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DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-880]

Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Korea: Final Results of Antidumping Duty Administrative Review; 2017-2018

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

SUMMARY: The Department of Commerce (Commerce) determines that producers and/or exporters subject to this administrative review made sales of subject merchandise at less than normal value during the period of review (POR), September 1, 2017 through August 31, 2018.

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

FOR FURTHER INFORMATION CONTACT: Alice Maldonado or Whitley Herndon, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4682 or (202) 482-6274, respectively.

SUPPLEMENTARY INFORMATION:

Background

This review covers 21 producers and exporters of the subject merchandise. Commerce selected Dong-A Steel Company (DOSCO), HiSteel Co., Ltd (HiSteel), and Kukje Steel Co., Ltd. (Kukje Steel), for individual examination. DOSCO informed Commerce that it did not intend to respond to the questionnaire or participate as a mandatory respondent in this administrative review. The producers and or exporters not selected for individual examination are listed in the “Final Results of the Review” section of this notice.

On November 18, 2019, Commerce published the *Preliminary Results*.<sup>1</sup> In January and February 2020, the petitioner,<sup>2</sup> Kukje Steel, and HiSteel submitted case and rebuttal briefs. On February 12, 2020, we postponed the final results until May 15, 2020.<sup>3</sup> On April 24, 2020, Commerce tolled all deadlines in administrative reviews by 50 days, thereby extending the deadline for these results until July 6, 2020.<sup>4</sup>

Commerce conducted this administrative review in accordance with section 751 of the Tariff Act of 1930, as amended (the Act).

### Scope of the Order

The products covered by the order are certain heavy walled rectangular welded steel pipes and tubes from the Republic of Korea (Korea). Products subject to the order are currently classified under the Harmonized Tariff Schedule of the United States (HTSUS) item number 7306.61.1000. Subject merchandise may also be classified under 7306.61.3000. Although the HTSUS numbers and ASTM specification are provided for convenience and for customs purposes, the written product description remains dispositive.<sup>5</sup>

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<sup>1</sup> See *Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review; 2017–2018*, 84 FR 63613 (November 18, 2019) (*Preliminary Results*).

<sup>2</sup> The petitioner is Nucor Tubular Products Inc., formally known as Independence Tube Corporation and Southland Tube, Incorporated, Nucor companies.

<sup>3</sup> See Memorandum, “Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Korea: Extension of Deadline for Final Results of Antidumping Duty Administrative Review,” dated February 12, 2020.

<sup>4</sup> 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.

<sup>5</sup> For a full description of the scope of the order, see Memorandum, “Issues and Decision Memorandum for the Final Results of the 2017-2018 Administrative Review of the Antidumping Duty Order on Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Korea,” dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

### Analysis of Comments Received

All issues raised in the case and rebuttal briefs are listed in the Appendix to this notice and addressed in the Issues and Decision Memorandum.<sup>6</sup> Interested parties can find a complete discussion of these issues and the corresponding recommendations in this public memorandum, which 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 <http://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/index.html>. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

### Changes Since the Preliminary Results

Based on a review of the record and comments received from interested parties regarding our *Preliminary Results*, we made certain changes to the preliminary weighted-average margin calculations for HiSteel and Kukje Steel and for those companies not selected for individual review.<sup>7</sup>

### Final Results of the Review

We are assigning the following weighted-average dumping margins to the firms listed below for the period September 1, 2017 through August 31, 2018:

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<sup>6</sup> *Id.*

<sup>7</sup> See accompanying Issues and Decision Memorandum.

<b>Producers/Exporters</b>	<b>Weighted-Average Dumping Margin (percent)</b>
Dong-A Steel Company <sup>8</sup>	53.80
HiSteel Co., Ltd.	26.20
Kukje Steel Co., Ltd.	35.11
Review-Specific Average Rate Applicable to the Following Companies: <sup>9</sup>	
<b>Producers/Exporters</b>	<b>Weighted-Average Dumping Margin (percent)</b>
Ahshin Pipe & Tube Company	29.07
Bookook Steel Co., Ltd.	29.07
Dongbu Steel Co., Ltd.	29.07
Ganungol Industries Co. Ltd.	29.07
Hanjin Steel Pipe	29.07
Husteel Co., Ltd.	29.07
Hyosung Corporation	29.07
Hyundai Steel Co.	29.07
Hyundai Steel Pipe Company	29.07
K Steel Co. Ltd.	29.07
Miju Steel Manufacturing Co., Ltd.	29.07
NEXTEEL Co., Ltd.	29.07
POSCO DAEWOO	29.07
Sam Kang Industrial Co., Ltd.	29.07
Sam Kang Industries Co., Ltd.	29.07
Samson Controls Ltd., Co.	29.07
SeAH Steel Corporation	29.07
Yujin Steel Industry Co. Ltd.	29.07

