

NON-CONFIDENTIAL VERSION

November 16, 2025

To:
SIMA Program
Trade and Anti-dumping Programs Directorate
Canada Border Services Agency

Re: Certain Aluminum Extrusions from the People's Republic of China
CITT Files: NQ-2008-003; RR-2018-008
CBSA Measures in Force Code: AE

**REQUEST FOR NORMAL VALUE REVIEW AND REVIEW OF AMOUNTS OF
SUBSIDY**

BY

APEX ALUMINUM EXTRUSIONS LTD.

CONCERNING

**CERTAIN ALUMINUM EXTRUSIONS
ORIGINATING IN OR EXPORTED FROM THE PEOPLE'S REPUBLIC OF CHINA**

(Exporter: Guangdong Suyue Aluminum Co., Ltd.
Canadian Importer: Nice Metal Trading Ltd.)

Applicant / Domestic Producer:

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Submission under CBSA Memorandum D14-1-8 (Administrative Review Policy)

I. INTRODUCTION

This submission is made by **Apex Aluminum Extrusions Ltd.** ("Apex"), a Canadian-owned manufacturer of aluminum extrusions located in Langley, British Columbia. Apex is a significant producer of extruded aluminum products in Western Canada and plays an essential role in supplying the construction, infrastructure and manufacturing sectors.

Apex respectfully requests that the President of the Canada Border Services Agency ("CBSA"), in accordance with the normal value, export price and subsidy provisions in sections 2, 15 to 20 and 27 of the **Special Import Measures Act** ("SIMA") and the CBSA's Administrative Review Policy (Memorandum D14-1-8), initiate a **re-investigation or normal value review** of *Guangdong Suyue Aluminum Co. Ltd.* ("Guangdong") and its related Canadian importers.

This request is supported by new evidence showing that the normal values and amounts of subsidy currently applicable to Guangdong are no longer reliable, and that Guangdong and its related Canadian importer, Nice Metal Trading Ltd., are engaged in a controlled pricing structure supported by government subsidies and non-arm's-length transactions that result in sales below fair market value and below the cost of Canadian production. These practices are undermining the remedial effect of the existing order of the Canadian International Trade Tribunal ("CITT") on aluminum extrusions from China.

II. BASIS FOR THE REQUEST

1. Prior determinations and current treatment of Guangdong

In the original investigation and subsequent reviews concerning aluminum extrusions from China, the CITT found that dumped and subsidized imports caused injury to the domestic industry and imposed anti-dumping and countervailing duties. Guangdong was later the subject of a CBSA normal value review in or around 2018.

As a result of that review, Guangdong was assigned normal values that yielded a weighted-average margin of dumping of 0%, so that its exports of subject goods to Canada are presently subject to no anti-dumping duty under the standing CITT order on aluminum extrusions from China (NQ-2008-003 and RR-2018-008, MIF code AE).

Subsequent evidence now demonstrates that this effective zero margin no longer reflects economic reality. Guangdong's export prices to Canada are materially below both:

1. Canadian domestic market prices for like goods; and
2. Apex's cost of production for equivalent extrusions.

Accordingly, the continued application of Guangdong's prior SIMA values is no longer consistent with sections 15 to 20 of SIMA.

2. Controlled transactional structure and related importers

Public records and corporate registries show that:

- Guangdong sells exclusively to **Nice Metal Trading Ltd.** of Richmond, British Columbia.
- Nice Metal Trading Ltd. in turn, transfers product solely to Shining Metal Trading Ltd., with both Canadian companies under the control of the same individual, **Hong Chen** of Vancouver, British Columbia.

This chain of related entities (as documented in Exhibits "A" and "B") raises serious concerns regarding:

- Whether Guangdong's sales through Nice Metal and Shining Metal can be treated as sales to **non-associated purchasers at the same trade level**, as required for the determination of normal value under section 15(a) and section 16(1)(b) of SIMA; and
- Whether the prices declared for customs purposes are the product of competitive, arm's-length conditions, or rather are intra-group transfer prices designed to minimise SIMA liability.

