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DEPARTMENT OF COMMERCE

International Trade Administration

[A-588-869]

Diffusion-Annealed, Nickel-Plated Flat-Rolled Steel Products from Japan: Preliminary Results of the Antidumping Duty Administrative Review; 2018-2019

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

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that the producer/exporter subject to this administrative review made sales of subject merchandise at less than normal value (NV) during the period of review (POR), May 1, 2018 through April 30, 2019.. Interested parties are invited to comment on these preliminary results.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Ian Hamilton or Terre Keaton Stefanova, 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) 482-4798 or (202) 482-1280, respectively.

SUPPLEMENTARY INFORMATION:

Background

On July 15, 2019, based on a timely request for review, in accordance with 19 CFR 351.221(c)(1)(i), we initiated an administrative review of the antidumping duty order on diffusion-annealed, nickel-plated flat-rolled steel products from Japan for one company, Toyo Kohan Co., Ltd. (Toyo Kohan).¹ In January 2020, we extended the preliminary results of this

¹ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 84 FR 33739 (July 15, 2019).

review to no later than May 29, 2020.² On April 24, 2020, Commerce tolled all deadlines in administrative reviews by 50 days, thereby extending the deadline for these results until July 20, 2020.³ For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.⁴

Scope of the Order

The products covered by the order are flat-rolled, cold-reduced steel products, regardless of chemistry, whether or not in coils, either plated or coated with nickel or nickel-based alloys and subsequently annealed (*i.e.*, “diffusion annealed”), whether or not painted, varnished or coated with plastics or other metallic or nonmetallic substances from Japan.⁵ Products subject to the order are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7212.50.0000 and 7210.90.6000. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise subject to this scope is dispositive.

Methodology

Commerce is conducting this review in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act). Export price is calculated in accordance with section 772 of the Act. NV is calculated in accordance with section 773 of the Act. For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. The Preliminary Decision Memorandum is a public document and is on file electronically via

² *See* Memorandum, “Diffusion-Annealed, Nickel-Plated Flat-Rolled Steel Products from Japan: Extension of the Deadline for Preliminary Results of the 2018-2019 Antidumping Duty Administrative Review,” dated January 9, 2020.

³ *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.

⁴ *See* Memorandum, “Decision Memorandum for the Preliminary Results of the 2018-2019 Administrative Review of the Antidumping Duty Order on Diffusion-Annealed, Nickel-Plated Flat-Rolled Steel Products from Japan,” dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁵ For a complete description of the scope of the order, *see* the Preliminary Decision Memorandum.

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 Preliminary Decision Memorandum can be accessed directly at <https://enforcement.trade.gov/frn/summary/japan/japan-fr.htm>. The signed and electronic versions of the Preliminary Decision Memorandum are identical in content. A list of the topics discussed in the Preliminary Decision Memorandum is attached as an appendix to this notice.

Preliminary Results of the Review

As a result of this review, we preliminarily determine that a weighted-average dumping margin of 1.28 percent exists for Toyo Kohan for the period May 1, 2018 through April 30, 2019.

Assessment Rates

Upon completion of this administrative review, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries.⁶

Pursuant to 19 CFR 351.212(b)(1), 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 assessment rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties. The final results of this review shall be the basis for the assessment of antidumping duties on entries of

⁶ See 19 CFR 351.212(b).

merchandise covered by the final results of this review and for future deposits of estimated duties, where applicable.⁷

Commerce's "reseller policy" will apply to entries of subject merchandise during the POR produced by Toyo Kohan for which Toyo Kohan did not know that the merchandise it 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.⁸

We intend to issue 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 Toyo Kohan 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 reviewed or investigated companies not participating in this review, the cash deposit rate will continue to be the company-specific cash deposit rate published for the most recently completed segment; (3) if the exporter is not a firm covered in this review, a prior review, or the original less-than-fair-value (LTFV) investigation, but the producer is, then the cash deposit rate will be the rate established for the most recent segment for the producer of the merchandise; and (4) the

⁷ See section 751(a)(2)(C) of the Act.

⁸ For a full discussion of this practice, see *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

cash deposit rate for all other producers or exporters will continue to be 45.42 percent, the all-others rate established in the LTFV investigation.⁹ These deposit requirements, when imposed, shall remain in effect until further notice.

Disclosure and Public Comment

Commerce intends to disclose the calculations performed in connection with these preliminary results to interested parties within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b).¹⁰ Interested parties may submit case briefs no later than 30 days after the date of publication of this notice.¹¹ Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than seven days after the time limit 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 temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice.¹⁵

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 within 30 days after the date of publication of this notice.¹⁶ Hearing requests should contain: (1) the party's name, address, and telephone number; (2) the number of

⁹ See *Diffusion-Annealed, Nickel-Plated Flat-Rolled Steel Products from Japan: Antidumping Duty Order*, 79 FR 30816 (May 29, 2014).

¹⁰ See 19 CFR 351.224(b).

¹¹ See 19 CFR 351.309(c).

¹² See 19 CFR 351.309(d); see also *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020) (*Temporary Rule*).

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

¹⁴ See 19 CFR 351.303.

¹⁵ See *Temporary Rule*.

¹⁶ See 19 CFR 351.310(c).

participants; and (3) a list of the issues to be discussed. Issues raised in the hearing will be limited to issues raised in the briefs. If a request for a hearing is made, Commerce will inform parties of the scheduled date of the hearing.¹⁷

An electronically-filed document must be received successfully in its entirety by ACCESS by 5 p.m. Eastern Time on the established deadline.

Commerce intends to issue the final results of this administrative review, including the results of its analysis of issues raised in any written briefs, not later than 120 days after the date of publication of this notice, unless the deadline is extended.¹⁸

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) 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 Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Notification to Interested Parties

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

Dated: July 14, 2020.

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

¹⁷ See 19 CFR 351.310.

¹⁸ See section 751(a)(3)(A) of the Act.

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Discussion of the Methodology
- V. Currency Conversion
- VI. Recommendation

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