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DOMESTIC SCOPE

Resolution that declares the initiation of the sunset review proceeding and the review of the antidumping duties imposed on imports of carbon steel pipe originated in China, regardless of the country of export.

On March 7, 2023, the Unit of International Trade Practices ("UPCI, for its acronym in Spanish") of the Ministry of Economy published in the Federal Official Gazette ("Official Gazette") the Resolution that initiates the administrative procedure for the sunset review and the *ex officio* review of the antidumping duties imposed on imports of carbon and alloy steel pipe with longitudinal seam of circular, square and rectangular section originated in the People's Republic of China, regardless of the country of export ("Imports of steel pipe").

As way of background, on March 8, 2018, the Final Resolution of the antidumping investigation on imports of steel pipe was published in the Official Gazette. Thereafter, the Ministry of Economy decided to impose definitive antidumping duties to the definitive and temporary imports, in the following terms:

- 0.506 dollars per kilogram for imports from Tianjin Huilitong Steel Tube Co. Ltd.
- 0.618 dollars per kilogram for imports from Tangshan Zhengyuan Pipeline Co. Ltd., Tianjin Youfa Dezhong Steel Pipe Co. Ltd., Tianjin Youfa Steel Pipe Group Co. Ltd.- No. 1 Branch Company, and Tianjin Youfa Steel Pipe Group Co. Ltd.- No. 2 Branch Company and from the other exporters in China.
- 0.356 dollars per kilogram for imports from Huludao City Steel Pipe Industrial Co. Ltd
- 0.537 dollars per kilogram for imports from Tianjin United Steel Pipe Co. Ltd.

In accordance with the applicable legislation, the definitive antidumping duties shall be eliminated within five years as from their entry into force, unless the Ministry of Economy has initiated, before the end of such term, a sunset review resulting from the expression of interest of one or more domestic producers.

In this case, on January 25 and 27, 2023, Forza SPL, S.A. de C.V., Pytco, S. de R.L. de C.V. and Tubería Laguna, S.A. de C.V., as domestic producers of the product under review, expressed in due time their interest in the initiation of the sunset review of the definitive antidumping duties imposed on Imports of steel pipe.

Upon compliance with the provisions of the relevant legislation, the UPCI declared the initiation of the administrative proceeding of the sunset review and the *ex officio* review of the definitive antidumping duties imposed on Imports of steel pipe, which enter through the tariff sections 7306.19.99, 7306.30.03, 7306.30.04, 7306.30.99 and 7306.61.01 of the Tariff of the Law of General Import and Export Taxes ("TIGIE, for its acronym in Spanish"), or by any other.

Resolution that declares the initiation of the sunset review proceeding and the review of the antidumping duty imposed on imports of cut bond paper originated in Brazil, regardless the country of export.

On March 9, 2023, the UPCI published in the Official Gazette the Resolution that initiates the administrative procedure for the sunset review and the *ex officio* review of the definitive antidumping duty imposed on imports of cut bond paper originated in Brazil, regardless of the country of export.

As way of background, on March 11, 2013, the Final Resolution of the antidumping investigation on imports of cut bond paper originated in the Federative Republic of Brazil, regardless of the country of export, was published in the Official Gazette. By means of said Resolution, a definitive antidumping duty of 37.78% on imports of cut bond paper also known as bond or ledger paper of a weight greater or equal to 40 grams per square meter (g/m²) but less or equal to 150 g/m²; in rectangular sheets, one side of which is less or equal to 435 mm and the other, less or equal to 297 mm, measured unfolded; with a whiteness equal to or greater than 80 degrees General Electric ("GE") or their equivalents in the photovolt systems of the International Commission on Illumination ("CIE") and of the International Organization for Standardization ("ISO"), which were entered under tariff items 4802.56.01 and 4823.90.99 of the TIGIE, or any other, originated in Brazil, regardless of the country of export, was imposed.

In accordance with the applicable legislation, the definitive antidumping duties shall be eliminated within five years as from their entry into force, unless the Ministry of Economy has initiated, before the end of such term, a sunset review resulting from the interest expressed of one or more domestic producers.

In this case, on January 27, 2023, Bio Pappel Scribe, S.A. de C.V. ("Scribe"), expressed its interest in having the Ministry of Economy initiate the sunset review of the definitive antidumping duty imposed on the imports of cut bond paper originated in Brazil.

