

**Brazil initiates sunset review on imports of pneumatic tyres used on buses or lorries from South Africa, South Korea, Russia, Japan, Thailand and Taiwan and on imports of carbon steel tubes from Ukraine.**

On November 22, 2019, Brazil's Secretariat of Foreign Trade ("SECEX") of the Ministry of Economics published Notice No. 63 and Notice No. 64, the first one initiating the sunset review of the duties applied on imports of pneumatic tyres used on buses or lorries originating in South Africa, South Korea, Russia, Japan, Thailand and Taiwan (commonly classified under item 4011.20.90 of the Mercosur Common Nomenclature – NCM (HS based) and the latter initiating the sunset review of the duties applied on imports of carbon steel tubes originating from Ukraine commonly classified under item 7304.19.00 of the NCM.

On the pneumatic tyres sunset review, the product under investigation was defined as new pneumatic tyres used on buses or lorries, rim 20", 22" and 22,5", exported from South Africa, South Korea, Russia, Japan, Thailand or Taiwan to Brazil.

For purposes of initiating the investigation, the Brazilian authority has calculated the following dumping margins, using the countries' data to construct the normal value:

| Country     | Normal value (US\$/kg) | Absolute Dumping Margin (US\$/kg) | Relative Dumping Margin (%) |
|-------------|------------------------|-----------------------------------|-----------------------------|
| South Korea | 3.83                   | 0.86                              | 28.9%                       |
| Japan       | 4.84                   | 2.18                              | 81.9%                       |
| Thailand    | 2.98                   | 0.51                              | 20.6%                       |

To South Africa, Russia and Taiwan, the secretariat concluded that, for the initiation of the sunset review, there was probability of recurrence of dumping.

On the carbon steel tubes case, the product under investigation was defined as carbon steel finished and seamless tubes (line pipe), used to oil and gas pipelines, with an outside diameter of not more than five (5) nominal inches (141.3 mm).

For purposes of initiating the investigation, the Brazilian authority has calculated the following dumping margin:

| Country | Normal value (US\$/ton) | Absolute Dumping Margin (US\$/ton) | Relative Dumping Margin (%) |
|---------|-------------------------|------------------------------------|-----------------------------|
| Ukraine | 2,075.26                | 1,136.72                           | 121.1%                      |

Exporters and importers participating in the investigations can demonstrate that the product is not dumped to Brazil, avoiding the imposition of antidumping duties. Alternatively, if the authority understands that exports were dumped, exporting



companies participating in the investigations may request individual dumping margins, which results in lower duties on their exports.

Producers/exporters will receive questionnaires indicating the information necessary to the investigation and shall have a 30-day deadline for response, counting from the date of notification. Interested parties may participate in the investigation through legal representatives duly registered before the Department of Trade Remedies. Other parties who consider themselves as interested in the proceeding shall file a request for participation within a 20-day deadline counting from the beginning of the investigation. Notice of Initiation No. 63 can be accessed at the following [link \(in Portuguese\)](#) and the Notice of Initiation at the following [link \(in Portuguese\)](#).