streams, from downstream mining to upstream consumer demand of the metals.[36]

14th Five-Year Plan

[34] Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 54-63
[35] Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 64-70
[36] Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 71-81

[65] The industrial policies set in the Government of China's five-year plans regulate, guide and control various industries in China, including the copper and aluminum industries, and as a result influence their domestic prices. For example, the *14th Five-Year Plan* of the Government of China positions SOEs as instruments of strategic control in the copper and aluminum industries using structural consolidation, capital allocation, and innovation to expand their influence, enhance competitiveness, and secure the government's long-term command over critical industrial supply chains. The *14th Five Year Plan on the Development of Smart Manufacturing* and the *14th Five-Year Plan on the Green Development of Industry* provide additional examples of measures from the Government of China to influence the copper and aluminum industries.[37]

[66] The Government of China's 14th Five-Year Plan led to the "setting of [a] new historical record" in power grid investments by the State Grid Corporation of China that "reflects the country's efforts to address the issue of new energy electricity consumption"[38], which is expected to continue growing due to the 14th Five-Year Plan's emphasis on upgrading China's electric grid to accommodate the government's priorities in building data centres and renewable power.[39] Although exporter responses to the CBSA's section 20 RFI have claimed that the impact of the government's various policies including the 14th Five-Year Plan are not applicable to the electric cables sector, these assertions contrast with other information on the record suggesting that Government of China policies has in fact led to an impact on producers in China's wire and cable industry.[40]

Implementation Plan for High-Quality Development of the Copper Industry (2025-2027)

[67] This plan by the Government of China aims to increase domestic copper production and demand by 2027 using numerous methods that span the copper production chain including but not limited to: accelerating copper mine development, building copper smelting infrastructure, and increasing domestic demand and exports of copper products. This is an example of the Government of China using financial and political tools to influence and control its copper industry.[41]

State Reserve Bureau

[68] Information on the record suggests that China's *State Reserve Bureau* (SRB) has historically intervened in China's copper market by strategically timing the stockpiling of copper and the release of stockpiled copper to reduce copper prices. Specific instances in 2005 and 2021 of the SRB releasing copper to Chinese processing firms resulted in declines in copper prices. Evidence suggests that the SRB is presently building up its copper reserves, enabling the SRB to potentially intervene again in the future.[42]

[37] Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 83-100
[38] Exhibit 252 (NC) – CBSA market research, Attachments 1, 3 and 6
[39] Exhibit 252 (NC) – CBSA market research, Attachment 2
[40] Exhibit 252 (NC) – CBSA market research, Attachments 7-9
[41] Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 101-104
[42] Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 105-107; and Exhibit 248 (NC) – Close of record - attachment from PTI Cables Inc., Attachments 5, and 14-16

Standard Conditions Applicable to the Aluminum Industry (2020)

[69] This policy by the Government of China establishes regulatory and strategic requirements for the aluminum industry including the industry's structure and technologies used. Key aims include consolidating production, phasing out inefficient or outdated smelting capacity, promoting a more balanced regional distribution of aluminum operations, adopting better technologies, and improving research. The policy suggests the Government of China plays an active role in directing and controlling China's aluminum sector.[43]

Provincial-level Five Year Plans

[70] Examples of provincial-level five-year plans from the provinces of Guangxi, Shandong, and Yunnan show involvement by the Government of China in increasing efficiency and output in China's aluminum industry without emphasizing market demand and conditions as the driving force behind the stated policies. For example, the *Decision on Promoting the High-quality Development of the Aluminum Industry in Guangxi* sets a long-term target of doubling the province's aluminum industry's output by 2030 and does not appear to emphasize market demand and conditions as a key reasoning to increase output.[44]

Mineral Resources Law of the People's Republic of China

[71] China's Mineral Resources Law[45], and its accompanying regulations and measures[46], establishes the legislative framework that authorizes the Government of China to exercise wide-ranging control in the production and prices of the copper and aluminum inputs used for electric cables. Article 3 of the law states clearly that: "The development, utilization and protection of mineral resources shall adhere to the leadership of the Communist Party of China, implement the overall national security concept, [etc.]". Article 55 of the law explicitly authorizes the Government of China to take control of mining operations, inventories, and "implementing price intervention measures" in the event of a "severe imbalance between supply and demand for mineral products, or a significant impact on economic and social development and people's lives". Article 72 of the law outlines the financial and legal penalties to businesses and individuals for violating any production, inventory and price controls set by the government.

[43] Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 110-112
[44] Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 113-123
[45] Exhibit 248 (NC) – Close of record - attachment from PTI Cables Inc., Attachment 17
[46] Exhibit 248 (NC) – Close of record - attachment from PTI Cables Inc., Attachments 3-4, 7-13.

[72] Various plans, policies, directives, and measures from the Government of China show the government's control in the copper and aluminum industries, such that the price of copper and aluminum inputs used in China's electric cables sector may be substantially determined by the Government of China, which may have an impact over the domestic prices in China's electric cables sector.

Government of China control and influence in determining the price of PVC, nylon and XLPE inputs of electric cables in China

[73] The petrochemicals polyvinyl chloride ("PVC"), cross-linked polyethylene ("XLPE") and nylon, are input materials used as insulation or jackets in electric cables and UBC. The costs of ethylene, which is the primary input for PVC, and polyethylene, which is used to produce XLPE, and petrochemicals more broadly, impact the costs for producers of electric cables.[47]

[74] Available information on the record suggests that various policies, directives, and measures such as several five-year plans (current and past plans), national policy documents, and other policies show a potential distortion of PVC, nylon and XLPE prices domestically in China, including:

14th Five-Year Plan

[75] The industrial policies set in the Government of China's five-year plans, at both the national and provincial level, regulate, guide and control various industries in China, including the PVC, XLPE and nylon industries, and as a result influence their domestic prices. For example, the Government of China's *14th Five-Year Plan (2021-2025) for National Economic and Social Development and Vision 2035* contains directives with regard to the growth of China's chemical and petrochemical sector, including its capacity utilization rate and restrictions on new capacity. The fact that many major SOEs, and even certain private companies, producing PVC, XLPE, nylon, or its inputs, have historically integrated the Government of China's 14th Five-Year Plan into their annual business plans, appears to reflect a mandate by SOEs in advancing policy interests and in the case of private companies, the generally strong influence of the Government of China in these strategic industries, respectively.[48]

Policies and Directives

[47] Exhibit 2 (NC) – UBC Complaint: Appendix A, para. 143
[48] Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 144-152

[76] Various policies and directives have been issued by the Government of China influencing China's plastics industry, including:

- 13th Five-Year Plan for Petroleum Development;
- *2024 Guidance Catalogue on Industrial Structural Adjustment,* which sets directives for resin, PVC and polyethylene products, and the production of ethylene;
- Made in China 2025;
- *Work Plan for Stabilizing Growth in the Petrochemical and Chemical Industry (2025-2026),* which set an official growth target of 5% for the chemical and petrochemical industries' annual value-added output as well as promoting collaboration amongst intra-industry competitors; and
- The classification of the petrochemicals industry in China as "strategic" by the Government of China.[49]

[77] The information on the record shows SOEs are actively present in China's PVC, nylon and XLPE industries, including in the downstream supply chain of these inputs, which ultimately impacts the production and prices of electric cables. The available information also shows that various policies, directives, and measures by the Government of China likely distort the domestic prices of PVC, nylon and XLPE in China. As such, the Government of China likely has a sufficient degree of control in the industries relevant to the electric cables sector such that it is able to substantially determine domestic prices in the sector.

Subsidies to the production of electric cables and inputs of electric cables

[78] A government can indirectly determine domestic prices through a variety of mechanisms that can involve the supply or price of the inputs (goods and services) used in the production of the subject goods or by influencing the supply of the subject goods in order to affect their price. One such mechanism is through the provision of direct financial subsidies or low-priced inputs in order to maintain the selling price of the product at a certain level.

[79] At the initiation of the subsidy investigation in UBC 2026 IN, the CBSA requested information on 50 potential subsidy programs that could potentially confer benefits to producers or exporters of UBC in China. Information available on the record at the final phase of the investigation indicates that cooperative exporters have received benefits from potential subsidy programs, affecting both exported subject goods to Canada and domestic sales in China of electric cables.

[80] Additional information available on the record further shows that additional producers in China which did not cooperate in the present subsidy investigation may have benefitted from subsidy programs. Two examples are detailed below.

[49] Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 153-168

[81] Yixing City in Jiangsu Province contains over 500 wire and cable producers, which employ approximately 50,000 people and account for more than 15% of the Chinese cable industry's market share. Yixing City has implemented numerous policies providing various types of support to the electric cables industry. The city's *Three-Year Action Plan for the Development of the Wire and Cable Industry Cluster in Yixing City (2023-2025)* provides a comprehensive list of financial and policy benefits to wire and cable producers in the region. The plan explicitly encourages mergers and cooperation between cable producers, encourages financial institutions to "develop financial products specifically for wire and cable enterprises" and outlines plans to "support banks to actively invest in medium- and long-term loans at more favorable interest rates, and guide funds to invest in key areas and key links such as intelligent transformation and scientific and technological innovation in the wire and cable industry."[50]

[82] *Ningjin County's Low and Medium Voltage Cable Industrial Cluster*, which is located in China's Hebei province, is one of four major cable manufacturing bases in China. The county is home to 2,300 cable producers. The Ningjin County government has advocated for the creation of shared factories and industrial parks, which allow small and medium enterprises to professionalize at a more rapid rate, which has been purported to have saved up to 15% in labour and equipment costs for local wire and cable producers. This industrial cluster may also benefit from financing from state-owned banks at preferential rates, and through the Hebei Haorun Import and Export Trading Company established by the county, more than 60 enterprises have benefited from purchasing copper rods at lower prices than other regions by centralizing raw material purchases.[51]

[83] The information available on the record indicates that the Government of China has provided subsidies to the electric cables sector in China, thereby distorting this sector through non-market forces. The provision of direct subsidies to the electric cables sector in China suggests that the Government of China may substantially determine domestic prices in China's electric cables sector.

Government of China control and influence in determining the price of electric cables in China

[84] Information available on the record shows that the Government of China substantially and directly determines the domestic prices of electric cables in China through a government-controlled body responsible for establishing and regulating price levels, and setting pricing at which it is expected that sellers of electric cables will adhere to within a certain range.

[85] In December 2015, the *Electromechanical and Cable Branch of the China Price Association* (the "China Cable Branch") was established with the primary purpose of "actively guiding and regulating the pricing behaviour of industry enterprises", preventing domestic price undercutting and creating a "harmonious market price environment". [52]

[50] Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 198-201
[51] Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 202-205
[52] Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 185-187

[86] The list of objectives of the China Cable Branch are:

- Build and maintain a platform for the government to connect with members, enterprises and institutions and the public. As part of this platform companies and industries will "entrust" the government price department to aid in regulating and managing prices. As part of their duties and obligations, the government price department will conduct price training, consultation, and index preparation.
- Provide a forum whereby the China Cable Branch can discuss enterprise price strategies, provide intellectual support for enterprise and government price decision-making.
- Communicate and act as a liaison between the government price department, the business department and the relevant local government on price issues.
- Coordinate prices among businesses, evaluate the legality and rationality of price levels set by businesses and handle any price disputes to safeguard the legitimate "price rights and interests" of businesses within a given sector.[53]

[87] The Government of China through the China Cable Branch, prescribes prices of electric cables on a monthly basis using a constructed cost methodology that the China Cable Branch calculates and publishes. Through this methodology, the China Cable Branch establishes a lower and upper limit of prices for electric cables for a variety of electric cable products.[54]

[88] Companies that repeatedly fail to comply with the upper and lower price limits set by the China Cable Branch face increasing penalties, ranging from non-financial administrative penalties to financial penalties, and may in the most severe cases lose their business license and be forced to suspend operations.[55]

[89] Two cooperative Chinese exporters argued that the China Cable Branch is a merely a voluntary industry association that publishes reference prices which are not legally enforceable.[56] However, the CBSA considered in its analysis that no substantial evidence was provided to demonstrate whether actual selling prices of electric cables by producers in China deviated from the prescribed prices of the China Cable Branch. In addition, the assertion that the China Cable Branch is merely a voluntary industry association is contradicted by the information on the record suggesting that the organization was directly established by the Government of China, and does not address how an alleged "voluntary industry association" has the authority to revoke a business license and suspend a business operation. The CBSA also notes that the presence of a government or regulatory body that sets recommended or guidance pricing at which it is expected that sellers will adhere to within a certain range is considered as a form of direct price control by a government.

