



DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-878]

Certain Corrosion-Resistant Steel Products from the Republic of Korea: Preliminary Results and Partial Rescission of 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 certain corrosion-resistant steel products (CORE) from the Republic of Korea (Korea) were sold in the United States at less than normal value during the period of review of July 1, 2018 through June 30, 2019.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Leo Ayala, Elfi Blum, or Lingjun Wang, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3945, (202) 482-0197, or (202) 482-2316, respectively.

SUPPLEMENTARY INFORMATION:

Background

On October 3, 2016, Commerce published the antidumping duty order on CORE from Korea.¹ Commerce initiated this administrative review on September 9, 2019.² This review covers eleven companies,³ of which we collapsed Dongbu Steel Co., Ltd and Dongbu Incheon

¹ See *Certain Hot-Rolled Steel Flat Products from Australia, Brazil, Japan, the Republic of Korea, the Netherlands, the Republic of Turkey, and the United Kingdom: Amended Final Affirmative Antidumping Determinations for Australia, the Republic of Korea, and the Republic of Turkey and Antidumping Duty Orders*, 81 FR 67962 (October 3, 2016) (*Order*).

² See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 84 FR 47242 (September 9, 2019).

³ The eleven companies are: Dongbu Steel Co., Ltd, Dongbu Incheon Steel Co., Ltd., Dongkuk Steel Mill Co., Ltd. (Dongkuk), Hyundai Steel Company (Hyundai), POSCO Ltd., POSCO Daewoo Corporation, POSCO International Corporation, POSCO Coated & Color Steel Co., Hoa Sen Group (HSG), Ton Dong A Corporation (TDA), and Nippon Steel and Sumikin Sales Vietnam Co. (NSSVC).

Steel Co., Ltd. as single entity (*i.e.*, Dongbu) for antidumping purposes, and selected Dongbu, Dongkuk, and Hyundai as mandatory respondents.⁴

On July 31, 2019, Metal One America, Inc., Mitsui & Co. (U.S.A.) Inc., and Stemcor USA Inc. each requested a review of Vietnamese producers and/or exporters: Nippon Steel and Sumikin Sales Vietnam Co. (NSSVC), Hoa Sen Group (HSG), and Ton Dong A Corporation (TDA).⁵ On the same day, HSG and TDA requested a review of themselves.⁶

On October 30, 2020, we issued a questionnaire to NSSVC, HSG, and TDA.⁷ The current due date for NSSVC, HSG, and TDA to respond to the questionnaire is November 23, 2020. We will analyze their responses and make a determination after the preliminary results.

On March 23, 2020, we extended the deadline for the preliminary results of this review until July 30, 2020.⁸ On April 24, 2020, Commerce tolled all deadlines in administrative reviews by 50 days.⁹ Subsequently, on July 21, 2020, Commerce tolled all preliminary and final results in administrative reviews by an additional 60 days.¹⁰ The deadline for the preliminary results of this review is now November 17, 2020. For a detailed description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.¹¹

Partial Rescission

On December 6, 2019, the petitioners timely withdrew their review request for 19 companies.¹² As no other party requested a review of those companies, we are rescinding this administrative review with respect to those companies, pursuant to 19 CFR 351.213(d)(1).

⁴ *See* Memorandum, “Decision Memorandum for the Preliminary Results and Partial Rescission of Antidumping duty Administrative Review: Certain Corrosion-Resistant Steel Products from the Republic of Korea, 2018-2019,” dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁵ Preliminary Decision Memorandum.

⁶ *Id.*

⁷ *Id.*

⁸ *See* Memorandum, “Certain Corrosion-Resistant Steel Products from the Republic of Korea: Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review,” dated March 23, 2020.

⁹ *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.

¹⁰ *See* Memorandum, “Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews,” dated July 21, 2020.

¹¹ *See* Preliminary Decision Memorandum.

