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DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-890]

Emulsion Styrene-Butadiene Rubber from the Republic of Korea: Preliminary Results of the Administrative Review of the Antidumping Duty Order; 2018-2019

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

SUMMARY: The Department of Commerce (Commerce) preliminarily finds that sales of emulsion styrene butadiene rubber (ESB rubber) from the Republic of Korea (Korea) were made at less than normal value during the period of review (POR) September 1, 2018 through August 31, 2019. We invite interested parties to comment on these preliminary results.

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

FOR FURTHER INFORMATION CONTACT: Eliza Siordia, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3878.

SUPPLEMENTARY INFORMATION:

Background

On November 12, 2019, Commerce initiated the administrative review of the antidumping duty order on ESB rubber from Korea in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act).¹ This review covers seven producers/exporters of

¹ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 84 FR 61011 (November 12, 2019).

subject merchandise.² On December 13, 2019, Commerce selected LG Chem, Ltd. (LG Chem) as the sole mandatory respondent for this review.³ On January 13, 2020, LG Chem notified Commerce that it would not participate in this administrative review.⁴

On April 24, 2020, Commerce tolled deadlines in all administrative reviews by 50 days, thereby extending the deadline for these results until July 21, 2020.⁵ For details regarding the events that occurred subsequent to the initiation of the review, *see* the Preliminary Decision Memorandum.⁶

Scope of the Order

The product covered by this order is emulsion styrene-butadiene rubber from Korea. For a full description of the scope, *see* the Preliminary Decision Memorandum.

Methodology

Commerce is conducting this review in accordance with section 751(a) of the Act. Pursuant to section 776(a) and (b) of the Act, Commerce has preliminarily relied upon facts otherwise available with adverse inferences (AFA) for LG Chem, because this respondent notified Commerce that it would not participate in the review.

For a full description of the methodology and analysis underlying the preliminary application of AFA, *see* the Preliminary Decision Memorandum. A list of topics included in the Preliminary Decision Memorandum is included as an appendix to this notice. The Preliminary

² *Id.*, 84 FR 61014.

³ *See* Memorandum, “Administrative Review of the Antidumping Duty Order of Emulsion Styrene-Butadiene Rubber from the Republic of Korea: Respondent Selection,” dated December 13, 2019.

⁴ *See* LG Chem’s Letter, “Emulsion Styrene-Butadiene Rubber (ESBR) from Korea: LG Chem’s Decision to Stop Participating in AD Review,” dated January 13, 2020.

⁵ *See* Memorandum, “Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews in Response to Operational Adjustments Due to COVID-19,” dated April 24, 2020.

⁶ *See* Memorandum, “Decision Memorandum for the Preliminary Results of the Administrative Review of the Antidumping Duty Order: Emulsion Styrene-Butadiene Rubber from the Republic of Korea; 2018-2019,” dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

Decision Memorandum is a public document and is made available to the public 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>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed and the electronic versions of the Preliminary Decision Memorandum are identical in content.

Rates for Non-Selected Companies

In accordance with the U.S. Court of Appeals for the Federal Circuit’s decision in *Albemarle*,⁷ we are applying a rate based on the rate preliminarily applied to LG Chem in this administrative review (*i.e.*, 44.30 percent) to the companies not selected for individual examination. This is the only rate determined in this review for an individual respondent, and thus, it is appropriate to apply this rate to the non-selected companies under section 735(c)(5)(B) of the Act. For a detailed discussion, *see* the Preliminary Decision Memorandum.

Preliminary Results of the Review

We preliminary determine that the following weighted-average dumping margin exists for the period September 1, 2018 through August 31, 2019:

Exporter/Producer	Dumping Margin (percent)
LG Chem Ltd.	44.30
Daewoo International Corporation	44.30
Hyundai Glovis Co.	44.30
Kukje Trading Corp.	44.30
Kumho Petrochemical Co. Ltd.	44.30
Sungsan International Co., Ltd.	44.30
WE International Co., Ltd.	44.30

⁷ *See Albemarle Corp. v. United States*, 821 F. 3d 1345 (Fed. Cir. 2016) (*Albemarle*).