[53] Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 188
[54] Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 190-191
[55] Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 188-194
[56] Exhibit 97 (NC) – Response to Section 20 RFI – Tangshan Huatong Special Wires & Cables Manufacture Co., Ltd.; Exhibit 107 (NC) – Response to Section 20 RFI – Hebei Huatong Wires and Cables Group Co., Ltd.; Exhibit 109 (NC) – Response to Section 20 RFI – Tianjin Feiya Fengda Wire & Cable Technology Co., Ltd.; and, Exhibit 256 (NC) – Close of record - additional information from Tianjin Feiya Fengda Wire & Cable Technology Co., Ltd, Section A-B

[90] The Government of China through the China Cable Branch appears to have directly and substantially determined domestic prices in China of electric cables by: setting minimum or maximum (floor or ceiling) price levels in respect of certain goods which permits prices to be established no lower or no higher than the minimum or maximum price levels; setting recommended or guidance pricing at which it is expected that sellers will adhere to within a certain range above and/or below that value; and employing government or regulatory bodies which are responsible for establishing the price levels and for regulating and enforcing these price levels.

Summary of Government Control Analysis

[91] The information on the record with regard to the China Cable Branch indicates that the Government of China may be directly determining domestic prices of UBC in China by: setting minimum or maximum (floor or ceiling) price levels in respect of certain goods which permits prices to be established no lower or no higher than the minimum or maximum price levels; setting recommended or guidance pricing at which it is expected that sellers will adhere to within a certain range above and/or below that value; and employing government or regulatory bodies which are responsible for establishing the price levels and for regulating and enforcing these price levels.

[92] Furthermore, a government can also indirectly determine domestic prices through a variety of mechanisms that can involve the supply or price of the inputs (goods and services) used in the production of the subject goods or by influencing the supply of the subject goods in order to affect their price.

[93] The CBSA's analysis of the electric cables sector in China suggests Government of China ownership and control in China's copper and aluminum industries; Government of China control and influence in determining the price of copper and aluminum inputs of electric cables in China; Government of China control and influence in determining the price of PVC, nylon and XLPE inputs of electric cables in China; and subsidies by the Government of China to the production of electric cables and inputs of electric cables. As such, the Government of China can also indirectly determine domestic prices of electric cables in China through a variety of mechanisms that involve the supply, or the price of the inputs used in the production of the electric cables and by influencing the supply of electric cables in order to affect their price.

[94] In conclusion, based on the CBSA's analysis of the information on the record, the impact of the aforementioned factors indicates that the Government of China directly and indirectly exerts a determinative influence on domestic pricing in the electric cables sector in China.

Price Analysis

[95] For the purposes of the final determination, two exporters from China provided substantially complete domestic sales databases. The CBSA also received surrogate country pricing information from Southwire Company, LLC. from the U.S.

[96] The CBSA compared Chinese domestic UBC prices with those of the surrogate country by conducting a price analysis using benchmark products. The analysis using the benchmark products allowed the CBSA to analyze domestic pricing between the subject and surrogate countries using a representative sample whilst accounting for key product characteristics.

[97] To enable a reliable comparison of the UBC across different national standards and country-specific wiring practices, the CBSA's pricing analysis of UBC compared the price of the benchmark products paid by a domestic customer of UBC in China with that of the surrogate country to achieve the same electrical current-carrying capacity, measured using amperage. The CBSA's comparison of benchmark products in China and the surrogate country further takes into account potential differences in the insulation type and insulation thickness, two characteristics that affect the voltage and temperature ratings of UBC.

[98] The CBSA's price analysis also incorporates a conservative margin of error by intentionally overestimating the metal content required of the UBC in China to achieve the same electrical current-carrying capacity (measured in amperage) compared to the UBC produced in the surrogate country.

[99] The CBSA's price analysis demonstrated a pattern of substantially lower Chinese domestic prices of UBC compared to the surrogate country during the POI.
[100] Overall, the price analysis shows that domestic prices in the electric cables sector in China are not substantially the same as they would be in a competitive market.

RESULTS OF THE SECTION 20 INQUIRY

[101] For the purposes of the final determination of dumping, the CBSA has formed the opinion that the conditions of paragraph 20(1)(a) of SIMA exist in the electric cables sector in China; that is, domestic prices in the electric cables sector in China are substantially determined by the Government of China and are not substantially the same as they would be in a competitive market.

RESULTS OF THE DUMPING INVESTIGATION

COOPERATIVE EXPORTERS

Normal Values

[102] Where section 20 conditions exist, normal values may be determined using the selling prices, or the total cost of production and profit, of like goods sold by producers in a surrogate country designated by the President in accordance with the provisions of paragraph 20(1)(c) of SIMA.

[103] As part of the section 20 inquiry, the CBSA identified Australia, Mexico, South Korea, Thailand and the U.S as reasonable surrogate countries for China, as they have domestic production of UBC, produces comparable goods, and are believed to operate under fair market conditions. Surrogate RFIs were sent to potential producers and exporters of UBC located in the surrogate countries. The CBSA received a response to the surrogate producer RFI and subsequent SRFIs from Southwire Company, LLC (Southwire), a producer of UBC in the U.S.[57]

[104] Given no responses were received from any other surrogate producer, the CBSA relied on the information available on the administrative record from Southwire. The information suggests that prices and costs of UBC in the U.S. are determined in a competitive market, allowing it to be considered as a reliable source and an appropriate surrogate country for purposes of the final determination.

[105] Southwire is a large, vertically integrated producer with multiple manufacturing facilities that manufactures and sells UBC in the North American market, including exports to Canada. The breadth of UBC models produced by Southwire for the U.S. and Canadian market was considered by the CBSA to be representative of the respective U.S. and Canadian markets for UBC, thereby enabling the data from Southwire to serve as a representative database for the surrogate country. Furthermore, the information provided by Southwire was verified by the CBSA during an on-site verification in September 2026 and was considered accurate, complete and reliable for the purposes of establishing normal values.
[106] While the CBSA received a response from a surrogate producer in the U.S., the selling prices and costs of production information pertain to *goods of the same general category*. (i.e. unarmoured building cables with differing product characteristics – in terms of number of conductors, conductor gauge, voltage, insulation material and thickness, etc. – in comparison to the subject goods exported by the Chinese exporters). As such, normal values could not be established under paragraph 20(1)(c) of SIMA.

[107] Where normal values cannot be determined under paragraph 20(1)(c), SIMA provides an alternative methodology to calculate normal values under paragraph 20(1)(d), based on resales in Canada of like goods imported from a third country. The CBSA found that this provision could not be used either, given that the importers did not provide sufficient resale information. As part of the section 20 inquiry, the RFIs sent to importers requested information on resales in Canada of UBC imported from sources other than China. The CBSA received six responses to the importer RFI; however, the importers did not provide information concerning the purchase and/or resale of like goods from the non subject country.

[108] In the absence of sufficient information to determine normal values under section 20 of SIMA, the normal values were determined pursuant to a Ministerial Specification under section 29 of SIMA, using the best available information. That is, the CBSA determined normal values for the subject goods from China using information provided by Southwire.

[57] Exhibit 66 (PRO) & 67 (NC) – Response to Surrogate Producer RFI, and Exhibit 127 (PRO) & 128 (NC) – Response to SRFI#1 – Southwire Company, LLC.

[109] Accordingly, the CBSA determined the normal values for the subject goods from China following a methodology that reflects principles similar to those set out in section 20 of SIMA. The normal values were calculated as the aggregate of the cost of production of UBC exported to Canada by Southwire plus a reasonable amount for administrative, selling and all other costs and a reasonable amount for profits.

[110] In order to preserve the confidentiality of the data, TPOD averaged the costing information from the various plants/production facilities of the surrogate producer. Furthermore, the CBSA determined quarterly normal values for groups of products based on four key product characteristics, namely, cable type, conductor material, number of conductors and gauge of conductors, rather than company-specific models. These four key product characteristics are the main drivers affecting the overall costs of production and the selling prices. Establishing normal values under this basis captures the main characteristics of UBC and allows for the best comparison between the subject goods exported by Chinese exporters and goods exported by Southwire to Canada.

Cost of Material

[111] For copper conductors, the CBSA used the average monthly cost of copper conductors as reported by the surrogate producer for UBC produced to Canadian standards.

[112] Furthermore, the CBSA applied the ratio of the average annual market prices of aluminum and copper in order to determine the cost of aluminum conductors. Both copper and aluminum are freely traded and their prices are published in metals exchanges, providing the CBSA with a reliable market-based conversion factor. The CBSA determined this adjustment was reasonable and appropriate due to metal cost being the predominant price factor typically considered in the UBC industry, as opposed to insulation. The CBSA's analysis indicates that even relatively large differences in insulation thickness used for a specific conductor size under differing national standards do not result in a significant total material cost increase.

[113] For insulation material, the CBSA used the average monthly cost of PVC, XLPE, etc. as reported by the surrogate producer.

Fabrication Cost

[114] The CBSA used the average monthly cost of labour and manufacturing overhead allocated to the production of UBC as reported by the surrogate producer for UBC produced to Canadian standards. The labour costs and manufacturing overhead costs reported by Southwire are reflective of the costs incurred to manufacture comparable UBC products that are exported to Canada from Chinese exporters, which must also meet the applicable Canadian standards.

Amount for Administrative, Selling and All Other Costs

[115] The CBSA used a reasonable amount of administrative, selling and all other costs as reported by the surrogate producer.

Amount for Profit

[116] The CBSA determined amounts of profit for each sixty-day period within the POI based on sales of the *same general category of goods* sold in the surrogate producer's domestic market in the U.S. The amounts of profits derived from Southwire's domestic sales are considered as reflective of a reasonable amount for profits incurred by manufacturers producing and selling UBC in a competitive market without potential price distortions caused by dumped goods or government intervention in distorting domestic prices.

HEBEI HUATONG WIRES AND CABLES GROUP CO., LTD.

[117] Hebei Huatong Wires and Cables Group Co., Ltd. ("HT") is a producer and exporter, located in China, that sells subject goods to Canada. A small portion of the subject goods shipped to Canada were produced at its production facility in Hebei, China, and the company also maintains its headquarters at the same location. The majority of the subject goods shipped to Canada were produced by its related producer, Tangshan Huatong Special Wires & Cables Manufacture Co., Ltd. ("HS"), located at the same location.

[118] HT's exports of subject goods represent 25.2% of the volume of subject goods exported to Canada from China and 13.1% of UBC from all countries during the POI. HT and HS provided substantially complete information to the dumping RFI, the section 20 RFI and the SRFIs. In addition to HT and HS's responses, a response was received from their related input supplier, Tangshan Fengnan Huaxin SUS Super Control Pipe Co., Ltd. ("HX"), which provided substantially complete information.