¹² *Id.* These companies are: Ajin H and S Co., Ltd., Anjeon Tech Co., Ltd., Benion Corp., Daeho P C Co., Ltd., GS

Scope of the Order

The merchandise covered by the order is CORE from Korea. For a complete description of the scope of the order, *see* the Preliminary Decision Memorandum.¹³

Methodology

Commerce is conducting this administrative review in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act). Constructed export price and export price were calculated in accordance with section 772 of the Act. Normal value 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. A list of topics discussed in the Preliminary Decision Memorandum is attached as an appendix to this notice. The Preliminary 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 <http://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/index.html>. The signed and the electronic versions of the Preliminary Decision Memorandum are identical in content.

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 individual 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 examination in an administrative review.

Global Corp., Hanwa (Korea) Co., Ltd., Hyosung Corporation, Korea CNC Co., Ltd., Kima Steel Corporation Ltd., Kyungdo Steel Co., Ltd., Mitsubishi Corp. (Korea) Ltd., Roser Co., Ltd., Samsung Corp., Samsung C&T Corp., SeAH Steel, SeAH Coated Metal Corp., Seun Steel, SK Networks Co., Ltd., Young Steel Co., Ltd.

¹³ *Id.*

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}.”

In this review, the preliminarily estimated weighted-average dumping margins for Dongbu and Dongkuk are not zero, *de minimis*, or based entirely on facts otherwise available, and for Hyundai is zero. Commerce calculated the rate for non-examined companies using a weighted average of the estimated weighted-average dumping margins calculated for Dongbu and Dongkuk using each company’s publicly ranged values for the subject merchandise.¹⁴

Preliminary Results

We preliminarily determine the following weighted-average dumping margins for the period July 1, 2018 through June 30, 2019:

Exporter/ Producer	Weighted-Average Dumping Margin (percent)
Dongbu Steel Co., Ltd.	0.75
Dongkuk Steel Mill Co., Ltd.	0.56
Hyundai Steel Corporation	0.00
Exporter/Producer Not Selected for Individual Review	
POSCO, POSCO Daewoo Corporation and POSCO International Corporation	0.64
POSCO Coated & Color Steel Co., Ltd.	0.64

Assessment Rates

¹⁴ For a complete analysis of the data, please see Preliminary Decision Memorandum. Commerce normally calculates (A) a weighted-average of the estimated weighted-average dumping margins calculated for the examined respondents; (B) a simple average of the estimated weighted-average dumping margins calculated for the examined respondents; and (C) a weighted-average of the estimated weighted-average dumping margins calculated for the examined respondents using each company’s publicly ranged U.S. sale values of the subject merchandise. Commerce then selects from (B) and (C) the rate closest to (A) as the most appropriate rate for non-examined companies. See *Ball Bearings and Parts Thereof from France, Germany, Italy, Japan, and the United Kingdom: Final Results of Antidumping Duty Administrative Reviews, Final Results of Changed-Circumstances Review, and Revocation of an Order in Part*, 75 FR 53661, 53663 (September 1, 2010).

Upon completion of the administrative review, Commerce shall determine, and CBP shall assess, antidumping duties on all appropriate entries. For any individually examined respondent whose weighted-average dumping margin is not zero or *de minimis* (*i.e.*, less than 0.5 percent) in the final results of this review and the respondent reported reliable entered values, we will calculate importer-specific *ad valorem* assessment rates for the merchandise based on the ratio of the total amount of dumping calculated for the examined sales made during the POR to each importer and the total entered value of those same sales, in accordance with 19 CFR 351.212(b)(1). If the respondent has not reported reliable entered values, we will calculate a per-unit assessment rate for each importer by dividing the total amount of dumping calculated for the examined sales made to that importer by the total sales quantity associated with those transactions. Where an importer-specific *ad valorem* assessment rate is zero or *de minimis* in the final results of review, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties in accordance with 19 CFR 351.106(c)(2). If a respondent's weighted-average dumping margin is zero or *de minimis* in the final results of review, we will instruct CBP not to assess duties on any of its entries in accordance with the *Final Modification for Reviews*, *i.e.*, “{w}here the weighted-average margin of dumping for the exporter is determined to be zero or *de minimis*, no antidumping duties will be assessed.”¹⁵

