



OTTAWA, August 13, 2026

UBC 2026 IN

STATEMENT OF REASONS

Concerning the preliminary determinations of the investigations into the dumping and subsidizing of

**UNARMoured BUILDING CABLES ORIGINATING IN OR
EXPORTED FROM CHINA**

DECISIONS

Pursuant to subsection 38(1) of the *Special Import Measures Act*, the Canada Border Services Agency made preliminary determinations on July 29, 2026 respecting the dumping and subsidizing of unarmoured building cables originating in or exported from China.

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

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SUMMARY

[1] On 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” or “the subject country”), 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 from the Government of China.

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

[4] 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.

[5] 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.

[6] 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.

[7] 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.

PERIOD OF INVESTIGATION

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

PROFITABILITY ANALYSIS PERIOD

[9] The Profitability Analysis Period (PAP) is January 1, 2025 to December 31, 2025.

INTERESTED PARTIES

[10] Interested parties were notified at the initiation of the investigations and were sent Requests for Information (RFI). Refer to the Initiation [*Statement of Reasons*](#) for additional information on interested parties.

Exporters

[11] The following three exporters provided substantially complete responses to the CBSA's dumping and section 20 RFIs and subsequent supplemental RFIs (SRFI) in sufficient time to be considered for the preliminary determination:

- Hebei Huatong Wires and Cables Group Co., Ltd. ("HT");¹
- Tianjin Feiya Fengda Wire & Cable Technology Co., Ltd. ("FY");² and
- Zhejiang Cardiff Cable Co., Ltd. ("ZCC").³

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

- Hebei Huatong Wires and Cables Group Co., Ltd.;⁴ and
- Zhejiang Cardiff Cable Co., Ltd.⁵

[13] Tianjin Feiya Fengda Wire & Cable Technology Co., Ltd., provided a deficient response to the subsidy RFI⁶. The CBSA sent a deficiency letter to the exporter; however, a complete response was not received by the CBSA in sufficient time to be considered for the preliminary determination.

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

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.

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 93 (PRO) & 94 (NC) – Response to Subsidy RFI, and Exhibit 148 (PRO) & 149 (NC) – Response to SRFI#1 – ZCC.

⁶ Exhibit 70 (PRO) & 71 (NC) – Response to Subsidy RFI – FY.

- 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

Importers

[15] 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
- Votattec Group Corp.¹⁶

Surrogates

[16] 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

Government

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.

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 – Votattec 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.

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

PRODUCT INFORMATION

DEFINITION

[18] 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 source to machinery and equipment attached to the modular construction assembly*

¹⁸ Exhibit 114 (PRO) & 115 (NC) – Response to Government Subsidy RFI - MOFCOM, and Exhibit 175 (PRO) & 176 (NC) – Response to SRFI#1 – MOFCOM.

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*

[19] 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 the [Initiation Statement of Reasons](#).

IMPORTS INTO CANADA

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

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

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

Country of Origin or Export	Estimated % of Total Imports for POI (by volume)
China	51.7%
All Other Countries	48.3%
Total	100.0%

INVESTIGATIONS PROCESS

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

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

[24] 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 the facts available to the CBSA. Further, they were notified that non-cooperative parties will not receive an advantage for failing to provide the necessary information.

[25] After reviewing the RFI responses, SRFIs were sent to respondents who submitted substantially complete submissions within the timeframe specified in the RFI instructions, in order to clarify information provided in the responses and request additional information, where necessary. Information that was submitted by cooperative respondents following their original RFI responses and that could not be taken into consideration for the preliminary determinations due to the timelines of the investigations, will be considered for the final determinations.

[26] For the responding parties that did not provide complete information, deficiency letters were sent, in order to notify them that information was missing and that without the missing information, preliminary determinations would be made on the basis of facts available.

[27] Preliminary determinations are based on the information available to the CBSA and received in sufficient time to allow the CBSA to make its preliminary determinations. During the final phase of the investigations, the CBSA will continue to collect and verify information, the results of which will be incorporated into the CBSA's final decisions, which must be made by October 27, 2026.