[119] HT's and HS's responses to the dumping RFI and SRFIs included databases of domestic sales and costs of production of UBC during the POI. However, for the purposes of the final determination, the CBSA has formed the opinion that domestic prices in the electric cables sector in China are substantially determined by the Government of China and that domestic prices are not substantially the same as they would be in a competitive market. Therefore, the normal values were determined pursuant to section 29 of SIMA, using the methodology described in the **Normal Values** section above.

[120] During the POI, all of the subject goods exported to Canada by HT were sold to an unrelated importer. As such, the export prices were determined in accordance with section 24 of SIMA, based on the lesser of the exporter's selling price and the importer's purchase price, adjusted by deducting the costs, charges and expenses incurred in preparing the goods for shipment to Canada and resulting from the exportation and shipment of the goods.

[121] The total normal value compared to the total export price results in a margin of dumping of 25.2% for HT, expressed as a percentage of the export price.

TIANJIN FEIYA FENGDA WIRE & CABLE TECHNOLOGY CO., LTD.

[122] Tianjin Feiya Fengda Wire & Cable Technology Co., Ltd. ("FY") is a producer and exporter, located in China, that sells subject goods to Canada. FY has one production facility located in Tianjin, China. All of the subject goods shipped to Canada were produced at its production facility in Tianjin, and the company also maintains its headquarters at the same location.

[123] FY's exports of subject goods represent 19.7% of the volume of subject goods exported to Canada from China and 10.2% of UBC from all countries during the POI. FY provided substantially complete information to the Dumping RFI, the Section 20 RFI the section 20 RFI and the SRFIs.

[124] FY's responses to the Dumping RFI and SRFIs included a database of domestic sales and costs of production of UBC during the POI. However, for the purposes of the final determination, the CBSA has formed the opinion that domestic prices in the electric cables sector in China are substantially determined by the Government of China and that domestic prices are not substantially the same as they would be in a competitive market. Therefore, the normal values were determined pursuant to section 29 of SIMA, using the methodology described in the **Normal Values** section above.

[125] During the POI, all of the subject goods exported to Canada by FY and its related trading company, Tianjin Fengda Wire & Cable Technology Co., Ltd., were sold to an unrelated importer. As such, the export prices were determined in accordance with section 24 of SIMA, based on the lesser of the exporter's selling price and the importer's purchase price, adjusted by deducting the costs, charges and expenses incurred in preparing the goods for shipment to Canada and resulting from the exportation and shipment of the goods.

[126] The total normal value compared to the total export price results in a margin of dumping of 45.3% for FY, expressed as a percentage of the export price.

ZHEJIANG CARDIFF CABLE CO., LTD.

[127] Zhejiang Cardiff Cable Co., Ltd. ("ZCC") is a producer and exporter, located in China, that sells subject goods to Canada. ZCC has one production facility located in Jiangsu, China. All of the subject goods shipped to Canada were produced at its production facility in Jiangsu, and the company also maintains its headquarters at the same location.

[128] ZCC's exports of subject goods represent 3.9% of the volume of subject goods exported to Canada from China and 2.0% of UBC from all countries during the POI. ZCC provided substantially complete information to the Dumping RFI, the Section 20 RFI and the SRFIs.

[129] For the purposes of the final determination, the CBSA has formed the opinion that domestic prices in the electric cables sector in China are substantially determined by the Government of China and that domestic prices are not substantially the same as they would be in a competitive market. Therefore, the normal values were determined pursuant to section 29 of SIMA, using the methodology described in the **Normal Values** section above.

[130] During the POI, all of the subject goods exported to Canada by ZCC and its related trading company, Cardiff Cable (Hong Kong), were sold to an unrelated importer. As such, the export prices were determined in accordance with section 24 of SIMA, based on the lesser of the exporter's selling price and the importer's purchase price, adjusted by deducting the costs, charges and expenses incurred in preparing the goods for shipment to Canada and resulting from the exportation and shipment of the goods.

[131] The total normal value compared to the total export price results in a margin of dumping of 55.6% for ZCC, expressed as a percentage of the export price.

ALL OTHER EXPORTERS

[132] In establishing the methodology for determining the normal values and export prices for all other exporters, the CBSA considered all of the information on the administrative record, including the complaint filed by the domestic industry, information submitted by parties that responded to the dumping RFI, surrogate producer RFI, and subsequent SRFIs, and CBSA customs entry documentation.

[133] The CBSA decided that the normal values determined for all other exporters of subject goods from China would be determined based on information from the exporter in China that provided a substantially complete RFI response for purposes of the final determination. The CBSA finds this information to be more relevant and reflective of the trading practices of exporters in China than the information provided in the complaint or estimated at initiation.

[134] Based on the facts available, for all other exporters that did not provide a complete response to the dumping RFI and/or SRFI(s), normal values of subject goods originating in or exported from China were determined based on the highest amount by which a normal value exceeded the export price (expressed as a percentage of the export price), on an individual transaction basis for the cooperative exporters during the POI. The transactions were examined to exclude anomalies, such as very low volumes and values, effects of seasonality, or other business factors. This methodology relies on information related to goods that originated in or were exported from China (for the export price) and from the surrogate countries (for the normal value) and limits the advantage that non-co-operative exporters may gain from not providing necessary information requested in a dumping investigation as compared to exporters that did provide the necessary information.

[135] The CBSA considered that the information submitted on the CBSA customs entry documentation was the best information on which to determine the export price of the goods as it reflects actual import data.

[136] Using the above methodologies, for the final determination, the margin of dumping for all other potential exporters of subject goods from China is 90.3%, expressed as a percentage of the export price.

SUMMARY OF FINAL RESULTS – DUMPING

[137] A summary of the final results of the dumping investigation respecting all subject goods shipped to Canada during the POI are as follows:

Table 2: Summary of Final Results – Dumping
(January 1, 2025 to December 31, 2025)

Country of Origin or Export/Exporter	**Margin of Dumping** (% of Export Price)	**% of Total Imports** (by volume)
Hebei Huatong Wires and Cables Group Co., Ltd.	25.2%	13.1%
Tianjin Feiya Fengda Wire & Cable Technology Co., Ltd.	45.3%	10.2%
Zhejiang Cardiff Cable Co., Ltd.	55.6%	2.0%
All Other Exporters - China	90.3%	26.4%
Total China	N/A	**51.7%**
All Other Countries	N/A	48.3%
Total		**100%**

[138] In order to make a final determination of dumping, the CBSA must be satisfied that:

i) the subject goods have been dumped; and,
ii) that the margin of dumping of a particular exporter is not insignificant.

[139] Under paragraph 41(1)(a) of SIMA, the CBSA is required to terminate an investigation in respect of any goods of an exporter if it is satisfied that the goods have not been dumped or the margin of dumping of the goods of that exporter is insignificant, meaning a margin of dumping that is less than 2% of the export price of the goods.

[140] The margin of dumping of UBC determined for all exporters of subject goods originating in or exported from China is greater than the threshold of 2% and is therefore not considered insignificant. As a result, the legislative requirements are satisfied for making a final determination of dumping respecting UBC originating in or exported from China.

[141] A summary of the results of the dumping investigation respecting the subject goods released into Canada during the POI is presented in **Appendix 1**.

SUBSIDY INVESTIGATION

[142] In accordance with section 2 of SIMA, a subsidy exists where there is a financial contribution by a government of a country other than Canada that confers a benefit on persons engaged in the production, manufacture, growth, processing, purchase, distribution, transportation, sale, export or import of goods. A subsidy also exists in respect of any form of income or price support within the meaning of Article XVI of the General Agreement on Tariffs and Trade, 1994, being part of Annex 1A to the World Trade Organization (WTO) Agreement that confers a benefit.

[143] SIMA defines "government" in subsection 2(1) as, in relation to any country other than Canada, the government of that country and includes:

a. any provincial, state, municipal or other local or regional government in that country,
b. any person, agency 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, municipal or other local or regional government, and
c. any association of sovereign states of which that country is a member.

[144] Pursuant to subsection 2(1.6) of SIMA, a financial contribution exists where:

a. practices of the government involve the direct transfer of funds or liabilities or the contingent transfer of funds or liabilities;
b. amounts that would otherwise be owing and due to the government are exempted or deducted or amounts that are owing and due to the government are forgiven or not collected;
c. the government provides goods or services, other than general governmental infrastructure, or purchases goods; or
d. the government permits or directs a non-governmental body to do any thing referred to in any of paragraphs (a) to (c) above where the right or obligation to do the thing is normally vested in the government and the manner in which the non-governmental body does the thing does not differ in a meaningful way from the manner in which the government would do it.

[145] A state-owned enterprise (SOE) may be considered to constitute "government" for the purposes of subsection 2(1.6) of SIMA if it possesses, exercises, or is vested with, governmental authority. Without limiting the generality of the foregoing, the CBSA may consider the following factors as indicative of whether the SOE meets this standard: 1) the SOE is granted or vested with authority by statute; 2) the SOE is performing a government function; 3) the SOE is meaningfully controlled by the government; or 4) some combination thereof.

[146] If a subsidy is found to exist, it may be subject to countervailing measures if it is specific. A subsidy is considered to be specific when it is limited, in law or in fact, to a particular enterprise or is a prohibited subsidy. An "enterprise" is defined under SIMA as also including a "group of enterprises, an industry and a group of industries". Any subsidy which is contingent, in whole or in part, on export performance or on the use of goods that are produced or that originate in the country of export is considered to be a prohibited subsidy and is, therefore, specific according to subsection 2(7.2) of SIMA for the purposes of a subsidy investigation.

[147] In accordance with subsection 2(7.3) of SIMA, notwithstanding that a subsidy is not specific in law, a subsidy may also be considered specific in fact, having regard as to whether:

- there is exclusive use of the subsidy by a limited number of enterprises;
- there is predominant use of the subsidy by a particular enterprise;
- disproportionately large amounts of the subsidy are granted to a limited number of enterprises; and
- the manner in which discretion is exercised by the granting authority indicates that the subsidy is not generally available.

[148] For purposes of a subsidy investigation, the CBSA refers to a subsidy that has been found to be specific as an "actionable subsidy", meaning that it is countervailable.

RESULTS OF THE SUBSIDY INVESTIGATION

[149] At the initiation of the subsidy investigation, the CBSA sent subsidy RFIs[58] to the Government of China, as well as to all known and potential exporters and producers of subject goods.

[150] Where a question required information from other authorities (e.g., state or provincial governments), the Government of China was requested to forward the questions to appropriate authorities.[59]

[151] The exporters and producers were requested to forward a portion of the subsidy RFI to their suppliers of major production inputs, who were asked to respond to questions pertaining to their legal characterization as SOEs and their sales of major production inputs. Further, the exporters and producers were also requested to forward the subsidy RFI to their related suppliers of major production inputs.

GOVERNMENT OF CHINA

[152] The Government of China provided responses to the Government Subsidy RFI and one Subsidy supplemental RFI.[60]

[153] For the purposes of the final determination, the CBSA is treating the Government of China's responses as partially complete. Where complete or verifiable information has been provided by the Government of China, the CBSA used this information in its determination. Where the information from the Government of China was incomplete, unverifiable or contradictory to the evidence on the administrative record, the CBSA used facts available on the administrative record in its determination.

[58] Exhibit 25 (NC) - Request for information (RFI) - subsidy sent to exporters; Exhibit 28 (NC) - Request for information (RFI) - subsidy sent to the Government of China
[59] Exhibit 28 (NC) - Request for information (RFI) - subsidy sent to the Government of China
[60] Exhibit 114 (PRO) & 115 (NC) - Response to request for information (RFI) - subsidy from the Government of China ("GOC"); Exhibit 175 (PRO) & 176 (NC) - Response to supplemental request for information (SRFI) #1 from the Government of China

[154] At the initiation of the subsidy investigation, the CBSA requested information on 50 consolidated subsidy programs that could potentially have conferred benefits to exporters and producers of subject goods during the POI. At the same time, the Government of China was also requested to provide information for any other subsidy programs that have conferred benefits to exporters and producers of subject goods during the POI.

