



Billing Code: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[C-533-821, C-560-813]

Certain Hot-Rolled Carbon Steel Flat Products from India and Indonesia: Final Results of Expedited Sunset Reviews of the Countervailing Duty Orders

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: Based on five-year reviews (sunset reviews), the Department of Commerce (Commerce) finds that revocation of the countervailing duty (CVD) orders on certain hot-rolled carbon steel flat products (hot-rolled steel) from India and Indonesia would be likely to lead to the continuation or recurrence of a countervailable subsidy at the levels indicated in the “Final Results of Review” section of this notice.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Jean Valdez, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC, 20230; telephone: (202) 482-3855.

SUPPLEMENTARY INFORMATION:

*Background*

On February 5, 2019, Commerce initiated sunset reviews of the CVD orders<sup>1</sup> on hot-rolled steel from India and Indonesia, pursuant to section 751(c) of the Tariff Act of 1930, as

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<sup>1</sup> See *Notice of Amended Final Determination and Notice of Countervailing Duty Orders: Certain Hot-Rolled Carbon Steel Flat Products from India and Indonesia*, 66 FR 60198 (December 3, 2001) (*Orders*).

amended (the Act).<sup>2</sup> On February 20, 2019, Nucor Corporation, AK Steel Corporation, ArcelorMittal USA LLC, United States Steel Corporation, California Steel Industries, SSAB Enterprises LLC, and Steel Dynamics, Inc. (collectively, domestic interested parties) filed timely notices of intent to participate, in accordance with 19 CFR 351.218(d)(1).<sup>3</sup> The domestic interested parties claimed interested party status under section 771(9)(C) of the Act.

On March 7, 2019, Commerce received adequate substantive responses from the domestic interested parties within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i).<sup>4</sup> However, Commerce did not receive a substantive response from any government or respondent interested party with respect to the orders covered by these sunset reviews. As a result, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), Commerce has conducted expedited (120-day) sunset reviews of the *Orders*.

#### *Scope of the Orders*

The merchandise subject to these orders is hot-rolled steel of a rectangular shape, with a width of 0.5 inch or greater, neither clad, plated, nor coated with metal and whether or not painted, varnished, or coated with plastics or other non-metallic substances, in coils (whether or not in successively superimposed layers), regardless of thickness, and in straight lengths, of a thickness of less than 4.75 mm and of a width measuring at least 10 times the thickness.

Universal mill plate (*i.e.*, flat-rolled products rolled on four faces or in a closed box pass, of a width exceeding 150 mm, but not exceeding 1250 mm, and of a thickness of not less than 4 mm,

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<sup>2</sup> See *Initiation of Five-Year (“Sunset”) Reviews*, 77 FR 1705 (February 5, 2019) (*Initiation Notice*).

<sup>3</sup> See domestic interested parties’ letter, “Certain Hot-Rolled Carbon Steel Flat Products from India: Notice of Intent to Participate,” dated February 20, 2019.

<sup>4</sup> See domestic interested parties’ letter, “Certain Hot-Rolled Carbon Steel Flat Products from India: Substantive Response to Notice of Initiation,” dated March 7, 2019 (*Substantive Response*).

not in coils and without patterns in relief) of a thickness not less than 4.0 mm is not included within the scope of these orders.

Specifically included within the scope of these orders are vacuum degassed, fully stabilized (commonly referred to as interstitial-free (IF)) steels, high strength low alloy (HSLA) steels, and the substrate for motor lamination steels. IF steels are recognized as low carbon steels with micro-alloying levels of elements such as titanium or niobium (also commonly referred to as columbium), or both, added to stabilize carbon and nitrogen elements. HSLA steels are recognized as steels with micro-alloying levels of elements such as chromium, copper, niobium, vanadium, and molybdenum. The substrate for motor lamination steels contains micro-alloying levels of elements such as silicon and aluminum.

Steel products included in the scope of the orders, regardless of definitions in the Harmonized Tariff Schedule of the United States (HTSUS), are products in which: (i) iron predominates, by weight, over each of the other contained elements; (ii) the carbon content is 2 percent or less, by weight; and (iii) none of the elements listed below exceeds the quantity, by weight, respectively indicated:

1.80 percent of manganese, or

2.25 percent of silicon, or

1.00 percent of copper, or

0.50 percent of aluminum, or

1.25 percent of chromium, or

0.30 percent of cobalt, or

0.40 percent of lead, or

1.25 percent of nickel, or

0.30 percent of tungsten, or  
0.10 percent of molybdenum, or  
0.10 percent of niobium, or  
0.15 percent of vanadium, or  
0.15 percent of zirconium.