Upon compliance with the provisions of the relevant legislation, the UPCI declared the initiation of the administrative proceeding of the sunset review and the *ex officio* review of the definitive antidumping duty imposed on the imports of cut bond paper originated in Brazil, regardless of the country of export, that enter through the tariff sections 4802.55.99, 4802.56.99 and 4823.90.99 of the TIGIE, or through any other.

Notice communicating the ordinary adjustment of March 2023 to the maximum quota to export sugar to the United States from October 1, 2022 to September 30, 2023.

On March 31, 2023, the Ministry of Economy published in the Official Gazette, the Notice announcing the ordinary adjustment of March 2023 to the amount of the maximum quota to export to the United States sugar originated in Mexico, derived from sugar cane or beet sugar for the sugar cycle. The Notice states that the amount for the sugar cycle from October 1, 2022 to September 30, 2023 will be 1,184,692.617 metric tons raw value.

Resolution that declares the initiation of the sunset review and the review of the antidumping duties imposed on imports of seamless carbon steel tubing originated in Korea, Spain, India and Ukraine.

On March 31, 2023, the UPCI published in the Official Gazette the Resolution that initiates the administrative proceeding of the sunset review and the *ex officio* review of the definitive antidumping duties imposed on imports of seamless carbon steel pipe originated in Korea, Spain, India and Ukraine, regardless of the country of export and of the price commitment assumed by the exporters Tubos Reunidos Industrial, S. L.U ("Tubos Industrial") and Productos Tubulares, S.A.U. ("Productos Tubulares").

As background, on April 3, 2018, the Final Resolution of the antidumping investigation on imports of seamless carbon steel pipe originated in the countries mentioned above was published in the Official Gazette. By means of said Resolution, the following antidumping duties were imposed for definitive and temporary imports:

- 0.1312 dollars per kilogram for imports from Iljin Steel, Co. Ltd. and for the other exporting companies, originated in Korea.
- 0.3785 dollars per kilogram for the imports from Tubos Industrial and for the other exporting companies, originated in Spain.

- 0.2067 dollars per kilogram for imports originated in India.
- 0.1701 dollars per kilogram for imports originated in Ukraine.

Additionally, by means of the Final Resolution, the Ministry of Economy accepted the price commitment voluntarily assumed by the Spanish export companies Tubos Industrial y Productos Tubulares, which consisted in not directly or indirectly export seamless carbon steel pipe to the Mexican market at prices lower than: i) \$1,260 dollars per metric ton for pipe with a diameter of 2 and 6 inches, and ii) \$1,360 dollars per metric ton for pipe with a diameter of 8 and 16 inches. Both prices should remain fixed during the term of the price commitment, net of discounts, bonuses, refunds or any other benefit granted to customers, directly or indirectly, related to the sale of such products. Therefore, it was determined that the antidumping duties of the Final Resolution should not be applied to the referred companies.

In accordance with the applicable legislation, the definitive antidumping duties shall be eliminated within five years from their entry into force, unless the Ministry of Economy has initiated, before the end of such term, a sunset review derived from the expression of interest of one or more domestic producers.

In this case, on February 23, 2023, Tubos de Acero de México, S.A., expressed its interest in having the Ministry of Economy initiate the sunset review of the definitive antidumping duties imposed on imports of seamless carbon steel tubing originated in Korea, Spain, India and Ukraine.

Upon compliance with the provisions of the relevant legislation, the UPCI declared the initiation of the administrative proceeding of the sunset review and the *ex officio* review of the definitive antidumping duties imposed on imports of seamless carbon steel pipe, including the definitive and temporary imports, originated in Korea, Spain, India and Ukraine, regardless of the country of export, that enter through tariff items 7304.19.01, 7304.19.02, 7304.19.99, 7304.39.10, 7304.39.11, 7304.39.12, 7304.39.13 and 7304.39.99 of the TIGIE, or any other, as well as the price commitment assumed by Tubos Industrial y Productos Tubulares.

Final Resolution of the sunset review of the antidumping duty imposed on imports of aluminum cookware originated in China, regardless of the country of export.

On March 31, 2023, the UPCI published in the Official Gazette the Final Resolution that declared concluded the sunset review proceeding of the antidumping duty imposed on imports of aluminum cookware originated in China, regardless of the country of export, that enter through tariff item 7615.10.02 of the TIGIE, or through any other tariff item.