REPRESENTATIONS

[28] During the preliminary phase of the investigations, counsel for the complainant made representations concerning exhibits on the administrative record, including certain RFI responses. These representations concern topics including the accuracy and completeness of information provided, and other missing or unclear information provided in the RFI responses.¹⁹

DUMPING INVESTIGATION

NORMAL VALUE

[29] Normal values are generally estimated based on the domestic selling prices of like goods in the country of export, in accordance with the methodology of section 15 of SIMA, 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.

¹⁹ Exhibit 125 (PRO) & 126 (NC); Exhibit 184 (PRO) & 185 (NC); Exhibit 187 (PRO) & 188 (NC) – Comments submitted by counsel for PTI Cables Inc.

EXPORT PRICE

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

MARGIN OF DUMPING

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

BACKGROUND OF SECTION 20 INQUIRY

[32] 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 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.²⁰

[33] The provisions of section 20 are applied on a sector basis rather than on the country as a whole. The relevant sector will normally only include the industry producing and exporting the goods under investigation.

[34] 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.

[35] At the initiation of the investigation, the CBSA had reviewed the information provided in the complaint and conducted its own research. Based on this information, the CBSA believed that there was reasonable evidence to support an inquiry into the allegations that the measures taken by the Government of China substantially influence prices in the electric cables sector in China.

²⁰ China is a prescribed country under Section 17.1 of the *Special Import Measures Regulations*.

[36] Consequently, on March 16, 2026, the CBSA included in its dumping investigation, a section 20 inquiry in order to determine whether the conditions set forth in paragraph 20(1)(a) of SIMA prevail in the electric cables sector and the downstream UBC market, considered to be the sector under review.

[37] The electric cables sector covers the manufacturing of cables, connectors, and wires, for use in the conducting and transmission of electricity.

[38] As part of this section 20 inquiry, the CBSA sent section 20 RFIs to all potential producers and exporters of UBC in China, as well as to the Government of China, requesting detailed information related to the electric cables sector in China.

[39] In the event that the CBSA forms the opinion that domestic prices of electric cables in China are substantially determined by the government, and 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.

[40] 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.

[41] 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

[42] 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

- 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

[43] 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

[44] 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

[45] 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. In turn, 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

[46] 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

[47] 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

²⁴ Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 33-35

[48] 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.

[49] 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.²⁵

[50] 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.²⁶

[51] 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.²⁷ 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 remuneration.²⁸

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

- Copper Tube²⁹,
- Aluminum Extrusions³⁰; and
- Truck Bodies³¹.

²⁵ Exhibit 2 (NC) – UBC Complaint: Appendix A, Public Attachment A21

²⁶ Exhibit 2 (NC) – UBC Complaint: Appendix A, para. 45

²⁷ Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 41-52

²⁸ Expiry Review *Statement of Reasons* for Aluminum Extrusions – August 16, 2019, paras. 128-129

²⁹ Final determination *Statement of Reasons* for Copper Tube – November 18, 2013

³⁰ Final determination *Statement of Reasons* for Aluminum Extrusions – February 16, 2009

³¹ Final determination *Statement of Reasons* for Truck Bodies – June 4, 2026

[53] 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.

[54] The substantial amount of 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.

[55] 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

[56] 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

[57] 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.³²

14th Five-Year Plan for the Raw Materials Industry

³² Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 54-63

[58] 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.³³

Work Plan for Stabilizing Growth in the Nonferrous Metals Industry

[59] 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.³⁴

14th Five-Year Plan

[60] 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.³⁵

³³ Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 64-70

³⁴ Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 71-81

³⁵ Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 83-100

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

[61] 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 plan appears to provide an example of the Government of China using financial and political tools to influence and control its copper industry.³⁶

State Reserve Bureau

[62] 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.³⁷

Standard Conditions Applicable to the Aluminum Industry (2020)

[63] 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.³⁸

Provincial-level Five Year Plans

[64] 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.³⁹

[65] 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.