Sections 15, 16(1)(b) and 22 of SIMA contemplate that sales to associated purchasers may not provide a proper basis for normal value and permit the President to disregard such sales, treat associated purchasers as a single purchaser and move to substitute other sales or methods when arm's-length domestic sales are insufficient. The structure used by Guangdong, Nice Metal and Shining Metal falls squarely within these concerns.

3. Indicators of below market pricing and subsidy

Apex's concern is not hypothetical. The attached evidence shows:

1. **Import surge ahead of the 25% surtax**

Trade data show a statistically significant surge of imports of aluminum extrusions from Guangdong (via Nice Metal) into Canada in October 2024, (Exhibit "C") immediately preceding the coming into force of the 25% surtax on certain Chinese aluminum products. This timing is consistent with an attempt to accelerate low-priced shipments ahead of higher total border charges.

2. **Commercial invoices below cost and market prices**

Commercial invoices and price lists obtained by Apex (Exhibits "D" and "E") demonstrate that Guangdong's export prices to Nice Metal are:

- Below Apex's fully absorbed cost of production for comparable profiles, and
 - Below prevailing Canadian market prices for like goods from other sources.
3. On Apex's calculations, a substantial portion of Guangdong's sales into Canada since at least April 2024 are at prices below Apex's cost of production, and in some cases below the likely cost of Guangdong's own production and selling expenses.
- Under section 16(2)(b) and (3) of SIMA, domestic sales made at prices below the cost of the goods (including cost of production and administrative, selling and other costs) must be excluded from the normal value calculation where they represent a significant proportion of total sales or drive the average selling price below average cost. Where there are insufficient qualifying sales, section 19(b) directs the President to determine normal value on a **constructed-value basis** (cost of production plus reasonable amounts for administrative and selling costs and profit).
- Apex submits that, based on the available evidence, Guangdong's domestic and export price structure no longer satisfies the conditions for use of simple domestic selling prices under section 15 and section 16, and that normal values should instead be determined on a constructed basis under section 19(b).

4. **State involvement and particular market situation**

Guangdong operates in the People's Republic of China, which is a prescribed country for the purposes of section 20 of SIMA. There is extensive evidence, including in CBSA's own prior aluminium-related investigations, that domestic prices for aluminium products in China are substantially influenced by government policies on:

- Electricity tariffs and other energy inputs;
 - Land-use rights and industrial zoning;
 - Access to aluminium billet and other upstream materials; and
 - Preferential financing from state-owned banks.
5. Apex submits that these circumstances support a finding that domestic prices of aluminum extrusions in China are not substantially the same as they would be in a competitive market, within the meaning of section 20(1) of SIMA, and that normal values for Guangdong's exports should therefore be determined by reference to third-country prices or constructed values under section 20(1)(c) or (d), rather than Chinese domestic prices.

6. **Evidence of countervailable subsidies**

The following forms of government assistance are present in Guangdong Province and, on available information, are reasonably believed to benefit Guangdong:

- Preferential electricity, land-use and water rates for export-oriented enterprises;
- Export tax rebates and VAT exemptions for aluminium extrusions;
- State-supported aluminium billet supply programmes; and
- Discounted or guaranteed financing from state-owned or state-directed financial institutions.

7. These measures correspond to “financial contributions” that confer a benefit and are specific to certain enterprises or industries within the meaning of the definition of “subsidy” and “amount of subsidy” in sections 2(1) and 7 of SIMA. They are also similar in type to programmes already identified by CBSA in its aluminium extrusions investigation as countervailable subsidies.

III. LEGAL FRAMEWORK

A. Normal value and export price

Under SIMA, the “normal value” of goods is generally the price at which like goods are sold for use in the country of export, to purchasers with whom the exporter is not associated, at the same or substantially the same trade level as the importer, in the same or substantially the same quantities, in the ordinary course of trade and under competitive conditions, during a period specified by the President and at or near the place from which the goods are shipped to Canada (sections 2(1), 15 and 17).

