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DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-870]

Certain Oil Country Tubular Goods 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 SeAH Steel Corporation (SeAH), producer/exporter of certain oil country tubular goods (OCTG) from the Republic of Korea (Korea), sold subject merchandise in the United States at prices below normal value (NV) during the period of review (POR) September 1, 2017 through August 31, 2018, but producer/exporter Hyundai Steel Company (Hyundai Steel) did not sell subject merchandise in the United States below NV during the POR.

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

FOR FURTHER INFORMATION CONTACT: Davina Friedmann, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0698.

SUPPLEMENTARY INFORMATION:

Background

On November 18, 2019, Commerce published the *Preliminary Results* of this administrative review.<sup>1</sup> We invited interested parties to comment on the *Preliminary Results*. Between January 2 and 14, 2020, Commerce received timely filed case and rebuttal briefs from various interested parties.<sup>2</sup> On February 7, 2020, we held a public hearing concerning the issues raised in the case and rebuttal briefs.<sup>3</sup>

On March 12, 2020, we extended the deadline for the final results.<sup>4</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>5</sup>

These final results cover 32 companies.<sup>6</sup> Based on an analysis of the comments received, we have made changes to the weighted-average dumping margins determined for the

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<sup>1</sup> See *Certain Oil Country Tubular Goods from the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review; 2017-2018*, 84 FR 63615 (November 18, 2019) (*Preliminary Results*), and accompanying Decision Memorandum.

<sup>2</sup> See Letter from AJU Besteel Co., Ltd. (AJU Besteel), “Certain Oil Country Tubular Goods from the Republic of Korea - Letter in Support of Case Briefs,” dated January 3, 2020; Letter from the following Domestic Interested Parties (DIPs): Maverick Tube Corporation (Maverick), Tenaris Bay City, Inc. (Tenaris), United States Steel Corporation (U.S. Steel), TMK IPSCO, Vallourec Star, L.P., and Welded Tube USA, “Oil Country Tubular Goods from the Republic of Korea: Case Brief of Maverick Tube Corporation and Tenaris Bay City, Inc.,” dated January 3, 2020; Letter from ILJIN Steel Corporation (ILJIN), “Oil Country Tubular Goods from the Republic of Korea: Case Brief,” dated January 3, 2020; Letter from SeAH, “Administrative Review of the Antidumping Order on Oil Country Tubular Goods from Korea: Case Brief of SeAH Steel Corporation,” dated January 3, 2020; Letter from Husteel Co., Ltd. (Husteel), “Oil Country Tubular Goods from the Republic of Korea, 9/1/2017-8/31/2018 Administrative Review, Case No. A-580-870: Case Brief,” dated January 3, 2020; Letter from NEXTEEL Co., Ltd. (NEXTEEL), “Oil Country Tubular Goods from the Republic of Korea: NEXTEEL’s Letter in Support of Respondents’ Case Briefs,” dated January 3, 2020; Letter from United States Steel Corporation (U.S. Steel), “Oil Country Tubular Goods from the Republic of Korea: Case Brief of United States Steel Corporation,” dated January 3, 2020; Letter from Hyundai Steel, “Certain Oil Country Tubular Goods from the Republic of Korea – Case Brief,” dated January 3, 2020; see also Letter from SeAH, “Administrative Review of the Antidumping Order on Oil Country Tubular Goods from Korea – Rebuttal Brief of SeAH Steel Corporation,” dated January 10, 2020; Letter from DIPs, “Oil Country Tubular Goods from the Republic of Korea: Rebuttal Brief of Maverick Tube Corporation and Tenaris Bay City, Inc.,” dated January 10, 2020; Letter from U.S. Steel, “Oil Country Tubular Goods from the Republic of Korea: Rebuttal Brief of United States Steel Corporation,” dated January 10, 2020; and Letter from Hyundai Steel, “Certain Oil Country Tubular Goods from the Republic of Korea – Rebuttal Brief,” dated January, 10 2020.

<sup>3</sup> See Hearing Transcript from Neal R. Gross and Co., Inc., filed on ACCESS on February 14, 2020.

<sup>4</sup> See Memorandum, “Certain Oil Country Tubular Goods from the Republic of Korea: Extension of Time Limit for Final Results of Antidumping Duty Administrative Review,” dated March 12, 2020.

<sup>5</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>6</sup> The 32 companies consist of two mandatory respondents and 30 companies not individually examined.

respondents. The weighted-average dumping margins are listed in the “Final Results of Review” section, below. Commerce conducted this review in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act).

