



Billing Code: 3510-DS-P

**DEPARTMENT OF COMMERCE**

**International Trade Administration**

**[C-552-819]**

**Certain Steel Nails from the Socialist Republic of Vietnam: Final Results of the Expedited First Five-Year Sunset Review of the Countervailing Duty Order**

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

**SUMMARY:** As a result of this sunset review, the Department of Commerce (Commerce) finds that revocation of the countervailing duty (CVD) order on certain steel nails (nails) from the Socialist Republic of Vietnam (Vietnam) would be likely to lead to continuation or recurrence of countervailable subsidies at the levels indicated in the “Final Results of Review” section of this notice.

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

**FOR FURTHER INFORMATION CONTACT:** Ian Hamilton, 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.

## **SUPPLEMENTARY INFORMATION:**

### Background

On June 1, 2020, Commerce published the notice of initiation of the first sunset review, pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act).<sup>1</sup> Commerce received a notice of intent to participate from Mid Continent Steel & Wire, Inc. (Mid Continent) within the 15-day deadline specified in 19 CFR 351.218(d)(1)(i).<sup>2</sup> Mid Continent claimed interested party status under section 771(9)(C) of the Act, as a domestic producer of nails in the United States.

Commerce received an adequate substantive response to the notice of initiation from Mid Continent within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i).<sup>3</sup> We received no substantive response from respondent interested parties.

On July 21, 2020, Commerce notified the U.S. International Trade Commission that it did not receive an adequate substantive response from respondent interested parties.<sup>4</sup> As a result, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), Commerce conducted an expedited (120-day) sunset review of this CVD order.

### Scope of the Order

The merchandise covered by this order is nails having a nominal shaft length not exceeding 12 inches.<sup>5</sup> Merchandise covered by the order is currently classified under the

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<sup>1</sup> See *Initiation of Five-Year (Sunset) Reviews*, 85 FR 33088 (June 1, 2020).

<sup>2</sup> See Mid Continent's Letter, "Certain Steel Nails from the Republic of Korea, the Sultanate of Oman, Malaysia, the Republic of China ("Taiwan"), and the Socialist Republic of Vietnam: Notice of Intent to Participate in Reviews," dated June 9, 2020.

<sup>3</sup> See Mid Continent's Letter, "Certain Steel Nails from the Republic of Korea, the Sultanate of Oman, Malaysia, Taiwan, and the Socialist Republic of Vietnam: Substantive Response to Notice of Initiation of Sunset Reviews," dated July 1, 2020.

<sup>4</sup> See Commerce's Letter, "Sunset Reviews Initiated on June 1, 2020," dated July 21, 2020.

<sup>5</sup> The shaft length of certain steel nails with flat heads or parallel shoulders under the head shall be measured from under the head or shoulder to the tip of the point. The shaft length of all other certain steel nails shall be measured overall.

Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7317.00.55.02, 7317.00.55.03, 7317.00.55.05, 7317.00.55.07, 7317.00.55.08, 7317.00.55.11, 7317.00.55.18, 7317.00.55.19, 7317.00.55.20, 7317.00.55.30, 7317.00.55.40, 7317.00.55.50, 7317.00.55.60, 7317.00.55.70, 7317.00.55.80, 7317.00.55.90, 7317.00.65.30, 7317.00.65.60 and 7317.00.75.00. Nails subject to this order also may be classified under HTSUS subheadings 7907.00.60.00, 8206.00.00.00 or other HTSUS subheadings. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this order is dispositive.<sup>6</sup>

#### Analysis of Comments Received

All issues raised in this sunset review are addressed in the Issues and Decision Memorandum. The Issues and Decision Memorandum is a public document and is on file electronically via the Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>. A list of topics discussed in the Issues and Decision Memorandum is included as an appendix to this notice. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the internet at <http://enforcement.trade.gov/frn>. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

#### Final Results of Sunset Review

Pursuant to sections 751(c)(1) and 752(b) of the Act, Commerce determines that revocation of the CVD order on nails from Vietnam would be likely to lead to continuation or recurrence of countervailable subsidies at the following rates:

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<sup>6</sup> For a complete description of the scope of the order, *see* Memorandum, "Issues and Decision Memorandum for the Expedited First Sunset Review of the Countervailing Duty Order on Certain Steel Nails from the Socialist Republic of Vietnam," dated concurrently with, and hereby adopted by this notice (Issues and Decision Memorandum).

| <b>Manufacturers/Producers/Exporters</b> | <b>Net Countervailable Subsidy (percent)</b> |
|--|--|
| Region Industries Co., Ltd.              | 288.56                                       |
| United Nail Products Co. Ltd.            | 313.97                                       |
| All Others                               | 301.27                                       |

Administrative Protective Order (APO)

This notice also serves as the only reminder to parties subject to an APO of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely 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 which is subject to sanction.

Notification to Interested Parties

We are issuing and publishing the final results and this notice in accordance with sections 751(c), 752(b), and 777(i)(1) of the Act, and 19 CFR 351.218.

Dated: September 29, 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. History of the Order
- IV. Scope of the Order
- V. Legal Framework
- VI. Discussion of the Issues
  1. Likelihood of Continuation or Recurrence of a Countervailable Subsidy
  2. Net Countervailable Subsidy Rates Likely to Prevail
  3. Nature of the Subsidies
- VII. Final Results of Sunset Review
- VIII. Recommendation

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