



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-883]

Certain Hot-Rolled Steel Flat Products from the Republic of Korea: Final Results of Antidumping Duty Administrative Review and Rescission of Administrative Review, in Part; 2017-2018

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

SUMMARY: The Department of Commerce (Commerce) determines that the producer/exporter individually examined in this administrative review made sales of certain hot-rolled steel flat products (hot-rolled steel) from the Republic of Korea (Korea) at less than normal value during the period of review October 1, 2017 through September 30, 2018.

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

FOR FURTHER INFORMATION CONTACT: Genevieve Coen, 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) 482-3251.

SUPPLEMENTARY INFORMATION:

Background

This review covers two producers and/or exporters of the subject merchandise. Commerce selected one mandatory respondent for individual examination: Hyundai Steel Company (Hyundai). We are rescinding the review for the remaining producer/exporter which was not selected for individual examination, POSCO and POSCO Daewoo Corporation

(collectively, POSCO). For further discussion, *see* the “Rescission of Review as to POSCO” section of this notice.

On December 16, 2019, Commerce published the *Preliminary Results*.¹ On January 30, 2020, the petitioners² and Hyundai each timely filed a case brief.³ The petitioners and Hyundai each timely filed a rebuttal brief on February 13, 2020.⁴

On March 12, 2020, Commerce fully extended the deadline for the final results of this review to June 12, 2020.⁵ On April 24, 2020, Commerce tolled all deadlines in administrative reviews by 50 days.⁶ On July 21, 2020, Commerce tolled all deadlines in administrative reviews by an additional 60 days.⁷ The deadline for the final results of this review is now September 30, 2020. Commerce conducted this administrative review in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act).

¹ *See Certain Hot-Rolled Steel Flat Products from the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review and Preliminary Determination of No Shipments; 2017-2018*, 84 FR 68407 (December 16, 2019) (*Preliminary Results*) and accompanying Preliminary Decision Memorandum.

² The petitioners are ArcelorMittal USA, LLC; AK Steel Corporation; Nucor Corporation; Steel Dynamics, Inc.; SSAB Enterprises, LLC; and United States Steel Corporation.

³ *See* Petitioners’ Letter, “Petitioners’ Case Brief Regarding Hyundai Steel,” dated January 30, 2020; and Hyundai’s Letter, “Certain Hot-Rolled Steel Flat Products from the Republic of Korea, 2017 – 2018, Case No. A-580-883: Hyundai Steel’s Case Brief,” dated January 30, 2020.

⁴ *See* Petitioners’ Letter, “Petitioners’ Rebuttal Brief,” dated February 13, 2020; and Hyundai’s Letter, “Certain Hot-Rolled Steel Flat Products from the Republic of Korea, 2017 – 2018, Case No. A-580-883: Hyundai Steel’s Rebuttal Brief,” dated February 13, 2020.

⁵ *See* Memorandum, “Certain Hot-Rolled Steel Flat Products from the Republic of Korea: Extension of Deadline for Final Results of Antidumping Duty Administrative Review, 2017 – 2018,” dated March 12, 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 *See* Memorandum, “Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews,” dated July 21, 2020.

Scope of the Order

The merchandise subject to the order is certain hot-rolled steel flat products.⁸ For a full description of the scope of this order, *see* the Issues and Decision Memorandum.

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/index.html>. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

Changes Since the *Preliminary Results*

In the *Preliminary Results*, we determined that POSCO had “no shipments” of subject merchandise. Further, we assigned a weighted-average dumping margin to POSCO in error in the *Preliminary Results*. For these final results, we are rescinding this review with respect to POSCO because we find that, although POSCO had a shipment of subject merchandise during the POR, POSCO did not have a reviewable sale during the POR. As a result, we are not assigning POSCO a weighted-average dumping margin in these final results of review.

⁸ For a complete description of the scope of the order, *see* Memorandum, “Issues and Decision Memorandum for the Final Results of the 2017-2018 Antidumping Duty Administrative Review of Certain Hot-Rolled Steel Flat Products from the Republic of Korea, and Rescission of Administrative Review, in Part” dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

Additionally, with respect to Hyundai, we made changes to the margin program to eliminate the inadvertent double counting of costs in the *Preliminary Results*. For discussion of these changes, *see* the Issues and Decision Memorandum.