Based on the analysis and the results of the Resolution, the Ministry of Economy determined that there are sufficient elements to conclude that the elimination of the antidumping duty on imports of aluminum cookware originated in China would lead to the continuation and recurrence of the dumping and injury to the domestic industry.

The Ministry of Economy decided to extend the validity of the definitive antidumping duty for 5 more years, starting on October 14, 2021. The definitive antidumping duty on imports of aluminum cookware originated in China is applied in the following terms:

- For imports whose import price (corresponding to the customs value of the merchandise in unit terms) is lower than the reference price of \$10.6 dollars per kilogram, an antidumping duty will be applied equivalent to the difference between the import price and the reference price, multiplied by the number of kilograms to be imported.
- The amount of the antidumping duty determined in accordance with the preceding paragraph shall not exceed \$5.65 dollars per kilogram for imports from the exporter Zhejiang Sanhe Kitchenware Co., Ltd. and \$7.73 dollars per kilogram for imports from other exporting companies.
- Imports whose import price, corresponding to the customs value of the merchandise in unit terms, is equal to or greater than the reference price of \$10.6 dollars per kilogram, will not be subject to the payment of the antidumping duty.

Final Resolution of the sunset review of the antidumping duty imposed on imports of ferro-silico-manganese originated in India, regardless of the country of export.

On April 3, 2023, the UPCI published in the Official Gazette the Final Resolution that declared concluded the sunset review of the definitive antidumping duty imposed due to the antidumping investigation on imports of ferro-silico-manganese originated in India, regardless of the country of export.

Based on the analysis and the results of the Resolution, the Ministry of Economy determined that there are sufficient elements to conclude that the elimination of the antidumping duty on imports of ferro-silico-manganese from India would result in the recurrence of dumping and injury to the domestic industry.

The Ministry of Economy ruled that the definitive antidumping duty is extended for 5 more years, starting on October 19, 2021. It continues applying the antidumping duty of 40.25% to imports of ferro-silico-manganese that enter through tariff code 7202.30.01 of TIGIE, including those that enter under Rule Eight of the complementary rules ("Rule Eight") for the application of the TIGIE through tariff item 9802.00.13, or through any other.

Final Resolution of the sunset review of the antidumping duties imposed on imports of ceramic tiles for walls and floors originated in China, regardless of the country of export.

On April 4, 2023, the UPCI published in the Official Gazette the Final Resolution that declared concluded the sunset review of the antidumping duties imposed on imports of ceramic tiles for walls and floors originated in China, regardless of the country of export, that enter through the tariff codes 6907.21.02, 6907.22.02 and 6907.23.02 of the TIGIE, or by any other.

As background, on October 24, 2016, the Final Resolution of the Antidumping Investigation on such imports was published in the Official Gazette, whereby the following definitive antidumping duties were determined:

- US\$8.3 per square meter for imports from Guangdong Bode Fine Building Material Co., Ltd;
- US\$10.53 per square meter for imports from Foshan Dongxin Economy and Trade Co., Ltd;
- US\$11.49 per square meter for imports from Foshan Gaoming Yaju Ceramics Co., Ltd;
- US\$9.32 per square meter for imports from Guangdong Kito Ceramics Group Co., Ltd., formerly Guangdong Kito Ceramics Co., Ltd;
- US\$9.35 per square meter for imports from Eagle Brand Ceramics Industrial (Heyuan) Co., Ltd;
- US\$5.75 per square meter for imports from Foshan Huashengchang Ceramic Co., Ltd;
- US\$12.42 per square meter for imports from Sihui Jiefeng Decoration Materials Co., Ltd;
- US\$10.3 per square meter for imports from Jingdezhen Kito Ceramic Co., Ltd;
- US\$7.37 per square meter for imports from Foshan Jinyi Ceramic Co., Ltd;
- US\$8.7 per square meter for imports from Foshan Junjing Industrial Co., Ltd;
- US\$11.73 per square meter for imports from Foshan Lihua Ceramic Co., Ltd;
- US\$8.92 per square meter for imports from Qingyuan Nafuna Ceramic Co., Ltd;
- US\$6.63 per square meter for imports from Guangdong Overland Ceramics Co., Ltd;
- US\$10.04 per square meter for imports from Foshan Pioneer Ceramic Co., Ltd;
- US\$12.13 per square meter for imports from Heyuan Romantic Ceramics Co., Ltd;
- US\$8.94 per square meter for imports from Jingdezhen Shengya Ceramic Co., Ltd;
- US\$8.49 per square meter for imports from Foshan Shiwan Shiwan Eagle Brand Ceramics Co., Ltd;
- US\$2.9 per square meter for imports from Guangdong Winto Ceramics Co., Ltd;
- US\$11.51 per square meter for imports from Yekalon Industry, Inc.;
- US\$11.51 per square meter for imports from Yekalon Industry, Inc.;
- US\$9.55 per square meter for imports from Zibo Jiahui Building Ceramics Co., Ltd.
- \$12.42 per square meter for all other manufacturer-exporters.