³⁶ Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 101-104

³⁷ Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 105-107

³⁸ Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 110-112

³⁹ Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 113-123

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

[66] The petrochemicals polyvinyl chloride (“PVC”), cross-linked polyvinyl (“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.⁴⁰

[67] 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

[68] 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.⁴¹

Policies and Directives

[69] 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.⁴²

⁴⁰ Exhibit 2 (NC) – UBC Complaint: Appendix A, para. 143

⁴¹ Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 144-152

⁴² Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 153-168

[70] 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 potentially distort the domestic prices of PVC, nylon and XLPE in China. As such, the Government of China may have 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

[71] 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.

[72] 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 this preliminary phase of the investigation suggests 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. As will be discussed later, the results of the CBSA's subsidy investigation indicate that Chinese producers and exporters of UBC have benefitted from 36 potential subsidy programs and that the amounts of subsidy, expressed as a percentage of export price, are not insignificant.

[73] 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:

[74] 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."⁴³

⁴³ Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 198-201

[75] *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.⁴⁴

[76] The information available on the record suggests 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

[77] 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.

[78] 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".⁴⁵

[79] 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.

⁴⁴ Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 202-205

⁴⁵ Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 185-187

- 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.⁴⁶

[80] 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.⁴⁷

[81] 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.⁴⁸

[82] 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

[83] The information on the record with regard to the China Cable Branch suggests 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.

[84] 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.

⁴⁶ Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 188

⁴⁷ Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 190-191

⁴⁸ Exhibit 2 (NC) – UBC Complaint: Appendix A, paras. 188-194

[85] 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.

[86] 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

[87] For the purposes of the preliminary 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.

[88] 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.

[89] 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.

[90] The CBSA's price analysis demonstrated a pattern of substantially lower Chinese domestic prices of UBC compared to the surrogate country during the POI.

[91] 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.

PRELIMINARY RESULTS OF THE SECTION 20 INQUIRY

[92] For the purposes of the preliminary determination of dumping, 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.

[93] During the final phase of the investigation, the CBSA will continue to seek additional data on the domestic selling prices of UBC from producers in the subject and surrogate countries and continue its analysis on the section 20 allegations.

PRELIMINARY RESULTS OF THE DUMPING INVESTIGATION

COOPERATIVE EXPORTERS

Normal Values

[94] For the purposes of the preliminary 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. When the conditions set forth in paragraph 20(1)(a) or paragraph 20(1)(b) of SIMA prevail, the normal values of the goods under investigation will be determined pursuant to paragraph 20(1)(c) or paragraph 20(1)(d) of SIMA.

[95] Normal values determined pursuant to paragraph 20(1)(c) or 20(1)(d) of SIMA are normally based on the domestic selling price or cost of production of the goods plus a reasonable amount for administrative, selling, and all other costs, and a reasonable amount for profits of the like goods sold by producers in any country designated by the CBSA and adjusted for price comparability; or on the basis of the selling price in Canada of like goods imported from any country designated by the CBSA and adjusted for price comparability.

[96] The CBSA requested information from potential surrogates in Australia, Mexico, South Korea, Thailand and the U.S., and received a response from a producer located in the U.S. The CBSA finds the U.S. to be an appropriate surrogate country as it has a domestic production of UBC, produces comparable goods, and are believed to operate under fair market conditions. The information on the record 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 and fair source for purposes of the preliminary determination.

[97] Although the CBSA received domestic sales and cost of production information from Southwire Company, LLC., it was unable to use this information alone to estimate normal values, due to confidentiality reasons. As such, the CBSA was unable to determine normal values pursuant to paragraph 20(1)(c) of SIMA. Furthermore, as part of the section 20 inquiry, RFIs sent to importers requested information on re-sales in Canada of UBC imported from countries other than China. However, no importer provided information on imports into Canada of like goods from non-subject countries, thereby precluding the CBSA from determining normal values pursuant to paragraph 20(1)(d) of SIMA. Absent other information from producers from the U.S. or other surrogate countries, the CBSA was unable to estimate normal values pursuant to section 20 of SIMA.