For entries of subject merchandise during the POR produced by Dongbu, Dongkuk, Hyundai, POSCO, and POSCO C&C for which the producer did not know its merchandise was destined for the United States, or for any respondent for which we have a final determination of no shipments, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company (or companies) involved in the transaction.¹⁶

¹⁵ See *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings; Final Modification*, 77 FR 8101, 8102 (February 14, 2012) (*Final Modification for Reviews*).

¹⁶ See *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

We intend to issue liquidation instructions to CBP 15 days after publication of the final results of this review.

Cash Deposit Requirements

The following deposit requirements will be effective upon publication of the notice of final results of this administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for each specific company listed above 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 investigated companies not participating in this review, the cash deposit will continue to be the company-specific rate published for the most recently completed segment of this proceeding in which the company participated; (3) if the exporter is not a firm covered in this review, or the underlying investigation, but the manufacturer is, then the cash deposit rate will be the rate established for the most recent segment for the manufacturer of the merchandise; and (4) the cash deposit rate for all other manufacturers or exporters will continue to be 8.32 percent, the all-others rate established in the less-than-fair-value investigation.¹⁷ These deposit requirements, when imposed, shall remain in effect until further notice.

Disclosure and Public Comment

We intend to disclose the calculations performed for these preliminary results of review to interested parties within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). Pursuant to 19 CFR 351.309(c), interested parties may submit written comments (case briefs) within 30 days of publication of the preliminary results, and rebuttal

¹⁷ See *Certain Corrosion-Resistant Steel Products from India, Italy, the People's Republic of China, the Republic of Korea and Taiwan: Amended Final Affirmative Antidumping Determination for India and Taiwan, and Antidumping Duty Orders*, 81 FR 48390 (July 25, 2016), as amended by *Certain Corrosion-Resistant Steel Products from the Republic of Korea: Notice of Court Decision Not in Harmony with Final Determination of Investigation and Notice of Amended Final Results*, 83 FR 39054 (August 8, 2018).

comments (rebuttal briefs), limited to issues raised in case briefs, within seven days after the time limit for filing case briefs.¹⁸ 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.¹⁹ Case and rebuttal briefs should be filed using ACCESS²⁰ and must be served on interested parties.²¹ Executive summaries should be limited to five pages total, including footnotes.

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 Commerce's electronic records system, ACCESS. An electronically filed request must be received successfully in its entirety by 5:00 p.m. Eastern Time within 30 days of the date of publication of this notice.²² Requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues parties intend to discuss. Issues raised in the hearing will be limited to those raised in the respective case and rebuttal briefs. If a request for a hearing is made, Commerce intends to hold a hearing at a time and date to be determined.²³ Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

Commerce intends to issue the final results of this administrative review, including the results of its analysis of the issues raised in any case or rebuttal briefs, no later than 120 days after the date of publication of this notice, unless extended.²⁴

Notification to Importers

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior

¹⁸ See 19 CFR 351.309(d).

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

²⁰ See generally 19 CFR 351.303.

²¹ See 19 CFR 351.303(f).

²² See 19 CFR 351.310(c).

²³ See 19 CFR 351.310(d).

²⁴ See section 751(a)(3)(A) of the Act; and 19 CFR 351.213(h).

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 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: November 17, 2020.

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

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
 - II. Background
 - III. Scope of the Order
 - IV. Partial Rescission of Administrative Review
 - V. No Shipments Claims
 - VI. Companies not Selected for individual Examination
 - VII. Affiliation and Collapsing
 - VIII. Comparisons to Normal Value
 - IX. Date of Sale
 - X. Export Price and Constructed Export Price
 - XI. Normal Value
 - XII. Currency Conversion
 - XIII. Recommendation
- Attachment: Scope of Order