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# Tax Alert – Canada

## CBSA releases notice of final determinations with respect to PET resin

EY Tax Alerts cover significant tax news, developments and changes in legislation that affect Canadian businesses. They act as technical summaries to keep you on top of the latest tax issues. For more information, please contact your EY advisor or EY Law advisor.

On 15 September 2025, the Canada Border Services Agency (CBSA) made final determinations of dumping with respect to polyethylene terephthalate (PET) resin originating in or exported from the People's Republic of China (China) and the Islamic Republic of Pakistan (Pakistan), and of subsidizing of PET resin originating in or exported from China, pursuant to paragraph 41(1)(a) of the *Special Import Measures Act* (SIMA).<sup>1</sup>

Provisional duties ranging from 84.5% to 128.8% have been applied to the import of goods released by the CBSA on or after 17 June 2025.<sup>2</sup>

The Canadian International Trade Tribunal (CITT) has continued its inquiry into the question of injury to the Canadian industry and will issue its decision by 15 October 2025.

Provisional duties will continue to be imposed on the subject goods until the CITT renders its decision.

### Background

On 19 March 2025, the CBSA initiated investigations, pursuant to subsection 31(1) of the SIMA, respecting the alleged injurious dumping of PET resin originating in or exported from China and Pakistan, and of the alleged subsidizing of PET resin originating in or exported from China.<sup>3</sup>

<sup>1</sup> [Notice of final decisions: Polyethylene Terephthalate Resin 2 \(PETR2 2025 IN\).](#)

<sup>2</sup> <https://www.cbsa-asfc.gc.ca/sima-lmsi/i-e/petr22025/petr22025-np-eng.html>.

<sup>3</sup> <https://www.cbsa-asfc.gc.ca/sima-lmsi/i-e/petr22025/petr22025-in-eng.html>.



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For the purposes of the investigations, the subject goods were defined as:

“Polyethylene terephthalate (“PET”) resin having an intrinsic viscosity of at least 0.70 deciliters per gram but not more than 0.88 deciliters per gram, including PET resin that contains various additives introduced in the manufacturing process, as well as blends of virgin PET resin and recycled PET, originating in or exported from the People’s Republic of China and the Islamic Republic of Pakistan, and excluding 100% recycled PET resin.”

Following the CBSA’s conclusion, the CITT began a preliminary injury inquiry to determine whether available evidence discloses a reasonable indication that the alleged dumping and subsidizing of the subject goods have caused or are threatening to cause injury to the Canadian industry.

On 20 May 2025, the CITT made a positive determination of reasonable indication of injury,<sup>4</sup> following which the CBSA made its preliminary determinations of dumping and subsidizing with respect to PET resin and began to levy provisional duties as of 17 June 2025.

On 15 September 2025, the CBSA made final determinations of dumping with respect to PET resin from China and Pakistan, and of subsidizing with respect to PET resin from China.

The CITT continued its inquiry and held a public hearing commencing 15 September 2025. Provisional duties will continue to be imposed on the subject goods until the CITT renders its decision.

## **Next steps**

The CITT is required to make a finding with respect to the subject goods by no later than 15 October 2025.

Importers of PET resin from the affected jurisdictions should assess the impact of these provisional duties on their supply chains and pricing strategies and consider engaging with trade advisors to navigate the implications of the ongoing investigations.

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<sup>4</sup> <https://citt-tcce.gc.ca/en/news/tribunal-issues-determination-reasonable-indication-injury-polyethylene-terephthalate-china>.

## Learn more

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