

CANADIAN INTERNATIONAL TRADE TRIBUNAL

Inquiry No. NQ-2024-003

**Certain Concrete Reinforcing Bar from Bulgaria,
Thailand and the United Arab Emirates**

**REQUEST FOR PUBLIC INTEREST INQUIRY
OF THE MINISTRY OF ECONOMY OF UKRAINE**

PUBLIC DOCUMENT

Ministry of Economy of Ukraine

**M. Hrushevskoho str. 12/2,
Kyiv
Ukraine**

February 21, 2025



ДОКУМЕНТ СЕД Мінекономіки АСКОД

Підписувач **Качка Тарас Андрійович**

Сертифікат **6FA97849F1B2570D04000000DDD300000C910200**

Дійсний з 23.11.2023 12:04:25 по 23.11.2025 12:04:25

Мінекономіки



4421-06/16934-07 від 21.02.2025 16:29

I. Introduction

The Ministry of Economy of Ukraine respectfully requests the initiation of a public interest inquiry concerning the proposed anti-dumping duties on imports of hot-rolled deformed steel concrete reinforcing bar in straight lengths or coils, commonly identified as rebar, in various diameters up to and including 56.4 millimetres, in various finishes, excluding plain round bar and fabricated rebar products from the Republic of Bulgaria, may not be in the public interest of Canada.

This request is made in accordance with subsection 45(1) of the Special Import Measures Act (SIMA) and complies with the requirements outlined in subsection 40.1(2) of the Regulations governing public interest inquiries. This request is timely filed, as it is made within 45 days of the Tribunal's injury finding of 13 January 2025.

The relevant objective information is as follows:

Name: Ministry of Economy of Ukraine

Address: Ukraine, Kyiv, M. Hrushevskoho str., 12/2, 01008

Telephone: +38 (044) 200 47 46

Email: meconomy@me.gov.ua; kozlenko@me.gov.ua

The key purpose of this request is to provide support to the Bulgarian enterprise Promet Steel JSC (hereinafter "Promet") request for a public interest inquiry, as a company owned by the Metinvest Group of Ukraine, manufacturing reinforcing bars from billets produced by its affiliate, Kamet-Steel PrJSC (hereinafter "Kamet"), based in Ukraine, because Promet does not have melting capacity at its production facilities in Bulgaria.

Moreover, the objective of the request is to substantiate that the imposition of anti-dumping duties on reinforcing bars from the sole Bulgarian respondent Promet would not serve the public interest of Canada, to the extent that the Canadian government explicitly reaffirms the ongoing and unwavering support for Ukraine in the midst of the russia's unprovoked illegal military invasion by encouraging bilateral trade through the means of various acts and declarations, most notably the Ukraine Goods Remission Order, SOR/2022-127, as amended by SOR/2024-111, which exempts Ukrainian goods from the scope of SIMA¹.

We would like to draw your attention to the important issue that, despite russia's war of aggression against Ukraine, finding themselves under extraordinary conditions, Ukrainian steel producers continue to operate and carry out equipment repairs and investment. Every day our manufacturers face significant complications and interruptions due to missile strikes, energy, supplies and logistical problems but proceed to work.

The iron and steel industry is the largest employer in Ukraine with over 500,000 employees, representing 10 percent of GDP. Each steel job creates, in turn, four jobs in other sectors. The Ukrainian steel industry has been and remains the main sector that keeps the Ukrainian economy afloat.

Furthermore, it is worth noting, that due to the russia's armed invasion, about 40% of the steel production facilities of Ukrainian metallurgical industry remained in the temporary occupied territories, Ukraine has temporarily lost control over a number of steel production plants and enterprises of the related industries (during 2014 – 2025).

¹ <https://laws-lois.justice.gc.ca/eng/regulations/SOR-2022-127/page-1.html>.

The damage to Ukraine's steel industry has been grievous. With the loss of key steelmaking facilities, production capacity has been drastically reduced. Ukraine is absolutely no source of overcapacity. Three quarters of Ukrainian steel capacity was destroyed in 2022. The nominal capacity of production decreased from 20 million tons to merely 6 million tons. During the recent period Ukrainian steel industry lost access to coke coal in Pokrovsk, Donetsk region.