The Ministry of Economy accepted the price commitment assumed by 228 exporters, foreign manufacturers, and the China Chamber of Commerce of Metals Minerals & Chemicals Importers & Exporters ("Chinese Chamber") and determined the non-application of the antidumping duties to such companies. The commitment assumed consists of the following:

- Compliance with an export price to the Mexican market that shall not be less than US\$6.72 per square meter at free on board or port of shipment, and US\$8.40 per square meter at cost, insurance and freight or port of destination.
- Such prices would be net of discounts, bonuses, rebates, refunds or any other benefits granted to customers, directly or indirectly, related to the sale of the product covered by the commitment.
- The implementation of a price monitoring system prior to the exportation of the goods, for the companies that are part of the commitment, through the Chinese Chamber and the Chinese government. These authorities will ensure that prior to the shipment of the product for export to Mexico, all terms of the commitment are fulfilled.
- Do not export goods that do not comply with the review, control and certification mechanisms adopted by the Chinese Chamber and the Chinese government.
- Submit within 20 business days following the end of each quarter, reports of export operations to Mexico, of the product subject to the commitment.
- In case of non-compliance by one or more of the signatory parties, the commitment will be terminated and, consequently, the antidumping duties will have to be paid.
- Not to export in any way that evades the commitment or perform actions that would otherwise violate it.

Based on the analysis and the results of the Resolution, the Ministry of Economy determined that there are sufficient elements to conclude that the elimination of the antidumping duties on imports of ceramic tiles originated in China would lead to the continuation and recurrence of dumping and injury to the domestic industry.

The Ministry of Economy decided to extend the definitive antidumping duties and the corresponding price commitment for 5 more years, starting on October 25, 2021.

Resolution accepting the request of an interested party and declaring the initiation of the antidumping administrative proceeding on imports of new pneumatic tires of radial construction for automobiles and light trucks, with a nominal inner diameter of 13 to 22 inches originated in China, regardless of the country of export.

On April 5, 2023, the UPCI published in the Official Gazette the Resolution by which the request of interested party is accepted and the initiation of the antidumping investigation is declared on imports of new pneumatic tires of radial construction for cars and light trucks, with nominal inner diameter from 13 to 22 inches (330.2 mm to 558.8 mm, respectively) originated in China, regardless of the country of export, that enter through tariff codes 4011.10.10 and 4011.20.06 of TIGIE, or through any other.

As way of background, on November 30, 2022, Bridgestone de México, S.A. de C.V. ("Bridgestone"), Compañía Hulera Tornel, S.A. de C.V. ("Tornel"), Continental Tire de México, S.A. de C.V. ("Continental"), Industrias Michelin, S.A. de C.V. ("Michelin"), as well as its intervener, the National Chamber of the Rubber Industry ("CNIH, for its acronym in Spanish"), requested the initiation of the antidumping investigation for unfair international trade practices, in the form of price discrimination, on imports of new pneumatic tires of radial construction for automobiles and light trucks, of nominal inner diameter from 13 to 22 inches (330.2 mm to 558.8 mm, respectively) originated in China, regardless of the country of export.

The petitioners stated that Chinese imports under price discrimination and undervalued prices maintained an important and growing participation in relation to the total imports, displacing the national merchandise, causing a decrease in the volume of sales, while at the same time containing its price, so that the domestic industry was affected in its relevant indicators.

The Ministry of Economy determined the investigation period as from July 1, 2021 to June 30, 2022, and the injury analysis period as from July 1, 2019 to June 30, 2022.