[155] At the preliminary determination, the CBSA found 56 consolidated subsidy programs that could potentially have conferred benefits to exporters and producers of subject goods during the POI. During the final stage of the investigation, the CBSA removed 11 consolidated subsidy programs identified at the preliminary determination. Those 11 programs were removed from this investigation as the CBSA ha not found that the programs could have conferred benefits to subject goods during the POI or the programs have already been included in other consolidated subsidy programs.

[156] For the final determination, based on the facts available on the administrative record, the CBSA consolidated the programs recorded by the responding companies and additional programs further identified by the CBSA to account for duplicate and/or equivalent programs, and found a total of 45 consolidated subsidy programs that have conferred benefits to subject goods during the POI. A summary of the findings for these 45 consolidated subsidy programs can be found in **Appendix 3** of this document.
[157] For the 45 consolidated subsidy programs, the Government of China did not dispute the specificity of the programs and did not provide additional information in regards to specificity. For the final determination, the CBSA has determined all these consolidated subsidy programs to be specific in accordance to subsection 2(7.2) or subsection 2(7.3) of SIMA, based on the facts available on the administrative record.

[158] Of the 45 consolidated subsidy programs under investigation, cooperative exporters benefitted from 20 as detailed below.

HEBEI HUATONG WIRES AND CABLES GROUP CO., LTD.

[159] HT provided responses to the Subsidy RFI and supplemental RFIs. Responses were also received from a related input supplier and one related manufacturer. HT was found to have received countervailing benefits from subsidy programs which were considered to be specific and therefore actionable. In addition, multiple subsidy programs were found to have conferred benefits to HT through pass-through from its related input supplier and related manufacturer. The CBSA attributed the subsidies received by the related parties to the goods exported to Canada because of the relationship between the parties and concluded that a subsidy pass-through test is not required. Consequently, any actionable subsidies received by the related parties that are attributable to the goods under investigation and exported to Canada were aggregated with those directly received by the exporter.

[160] Based on the facts available on the administrative record, HT was found to have received countervailing benefits from 15 subsidy programs which were considered to be specific and therefore actionable.

[161] For purposes of the final determination, the amount of subsidy for HT is 3.1%, expressed as a percentage of the export price.

TIANJIN FEIYA FENGDA WIRE & CABLE TECHNOLOGY CO., LTD.

[162] FY provided a response to the Subsidy RFI and supplemental RFIs. Responses were also received from a related trading company. FY was found to have received countervailing benefits from subsidy programs which were considered to be specific and therefore actionable. In addition, multiple subsidy programs were found to have conferred benefits to FY through pass-through from its related trading company. The CBSA attributed the subsidies received by the related trading company to the goods exported to Canada because of the relationship between the parties and concluded that a subsidy pass-through test is not required. Consequently, any actionable subsidies received by the related trading company that are attributable to the goods under investigation and exported to Canada were aggregated with those directly received by the exporter.

[163] Based on an analysis of the information available on the administrative record, FY was found to have received countervailing benefits from 5 subsidy programs which were considered to be specific and therefore actionable.

[164] For purposes of the final determination, the amount of subsidy for FY is 0.5%, expressed as a percentage of the export price. This amount is insignificant, and as such, the subsidy investigation in respect of the goods of this exporter was terminated pursuant to paragraph 41(1)(a) of SIMA.

ZHEJIANG CARDIFF CABLE CO., LTD.

[165] ZCC provided a response to the Subsidy RFI and supplemental RFI. For purposes of the final determination, and based on an analysis of the information available on the administrative record, ZCC was found to have received countervailing benefits from 10 subsidy programs which were considered to be specific and therefore actionable.

[166] For purposes of the final determination, the amount of subsidy for ZCC is 2.2%, expressed as a percentage of the export price.

ALL EXPORTERS – CHINA

[167] Pursuant to subsection 30.4(2) of SIMA, the amount of subsidy for all other exporters was determined using a ministerial specification because sufficient information was not available to calculate company-specific amounts of subsidy.

[168] In establishing the methodology for the amount of subsidy for all other exporters, the CBSA considered all of the information on the administrative record, including the complaint filed by the domestic industry, the information submitted by the Government of China, and the information submitted by exporters and their related companies who responded to the subsidy RFI and supplemental RFI(s).

[169] Based on the available evidence, the CBSA considered the 25 programs, for which amounts could not be determined, to share similar characteristics, objectives and mechanisms for conferring benefits with the 20 quantified programs. Those observed subsidy amounts therefore provide an evidentiary basis for estimating amounts for the remaining programs.

[170] This method of determining the amount of subsidy is based on facts available on the administrative record and limits the advantage that an exporter may gain from not providing necessary information requested in a subsidy investigation as compared to an exporter that did provide the necessary information.

[171] For exporters of subject goods originating in or exported from China that did not provide a response to the subsidy RFI, or did not furnish sufficient information, an amount of subsidy was calculated on the basis of the following methodology:

1. the highest amount of subsidy for each of the 20 consolidated programs, as found at the final determination, for the cooperative exporters located in China for whom the CBSA has sufficient information to estimate an amount of subsidy, plus

2. the highest amount of subsidy for the 20 programs listed in (1), applied to each of the remaining 25 potentially actionable subsidy programs for which information sufficient to determine an amount of subsidy is not available or has not been provided by the final determination.

[172] Using the above methodology, for the final determination, the amount of subsidy for all other exporters is 45.2%, expressed as a percentage of the export price.

SUMMARY OF FINAL RESULTS – SUBSIDY

[173] A summary of the final results of the subsidy investigation respecting all subject goods imported into Canada during the POI follows:

Table 3: Summary of Final Results – Subsidy
(January 1, 2025, to December 31, 2025)

Exporter	**Amount of Subsidy** (% of Export Price)	**% of Total Imports** (by Volume)
Hebei Huatong Wires and Cables Group Co., Ltd.	3.1%	13.1%
Tianjin Feiya Fengda Wire & Cable Technology Co., Ltd.	0.5%*	10.2%
Zhejiang Cardiff Cable Co., Ltd.	2.2%	2.0%
All Other Exporters - China	45.2%	26.4%
Total China	N/A	**51.7%**
All Other Countries	N/A	48.3%
Total		**100%**

* Pursuant to subsection 2(1) of SIMA, an amount of subsidy of less than 1% of the export price of the goods is defined as insignificant.

[174] In order to make a final determination of subsidizing, the CBSA must be satisfied that:

i) the subject goods have been subsidized; and that
ii) the amount of subsidy of a particular exporter is not insignificant.

[175] Under paragraph 41(1)(a) of SIMA, the CBSA is required to terminate an investigation in respect of any goods of an exporter if the CBSA is satisfied that the goods have not been subsidized or the amount of subsidy on the goods of that exporter is insignificant.

[176] Pursuant to subsection 2(1) of SIMA, an amount of subsidy of less than 1% of the export price of the goods is defined as insignificant.

[177] The amounts of subsidy determined for Tianjin Feiya Fengda Wire & Cable Technology Co., Ltd. is below 1% of the export price and is, therefore, determined to be insignificant. As a result, the CBSA terminated the subsidy investigation respecting UBC exported to Canada from China by Tianjin Feiya Fengda Wire & Cable Technology Co., Ltd.

[178] For all other exporters, the amounts of subsidy, expressed as a percentage of the export price, is above 1% and is, therefore, not insignificant. As a result, with respect to these exporters, the legislative requirements are satisfied for making a final determination of subsidy respecting UBC originating in or exported from China.

[179] A summary of the results of the subsidy investigation respecting the subject goods shipped to Canada during the subsidy POI are presented in **Appendix 1**.

DECISIONS

[180] On October 27, 2026, pursuant to paragraph 41(1)(a) of SIMA, the CBSA terminated the subsidy investigation with respect to UBC originating in or exported from China by Tianjin Feiya Fengda Wire & Cable Technology Co., Ltd.

[181] On the same day, pursuant to paragraph 41(1)(b) of SIMA, the CBSA made a final determination respecting the dumping of UBC originating in or exported from China and a final determination of subsidizing in respect of UBC from China, with respect to exporters for which the subsidy investigation has not been terminated.

FUTURE ACTION

[182] The provisional period began on July 29, 2026, and will end on the date the CITT issues its finding. The CITT is expected to issue its decision by November 26, 2026. Provisional duty will continue to be imposed on the subject goods from China until the CITT renders its decision. However, provisional countervailing duties will no longer be imposed on imports of goods for which the subsidy investigation has been terminated. Any provisional countervailing duty paid or security posted on imports of goods for which the subsidy investigation has been terminated will be refunded, as appropriate. For further details on the application of provisional duty, refer to the *Statement of Reasons* issued for the preliminary determinations.

[183] If the CITT finds that the dumped and subsidized goods have not caused injury and do not threaten to cause injury, all proceedings will be terminated. In this situation, all provisional duty paid or security posted by importers will be returned.

[184] If the CITT finds that the dumped and subsidized goods have caused injury, the anti-dumping duty and/or countervailing duty payable on subject goods released by the CBSA during the provisional period will be finalized pursuant to section 55 of SIMA. Imports released by the CBSA after the date of the CITT's finding will be subject to anti-dumping duty equal to the margin of dumping.

[185] The importer in Canada shall pay all applicable duties. Importers must properly describe the goods that they are importing, whether the information is submitted in paper or electronic format. Customs *Memorandum D17-1-1: Documentation requirements for commercial shipments* explains the normal customs requirements. However, these requirements are often not enough for SIMA purposes. Consult the "Information Required on Customs Documents" section on the Measures in Force for specific information required for each SIMA measure, as well as *Memorandum D14-1-7: Assessment and payment of duties are required under the Special Import Measures Act (SIMA)* for more general information.

[186] The CBSA's Assessment and Revenue Management (CARM) system will generally assign the SIMA code on Commercial Accounting Declarations (CADs). However, when populating pre-CARM entries into CARM, or when accounting for CLVS goods on a Type F CAD, you may be required to self-declare the SIMA code on the CAD. If the importers of such goods do not indicate the required SIMA code or do not correctly describe the goods in the customs documents, an administrative monetary penalty could be imposed. The provisions of the *Customs Act* apply with respect to the payment, collection or refund of any duty collected under SIMA. As a result, failure to pay duty within the prescribed time will result in the application of interest.

RETROACTIVE DUTY ON MASSIVE IMPORTATIONS

[187] Under certain circumstances, anti-dumping and/or countervailing duty can be imposed retroactively on subject goods imported into Canada. When the CITT conducts its inquiry on material injury to the Canadian industry, it may consider if dumped and/or subsidized goods that were imported close to or after the initiation of the investigations constitute massive importations over a relatively short period of time and have caused injury to the Canadian industry. Should the CITT issue a finding that there were recent massive importations of dumped and/or subsidized goods that caused injury, imports of subject goods released by the CBSA in the 90 days preceding the day of the preliminary determinations could be subject to anti-dumping and/or countervailing duty.

[188] In respect of importations of subsidized goods that have caused injury, this provision is only applicable where the CBSA has determined that the whole or any part of the subsidy on the goods is a prohibited subsidy. In such a case, the amount of countervailing duty applied on a retroactive basis will equal the amount of subsidy on the goods that is a prohibited subsidy. An export subsidy is a prohibited subsidy according to subsection 2(1) of SIMA.

PUBLICATION

[189] A notice of these final decisions of dumping and subsidizing will be published in the Canada Gazette pursuant to paragraphs 41(3)(a) and 41(4)(a) of SIMA.