Rescission of Review as to POSCO

As noted in the *Preliminary Results*, we received a claim of “no reviewable entries, exports or sales” from POSCO.⁹ In the *Preliminary Results*, we preliminarily determined that POSCO had no shipments during the POR. The petitioners and POSCO commented on our preliminary determination of no shipments with respect to POSCO.¹⁰ For these final results, we find that POSCO had no reviewable sales during this POR, and thus we are rescinding our review with respect to POSCO for these final results. For further discussion, *see* Section V in the Issues and Decision Memorandum.

Final Results of the Review

We are assigning the following weighted-average dumping margin to the firm listed below for the POR October 1, 2017 through September 30, 2018:

Exporter/Producer	Weighted-Average Dumping Margin
Hyundai Steel Company	0.89 percent

⁹ *See* POSCO’s Letters, “Hot-Rolled Steel from the Republic of Korea, Case No. A-580-883: Comments on CBP Entry Documents,” dated February 18, 2020; and “Certain Hot-Rolled Steel Flat Products from South Korea, Case No. A-580-883: No Shipment Letter,” dated January 10, 2019.

¹⁰ *See* Petitioners’ Letter, “Hot-Rolled Steel Flat Product from the Republic of Korea – Petitioner’s Comments on U.S. Customs and Border Production Entry Documents,” dated February 18, 2020; and POSCO’s Letter, “Hot-Rolled Steel from the Republic of Korea, Case No. A-580-883: Comments on CBP Entry Documents,” dated February 18, 2020.

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).

Assessment Rates

Pursuant to section 751(a)(2)(A) of the Act, and 19 CFR 351.212(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 Hyundai, 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 Hyundai, for which Hyundai 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.¹¹

Because we are rescinding our review as to POSCO, we will instruct CBP to liquidate merchandise entered, or withdrawn from warehouse, for consumption during the POR at the cash deposit rate required at the time of entry.

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 for all shipments of 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 Hyundai will be the rate shown above; (2) the cash deposit rate for POSCO will remain unchanged from the rate assigned to it in the most recently completed review of that company; (3) for merchandise exported by producers or exporters not covered in this administrative 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 of this proceeding; (4) if the exporter is not a firm covered in this review, a previous 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 recently completed segment of this proceeding for the producer of the subject merchandise; and (5) the cash deposit rate for all other producers or exporters will continue to

¹¹ For a full discussion of this practice, see *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

be 5.55 percent, the all-others rate established in the LTFV investigation.¹² These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice serves as the only 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 Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Administrative Protective Order

In accordance with 19 CFR 351.305(a)(3), 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 the APO, 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 terms of an APO is a violation subject to sanction.

Notification to Interested Parties

We are issuing and publishing this notice in accordance with sections 751(a)(1) and 777(i) of the Act and 19 CFR 351.221(b)(5). Note that Commerce has temporarily modified

¹² See *Certain Hot-Rolled Steel Flat Products from the Republic of Korea: Final Determination of Sales at Less Than Fair Value*, 81 FR 53419 (August 12, 2016).

certain of its requirements for serving documents containing business proprietary information, until further notice.¹³

Dated: September 30, 2020.

Jeffrey I. Kessler,

Assistant Secretary

for Enforcement and Compliance.

¹³ See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

Appendix

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. Rescission of Review as to POSCO
- VI. Discussion of the Issues
 - Comment 1: Whether and How a Cost-Based Particular Market Situation (PMS) Exists
 - Comment 2: Whether Commerce Has the Statutory Authority to Adjust the Cost of Production
 - Comment 3: Calculating the PMS Adjustment
 - Comment 4: Steel Quality Code “43”
 - Comment 5: Hyundai Corporation USA’s Indirect Selling Expense Ratio
 - Comment 6: Rate Assigned for POSCO
 - Comment 7: Double Deduction of U.S. Packing and Inventory Carrying Costs
- VII. Recommendation