At the same time, it is argued that the proposed anti-dumping duties are likely to have adverse effects on competition, downstream industries, and consumers in Canada, while disproportionately impacting Bulgarian exporters without commensurate benefits accruing to the domestic industry.

Thus, the Ukrainian side kindly requests the initiation of a public interest inquiry into the definitive anti-dumping duties under consideration. This is deemed essential to ensure a fair and balanced outcome for all stakeholders involved in this matter.

II. Current challenges and state of enterprises operability. Impact of the imposition of anti-dumping duties.

Promet is located in Bulgaria, herewith, it has been a long-standing part of a supply chain that originates in Ukraine. The iron ore, coke, coal and other raw materials are sourced in Ukraine and converted into billets by Kamet. Under normal pre-war circumstances, the billets were shipped via Ukrainian rivers and the Black Sea from Kamet to Promet. Promet would then roll the billets into rebars for sale in Europe and other markets.

The Russia's war has had a profoundly negative impact on the ability of Ukraine to trade with the rest of the world, both because of the destruction of production capacity and the unavailability of a significant proportion of means of transport due to, for example, the restriction and uncertainty of access to the Black Sea. Under such exceptional circumstances, to mitigate the negative economic impact of Russia's war of aggression against Ukraine, the capacity of Ukrainian enterprises to export is vital both for their future existence and for Ukraine's economic stability as a whole.

Successfully maintaining and expanding export activities is essential for these enterprises to remain competitive and financially stable. Additionally, a robust export sector also strengthens the country's economic resilience by providing an important source of foreign exchange revenue, promoting economic stability. Given the ongoing war and economic challenges, preserving and enhancing the export capabilities of the industry is essential for ensuring both economic prosperity and national security.

However, the imposition of anti-dumping duties on Ukrainian-owned Promet, which relies on billets melted and poured in Ukraine, made from Ukrainian raw materials, can be considered as not in line with Canadian public interest. 40 - 50% of Kamet's exports are from Promet. As Ukraine resists Russia's war of aggression, Promet ensures vital support to maintain Kamet operational.

Kamet represents more than 30% of the total Ukrainian steel industry, which is directly negatively impacted by the imposition of anti-dumping duties on Promet, which in particular inhibit Promet's production capabilities.

Due to the CBSA adjustment:

The costs of production were adjusted pursuant to paragraph 11.2 (1) (b) of SIMR, to account for the supply of steel billet from the associated supplier Kamet being acquired at less than the associated cost of production of those input goods. This resulted in an upwards adjustment to Promet's reported steel billet costs.

According to paragraphs 65-67² Statement of reasons concerning the final determination with respect to the dumping of concrete reinforcing bar originating in or exported from Bulgaria, Thailand, and the United Arab Emirates the CBSA made this adjustment because Kamet was deemed to be unprofitable during the Profitability Analysis Period (PAP) of January 1, 2023, to March 31, 2024. Considering that adjustment, the CBSA accordingly increased the normal value, and thusly, the dumping rate applied to Promet in the final determination.

Nevertheless, as explained above and during the injury hearing, Kamet was operating under uniquely adverse situations resulting from the russia's full-scale military invasion in Ukraine in February 2022. Continued russia's attacks on Ukrainian infrastructure and the incredible human loss have severely inflated labor, transportation, energy, and raw materials costs.

III. Conclusions.

The Ministry of Economy of Ukraine respectfully asks to consider the possibility of the Tribunal to kindly support exempting Promet from the application of antidumping duties

² <https://www.cbsa-asfc.gc.ca/sima-lmsi/i-e/rb52024/rb52024-fd-eng.html>.

under Section 14(1) of SIMA. This exemption would not only acknowledge the unique challenges faced by the Metinvest Group due to the wartime conditions but also support the broader Ukrainian steel industry, economy, and people in their defense efforts.

It will accelerate reconstruction efforts, underscoring the importance of this sector for recovery and post-war rebuilding. Successfully maintaining export activities is essential for Ukrainian enterprises to remain competitive and financially stable, which directly impacts their ability to contribute to the national economy. This, in turn, supports our national security by promoting economic stability and reducing vulnerability to external shocks.

By alleviating the financial burden of antidumping duties during such a critical time, Canada will demonstrate its readiness to fair trade practices while fostering solidarity with Ukraine.