#### Scope of the Order<sup>7</sup>

The merchandise covered by the *Order* is certain OCTG, which are hollow steel products of circular cross-section, including oil well casing and tubing, of iron (other than cast iron) or steel (both carbon and alloy), whether seamless or welded, regardless of end finish (*e.g.*, whether or not plain end, threaded, or threaded and coupled) whether or not conforming to American Petroleum Institute (API) or non-API specifications, whether finished (including limited service OCTG products) or unfinished (including green tubes and limited service OCTG products), whether or not thread protectors are attached. The scope of the *Order* also covers OCTG coupling stock. For a complete description of the scope of the *Order*, *see* the Issues and Decision Memorandum.<sup>8</sup>

#### Analysis of Comments Received

All issues raised in the case and rebuttal briefs filed by parties in this review are addressed in the Issues and Decision Memorandum. The issues are identified in Appendix I to this notice. 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

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<sup>7</sup> *See Certain Oil Country Tubular Goods from India, the Republic of Korea, Taiwan, the Republic of Turkey, and the Socialist Republic of Vietnam: Antidumping Duty Orders; and Certain Oil Country Tubular Goods from the Socialist Republic of Vietnam: Amended Final Determination of Sales at Less Than Fair Value*, 79 FR 53691 (September 10, 2014) (*Order*).

<sup>8</sup> *See* Memorandum, “Issues and Decision Memorandum for the Final Results of the 2017-2018 Administrative Review of the Antidumping Duty Order on Certain Oil Country Tubular Goods from the Republic of Korea,” dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

<https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed 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 our analysis of the comments received, we made certain changes to the margin calculations for SeAH and Hyundai Steel. For a discussion of these changes, *see* the “Margin Calculations” section of the Issues and Decision Memorandum.

#### Rate for Non-Examined Companies

The statute and Commerce’s regulations do not address the establishment of a rate to be applied to companies not selected for examination when Commerce limits its examination in an administrative review pursuant to section 777A(c)(2) of the Act. Generally, Commerce looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in a market economy investigation, for guidance when calculating the rate for companies which were not selected for individual review in an administrative review. Under section 735(c)(5)(A) of the Act, the all-others rate is normally “an amount equal to the weighted average of the estimated weighted average dumping margins established for exporters and producers individually investigated, excluding any zero or *de minimis* margins, and any margins determined entirely {on the basis of facts available}.”

For these final results, we calculated a weighted-average dumping margin for SeAH that is not zero, *de minimis*, or determined entirely on the basis of facts available. Accordingly, Commerce has assigned to the companies not individually examined (*see* Appendix II for a full list of these companies) a margin of 3.96 percent, which is the weighted-average dumping margin calculated for SeAH for these final results.

Final Results of Review

Commerce determines that the following weighted-average dumping margins exist for the period September 1, 2017 through August 31, 2018:

<b>Exporter or Producer</b>	<b>Weighted-Average Dumping Margin (percent)</b>
Hyundai Steel Company	0.00
SeAH Steel Corporation	3.96
All Others <sup>9</sup>	3.96

Disclosure

Commerce intends to disclose the calculations performed for these final results of review within five days of the date of publication of this notice in the *Federal Register*, in accordance with 19 CFR 351.224(b).

Assessment

Pursuant to section 751(a)(2)(C) of the Act and 19 CFR 351.212(b), Commerce shall determine, 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. Commerce intends to issue assessment instructions to CBP 15 days after the date of publication of the final results of this administrative review in the *Federal Register*.

Where the respondent reported reliable entered values, we calculated importer- (or customer-) specific *ad valorem* rates by aggregating the dumping margins calculated for all U.S. sales to each importer (or customer) and dividing this amount by the total entered value of the

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<sup>9</sup> See Appendix II for a full list of these companies.

sales to each importer (or customer).<sup>10</sup> Where Commerce calculated a weighted-average dumping margin by dividing the total amount of dumping for reviewed sales to that party by the total sales quantity associated with those transactions, Commerce will direct CBP to assess importer- (or customer-) specific assessment rates based on the resulting per-unit rates.<sup>11</sup> Where an importer- (or customer-) specific *ad valorem* or per-unit rate is greater than *de minimis* (i.e., 0.50 percent), Commerce will instruct CBP to collect the appropriate duties at the time of liquidation.<sup>12</sup> Where an importer- (or customer-) specific *ad valorem* or per-unit rate is zero or *de minimis*, Commerce will instruct CBP to liquidate appropriate entries without regard to antidumping duties.<sup>13</sup>

For the companies which were not selected for individual review, we will assign an assessment rate based on the methodology described in the “Rates for Non-Examined Companies” section, above.