[98] As a result, the normal values for China were estimated based on adjusted costing information provided by Southwire Company, LLC, using a methodology similar to previously applied methodologies in accordance with subsection 29(1) of SIMA. Due to the wide variety of models sold by the surrogate producer and the Chinese exporters, the CBSA matched UBC from the surrogate producer and Chinese exporters based on a grouping of key product characteristics. As a result, normal values were estimated for the POI based on the cost of production of UBC of the surrogate producer in the U.S. using these groupings. The costs of production of UBC by Southwire Company, LLC. were also supplemented with raw material cost data obtained from the complainant, PTI Cables Inc., which submitted a substantially complete response to a supplemental RFI. Adjustments to the overhead and labour data provided by the complainant were also made to appropriately reflect the economic circumstances of the surrogate country. Costs for aluminum-based UBC were adjusted based on the ratio of the market prices of aluminum and copper. For purposes of the preliminary determination, for a reasonable amount of selling, general and administrative expenses and for an amount for profit, the CBSA relied on information from the U.S. surrogate producer based on its domestic sales of goods of the same category in the U.S.

[99] As described above, for the purposes of the preliminary determination, the normal values were estimated using the costs of production of UBC based on information from a surrogate producer. Using information from a surrogate producer enabled the CBSA to reasonably estimate normal values based on actual and verifiable data. The CBSA will endeavour to collect additional information during the final phase of the dumping investigation in order to permit the calculation of normal values based on the surrogate country methodologies described in Section 20 of SIMA.

Hebei Huatong Wires and Cables Group Co., Ltd.

[100] Hebei Huatong Wires and Cables Group Co., Ltd. (“HT”) is a producer and exporter, located in China, who sells subject goods to Canada. A small portion of subject goods shipped to Canada were produced at its production facility in Hebei, 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.

[101] HT’s exports of subject goods represent 24.9% of the volume of subject goods exported to Canada from China and 12.9% of subject goods from all countries during the POI. HT and HS provided a substantially complete response to the Dumping RFI and to the section 20 RFI. 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”), who provided a substantially complete response.

[102] For the purposes of the preliminary 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 estimated using the methodology as described in the **Normal Values** section above.

[103] During the POI, all of the subject goods exported to Canada by HT were sold to unrelated importers. As such, the export prices were estimated 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.

[104] The total estimated normal value compared to the total estimated export price results in an estimated margin of dumping of 38.4% for HT, expressed as a percentage of the export price.

Tianjin Feiya Fengda Wire & Cable Technology Co., Ltd.

[105] Tianjin Feiya Fengda Wire & Cable Technology Co., Ltd. ("FY") is a producer and exporter, located in China, who 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.

[106] FY's exports of subject goods represent 19.2% of the volume of subject goods exported to Canada from China and 10.0% of UBC from all countries during the POI. FY provided substantially complete information to the Dumping RFI and to the section 20 RFI.

[107] FY's response to the Dumping RFI included a database of costs of production of UBC during the POI. However, for the purposes of the preliminary 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 estimated using the methodology as described in the **Normal Values** section above.

[108] 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. ("FD"), were sold to unrelated importers. As such, the export prices were estimated 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.

[109] The total estimated normal value compared to the total estimated export price results in an estimated margin of dumping of 47.5% for FY, expressed as a percentage of the export price.

Zhejiang Cardiff Cable Co., Ltd.

[110] Zhejiang Cardiff Cable Co., Ltd. ("ZCC") is a producer and exporter, located in China, who 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.

[111] ZCC's exports of subject goods represent 4.8% of the volume of subject goods exported to Canada from China and 2.5% of UBC from all countries during the POI. ZCC provided substantially complete information to the Dumping RFI and to the section 20 RFI.

[112] ZCC's response to the Dumping RFI included a database of costs of production of UBC during the POI. However, for the purposes of the preliminary 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 estimated using the methodology as described in the **Normal Values** section above.

[113] 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 estimated 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.