INFORMATION

[190] This *Statement of Reasons* is available through the CBSA's website at the address below. For further information, please contact the email address identified below:

Email: Trade_Remedies_Registry-Registre_recours_commerciaux@cbsa-asfc.gc.ca

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



Sean Borg
A/Executive Director
Trade Remedies Investigations Division

ATTACHMENTS

Appendix 1: Summary of Margins of Dumping and Amounts of Subsidy
Appendix 2: Dumping and Subsidy Representations
Appendix 3: Summary of Findings for Subsidy Programs

APPENDIX 1 – SUMMARY OF MARGINS OF DUMPING AND AMOUNTS OF SUBSIDY

Exporter	**Margin of Dumping** (% of Export Price)	**Amount of Subsidy** (% of Export Price)
Hebei Huatong Wires and	25.2%	3.1%
Tianjin Feiya Fengda Wire & Cable Technology Co., Ltd.	45.3%	N/A
Zhejiang Cardiff Cable Co., Ltd.	55.6%	2.2%
All Other Exporters - China	90.3%	45.2%

Note: The margins of dumping reported in the table above are the margins determined by the CBSA for the purposes of the final determination of dumping. These margins do not reflect the anti-dumping duty to be levied on future importations of dumped goods. In the event of an injury finding by the CITT, normal values have been provided to the exporters which provided sufficient information for future shipments to Canada and these normal values would come into effect the day after the injury finding. Information regarding normal values of the subject goods should be obtained from the exporter. Imports of subject goods from exporters/producers that did not provide sufficient information to the CBSA during the dumping investigation and that are not listed in the table above will be subject to the All Other Exporters anti-dumping duty rate pursuant to a ministerial specification.

Normally, normal values will not be applied retroactively. However, normal values may be applied retroactively in cases where the exporter does not adjust export prices to account for increases in prices and/or costs. Therefore, where substantial changes occur in prices, market conditions, costs associated with production and sales of the goods, the onus is on the concerned parties to increase the export price accordingly to ensure that any sale made to Canada is not only above the normal value but at or above selling prices and full costs and profit of the goods.

Please consult the SIMA Self-Assessment Guide for more detailed information explaining how to determine the amount of SIMA duties owing.

APPENDIX 2 – DUMPING AND SUBSIDY REPRESENTATIONS

Following the closing of the record on September 8, 2026, case briefs and reply submissions were received on behalf of the following parties:

- The complainant;[61]
- Southwire Company, LLC ("Southwire");[62]
- Hebei Huatong Wires and Cables Group Co., Ltd. ("HT");[63]
- Taishan City WanAn Cable Co., Ltd.[64]; and
- Government of China.[65]

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 all issues raised in these submissions. The material issues raised by the parties are summarized as follows:

Completeness and Accuracy of Submissions

Case briefs

Counsel for PTI submitted that the responses provided by responding exporters contained omissions and deficiencies that undermine the reliability of the information on the record. Counsel also argued that the Government of China's submission contained incorrect and incomplete responses.

With respect to the section 20 inquiry, PTI argued that responding exporters failed to provide the requested information relevant to the electric cable sector.

With respect to the subsidy investigation, PTI argued that responding exporters failed to identify all major suppliers and did not ensure that supplier subsidy RFIs were completed. PTI further submitted that the exporter failed to adequately address potential subsidy benefits and provided incomplete responses to certain SRFI questions.

With respect to the dumping investigation, PTI argued that responding exporters reporting of costs, expenses and receivables were not properly reported, insufficiently explained or supported.

[61] Exhibits 259 (PRO) and 260 (NC) – Case brief filed on behalf of PTI Cables Inc.; Exhibits 267 (PRO) and 268 (NC) – Reply submission filed on behalf of PTI Cables Inc.
[62] Exhibits 257 (PRO) and 2258 (NC) – Case brief filed on behalf of Southwire Company, LLC.
[63] Exhibits 261 (PRO) and 262 (NC) – Case brief filed on behalf of Hebei Huatong Wires and Cables Group Co., Ltd. and Exhibits 265 (PRO) and 266 (NC) – Additional Case brief filed on behalf of Hebei Huatong Wires and Cables Group Co., Ltd.
[64] Exhibits 266 (PRO) and 264 (NC) – Case brief filed on behalf of Taishan City WanAn Cable Co., Ltd.
[65] Exhibits 269 (NC) – Reply submission filed on behalf of the Government of the People's Republic of China ("GOC")

Accordingly, PTI submitted that the CBSA should treat the submission of the responding exporters and the Government of China as incomplete and deficient and rely on facts available, where necessary.

Counsel for HT submitted case briefs addressing PTI's comments in relation to the deficiencies in its dumping response.

Reply submissions

Counsel for PTI submitted that HT has not explained the inconsistencies and its responses remain deficient.

Counsel for the Government of China submitted that the CBSA has sufficient information to determine amounts of subsidy for the responding exporters. Furthermore, the Government of China argued that the CBSA should continue to rely on the information provided by responding exporters to determine amounts of subsidy.

CBSA's response

The CBSA considered the arguments submitted by counsel for PTI regarding the completeness and accuracy of the responses provided by responding exporters and the Government of China. Based on its review of the information provided throughout the investigation, including responses to RFIs and SRFIs, the CBSA determined that the information on the record was sufficiently complete and reliable for the purposes of the final determinations. Accordingly, the CBSA was satisfied that it had sufficient information to determine normal values, export prices, and amounts of subsidy, as applicable, in accordance with SIMA.

With respect to Taishan City WanAn Cable Co., Ltd, the CBSA could not consider its information for purposes of the final determination due to the lateness of the submissions received. As such, normal values, export prices and amounts of subsidy for Taishan City WanAn Cable Co., Ltd were determined by ministerial specification.

Section 20 Conditions in the Electric Cables Sector

Case briefs

Counsel for PTI reiterated its arguments and evidence in regards to section 20 conditions in the electric cables sector in China. PTI argued that the CBSA should affirm its opinion made at the preliminary determination.

Counsel for PTI submitted that absent other surrogate responses, the CBSA should rely on information provided by Southwire, a producer located in the U.S. Counsel noted that Southwire produces its own copper rod and argued that the CBSA should account for processing fees and transformation costs of copper cathode and/or copper scraps in the determination of normal values.

CBSA's response

The CBSA determined normal values pursuant to ministerial specification based on facts available. The CBSA relied on verified information submitted by Southwire where warranted.

Treatment of Subsidy Programs

Case briefs

Counsel for HT submitted that certain subsidy programs it received relate to both subject and non-subject products. Counsel submitted that a certain subsidy program it received had no connection to a particular market. Counsel also noted that its applicable corporate income tax rate is confirmed on its annual corporate income tax return issued by the State Taxation Administration.

Reply submissions

Counsel for the Government of China submitted that the CBSA has sufficient information to determine an amounts of subsidy for the responding exporters. Furthermore, the Government of China argued that the CBSA should continue to rely on the information provided by responding exporters to determine amounts of subsidy.

CBSA's response

For the purpose of the final determination, the CBSA relied on information submitted by exporters and determined amounts of subsidy by distributing the benefit amount received by the exporter over the total quantity of goods to which the benefit was attributable.

APPENDIX 3 – SUMMARY OF FINDINGS FOR SUBSIDY PROGRAMS

For the final determination, based on the information available on the administrative record, the CBSA consolidated the programs recorded by the responding companies and additional programs further identified by the CBSA to account for duplicate and/or equivalent programs, and found a total of 45 consolidated subsidy programs that have conferred benefits to subject goods during the POI.

For the final determination, the comments from the responding companies for the specificity of their recorded subsidy programs and the comments from the Government of China for the specificity of the investigated subsidy programs have been taken into consideration.

CATEGORY 1: PREFERENTIAL LOANS, LOAN GUARANTEES AND LOAN PROGRAMS

Program 1 Loans from State-Owned Banks at Preferential Rates

General information

This program relates to government loans at a preferential rate of interest. SIMA permits state-owned banks to be treated as "government" if they are found to possess, exercise or be vested with governmental authority.

Specifically, an entity will constitute "government" under paragraph (b) of subsection 2(1) of SIMA when it possesses, exercises, or is vested with governmental authority.

Based on the evidence on the record,[66] China's banking system, viewed as a whole, constitutes a network of public bodies, particularly when considering the role of state ownership, Communist Party (CCP) governance, policy-directed lending, and the use of banks as instruments of national economic policy.

China's largest banks are predominantly state-controlled, their governance structures incorporate Party leadership, and they are repeatedly tasked with implementing national policy objectives such as rural revitalization, industrial upgrading, green development, technology innovation, and support for strategic industries.

In the Chinese banking context, there are substantial grounds for concluding that many major banks perform functions that go beyond ordinary commercial banking and serve as instruments of governmental policy such that they possess, exercise or is vested with governmental authority.

Responding companies in this investigation have received benefits under this subsidy program.

[66] Exhibits 234 (NC) – Banks in China

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(a) of SIMA in the form of a direct transfer of funds from the government. The benefit would be the difference between the amount that would be payable on a benchmark commercial loan versus the amount which is payable under the government loan.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.3) of SIMA in that the manner in which discretion is exercised by the granting authority indicates that the subsidy may not be generally available.

Program 2 Loan Guarantee through the Government of China/SOE Banks/Public Bodies

General information

This program relates to the provision of guarantees for borrowers or debt issuers by the government, SOE banks or public bodies. A loan guarantee is assurance provided by the Government of China, a SOE bank or public body (the guarantor) to assume the debt obligation of a borrower if that borrower defaults. A guarantee can be limited or unlimited, making the guarantor liable for only a portion or all of the debt. SIMA permits state-owned banks to be treated as "government" if they are found to possess, exercise or be vested with governmental authority.

Responding exporters in prior investigations conducted by the CBSA have received benefits under this subsidy program. The CBSA has countervailed this program in UDS 2020 IN, MAT 2022 IN, WT 2023 IN, HPC 2024 IN and TMFT 2025 IN.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(c) of SIMA. That is, the government provides goods or services, other than general infrastructure, at less than fair market price.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.3) of SIMA in that the manner in which discretion is exercised by the granting authority indicates that the subsidy may not be generally available.

Program 3 Debt and Interest Forgiveness on Loans from State-Owned Banks

General information

Under this program, certain enterprises are entitled to the forgiveness of their debt or interests on loans from state-owned banks. SIMA permits state-owned banks to be treated as "government" if they are found to possess, exercise or be vested with governmental authority.

For the purposes of the final determination, this program was removed from the investigation as the CBSA has not found this program could have conferred benefits to subject goods during the POI.

Program 4 Preferential Export Financing and Export Credit Guarantee/Insurance

General information

The Export-Import Bank of China is a state-funded and state-owned policy bank. It is a bank directly under the leadership of the State Council and dedicated to supporting China's foreign trade, investment and international economic cooperation.

China Export & Credit Insurance Corporation is a state-funded policy-oriented insurance company with the mission of supporting China's foreign trade and economic cooperation.

The Export-Import Bank of China and China Export & Credit Insurance Corporation provided export loans and export credit guarantees/insurance to the enterprises in China.

SIMA permits state-owned banks or state-owned Enterprises ("SOE") to be treated as "government" if they are found to possess, exercise or be vested with governmental authority.

For the purposes of the final determination, this program was removed from the investigation as the CBSA has not found this program could have conferred benefits to subject goods during the POI.

Program 5 Debt-to-Equity Swaps

General information

The debt-to-equity swap is one of the most significant measures used in the financial restructuring of China's SOEs and state-owned banks. A debt-to-equity swap is a transaction in which a creditor forgives some or all of a company's debt in exchange for equity in the company.

For the purposes of the final determination, this program was removed from the investigation as the CBSA has not found this program could have conferred benefits to subject goods during the POI.