We intend to disclose the calculations performed within five days of the date of publication of this notice to parties in this proceeding, in accordance with 19 CFR 351.224(b).

<sup>8</sup> As explained in the *Preliminary Results* and accompanying Preliminary Decision Memorandum, mandatory respondent DOSCO failed to respond to Commerce’s questionnaire, and we applied facts otherwise available with adverse inferences (AFA), in accordance with section 776 of the Act. No party challenged our *Preliminary Results* with respect to DOSCO or the rate selected. Therefore, we continue to apply AFA to DOSCO, and we have continued to apply the same rate that we are able to corroborate using transaction-specific margins from HiSteel and Kukje Steel.

<sup>9</sup> This rate is based on the rates for the respondents that were selected for individual review, excluding rates that are zero, *de minimis*, or based entirely on facts available. See section 735(c)(5)(A) of the Act. See Memorandum, “Final Results of the Antidumping Administrative Review of Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Korea: Calculation of the Cash Deposit Rate for Non-Reviewed Companies,” dated July 6, 2020.

## Assessment Rates

Pursuant to section 751(a)(2)(C) of the Act, and 19 CFR 351.212(b)(1), Commerce has determined, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with the final results of this review.

Pursuant to 19 CFR 351.212(b)(1), where HiSteel and Kukje Steel reported the entered value of their U.S. sales, we calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for the examined sales to the total entered value of the sales for which entered value was reported. Where either the respondent's weighted-average dumping margin is zero or *de minimis* within the meaning of 19 CFR 351.106(c)(1), or an importer-specific rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

For the companies which were not selected for individual review, we will assign an assessment rate based on the average<sup>10</sup> of the cash deposit rates calculated for HiSteel and Kukje Steel. Because DOSCO withdrew its participation from this review and reported no information to Commerce for this POR, we will instruct CBP to apply an assessment rate to all entries it produced and/or exported equal to the dumping margin of 53.80 percent, as indicated above. 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.<sup>11</sup>

Commerce's "automatic assessment" will apply to entries of subject merchandise during the POR produced by companies included in these final results of review for which the reviewed

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<sup>10</sup> This rate was calculated as discussed in footnote 9.

<sup>11</sup> See section 751(a)(2)(C) of the Act.

companies did not know that the merchandise they sold to the intermediary (*e.g.*, a reseller, trading company, or exporter) was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction.

We intend to issue liquidation instructions to CBP 15 days after publication of the final results of this administrative 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 that established in the final results of this review, except if the rate is less than 0.50 percent and, therefore, *de minimis* within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rate will be zero; (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; (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) the cash deposit rate for all other manufacturers or exporters will continue to be 3.24 percent, the all-others rate established in the LTFV investigation.<sup>12</sup> These deposit requirements, when imposed, shall remain in effect until further notice.

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<sup>12</sup> See *Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Korea, Mexico, and the Republic of Turkey: Antidumping Duty Orders*, 81 FR 62865, 62866 (September 13, 2016).

### Notification to Importers

This notice serves as a final 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 review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

### 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 disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written 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.

### Notification to Interested Parties

We are issuing and publishing this notice in accordance with sections 751(a)(1) and 777(i) of the Act.

Dated: July 6, 2020.

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. Scope of the Order
- IV. Margin Calculations
- V. Discussion of Issues
  - General Issues
    - Comment 1: Existence of a Particular Market Situation (PMS)
    - Comment 2: Quantification of PMS Adjustment
    - Comment 3: Application of PMS Adjustment
  - HiSteel-Specific Issues
    - Comment 4: Credit Expenses
    - Comment 5: Differential Pricing
- VI. Recommendation

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