[114] The total estimated normal value compared to the total estimated export price results in an estimated margin of dumping of 62.0% for ZCC, expressed as a percentage of the export price.

ALL OTHER EXPORTERS

[115] In establishing the methodology for estimating the normal values and export prices for all other exporters from China, the CBSA considered all of the information on the administrative record, including the complaint filed by the domestic industry, the CBSA's estimates at the initiation of the investigation, information submitted by parties who responded to the Dumping RFI, and CBSA customs entry documentation.

[116] The CBSA decided that the normal values and export prices estimated for the exporters, whose submissions were complete for purposes of the preliminary determination, rather than the information provided in the complaint or estimated at initiation, would be used to establish the methodology for estimating normal values for all other exporters of subject goods from China.

[117] The CBSA examined the difference between the estimated normal value and the estimated export price for each individual transaction of the exporters who provided a complete submission for purposes of the preliminary determination and considered that the highest amount (expressed as a percentage of the export price), was an appropriate basis for estimating normal values. The transactions were examined to ensure that no anomalies were considered, such as very low volume and value, effects of seasonality or other business factors. This methodology may result in a less favourable all-others-rate applied, to ensure that non-cooperative parties do not receive an advantage over those who did co-operate during the investigation.

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

[119] Using the above methodologies, for the preliminary determination, the estimated margin of dumping for all other exporters in China is 184.8%, expressed as a percentage of the export price.

SUMMARY OF PRELIMINARY RESULTS – DUMPING

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

**Table 2: Summary of Preliminary Results - Dumping
(January 1, 2025 to December 31, 2025)**

Exporters	Estimated % of Total Imports for POI (by volume)	Estimated Margins of Dumping (% of export price)
Hebei Huatong Wires and Cables Group Co., Ltd.	12.9%	38.4%
Tianjin Feiya Fengda Wire & Cable Technology Co., Ltd.	10.0%	47.5%
Zhejiang Cardiff Cable Co., Ltd.	2.5%	62.0%
All Other Exporters - China	26.3%	184.8%
Total China	51.7%	N/A
All Other Countries	48.3%	N/A
Total	100%	N/A

NEGLIGIBILITY

[121] Pursuant to paragraph 35(1)(a) of SIMA, the CBSA is required to terminate an investigation prior to the preliminary determination if the volume of goods of a country is negligible.

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

[123] The table above confirms that the volume of imports from China is above 3% of the total volume of goods released into Canada. The volume of imports from China is therefore not negligible.

INSIGNIFICANCE

[124] If, in making a preliminary determination, the CBSA determines that the margin of dumping of the goods of an exporter is insignificant pursuant to section 38 of SIMA, the investigation will continue in respect of those goods, but provisional anti-dumping duties will not be imposed on goods of the same description imported during the provisional period. Pursuant to subsection 2(1) of SIMA, a margin of dumping of less than 2% of the export price of the goods is defined as insignificant.

[125] For all exporters, the estimated margin of dumping, expressed as a percentage of the export price, is at or above 2% and is, therefore, not insignificant. In respect of these goods, provisional anti-dumping duties will be imposed on goods of the same description imported during the provisional period.

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

SUBSIDY INVESTIGATION

[127] In accordance with section 2 of SIMA, a subsidy exists if 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.

[128] SIMA defines “government” in subsection 2(1) as, in relation to any country other than Canada, means 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,

[129] Pursuant to subsection 2(1.6) of SIMA, there is a financial contribution by a government of a country other than Canada 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 anything referred to in any of paragraphs (a) to (c) 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.

[130] 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.

[131] 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 (de jure) or in fact (de facto), 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.

[132] 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

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

PRELIMINARY RESULTS OF THE SUBSIDY INVESTIGATION

[134] At the initiation of the subsidy investigation, the CBSA sent subsidy RFIs to the Government of China, as well as to all known exporters/producers of UBC in China.