All products that meet the physical and chemical descriptions provided above are within the scope of the orders unless otherwise excluded. The following products, by way of example, are outside or specifically excluded from the scope of the orders:

- Alloy hot-rolled steel products in which at least one of the chemical elements exceeds those listed above (including, 3, American Society for Testing and Materials (ASTM) specifications A543, A387, A514, A517, A506).
- Society of Automotive Engineers (SAE)/American Iron & Steel Institute (AISI) grades of series 2300 and higher.
- Ball bearings steels, as defined in the HTSUS.
- Tool steels, as defined in the HTSUS.
- Silico-manganese (as defined in the HTSUS) or silicon electrical steel with a silicon level exceeding 2.25 percent.
- ASTM specifications A710 and A736.
- USS Abrasion-resistant steels (USS AR 400, USS AR 500).
- All products (proprietary or otherwise) based on an alloy ASTM specification (sample specifications: ASTM A506, A507).

- Non-rectangular shapes, not in coils, which are the result of having been processed by cutting or stamping and which have assumed the character of articles or products classified outside chapter 72 of the HTSUS.

The merchandise subject to the orders is classified in the HTSUS at subheadings:

7208.10.15.00, 7208.10.30.00, 7208.10.60.00, 7208.25.30.00, 7208.25.60.00, 7208.26.00.30, 7208.26.00.60, 7208.27.00.30, 7208.27.00.60, 7208.36.00.30, 7208.36.00.60, 7208.37.00.30, 7208.37.00.60, 7208.38.00.15, 7208.38.00.30, 7208.38.00.90, 7208.39.00.15, 7208.39.00.30, 7208.39.00.90, 7208.40.60.30, 7208.40.60.60, 7208.53.00.00, 7208.54.00.00, 7208.90.00.00, 7211.14.00.90, 7211.19.15.00, 7211.19.20.00, 7211.19.30.00, 7211.19.45.00, 7211.19.60.00, 7211.19.75.30, 7211.19.75.60, and 7211.19.75.90.

Certain hot-rolled carbon steel flat products covered by the orders, including vacuum degassed fully stabilized, high strength low alloy, and the substrate for motor lamination steel, may also enter under the following tariff numbers: 7225.11.00.00, 7225.19.00.00, 7225.30.30.50, 7225.30.70.00, 7225.40.70.00, 7225.99.00.90, 7226.11.10.00, 7226.11.90.30, 7226.11.90.60, 7226.19.10.00, 7226.19.90.00, 7226.91.50.00, 7226.91.70.00, 7226.91.80.00, and 7226.99.00.00. Subject merchandise may also enter under 7210.70.30.00, 7210.90.90.00, 7211.14.00.30, 7212.40.10.00, 7212.40.50.00, and 7212.50.00.00. Although the HTSUS numbers are provided for convenience and customs purposes, the written product description remains dispositive.

### *Analysis of Comments Received*

All issues raised in these reviews are addressed in the Issues and Decision Memorandum.<sup>5</sup> A list of the topics discussed in the Issues and Decision Memorandum is attached to this notice as an Appendix. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov> and is available to all parties in the Central Records Unit, Room B8024 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

### *Final Results of Reviews*

Commerce determines that revocation of the *Orders* would be likely to lead to continuation or recurrence of a countervailable subsidy at the rates listed below:<sup>6</sup>

Producers/Exporters	Net Countervailable Subsidy Rate (Percent)
India	
Essar Steel Limited	336.62
Ispat Industries Limited	360.23
Steel Authority of India	346.61
Tata Iron and Steel Company Limited	337.51
All other producers/manufacturers/exporters	344.44
Indonesia	
P.T. Krakatau Steel	10.21
All Others	10.21

<sup>5</sup> See memorandum, "Final Results of Expedited Third Sunset Reviews of the Countervailing Duty Orders on Certain Hot-Rolled Carbon Steel Flat Products from India and Indonesia," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

<sup>6</sup> See *Certain Hot-Rolled Carbon Steel Flat Products from India: Implementation of Determinations Under Section 129 of the Uruguay Round Agreements Act*, 81 FR 27412 (May 6, 2016).

*Notification Regarding Administrative Protective Order*

This notice serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

We are issuing and publishing the results and notice in accordance with sections 751(c), 752, and 777(i)(1) of the Act.

Dated: June 5, 2019.

Jeffrey I. Kessler,  
Assistant Secretary  
for Enforcement and Compliance.

## **Appendix**

### **List of Topics Discussed in the Issues and Decision Memorandum**

- I. Summary
  - II. Background
  - III. History of the Orders
  - IV. Discussion of the Issues
    - 1. Likelihood of Continuation or Recurrence of a Countervailable Subsidy
    - 2. Net Countervailable Subsidy Likely to Prevail
    - 3. Nature of the Subsidy
  - V. Final Results of Reviews
  - VI. Recommendation
- [FR Doc. 2019-12405 Filed: 6/11/2019 8:45 am; Publication Date: 6/12/2019]