Section 16(1) allows the President to adjust the data set used for comparison where necessary, including by:

- Substituting sales at other places in the country of export;
- Substituting sales to purchasers at the nearest trade level; and
- Where the exporter’s domestic sales are primarily for export or to excluded purchasers, deeming other vendors in the country of export to be the “exporter” for normal-value purposes.

Section 16(2) then requires the President to **exclude certain sales** entirely from the normal value calculation, including:

- Sales to associated purchasers where there is no appropriate arm's-length benchmark;
- Sales made at prices below cost in specified circumstances; and
- Sales made in a "particular market situation" that does not permit a proper comparison with the Canadian sale.

For the purposes of section 16(2)(b), section 16(3) defines "cost" to include the cost of production and administrative, selling and all other costs with respect to the goods.

Where, even after applying section 16, there is not a sufficient number of domestic sales that comply with section 15 to permit a proper comparison, section 19(b) provides that normal value **must be determined on a constructed basis** as the aggregate of:

1. Cost of production of the goods;
2. A reasonable amount for administrative, selling and all other costs; and
3. A reasonable amount for profits.

The detailed rules for these cost and profit elements, and for adjustments for differences in terms of sale, taxation, quantity, trade level and transport, are set out in Part I of the **Special Import Measures Regulations**, including sections 3 to 11, 14 and 18.

B. Section 20 and prescribed countries (China)

Section 20 of SIMA provides a special mechanism where goods are exported from a prescribed country in which domestic prices are substantially determined by the government and there is sufficient reason to believe they are not substantially the same as they would be in a competitive market.

In such cases, the President may determine normal value based on:

- The price or constructed value of like goods sold for use in a **third country** designated by the President (section 20(1)(c)); or
- The price of like goods produced in a designated third country, imported into Canada and sold by an unassociated importer (section 20(1)(d)).

China is specifically prescribed as a country for section 20 purposes in the Special Import Measures Regulations. CBSA has repeatedly applied section 20 to Chinese sectors with significant state involvement, including the aluminium sector, in determining normal values.

C. Subsidy and amount of subsidy

SIMA defines “subsidy” and “amount of subsidy” in section 2(1) and section 7. In summary, a subsidy exists where there is a financial contribution by a government or public body (including the direct transfer of funds, revenue foregone, provision of goods or services other than general infrastructure, or income or price support) that confers a benefit and is specific to an enterprise, industry or group of enterprises.

In its original investigations and subsequent expiry reviews concerning aluminum extrusions from China, CBSA has identified numerous central and provincial Chinese subsidy programmes providing preferential loans, grants, tax rebates and input support to exporters of aluminum extrusions. The “amount of subsidy” per unit is determined and updated in parallel with normal values and export prices and is used to calculate countervailing duties.

D. CBSA administrative review powers

CBSA’s **Administrative Review Policy**, set out in Memorandum D14-1-8, outlines the process and criteria for:

- **Re-investigations** and **normal value reviews** to update normal values, export prices and amounts of subsidy (collectively, “SIMA values”) when circumstances change or existing values are no longer reliable; and
- Considering whether exporters’ prices should be adjusted to reflect updated SIMA values and whether retroactive assessments of anti-dumping or countervailing duties are warranted where exporters fail to adjust.

Domestic producers, such as Apex, may submit representations to CBSA identifying exporters whose SIMA values should be reviewed. Where the President is satisfied that the evidence justifies it, CBSA may initiate a re-investigation or normal value review for the exporter(s) in question, collect updated cost and pricing information and issue revised normal values and subsidy amounts. Those revised values then feed into determinations and re-determinations under sections 55 to 59 of SIMA for specific importations.

IV. INJURY TO THE CANADIAN INDUSTRY

The sustained below-market imports from Guangdong, channelled through Nice Metal Trading Ltd. and Shining Metal Trading Ltd., have caused and are causing material injury to Apex and the domestic aluminum extrusion industry in Western Canada, including:

1. Material price suppression

Guangdong’s effective duty-free status and controlled importer structure allow it to undercut prevailing Canadian prices. Apex has been forced either to match depressed prices or to lose business, resulting in significant price suppression

relative to what would be expected in a market where all Chinese exporters are subject to effective SIMA duties.