Consistent with Commerce’s assessment practice, for entries of subject merchandise during the POR produced by SeAH, Hyundai Steel, or the non-examined companies for which the producer did not know that its merchandise was destined for the United States, 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.<sup>14</sup>

#### Cash Deposit Requirements

The following cash deposit requirements will be effective for all shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication

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<sup>10</sup> See 19 CFR 351.212(b)(1).

<sup>11</sup> *Id.*

<sup>12</sup> *Id.*

<sup>13</sup> See 19 CFR 351.106(c)(2).

<sup>14</sup> For a full discussion of this practice, see *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

date of the final results of this administrative review, as provided for by section 751(a)(2)(C) of the Act: (1) the cash deposit rates for the companies listed in these final results will be equal to the weighted-average dumping margins established in the final results of this review; (2) for merchandise exported by producers or exporters not covered in this review but covered in a prior segment of this proceeding, the cash deposit rate will continue to be the company-specific rate published for the most recently completed segment in which the company was reviewed; (3) if the exporter is not a firm covered in this review or the original less-than-fair-value (LTFV) investigation, but the producer is, the cash deposit rate will be the rate established for the most recently completed segment of this proceeding for the producer of the subject merchandise; and (4) the cash deposit rate for all other producers or exporters will continue to be 5.24 percent,<sup>15</sup> the all-others rate established in the LTFV investigation. These cash deposit requirements, when imposed, shall remain in effect until further notice.

#### 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 POR. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

#### Notification Regarding Administrative Protective Order

This notice also serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information

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<sup>15</sup> See *Certain Oil Country Tubular Goods from the Republic of Korea: Notice of Court Decision Not in Harmony with Final Determination*, 81 FR 59603 (August 30, 2016).

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 the return or 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)(1) of the Act, and 19 CFR 351.213(h).

Dated: July 6, 2020.

Jeffrey I. Kessler  
Assistant Secretary  
for Enforcement and Compliance

## Appendix I

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

- I. Summary
- II. Background
- III. Scope of the *Order*
- IV. Changes Since the Preliminary Results
- V. Rate for Non-Examined Companies
- VI. Duty Absorption
- VII. Discussion of the Issues
  - 1-A. Lawfulness of Commerce's Interpretation of the Particular Market Situation (PMS) Provision
  - 1-B. Evidence of a PMS
  - 1-C. Quantification of PMS Adjustment
  2. Application of Constructed Value (CV) Profit and Selling Expense Ratios to PMS-Adjusted Costs
  3. Calculation of CV Profit and Selling Expenses
  4. Differential Pricing
  5. Hyundai Steel's Cost Reconciliation
  6. Minor Inputs Obtained from Affiliated Parties
  7. Expenses Related to Raw Material Purchases
  8. Byproducts Reintroduced into Production
  9. Scrap Offsets
  10. U.S. Warehousing Expenses
  11. Warranty Expenses
  12. Packing Expenses for Hyundai Steel's Prime Sales
  13. Constructed Export Price (CEP) Profit Calculation
  14. Cost of Prime Products Sold in the United States
  15. Freight Revenue Cap
  16. Calculation of General and Administrative (G&A) Expenses Incurred by SeAH's U.S. Affiliate
- VIII. Recommendation

## Appendix II

### List of Companies Not Individually Examined

1. AJU Besteel Co., Ltd.
2. BDP International
3. Daewoo America
4. Daewoo International Corporation
5. Dong Yang Steel Pipe
6. Dong-A Steel Co. Ltd.
7. Dongbu Incheon Steel
8. DSEC
9. Emdtebruecker Eisenwerk and Company
10. Hansol Metal
11. Husteel Co., Ltd.
12. Hyundai RB
13. ILJIN Steel Corporation
14. Jim And Freight Co., Ltd.
15. Kia Steel Co. Ltd.
16. KSP Steel Company
17. Kukje Steel
18. Kumkang Kind Co., Ltd.
19. Kurvers
20. NEXTEEL Co., Ltd.
21. POSCO Daewoo America
22. POSCO Daewoo Corporation
23. Steel Canada
24. Samsung
25. Samsung C and T Corporation
26. SeAH Besteel Corporation
27. Sumitomo Corporation
28. TGS Pipe
29. Yonghyun Base Materials
30. ZEECO Asia

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