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DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-890]

Emulsion Styrene-Butadiene Rubber from 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) finds that the producers/exporters subject to this administrative review made sales of emulsion styrene-butadiene rubber (ESB rubber) from the Republic of Korea (Korea) at less than normal value during the period of review (POR) February 24, 2017 through August 31, 2018.

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

This review covers seven producers and/or exporters of the subject merchandise. Commerce selected one mandatory respondent for individual examination: LG Chem, Ltd. (LG Chem). The producers/exporters which were not selected for individual examination are listed in the “Final Results of the Administrative Review” section of this notice.

On November 15, 2018, we published our initiation of an administrative review of the antidumping duty order on ESB rubber from Korea.¹ On November 26, 2019, we published the *Preliminary Results* of this administrative review.² On December 30, 2019, Lion Elastomers, LLC (the petitioner) submitted a case brief.³ On January 6, 2020, LG Chem submitted a rebuttal brief.⁴

On March 2, 2020, we extended the deadline for the final results of this review to May 21, 2020.⁵ On April 24, 2020, Commerce tolled all deadlines in administrative reviews by 50 days, thereby extending the deadline for these final results until July 10, 2020.⁶ 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 merchandise covered by this order is cold-polymerized emulsion styrene-butadiene rubber.⁷ The subject merchandise is currently classifiable under subheadings 4002.19.0015 and 4002.19.0019 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the

¹ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 83 FR 57411 (November 15, 2018).

² See *Emulsion Styrene-Butadiene Rubber from the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review; 2017-2018*, 84 FR 65114 (November 26, 2019) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum (PDM).

³ See Petitioner's Letter, "Case Brief," dated December 30, 2019.

⁴ See LG Chem's Letter, "LG Chem's Rebuttal Brief," dated January 6, 2020; see also LG Chem's Letter, "Errata to LG Chem's Rebuttal Brief," dated January 7, 2020.

⁵ See Memorandum, "Emulsion Styrene-Butadiene Rubber from the Republic of Korea: Extension of Deadline for Final Results of Antidumping Duty Administrative Review, 2017-2018," dated March 2, 2020.

⁶ 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.

⁷ For a full description of the scope, see Memorandum, "Decision Memorandum for the Final Results of the Administrative Review of the Antidumping Duty Order: Emulsion Styrene-Butadiene Rubber from the Republic of Korea; 2017-2018," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the order is dispositive.

Analysis of Comments Received

All issues raised by the parties in their case and rebuttal briefs are listed in the appendix to this notice and are addressed in the Issues and Decision Memorandum. 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>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed Issues and Decision Memorandum and the electronic version of the Issues and Decision Memorandum are identical in content.

Changes to the *Preliminary Results*

In the *Preliminary Results*, we found that LG Chem was entitled to a constructed export price (CEP) offset.⁸ After further review, we find that a CEP offset is not warranted for LG Chem.⁹ Additionally, we have incorporated several minor changes in the margin program.¹⁰ For a discussion of the above-referenced changes, *see* the "Changes to the Preliminary Results" section of the Issues and Decision Memorandum.

Rates for Non-Examined Companies

⁸ *See* PDM at VII.C.

⁹ *See* Issues and Decision Memorandum at Comment 1.

¹⁰ *See* Memorandum, "Final Results Analysis Memorandum for LG Chem, Ltd.," dated concurrently with this notice.

As a result of this review, we calculated a weighted-average dumping margin for LG Chem. Accordingly, Commerce has assigned to the companies not selected for individual examination the margin calculated for LG Chem.

Final Results of the Administrative Review

The weighted-average dumping margins for the final results of this administrative review are as follows:

Exporter/Producer	Weighted-Average Dumping Margin
LG Chem, Ltd.	4.19 percent
Daewoo International Corporation ¹¹	4.19 percent
Kumho Petrochemical Co. Ltd.	4.19 percent
Sungsan International Co, Ltd.	4.19 percent
WE International Co., Ltd.	4.19 percent
Kukje Trading Corp.	4.19 percent
Hyundai Glovis Co., Ltd.	4.19 percent

Disclosure

We will disclose to interested parties the calculations performed in connection with these final results within five days of the publication of this notice, consistent with 19 CFR 351.224(b).

¹¹ We note that in the *Initiation Notice*, we spelled the name of Daewoo International Corporation as “Daewoo International Corporatin.” However, the spelling should have been “Daewoo International Corporation.” See Lion Elastomers LLC’s Letter, “Antidumping Duty Order on Emulsion Styrene Butadiene Rubber from Korea (A-580-890): Request for First Administrative Review,” dated September 28, 2018.

Assessment Rate

Pursuant to section 751(a)(2)(C) of the Act, and 19 CFR 212(b)(1), Commerce will 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.

For LG Chem, because its weighted-average dumping margin is not zero or *de minimis* (*i.e.*, less than 0.5 percent), Commerce has calculated importer-specific antidumping duty assessment rates. We calculated importer-specific antidumping duty assessment rates by aggregating the total amount of dumping calculated for the examined sales of each importer and dividing each of these amounts by the total sales value associated with those sales. We will instruct CBP to assess antidumping duties on all appropriate entries covered by this review where an importer-specific assessment rate is not zero or *de minimis*. Pursuant to 19 CFR 351.106(c)(2), we will instruct CBP to liquidate without regard to antidumping duties any entries for which the importer-specific assessment rate is zero or *de minimis*.

Consistent with Commerce's assessment practice, for entries of subject merchandise during the POR produced by LG Chem, for which LG Chem did not know that the 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.¹²

For the companies which were not selected for individual review, we will assign an assessment rate equal to LG Chem's dumping margin identified above.¹³ The final results of this

¹² For a full discussion of this practice, *see Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

¹³ The Act does not specify how to calculate a dumping margin for a respondent that is not selected for individual review in an administrative review. Therefore, we look to section 735(c)(5)(A) of the Act, which explains how to calculate the "all others" rate in an investigation, for guidance. Consistent with how we would calculate the "all others" rate in an investigation, we are basing the dumping margin for non-selected companies on the weighted-average dumping margin calculated for the selected respondent, LG Chem.

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.¹⁴

Commerce intends to issue assessment instructions to CBP 15 days after the date of publication of these final results of review.

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the notice of final results of administrative review 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 rate established in the final results of this administrative review; (2) for merchandise exported by producers or exporters not covered in this administrative review but covered in a prior segment of the proceeding, the cash deposit rate 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, a prior review, or the original investigation, but the producer is, then 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 9.66 percent, the all-others rate established in the investigation.¹⁵

These cash deposit requirements, when imposed, shall remain in effect until further notice.

¹⁴ See section 751(a)(2)(C) of the Act.

¹⁵ See *Emulsion Styrene-Butadiene Rubber from the Republic of Korea: Final Affirmative Determination of Sales at Less Than Fair Value, and Final Affirmative Determination of Critical Circumstances, in Part*, 82 FR 33045 (July

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 has occurred and the subsequent assessment of double antidumping duties.

Administrative Protective Order

This notice also serves as a 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(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the 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)(1) of the Act and 19 CFR 351.221(b)(5). Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until July 17, 2020, unless extended.¹⁶

Dated: July 8, 2020.

Jeffrey I. Kessler,

19, 2017).

¹⁶ See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 29615 (May 18, 2020).

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. Changes to the Preliminary Results
- V. Discussion of the Issues
 - Comment 1: Constructed Export Price (CEP) Offset Treatment
 - Comment 2: Cost of Production (COP) Adjustment
 - Comment 3: Value Added Tax (VAT) Adjustment
- VI. Recommendation

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