CATEGORY 2: GRANTS AND GRANT EQUIVALENTS

Program 6 Special Fund for Foreign and Trade Development

General information

The purpose of the program is to optimize the structure of international trade, promote international investment cooperation, and improve public services for international economy and trade.

The grants are established based on the "Measures for the Administration of Special Funds for Foreign Economic and Trade Development" (MOF Circular Cai Qi No. 36 of 2014).

The following programs recorded by the responding companies have been consolidated into this program:

- Construction of Public Service Platforms for Foreign Trade Bases
- Fund for Project for Promoting the Innovative Development of Trade in Services
- Fund for Foreign Investment and Trade Cooperation Project
- Municipal Open Economy Development Special Fund

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(a) of SIMA in the form of a direct transfer of funds from the government, and it confers a benefit to the recipient equal to the amount of the grant.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.3) of SIMA in that the manner in which discretion is exercised by the granting authority indicates that the subsidy may not be generally available.

Program 7 Grants related to Foreign Trade Development Fund

General Information

Through the foreign trade development fund, the Government of China provides funding support to exporting enterprises: to improve the competitiveness of their exported products; to develop an export processing base; to support the registration of trademarks in foreign countries; to support the training of foreign trade professionals; and to explore international markets.

The following programs recorded by the responding companies have been consolidated into this program:

- High-Tech Enterprise Certification and New Introduction Incentive
- Incentive for Enterprise Exhibition Participation (Economy and Information Technology Bureau)
- Subsidy for Exhibition Booth Fees

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(a) of SIMA in the form of a direct transfer of funds from the government, and it confers a benefit to the recipient equal to the amount of the grant.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.2) of SIMA because it is limited to certain enterprises.

Program 8 Export Development and Performance Grants

General information

Grants under this program are provided to assist certain enterprises in the development of export markets or to recognize export performance.

This program was removed from the investigation as this program has been included in Program 9: Grants Related to Export Development, Performance and Assistance.

Program 9 Grants Related to Export Development, Performance and Assistance

General information

These grants and awards provide financial aid to certain enterprises with excellent performances or for recognition of their contributions to the local economy.

Responding exporters in prior investigations conducted by the CBSA have received benefits under this subsidy program. The CBSA has countervailed this program in DONP 2020 IN, UDS 2020 IN, MAT 2022 IN, HPC 2024 IN and TMFT 2025 IN.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(a) of SIMA in the form of a direct transfer of funds from the government, and it confers a benefit to the recipient equal to the amount of the grant.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.2) of SIMA because it is limited to certain enterprises.

Program 10 Performance Award Grants

General information

Under this program, certain companies in China received grants provided by the Government of China through sources other than foreign trade development fund to assist them in the development of export markets or to recognize their export performance.

Responding exporters in prior investigations conducted by the CBSA have received benefits under this subsidy program. The CBSA has countervailed this program in DONP 2020 IN, UDS 2020 IN, MAT 2022 IN, HPC 2024 IN and TMFT 2025 IN.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(a) of SIMA in the form of a direct transfer of funds from the government, and it confers a benefit to the recipient equal to the amount of the grant.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.2) of SIMA because it is limited to certain enterprises.

Program 11 Grants to Provide Business Support

General information

Subsidies under this program to certain enterprises are grants and incentives designed to provide business support.

Responding exporters in prior investigations conducted by the CBSA have received benefits under this subsidy program. The CBSA has countervailed this program in DONP 2020 IN, UDS 2020 IN and WT 2023 IN.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(a) of SIMA in the form of a direct transfer of funds from the government, and it confers a benefit to the recipient equal to the amount of the grant.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.3) of SIMA in that the manner in which discretion is exercised by the granting authority indicates that the subsidy may not be generally available.

Program 12 Grants related to Financial/Loan Interest

General information

Subsidies under this program are grants and incentives designed to support certain enterprises with financial/loan interest relief.

Responding exporters in prior investigations conducted by the CBSA have received benefits under this subsidy program. The CBSA has countervailed this program in WT 2023 IN and HPC 2024 IN.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(a) of SIMA in the form of a direct transfer of funds from the government, and it confers a benefit to the recipient equal to the amount of the grant.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.3) of SIMA in that the manner in which discretion is exercised by the granting authority indicates that the subsidy may not be generally available.

Program 13 Insurance Grants

General information

Subsidies under this program are grants designed to reimburse export insurance (such as export credit insurance and export shipment insurance) costs incurred by certain enterprises.

The following programs recorded by the responding companies have been consolidated into this program:

- Municipal Special Fund for Export Credit Insurance
- Premium discount from China Export & Credit Insurance Corporation (SINOSURE)

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(a) of SIMA in the form of a direct transfer of funds from the government, and it confers a benefit to the recipient equal to the amount of the grant.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.2) of SIMA because it is limited to certain enterprises.

Program 14 Environmental Protection, Energy Conservation and Emission Reduction Grants

General information

These are grants provided by the Government of China to certain enterprises for the purposes of improving environmental performance, such as monitoring and cleaning pollutants, improving energy efficiency, upgrading facilities to be more environmentally efficient, and treatment of waste water.

The following programs recorded by the responding companies have been consolidated into this program:

- Fund for Environmentally Friendly PVC Incentive Project
- Points subsidy of Yinfeng Power Supply Station

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(a) of SIMA in the form of a direct transfer of funds from the government, and it confers a benefit to the recipient equal to the amount of the grant.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.2) of SIMA because it is limited to certain enterprises.

Program 15 Grants for Relocating Production Facilities

General information

Under this program, the Government of China provides the grants to certain enterprises to support and encourage the relocation of production facilities.

Responding exporters in prior investigations conducted by the CBSA have received benefits under this subsidy program. The CBSA has countervailed this program in HPC 2024 IN.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(a) of SIMA in the form of a direct transfer of funds from the government, and it confers a benefit to the recipient equal to the amount of the grant.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.3) of SIMA in that the manner in which discretion is exercised by the granting authority indicates that the subsidy may not be generally available.

Program 16 Grants for the Retirement of Capacity

General information

Subsidies provided under this program are grants and incentives that are used to accelerate the elimination of backwards capacity and to support industries with excess production capacity.

For the purposes of the final determination, this program was removed from the investigation as the CBSA has not found this program could have conferred benefits to subject goods during the POI.

Program 17 Subsidies for Industrial and/or Technology Transformation or Restructuring

General information

The Government of China has introduced several grants and incentives related to facilitating the transformation and restructuring of industries and/or technologies.

The following programs recorded by the responding companies have been consolidated into this program:

- Hebei Province Industrial Enterprise Technological Transformation Special Fund
- Subsidy for Supporting Enterprise Digital Transformation
- Leading (Ranked First) in Formulating/Revising "Zhejiang Manufacturing"

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(a) of SIMA in the form of a direct transfer of funds from the government, and it confers a benefit to the recipient equal to the amount of the grant.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.3) of SIMA in that the manner in which discretion is exercised by the granting authority indicates that the subsidy may not be generally available.

Program 18 Grants Related to Patent and Intellectual Property Rights

General information

Subsidies under this program to certain enterprises are grants and incentives related to promoting patent-based technology or patent-based projects or the development of intellectual property.

Responding exporters in prior investigations conducted by the CBSA have received benefits under this subsidy program. The CBSA has countervailed this program in DONP 2020 IN, UDS 2020 IN, MAT 2022 IN, WT 2023 IN, HPC 2024 IN and TMFT 2025 IN.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(a) of SIMA in the form of a direct transfer of funds from the government, and it confers a benefit to the recipient equal to the amount of the grant.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.3) of SIMA in that the manner in which discretion is exercised by the granting authority indicates that the subsidy may not be generally available.

Program 19 Grants Related to Trademarks and Branding

General information

These grants are provided to certain enterprises who are recognized for their brands or trademarks or standards development.

Responding exporters in prior investigations conducted by the CBSA have received benefits under this subsidy program. The CBSA has countervailed this program in DONP 2020 IN, UDS 2020 IN, MAT 2022 IN, WT 2023 IN and HPC 2024 IN.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(a) of SIMA in the form of a direct transfer of funds from the government, and it confers a benefit to the recipient equal to the amount of the grant.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.3) of SIMA in that the manner in which discretion is exercised by the granting authority indicates that the subsidy may not be generally available.

Program 20 Grants for International Certification

General information

The grants under this program are provided to help certain enterprises to obtain international product certification.

This program was removed from the investigation as this program has been included in Program 6: Special Fund for Foreign and Trade Development.

Program 21 Subsidies Related to Company/Enterprise Development and Innovation

General information

Subsidies provided under this program relate to grants and incentives given to companies and enterprises for development and innovation.

Responding exporters in prior investigations conducted by the CBSA have received benefits under this subsidy program. The CBSA has countervailed this program in DONP 2020 IN, UDS 2020 IN, MAT 2022 IN, WT 2023 IN, HPC 2024 IN and TMFT 2025 IN.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(a) of SIMA in the form of a direct transfer of funds from the government, and it confers a benefit to the recipient equal to the amount of the grant.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.3) of SIMA in that the manner in which discretion is exercised by the granting authority indicates that the subsidy may not be generally available.

Program 22 Subsidies Related to Quality & Improvement

General information

Subsidies under this program are grants and incentives provided to certain enterprises to specifically promote quality improvements.

The following programs recorded by the responding companies have been consolidated into this program:

- Fund for the Intellectual Property Quality Improvement Project
- Economic High-Quality Development Enterprise Award

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(a) of SIMA in the form of a direct transfer of funds from the government, and it confers a benefit to the recipient equal to the amount of the grant.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.3) of SIMA in that the manner in which discretion is exercised by the granting authority indicates that the subsidy may not be generally available.

Program 23 Grants Related to Science and Technology

General information

Subsidies under this program to certain enterprises are grants and incentives designed to specifically promote the development of science and technology.

Responding exporters in prior investigations conducted by the CBSA have received benefits under this subsidy program. The CBSA has countervailed this program in WT 2023 IN, HPC 2024 IN and TMFT 2025 IN.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(a) of SIMA in the form of a direct transfer of funds from the government, and it confers a benefit to the recipient equal to the amount of the grant.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.3) of SIMA in that the manner in which discretion is exercised by the granting authority indicates that the subsidy may not be generally available.

Program 24 Grants Related to Research and Development

General information

This program constitutes financial aid for certain enterprises who are determined to have undertaken research and development activities.

The following programs recorded by the responding companies have been consolidated into this program:

- Key Science and Technology Special Project - Major R&D Program Special Fund
- Fund for Integrated Waterproof Lightweight Ship Cable Project
- Fund for Marine Exploration Towing Cable R&D Project
- Incentive Fund for the "Open Competition" of Core Technologies and Products in the Industrial Sector under the Cultivation Program
- Fund for Research and Application Project of Drilling and Sand Extraction Technical Equipment for Through-Tubing Double-Layer Concentric Composite Coiled Tubing
- Incentive Fund for National-Level Innovation Platforms (National Enterprise Technology Center)

- Tangshan Graphene Material Application Demonstration Base Special Fund

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(a) of SIMA in the form of a direct transfer of funds from the government, and it confers a benefit to the recipient equal to the amount of the grant.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.3) of SIMA in that the manner in which discretion is exercised by the granting authority indicates that the subsidy may not be generally available.

Program 25 Grants Related to Employment, Training and Recruitment

General information

Subsidies under this program are grants and incentives designed to promote employment by supporting certain enterprises with the recruitment and training of their employees.

The following programs recorded by the responding companies have been consolidated into this program:

- Jiaxing Outstanding Craftsperson Training Incentive

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(a) of SIMA in the form of a direct transfer of funds from the government, and it confers a benefit to the recipient equal to the amount of the grant.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.3) of SIMA in that the manner in which discretion is exercised by the granting authority indicates that the subsidy may not be generally available.