In accordance with the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 ("Antidumping Agreement") and article 53 of the Foreign Trade Law ("LCE", for its acronym in Spanish), domestic producers, importers, exporters, foreign legal entities or any other person that may have a legal interest in the outcome of the investigation, have a period of 23 business days to prove their legal interest and submit their response using the official form established for such purpose, as well as the arguments and evidence that they deem pertinent.

Finally, the Ministry of Economy may apply, the definitive antidumping duties on the products subject to the investigation that have been imported during the 3 months prior to the date of application of the provisional measures, in accordance with the provisions of articles 10.6 of the Antidumping Agreement and 65A of the LCE.

REGIONAL SCOPE

The United States requests technical consultations to Mexico over restrictions imposed on genetically modified corn.

On March 6, 2023, the United States Trade Representative ("USTR") requested technical consultations to the Mexican government under Chapter 9 of the United States, Mexico and Canada Agreement ("USMCA"), related to Sanitary and Phytosanitary Measures.

As background, on December 31, 2020, the Mexican government published in the Official Gazette a decree ordering the revocation and abstention from granting permits for the use of genetically modified corn grain and glyphosate in Mexico. In this sense, imports were restricted under the argument of possible harmful effects on health, but no scientific evidence was included in this matter.

Chapter 9 of the USMCA establishes that disputes between the parties must be resolved primarily through a diplomatic approach between the two countries. Therefore, on January 30, 2023, the U.S. government sent a formal request to Mexico under Chapter 9 of the USMCA. The purpose of the request was to have an explanation from the Mexican government on the reasons for the implementation of such restrictive measures. It emphasized the lack of grounds based on science to argue that genetically modified corn is harmful to health. Scientific evidence is a requirement established in the USMCA to restrict the trade of any product.

Following the U.S. request, the Mexican government modified the Decree published in the Official Gazette on December 31, 2020, through a new Decree published in the Official Gazette on February 13, 2023.

The new Decree limits the ban to imports of genetically modified corn produced for human consumption, excluding corn destined for livestock and industrial consumption. However, it establishes that genetically modified corn used for livestock and industrial consumption must be gradually replace its use, without specifying a period of time. Although the decree indicates the scope of the restrictions on the importation of transgenic corn, it does not provide scientific evidence showing that genetically modified corn for human consumption is harmful to health.

As a result of the position taken by Mexico, the U.S. government appealed to the technical consultation process established in the USMCA. The relevant authorities of Mexico and the United States must meet and resolve the dispute within 180 days of the request, which implies a deadline on September 2, 2023.

In the event that a resolution is not reached within the deadline, the United States may invoke the dispute settlement process set forth in Chapter 31 of the USMCA. This may result in the establishment of a dispute settlement panel.

United Kingdom joins to the CPTPP.

On March 31, 2023, the United Kingdom announced the conclusion of trade talks with the member countries of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership ("CPTPP").

Negotiations on the UK's accession to CPTPP began in June 2021. These concluded after an intensive round of talks in Vietnam with representatives of all CPTPP members agreeing to join the CPTPP.

The United Kingdom becomes the first European country to join the CPTPP, which is composed of 11 Pacific countries: Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam.

The result of the negotiations was expressed in a Protocol of Accession, which is currently undergoing its legal review. This document and the market access schedules will be published at the time of signature.

The signed document must be submitted to the UK Parliament, together with an explanatory memorandum. The UK Government will publish an independently reviewed impact assessment.

CPTPP members will need to complete their own national ratification procedures to approve the United Kingdom's accession. Entry into force will take place once both the United Kingdom and the CPTPP members have completed the corresponding legislative processes.

MULTILATERAL SCOPE

Philippines initiates safeguard investigation on liquefied petroleum gas ("LPG") cylinders.

On April 4, 2023, the Philippines notified the Committee on Safeguards of the World Trade Organization ("WTO") that it had initiated a "preliminary safeguard investigation" on LPG cylinders.

A WTO Member may only take a safeguard measure, i.e. temporarily restrict imports of a product, if it has been verified that increased imports of a product have caused or are threatening to cause serious injury to the domestic industry.

During the course of a safeguard investigation, importers, exporters and other interested parties may submit evidence and present their arguments and are entitled to respond to the submissions of the other parties.

Sincerely,

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