Assessment Rates

Upon completion of the administrative review, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries covered by this review.⁸ The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for future deposits of estimated duties, where applicable.⁹ If the preliminary results are unchanged for the final results, we will instruct CBP to apply an *ad valorem* assessment rate of 44.30 percent to all entries of subject merchandise during the POR from LG Chem and the companies which were not selected for individual examination.

We intend to issue liquidation instructions to CBP 15 days after the publication date of the final results of this review.

Cash Deposit Requirements

The following cash deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for each specific company listed above will be equal to the dumping margin established in the final results of this review; (2) for previously-investigated companies not participating in this review, the cash deposit will continue to be the company-specific rate published for the most recently-completed segment of this proceeding in which the company participated; (3) if the exporter is not a firm covered in this review, or the original less-than-fair-value (LTFV) investigation, but the manufacturer is, then the cash deposit rate will be the rate established for the most recent segment for the manufacturer of the merchandise; and (4)

⁸ See 19 CFR 351.212(b).

⁹ See section 751(a)(2)(C) of the Act.

the cash deposit rate for all other manufacturers or exporters will continue to be 9.66 percent, the all-others rate established in the LTFV investigation.¹⁰ These deposit requirements, when imposed, shall remain in effect until further notice.

Disclosure and Public Comment

Normally, Commerce discloses to interested parties the calculations performed in connection with the preliminary results within five days of the date of publication of the notice of preliminary results in the *Federal Register*, in accordance with 19 CFR 351.224(b). However, there are no calculations to disclose here because, in accordance with section 776 of the Act, Commerce preliminarily applied AFA to LG Chem, the only mandatory respondent subject to this review.¹¹

Pursuant to 19 CFR 351.309(c), interested parties may submit case briefs no later than 30 days after the date of publication of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may be filed not later than seven days after the date for filing case briefs.¹² Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue, (2) a brief summary of the argument, and (3) a table of authorities.¹³ Case and rebuttal briefs should be filed using ACCESS.¹⁴ Note that Commerce has modified certain of its requirements for serving documents containing business proprietary information, until July 17, 2020, unless extended.¹⁵

¹⁰ See *Emulsion Styrene-Butadiene Rubber from Brazil, the Republic of Korea, Mexico, and Poland: Antidumping Duty Orders*, 82 FR 42790 (September 12, 2017).

¹¹ See *Emulsion Styrene-Butadiene Rubber from Brazil, the Republic of Korea, Mexico, and Poland: Initiation of Less-Than-Fair-Value Investigations*, 81 FR 55438 (August 19, 2016), and accompanying Initiation Checklist: *Emulsion Styrene-Butadiene Rubber from the Republic of Korea* at 10.

¹² See 19 CFR 351.309(c)(1)(ii) and (d)(1); see also *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19*, 85 FR 29615 (May 18, 2020) (*Temporary Rule*).

¹³ See 19 CFR 351.309(c)(2) and (d)(2).

¹⁴ See generally 19 CFR 351.303.

¹⁵ See *Temporary Rule*.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS. An electronically filed document must be received successfully in its entirety through Commerce's electronic records system, ACCESS, by 5:00 p.m. Eastern Time within 30 days after the date of publication of this notice. Requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case and rebuttal briefs.

Final Results of Review

Unless otherwise extended, Commerce intends to issue the final results of this administrative review, including the results of its analysis of the issues raised in any written briefs, not later than 120 days after the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h)(1).

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this POR. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of doubled antidumping duties.

Notification to Interested Parties

This administrative review and notice are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.213 and 351.221(b)(4).

Dated: June 25, 2020.

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

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Application of Facts Available and Adverse Inferences
- V. Recommendation

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