Program 26 Grants Related to Social Security

General information

Subsidies under this program to certain enterprises are grants and incentives related to social security (such as employment stabilization).

The following programs recorded by the responding companies have been consolidated into this program:

- Job Stability Refund

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(a) of SIMA in the form of a direct transfer of funds from the government, and it confers a benefit to the recipient equal to the amount of the grant.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.3) of SIMA in that the manner in which discretion is exercised by the granting authority indicates that the subsidy may not be generally available.

Program 27 Grants related to Small and Medium-Sized Enterprises

General information

Subsidies under this program are grants and incentives designed to provide supports to small and medium sized enterprises, and to encourage small and medium sized enterprises to perform technical and product innovations and to increase employment.

Responding exporters in prior investigations conducted by the CBSA have received benefits under this subsidy program. The CBSA has countervailed this program in HPC 2024 IN.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(a) of SIMA in the form of a direct transfer of funds from the government, and it confers a benefit to the recipient equal to the amount of the grant.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.2) of SIMA because it is limited to certain enterprises.

Program 28 Special Economic Zones (SEZs) and Other Designated Areas Incentives

General information

Subsidies under this program are incentives and favorable policies for certain enterprises to encourage their investments and business development in SEZs and Other Designated Areas.

Responding exporters in prior investigations conducted by the CBSA have received benefits under this subsidy program. The CBSA has countervailed this program in WT 2023 IN.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(a) of SIMA in the form of a direct transfer of funds from the government, and it confers a benefit to the recipient equal to the amount of the grant.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.2) of SIMA because it is limited to enterprises in certain geographic areas.

New Program 1 Demolition Compensation

General information

Under this subsidy program certain enterprises receive compensation for demolition of facilities.

Responding companies in this investigation have received benefits under this subsidy program.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(a) of SIMA in the form of a direct transfer of funds from the government, and it confers a benefit to the recipient equal to the amount of the grant.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.3) of SIMA in that the manner in which discretion is exercised by the granting authority indicates that the subsidy may not be generally available.

CATEGORY 3: PREFERENTIAL TAX PROGRAMS

Program 29 Corporate Income Tax Exemption and/or Reduction in Special Economic Zones (SEZs) and Other Designated Areas

General information

Subsidies under this program are incentives and favorable policies for certain enterprises to encourage their investments and business development in SEZs and Other Designated Areas.

Responding exporters in prior investigations conducted by the CBSA have received benefits under this subsidy program. The CBSA has countervailed this program in UDS 2020 IN.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(b) of SIMA. That is, amounts that would otherwise be owing and due to the government are deducted and/or exempted, and confer a benefit to the recipient equal to the amount of the deduction/exemption.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.2) of SIMA because it is limited to enterprises in certain geographic areas.

Program 30 Corporate Income Tax Reduction for New and High Technology Enterprises ("NHTE")

General information

This program is designed to encourage enterprises to strengthen scientific and technological innovation and increase investment in R&D and innovation activities, by providing preferential income tax treatment to enterprises recognized as high-tech enterprises.

This program is provided under the Enterprise Income Tax Law of the People's Republic of China, the Implementation Regulations for the Enterprise Income Tax Law, and the Administrative Measures on Accreditation of High-tech Enterprises (2016 Revision) (Guo Ke Fa Huo [2016] No. 32). The relevant Articles in the Enterprise Income Tax Law and the Implementation Regulations for the Enterprise Income Tax Law are Article 28 and Article 93. The standard of being recognized as a high-tech enterprise is based on Article 11 of the Administrative Measures on Accreditation of High-tech Enterprises (2016 Revision).

Under this program, companies recognized as high-tech enterprises are entitled to a reduced income tax rate of 15 percent rather than the normal national corporate income tax rate of 25 percent. This program is administered nationwide by the State Administration of Taxation of the People's Republic of China and is implemented by local tax authorities within their respective jurisdictions.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(b) of SIMA. That is, amounts that would otherwise be owing and due to the government are deducted and/or exempted, and confer a benefit to the recipient equal to the amount of the deduction/exemption.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.2) of SIMA because it is limited to enterprises in certain industries.

Program 31 Preferential Tax Policies in the Western Regions

General information

Subsidies under this program are incentives and favorable policies for certain enterprises to encourage their investments and business development in SEZs and Other Designated Areas.

Responding exporters in prior investigations conducted by the CBSA have received benefits under this subsidy program. The CBSA has countervailed this program in TMFT 2025 IN.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(b) of SIMA. That is, amounts that would otherwise be owing and due to the government are deducted and/or exempted, and confer a benefit to the recipient equal to the amount of the deduction/exemption.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.2) of SIMA because it is limited to enterprises in certain geographic areas.

Program 32 Preferential Tax Policies For Enterprises Transferring Technology

General information

The purpose of the program is to accelerate the innovation and development of new technologies. The program was established under Article 27(4) of “Corporate Income Tax Law of the People's Republic of China”.

The nature of the program is a government revenue foregone. The income derived by a resident enterprise from the transfer of technology within a tax year up to 5 million yuan are entitled to exemption corporate income tax; while the portion exceeding 5 million yuan are entitled to a reduced corporate income tax rate of 50%.

Responding exporters in prior investigations conducted by the CBSA have received benefits under this subsidy program. The CBSA has countervailed this program in UDS 2020 IN, MAT 2022 IN, WT 2023 IN and HPC 2024 IN.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(b) of SIMA. That is, amounts that would otherwise be owing and due to the government are deducted and/or exempted, and confer a benefit to the recipient equal to the amount of the deduction/exemption.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.2) of SIMA because it is limited to certain enterprises.

Program 33 Preferential Tax Treatment of Additional Calculation and Deduction of Research and Development Expenses

General information

This program is designed to encourage enterprises to increase their investment in R&D activities and strengthen innovation by allowing qualifying R&D expenses incurred for developing new technologies, new products and new processes to be additionally deducted when computing taxable income.

This program is provided under Article 30 of the Enterprise Income Tax Law, Article 95 of the Implementation Regulations for the Enterprise Income Tax Law and the Announcement of the Ministry of Finance and the State Taxation Administration on Further Improving the Policies Regarding Weighted Pre-tax Deduction of Research and Development Expenses (2023) (Announcement No. 7 [2023] of the Ministry of Finance and the State Taxation Administration).

Under this program, qualifying R&D expenses incurred for the development of new technologies, new products and new processes are entitled to an additional deduction when computing taxable income. The program is administered by the State Administration of Taxation of the People's Republic of China, and is implemented by the local level state tax authorities within their respective jurisdictions. Qualifying enterprises were/are allowed to get different additional deduction percentages for the expenses incurred for the qualifying research and development activities by meeting different criteria.

Responding companies in this investigation have received benefits under this subsidy program.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(b) of SIMA. That is, amounts that would otherwise be owing and due to the government are deducted and/or exempted, and confer a benefit to the recipient equal to the amount of the deduction/exemption.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.3) of SIMA in that the manner in which discretion is exercised by the granting authority indicates that the subsidy may not be generally available.

Program 34 Preferential Tax Treatment for Projects for Environmental Protection, Water and Energy Conservation

General information

The purpose of the program is to cultivate and expand the energy conservation and environmental protection industry, and promote the efficient use of resources. The program was established under Article 27(3) of "Corporate Income Tax Law of the People's Republic of China".

The nature of the program is government revenue foregone, income derived by enterprises from qualified environmental protection, energy conservation and water conservation projects is exempt from corporate income tax for the first three years, starting from the tax year in which the project generates its first operating income; and is subject to a 50% reduction in corporate income tax for the fourth to sixth years.

Responding exporters in prior investigations conducted by the CBSA have received benefits under this subsidy program. The CBSA has countervailed this program in TMFT 2025 IN.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(b) of SIMA. That is, amounts that would otherwise be owing and due to the government are deducted and/or exempted, and confer a benefit to the recipient equal to the amount of the deduction/exemption.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.3) of SIMA in that the manner in which discretion is exercised by the granting authority indicates that the subsidy may not be generally available.

Program 35 Accelerated Depreciation of Fixed Assets for Manufacturing Enterprise

General information

The purpose of the program is to support manufacturing enterprises to accelerate technological transformation and equipment upgrading.

The program provides companies, when calculating the income tax payable, to accrue more depreciation expenses as costs and expenses deducted from current taxable income during the initial stage of use of fixed asset. This leads to a decrease in the company's taxable income during this period.

Under accelerated depreciation, the company deducts more of the asset's cost in the early years. This creates two financial advantages: 1) Lower taxable income now and 2)

Higher taxable income later, but discounted because future tax is worth less than present tax. The net effect is a tax deferral, which has real monetary value.

Responding exporters in prior investigations conducted by the CBSA have received benefits under this subsidy program. The CBSA has countervailed this program in WT 2023 IN.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(b) of SIMA. That is, amounts that would otherwise be owing and due to the government are deducted and/or exempted, and confer a benefit to the recipient equal to the amount of the deduction/exemption.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.2) of SIMA because it is limited to certain enterprises.

Program 36 Corporate Income Tax Reduction for Micro and Small Enterprises

General information

This program provides qualifying micro and small businesses with a reduced corporate income tax rate, instead of the normal national corporate income tax rate of 25 percent.

Responding companies in this investigation have received benefits under this subsidy program.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(b) of SIMA. That is, amounts that would otherwise be owing and due to the government are deducted and/or exempted, and confer a benefit to the recipient equal to the amount of the deduction/exemption.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.2) of SIMA because it is limited to certain enterprises.

Program 37 Reduction in Land Use Tax or Rental Fees

General information

This program provides qualifying businesses with a reduced land use tax rate or rental fees.

The following programs recorded by the responding companies have been consolidated into this program:

- Reduction in Land Use Tax or Rental Fees
- North Factory Land Preferential Fund

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(b) of SIMA. That is, amounts that would otherwise be owing and due to the government are deducted and/or exempted, and confer a benefit to the recipient equal to the amount of the deduction/exemption.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.3) of SIMA in that the manner in which discretion is exercised by the granting authority indicates that the subsidy may not be generally available.

Program 38 Municipal/local Income or Property Tax Reductions

General information

This program relates to reductions and exemptions provided by municipal/local tax authorities in respect of resource tax, urban maintenance and construction tax, property tax, farmland occupation tax, stamp duty, education surcharge, and local education surcharge.

Responding exporters in prior investigations conducted by the CBSA have received benefits under this subsidy program. The CBSA has countervailed this program in UDS 2020 IN, MAT 2022 IN and HPC 2024 IN.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(b) of SIMA. That is, amounts that would otherwise be owing and due to the government are deducted and/or exempted, and confer a benefit to the recipient equal to the amount of the deduction/exemption.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.3) of SIMA in that the manner in which discretion is exercised by the granting authority indicates that the subsidy may not be generally available.

Program 39 Tax Policies related to Foreign Invested Enterprises (FIEs)

General information

This program relates to preferential tax policies for FIEs, such as tax credits for foreign investors reinvesting dividends.

Responding exporters in prior investigations conducted by the CBSA have received benefits under this subsidy program. The CBSA has countervailed this program in MAT 2022 IN.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(b) of SIMA. That is, amounts that would otherwise be owing and due to the government are deducted and/or exempted, and confer a benefit to the recipient equal to the amount of the deduction/exemption.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.2) of SIMA because it is limited to certain enterprises.

Program 40 Income Tax Concessions for Enterprises Engaged in Comprehensive Utilization of Resources

General information

The purpose of the program is to incentivize enterprises to increase R&D investment and better support technological innovation. The program was established under Article 33 of “Corporate Income Tax Law of the People's Republic of China”.