[135] The Government of China was also requested to forward the subsidy RFI to all subordinate levels of government that had jurisdiction over the exporters. The exporters/producers were requested to forward a portion of the subsidy RFI to their input suppliers, who were asked to respond to questions pertaining to their legal characterization as SOEs.

GOVERNMENT OF CHINA

[136] The Government of China provided a response to the government subsidy RFI. For the purposes of the preliminary determination, the CBSA is treating the Government of China's response as partially complete.

[137] At the initiation of the subsidy investigation, the CBSA requested information on 50 potential subsidy programs that could potentially confer benefits to producers/exporters of UBC in China. The programs were alleged in the complaint and/or were investigated by the CBSA in previous subsidy investigations. Some of these programs contain multiple sub-programs that may provide different incentives or various supports to producers/exporters of UBC in China.

[138] During the preliminary phase of the investigation, cooperative exporters were determined to have received benefits from a total of 36 potential subsidy programs/sub-programs. Thirty of these sub-programs may be linked to 15 of the original 50 potential subsidy programs under investigation. Six additional sub-programs were identified as new potential subsidy programs requiring further investigation by the CBSA. As a result, the CBSA has evidence related to a total of 71 subsidy programs and sub-programs.

[139] At the time of the filing of the RFI response, the Government of China acknowledged that they were not aware of which exporters would participate in the investigation. Consequently, they did not provide information on most of the 36 programs/sub-programs that the CBSA found had benefitted cooperative exporters. The Government of China has been requested to provide additional information to correct these issues, but the response was not received in time for consideration for purposes of the preliminary determination.

[140] In regard to the 71 subsidy programs under review, the Government of China's response fell into one of the four following categories:

- i) Cooperative exporters benefitted, and the Government of China provided sufficient information;
- ii) Cooperative exporters benefitted but the Government of China did not provide sufficient information;
- iii) No cooperative exporters benefitted, but the Government of China provided sufficient information; or
- iv) No exporters benefitted, and the Government of China did not provide sufficient information.

[141] For programs in categories i) and iii), the Government of China provided sufficient information regarding the programs. Where cooperative exporters reported receiving benefits, the amount of subsidy was included in both the exporter-specific subsidy calculations and the All Others Rate as described in **All Other Exporters** section below. Where no cooperative exporters reported receiving benefits, the programs were not included in the exporter-specific subsidy calculations but were included in the All Others Rate for purposes of the preliminary determination.

[142] For programs in categories ii) and iv), the Government of China did not provide sufficient information regarding the existence, operation, or specificity of the programs. Consequently, the CBSA relied on the information available on the administrative record. For category ii) programs, where cooperative exporters reported receiving benefits, the amount of subsidy was included in the exporter-specific subsidy calculations and the All Others Rate. For category iv) programs, where no cooperative exporters reported receiving benefits, the programs were not included in the exporter-specific subsidy calculations but were included in the All Others Rate for purposes of the preliminary determination.

[143] For the preliminary determination, the CBSA determined all 71 subsidy programs to be specific, and therefore actionable. The CBSA will continue to examine the information on the record to determine whether these programs remain in place and are specific within the meaning of SIMA.

[144] The CBSA may also consider any other potential subsidy programs that have not yet been identified, for the final determination.

COOPERATIVE EXPORTERS

Hebei Huatong Wires and Cables Group Co., Ltd.

[145] HT provided a response to the subsidy RFI. Responses were also received from its related producer (HS) and related input supplier (HX). HT was found to have received countervailing benefits from subsidy programs which were considered to be specific and therefore actionable.

[146] In addition, multiple subsidy programs were found to have conferred benefits to HT through pass-through from its related producer and related input supplier. The CBSA attributed the subsidies received by the related affiliates to the goods exported to Canada because of the relationship between the parties and concluded that a subsidy pass-through test is not required.

[147] Consequently, any actionable subsidies received by the related affiliates that are attributable to the goods under investigation and exported to Canada were aggregated with those directly received by the exporter.

[148] In total, 25 subsidy programs were found to be actionable. These decisions were made from analysis of the information available on the administrative record.