2. Loss of market share

Apex has lost contracts and ongoing volume to Guangdong's exports at prices it cannot match without pricing below its own costs. This is particularly pronounced in Western Canada, where Apex is a key supplier and Guangdong's Canadian distribution chain is active.

3. Erosion of profit margins and capacity utilisation

The combination of lower prices and lost volume has eroded Apex's margins on remaining business and has reduced its capacity utilisation rates at its Langley facility. This has knock-on effects for investment, maintenance and long-term employment levels.

These effects mirror those identified in prior CITT findings of injury to the Canadian extrusion sector and demonstrate that, in respect of Guangdong, the remedial effect of SIMA is being undermined by outdated normal values and inadequate subsidy assessment.

V. REQUEST

In light of the foregoing, Apex Aluminum Extrusions Ltd. respectfully requests that the President of the CBSA:

1. Initiate a re-investigation / normal value review

Initiate a re-investigation or normal value review in respect of Guangdong Suyue Aluminum Co. Ltd. under the Administrative Review Policy (Memorandum D14-1-8), for the purpose of updating the normal values, export prices and amounts of subsidy applicable to its exports of aluminum extrusions to Canada, in accordance with sections 15 to 20 and 27 of SIMA and the Special Import Measures Regulations.

2. Apply section 16, section 19 and section 20 appropriately

In that review, apply:

- Section 16(2)(b) and (3) of SIMA to exclude any domestic sales that are below cost;
- Section 19(b) to determine normal values on a constructed-value basis (cost of production plus reasonable selling, administrative costs and profit) where qualifying domestic sales are insufficient; and
- Section 20(1) and the related Regulations to disregard Chinese domestic prices where they are substantially determined by the government and to

determine normal values by reference to third-country prices or constructed values.

3. Re-examine subsidy programmes and amounts of subsidy

Conduct a concurrent review of the subsidy programmes and amounts of subsidy applicable to Guangdong's aluminum extrusion exports, with particular attention to:

- Preferential electricity, land-use, water and input supply;
- Export-related tax rebates and VAT exemptions; and
- Preferential or directed financing.

4. Determine updated amounts of subsidy per unit in accordance with section 27 of SIMA.

5. Consider retroactive application consistent with CBSA policy

Consider, in accordance with Memorandum D14-1-8 and CBSA policy on retroactive assessments, whether revised normal values and SIMA duties should be applied retroactively to importations of subject goods exported by Guangdong and imported by Nice Metal Trading Ltd., Shining Metal Trading Ltd. and any related entities during the period in which export prices diverged materially from updated costs and market conditions, which Apex submits began no later than April 2024.

6. Include all related importers and affiliates within scope

Ensure that all related Canadian importers and affiliates, including Nice Metal Trading Ltd., Shining Metal Trading Ltd. and any other entities under the control of Hong Chen that import Guangdong's aluminum extrusions, are included within the scope of the review so that revised SIMA values cannot be circumvented by shifting shipments among related importers.

VI. CONCLUSION

The evidence submitted by Apex Aluminum Extrusions Ltd. demonstrates that the SIMA values currently applicable to Guangdong Suyue Aluminum Co. Ltd. no longer reflect market conditions or the exporter's costs and that, as a result, Guangdong's aluminum extrusions are being sold into Canada at unfair prices that are causing injury to the domestic industry.

This situation merits the initiation of a re-investigation or normal value review, and a concurrent subsidy review, under the CBSA's Administrative Review Policy, applying the normal value and subsidy provisions of SIMA and the Special Import Measures Regulations.

Apex stands ready to provide any further documentation, pricing data, cost information or affidavits that the CBSA may require to support this proceeding and to assist the President in establishing updated, reliable normal values and amounts of subsidy for Guangdong's exports.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'MAD', with a long horizontal stroke extending to the right.

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