The nature of the program is government revenue foregone. The income obtained by enterprises that use resources specified in the "Catalogue of Preferential Income Tax Policies for Enterprises Utilizing Comprehensive Resources" as their main raw materials to produce products that are not restricted or prohibited by the state and meet relevant national and industry standards, which is then included in the total income at 90% of the original amount.

Responding exporters in prior investigations conducted by the CBSA have received benefits under this subsidy program. The CBSA has countervailed this program in DONP 2020 IN, UDS 2020 IN and MAT 2022 IN.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(b) of SIMA. That is, amounts that would otherwise be owing and due to the government are deducted and/or exempted, and confer a benefit to the recipient equal to the amount of the deduction/exemption.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.2) of SIMA because it is limited to enterprises in certain industries.

Program 41 Preferential Environment Protection Tax for Enterprises that are Below Pollutant Discharge Standards Prescribed by the Central and Local Governments

General information

The purpose of the program is to promote energy conservation and environmental protection. The program was established under Article 13 of "Environmental Protection Tax Law of the People's Republic of China".

The nature of the program is government revenue foregone. The program started at the effective date of "Environmental Protection Tax Law of the People's Republic of China", which is January 1, 2018.

For the purposes of the final determination, this program was removed from the investigation as the CBSA has not found this program could have conferred benefits to subject goods during the POI.

Program 42 Income Tax Deductions/Credits for Purchase of Special Equipment

General information

The purpose of the program is to encourage companies to invest in specialized equipment for environmental protection, energy conservation, water saving, and safe production. The program was established under Article 34 of "Corporate Income Tax Law of the People's Republic of China".

The nature of the program is government revenue foregone, if a company purchases special equipment that meets the requirements for environmental protection, energy conservation, water conservation, and safe production, 10% of the investment in such special equipment can be deducted from the enterprise's tax payable for the current year; if the deduction is insufficient in the current year, it can be carried forward to the next five tax years for deduction.

For the purposes of the final determination, this program was removed from the investigation as the CBSA has not found this program could have conferred benefits to subject goods during the POI.

New Program 2 Preferential Tax Treatment of Additional Calculation and Deduction of Salary Expenses

General information

This program is designed to encourage enterprises to hire and retain persons with disabilities.

Eligible enterprises may claim an additional deduction equal to 100% of wages paid to disabled employees when calculating taxable income, thereby reducing the enterprise's income tax liability. The program is authorized under Article 30 of the Enterprise Income Tax Law of the People's Republic of China and Article 96 of the Implementation Regulations for the Enterprise Income Tax Law of the People's Republic of China.

The following program recorded by the responding companies have been consolidated into this program:

- Additional deductions for wages paid to disabled employees

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(b) of SIMA. That is, amounts that would otherwise be owing and due to the government are deducted and/or exempted, and confer a benefit to the recipient equal to the amount of the deduction/exemption.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.3) of SIMA in that the manner in which discretion is exercised by the granting authority indicates that the subsidy may not be generally available.

New Program 3 & 4 **Corporate Income Exemption for Dividends, Bonuses and Equity Investments**

General information

This program provides a tax exemption for dividends, bonuses and other equity investment income received by qualified resident enterprises pursuant to Article 26 of the Enterprise Income Tax Law of the People's Republic of China and Article 83 of the Implementation Regulations for Enterprise Income Tax Law. Under this program, qualifying dividend income is excluded from taxable income, thereby reducing enterprise income tax otherwise payable.

The following programs recorded by the responding companies have been consolidated into this program:

- Dividends, bonuses and other equity investment incomes between qualified resident enterprises are exempt from corporate income tax
- Dividend and bonus equity investment income of general enterprises is exempt from corporate income tax

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(b) of SIMA. That is, amounts that would otherwise be owing

and due to the government are deducted and/or exempted, and confer a benefit to the recipient equal to the amount of the deduction/exemption.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.2) of SIMA because it is limited to certain enterprises.

CATEGORY 4: RELIEF FROM DUTIES AND TAXES

Program 43 Preferential Tax Treatment on Financing

General information

The purpose of the program is to increase support for micro and small enterprises and to help alleviate the difficulties and high costs of financing. The program was established under Announcement on Relevant Tax Policies for Supporting Financing by Micro and Small-sized Enterprises.

The nature of the program is revenue forgone. The interest income derived by financial institutions from disbursement of petty (petit) loans to micro-sized enterprises, small enterprises and individually owned businesses are exempted from value-added tax (VAT).

Responding exporters in prior investigations conducted by the CBSA have received benefits under this subsidy program. The CBSA has countervailed this program in WT 2023 IN and HPC 2024 IN.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(b) of SIMA. That is, amounts that would otherwise be owing and due to the government are deducted and/or exempted, and confer a benefit to the recipient equal to the amount of the deduction/exemption.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.2) of SIMA because it is limited to certain enterprises.

Program 44 Preferential VAT treatment for Integrated Utilization of Resources

General information

The purpose of the program is to promote sustainable and sound development of the comprehensive utilization of the resources industry. The program was established under

"Announcement on Improving Value-added Tax Policies for Comprehensive Utilization of Resources".

The nature of the program is revenue forgone. If the VAT payer engaging in recycling of renewable resources sells the renewable resources it has purchased, it may opt to compute and pay VAT at the rate of 3% under the simple tax computation method, or compute and pay VAT under the general tax computation method. General VAT payers that sell self-produced products and provide labor services involving comprehensive utilization of resources may be entitled to the refund policy upon collection of VAT.

Responding exporters in prior investigations conducted by the CBSA have received benefits under this subsidy program. The CBSA has countervailed this program in MAT 2022 IN and HPC 2024 IN.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(b) of SIMA. That is, amounts that would otherwise be owing and due to the government are deducted and/or exempted, and confer a benefit to the recipient equal to the amount of the deduction/exemption.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.2) of SIMA because it is limited to enterprises in certain industries.

Program 45 Offsets to Taxable Income Related to Purchases of Domestic Machinery

General information

The amount of an enterprise's investment in the purchase of special equipment for environmental protection, energy and water saving, work safety, etc. may be deducted from the tax amount at a certain rate.

Responding exporters in prior investigations conducted by the CBSA have received benefits under this subsidy program. The CBSA has countervailed this program in WT 2023 IN.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(b) of SIMA. That is, amounts that would otherwise be owing and due to the government are deducted and/or exempted, and confer a benefit to the recipient equal to the amount of the deduction/exemption.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.3) of SIMA in that the manner in which discretion is exercised by the granting authority indicates that the subsidy may not be generally available.

Program 46 Preferential Tax Treatment for Import of Equipment

General information

This program is to encourage foreign investment and to introduce advanced technology and equipment from abroad. The Government of China provides a subsidy to Foreign Invested Enterprises (FIEs) and certain domestic enterprises engaged in "encouraged" industries in the form of import tariffs and VAT exemptions on imported equipment, including components and parts.

Responding exporters in prior investigations conducted by the CBSA have received benefits under this subsidy program. The CBSA has countervailed this program in HPC 2024 IN.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(b) of SIMA. That is, amounts that would otherwise be owing and due to the government are deducted and/or exempted, and confer a benefit to the recipient equal to the amount of the deduction/exemption.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.3) of SIMA in that the manner in which discretion is exercised by the granting authority indicates that the subsidy may not be generally available.

Program 47 Relief from Duties and Taxes on Imported Material and Other Manufacturing Inputs

General information

Under this program, certain enterprises are entitled to reductions in taxes and/or custom duties for imported materials and/or other manufacturing inputs.

Responding exporters in prior investigations conducted by the CBSA have received benefits under this subsidy program. The CBSA has countervailed this program in DONP 2020 IN, UDS 2020 IN, MAT 2022 IN, WT 2023 IN and HPC 2024 IN.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(b) of SIMA. That is, amounts that would otherwise be owing

and due to the government are deducted and/or exempted, and confer a benefit to the recipient equal to the amount of the deduction/exemption.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.3) of SIMA in that the manner in which discretion is exercised by the granting authority indicates that the subsidy may not be generally available.

New Program 5 **Preferential Tax Treatment of Additional Calculation and Deduction for VAT**

General information

This program is intended to support advanced manufacturing enterprises and provides qualifying manufacturing enterprises that are recognized as High and New Technology Enterprises with an additional VAT deduction. From January 1, 2023, to December 31, 2027, eligible enterprises may deduct an additional 5% of their deductible input VAT from their VAT payable for the current period.

The following program recorded by the responding companies have been consolidated into this program:

- Additional VAT deductions

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(b) of SIMA. That is, amounts that would otherwise be owing and due to the government are deducted and/or exempted, and confer a benefit to the recipient equal to the amount of the deduction/exemption.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.2) of SIMA because it is limited to enterprises in certain industries.

CATEGORY 5: GOODS/SERVICES PROVIDED BY THE GOVERNMENT

Program 48 **Provision Utilities from SOE at Less than Adequate Remuneration**

General information

This program relates to the acquisition of utilities (gas, electricity, etc.) from Chinese SOEs at below fair market value. SIMA permits SOEs to be treated as "government" if they are found to possess, exercise or be vested with governmental authority.

Responding exporters in prior investigations conducted by the CBSA have received benefits under this subsidy program. The CBSA has countervailed this program in UDS 2020 IN, MAT 2022 IN, WT 2023 IN and TMFT 2025 IN.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(c) of SIMA. That is, the government provides goods or services, other than general infrastructure, at less than fair market price.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.3) of SIMA in that the manner in which discretion is exercised by the granting authority indicates that the subsidy may not be generally available.

Program 49 Provision of Land-Use Rights for Less than Adequate Remuneration

General information

All land in China belongs to the Government of China (i.e., either national or local governments, or through a "collective" at the township or village level), and government land agencies across China control the allocation of land through the granting of land-use rights. Under this program, certain enterprises are entitled to reduced prices for land purchased from the Government of China.

Responding exporters in prior investigations conducted by the CBSA have received benefits under this subsidy program. The CBSA has countervailed this program in DONP 2020 IN, MAT 2022 IN, WT 2023 IN and TMFT 2025 IN.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(c) of SIMA. That is, the government provides goods or services, other than general infrastructure, at less than fair market price.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.3) of SIMA in that the manner in which discretion is exercised by the granting authority indicates that the subsidy may not be generally available.

Program 50 Provision of Raw Material Input from SOE at Less than Adequate Remuneration

General information

This program relates to the acquisition of inputs materials from Chinese SOEs at below fair market value. SIMA permits SOEs to be treated as "government" if they are found to possess, exercise or be vested with governmental authority.

The evidence on the record demonstrates that the Government of China exercises significant ownership, control, and influence within China's copper industry. As noted in the CBSA's section 20 findings, state-owned enterprises account for approximately 85% of China's copper smelting capacity, and the sector is subject to numerous government plans, policies, and directives that guide production, investment, technological development, and market outcomes. The record also indicates direct government involvement in the copper market through the activities of the State Reserve Bureau and broader state support for the development of the copper sector.

Taken together, this information suggests that major state-owned copper producers operate in close alignment with government policy objectives and perform functions that advance those objectives. Accordingly, there is evidence that state-owned suppliers of copper cathode in China may constitute public bodies. In any event, the record indicates that the Government of China exercises a sufficient degree of control and influence over the copper sector such that any provision of copper cathode by state-owned suppliers may be considered a financial contribution provided by a government, public body, or an entity entrusted or directed by the government.

Responding companies in this investigation have received benefits under this subsidy program.

Financial contribution and benefit

For the purposes of the final determination, this program provides a financial contribution pursuant to paragraph 2(1.6)(c) of SIMA. That is, the government provides goods or services, other than general infrastructure, at less than fair market price.

Specificity

For the purposes of the final determination, the program is considered specific pursuant to paragraph 2(7.3) of SIMA in that the manner in which discretion is exercised by the granting authority indicates that the subsidy may not be generally available.