[149] For purposes of the preliminary determination, the estimated amount of subsidy for HT is 2.3%, expressed as a percentage of the export price.

Tianjin Feiya Fengda Wire & Cable Technology Co., Ltd.

[150] FY provided a response to the subsidy RFI. However, its related trading company (FD) did not provide a response to the subsidy RFI. A deficiency letter was sent to both companies to address the deficiencies; however, a complete response to the subsidy RFI was not received by the CBSA in sufficient time to be considered for the preliminary determination.

[151] As such, for purposes of the preliminary determination, FY will receive the estimated amount of subsidy for all other exporters in China as explained in the proceeding section.

Zhejiang Cardiff Cable Co., Ltd.

[152] ZCC provided a response to the subsidy RFI. For purposes of the preliminary determination, ZCC was found to have received countervailable benefits from 15 subsidy programs.

[153] Further to its analysis of the information on the administrative record, the CBSA considers that financial contributions conferring a subsidy were provided to the exporter pursuant to the above subsidy programs. The CBSA also considers these programs as specific and therefore actionable.

[154] For purpose of the preliminary determination, the estimated amount of subsidy for ZCC is 2.2%, expressed as a percentage of the export price.

ALL OTHER EXPORTERS

[155] 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 to estimate an amount of subsidy, the CBSA estimated an amount of subsidy on the basis of the following methodology:

1. the highest amount of subsidy for each of the 36 programs, as found at the preliminary determination, for the exporter located in China for which the CBSA has sufficient information to estimate an amount of subsidy; plus
2. the highest amount of subsidy for the 36 programs listed in (1), applied to each of the remaining 35 potentially actionable subsidy programs for which sufficient information is not available or has not been provided at the preliminary determination.

[156] In establishing the methodology for estimating the amount of subsidy for all other exporters from China, the CBSA considered all of the information on the administrative record, including the complaint filed by the domestic industry, the CBSA's estimates at the initiation of the investigation, and information submitted by the exporters and the Government of China, as well as their related affiliates in China who responded to the subsidy RFI. This methodology uses the best information available on the record. It applies that information to all other exporters such that non-cooperative parties do not receive an advantage for failing to provide the necessary information to calculate an amount of subsidy.

[157] Using this methodology, for the purposes of the preliminary determination, the estimated amount of subsidy for all other exporters in China is 41.1%, expressed as a percentage of the export price.

SUMMARY OF PRELIMINARY RESULTS – SUBSIDY

[158] A summary of the preliminary results of the subsidy investigation respecting all subject goods released into Canada during the POI is as follows:

**Table 3: Summary of Preliminary Results - Subsidy
(January 1, 2025 to December 31, 2025)**

Exporters	Estimated % of Total Imports (by Volume)	Estimated Amounts of Subsidy (% of Export Price)
Hebei Huatong Wires and Cables Group Co., Ltd.	12.9%	2.3%
Tianjin Feiya Fengda Wire & Cable Technology Co., Ltd.	10.0%	41.1%
Zhejiang Cardiff Cable Co., Ltd.	2.5%	2.2%
All Other Exporter	26.3%	41.1%
Total China	51.7%	N/A
All Other Countries	48.3%	N/A
Total	100%	N/A

NEGLIGIBILITY

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

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

[161] As can be seen from the above table, the volume of subject goods from China is above 3% of the total volume of goods released into Canada from all countries. Based on the provisions above, the volume of subject goods from China is, therefore, not negligible.

INSIGNIFICANCE

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

[163] 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.

[164] For all exporters, the estimated amount of subsidy, expressed as a percentage of the export price, is above 1% and is, therefore, not insignificant. In respect of these goods, provisional countervailing duties will be imposed on goods of the same description imported during the provisional period.

[165] A summary of the estimated amounts of subsidy and provisional duties by exporter is presented in **Appendix 1**.

DECISIONS

[166] On July 29, 2026, pursuant to subsection 38(1) of SIMA, the CBSA made preliminary determinations of dumping and subsidizing respecting UBC originating in or exported from China.

PROVISIONAL DUTY

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

[168] Imports of UBC originating in or exported from China, and released by the CBSA on or after July 29, 2026, will be subject to provisional duties equal to the sum of the estimated margin of dumping and estimated amount of subsidy, expressed as a percentage of the export price of the goods per exporter. **Appendix 1** contains the estimated margins of dumping, estimated amounts of subsidy and the rates of provisional duties.

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

FUTURE ACTION

THE CANADA BORDER SERVICES AGENCY

[170] The CBSA will continue its dumping and subsidy investigations and will make final decisions by October 27, 2026.

[171] If the margin of dumping or amount of subsidy of any exporter is found to be insignificant, the CBSA will terminate the investigation in respect of goods of that exporter and any provisional duties paid or security posted will be refunded to importers, as appropriate. If the CBSA is satisfied that the goods were dumped and/or subsidized, final determinations will be made.

THE CANADIAN INTERNATIONAL TRADE TRIBUNAL

[172] The CITT has begun its inquiry into the question of injury to the Canadian industry. The CITT is expected to issue its finding by November 26, 2026.

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

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

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

[176] If the CITT makes a finding that the subsidizing has caused injury, retardation or is threatening to cause injury, countervailing duty in the amount equal to the amount of subsidy on the imported goods will be levied, collected and paid on imports of UBC that are of the same description as goods described in the CITT's finding.

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

RETROACTIVE DUTY ON MASSIVE IMPORTATIONS

[178] 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.

[179] 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.

UNDERTAKINGS

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

[181] Similarly, after the CBSA has rendered a preliminary determination of subsidizing, a foreign government may submit a written undertaking to eliminate the subsidy on the goods exported or to eliminate the injurious effect of the subsidy, by limiting the amount of the subsidy or the quantity of goods exported to Canada. Alternatively, exporters with the written consent of their government may undertake to revise their selling prices so that the amount of the subsidy or the injurious effect of the subsidy is eliminated.

[182] In view of the time needed for consideration of undertakings, written undertaking proposals should be made as early as possible, and no later than 60 days after the preliminary determinations of dumping and subsidizing. Further details regarding undertakings can be found in the CBSA's [Memorandum D14-1-9: Information pertaining to the acceptance, enforcement and renewal of undertakings in dumping and subsidy investigations](#).

[183] Interested parties may provide comments regarding the acceptability of undertakings within nine days of the receipt of an undertaking by the CBSA. The CBSA will maintain a list of parties that wish to be notified should an undertaking proposal be received. Those who are interested in being notified should provide their name, telephone, mailing address and email address to the CBSA using the contact information identified in the *Information* section of this document.

[184] If undertakings were to be accepted, the investigations and the collection of provisional duties would be suspended. Notwithstanding the acceptance of an undertaking, an exporter may request that the CBSA's investigations be completed and that the CITT complete its injury inquiry.

PUBLICATION

[185] A notice of these preliminary determinations of dumping and subsidizing will be published in the *Canada Gazette* pursuant to paragraph 38(3)(a) of SIMA.

INFORMATION

[186] 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

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

Sean Borg
A/Executive Director
Trade Remedies Investigations Division

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

The following table lists the estimated margins of dumping, the estimated amounts of subsidy, and the provisional duties by exporter as a result of the decisions mentioned above. Imports of subject goods released from the Canada Border Services Agency on or after July 29, 2026, will be subject to provisional duties at the rate specified below.

Exporters	Estimated Margins of Dumping (% of Export Price)	Estimated Amounts of Subsidy (% of Export Price)	Provisional Duties (% of Export Price)
Hebei Huatong Wires and Cables Group Co., Ltd.	38.4%	2.3%	40.7%
Tianjin Feiya Fengda Wire & Cable Technology Co., Ltd.	47.5%	41.1%	88.6%
Zhejiang Cardiff Cable Co., Ltd.	62.0%	2.2%	64.2%
All Other Exporters	184.8%	41.1%	225.9%