



DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-876]

Welded Line Pipe from the 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 producers or exporters of welded line pipe from the Republic of Korea sold welded line pipe at less than normal value during the period of review (POR), December 1, 2017, through November 30, 2018.

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

FOR FURTHER INFORMATION CONTACT: David Goldberger or Joshua Tucker, 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) 482-4136 or (202) 482-0244, respectively.

SUPPLEMENTARY INFORMATION:

Background

This review covers 32 producers or exporters. Commerce selected two companies, NEXTEEL Co., Ltd. (NEXTEEL) and SeAH Steel Corporation (SeAH), for individual examination. The producers or exporters not selected for individual examination are listed in the “Final Results of the Review” section of this notice.

On February 7, 2020, Commerce published the *Preliminary Results*.¹ On March 11, 2020, we received case briefs from Husteel Co. Ltd.; Hyundai Steel Company; NEXTEEL; SeAH, domestic producers California Steel Industries, Welspun Tubular LLC USA, Stupp Corporation,

¹ See *Welded Line Pipe from the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review; 2017–2018*, 85 FR 7268 (February 7, 2020) (*Preliminary Results*).

a Division Of Stupp Bros., Inc., and American Cast Iron Pipe Company, (collectively, “Domestic Producers”); and Domestic Producers along with Maverick Tube Corporation, and TMK IPSCO (collectively, “Domestic Interested Parties”).² On March 18, 2020, we received rebuttal briefs from Domestic Interested Parties, Domestic Producers, Husteel, Hyundai Steel, NEXTEEL, and SeAH.³

On April 24, 2020, Commerce tolled all deadlines in administrative reviews by 50 days.⁴ On July 21, 2020, Commerce tolled all deadlines for preliminary and final results in administrative reviews by an additional 60 days.⁵ Therefore, the deadline for the final results of this review is November 23, 2020.

Scope of the Order

The merchandise subject to the order is welded line pipe.⁶ The product is currently classified under the following Harmonized Tariff Schedule of the United States (HTSUS) item numbers: 7305.11.1030, 7305.11.1060, 7305.11.5000, 7305.12.1030, 7305.12.1060, 7305.12.5000, 7305.19.1030, 7305.19.5000, 7306.19.1010, 7306.19.1050, 7306.19.5110, and

² See Husteel’s Letter, “Welded Line Pipe from South Korea, Case No. A-580-876; Husteel Case Brief,” dated March 11, 2020; see also Hyundai Steel’s Letter, “Welded Line Pipe from the Republic of Korea: Case Brief,” dated March 11, 2020; NEXTEEL’s Letter, “Welded Line Pipe from the Republic of Korea: NEXTEEL’s Case Brief,” dated March 11, 2020; SeAH’s Letter, “Case Brief of SeAH Steel Corporation,” dated March 11, 2020; Domestic Producers’ Letter, “Welded Line Pipe from the Republic of Korea: Case Brief of California Steel Industries (CSI), Welspun Tubular LLC USA, Stupp Corporation, A Division Of Stupp Bros., Inc, and American Cast Iron Pipe Company,” dated March 11, 2020; and Domestic Interested Parties’ Letter, “Welded Line Pipe from the Republic of Korea: Case Brief of the Domestic Interested Parties,” dated March 11, 2020.

³ See Domestic Interested Parties’ Letter, “Welded Line Pipe from the Republic of Korea: Rebuttal Brief of the Domestic Interested Parties,” dated March 18, 2020; see also Domestic Producers Letter, “Welded Line Pipe from the Republic of Korea: Rebuttal Brief Of California Steel Industries, Welspun Tubular LLC USA, Stupp Corporation, A Division Of Stupp Bros., Inc., and American Cast Iron Pipe Company,” dated March 18, 2020; Husteel’s Letter, “Welded Line Pipe from South Korea, Case No. A-580-876; Husteel Rebuttal Brief,” dated March 18, 2020; Hyundai Steel’s Letter, “Welded Line Pipe from the Republic of Korea: Rebuttal Brief,” dated March 18, 2020; NEXTEEL’s Letter, “Welded Line Pipe from the Republic of Korea: NEXTEEL’s Rebuttal Brief,” dated March 18, 2020; and SeAH’s Letter, “Rebuttal Brief of SeAH Steel Corporation,” dated March 18, 2020.

⁴ 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.

⁵ See Memorandum, “Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews,” dated July 21, 2020.

⁶ For a complete description of the scope of the order, see *Preliminary Results*, and accompanying Preliminary Decision Memorandum (PDM).

7306.19.5150. Although the HTSUS numbers are provided for convenience and for customs purposes, the written product description remains dispositive.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs are listed in Appendix I to this notice and addressed in the IDM.⁷ Interested parties can find a complete discussion of these issues and the corresponding recommendations in this public memorandum, which 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 IDM can be accessed directly at <http://enforcement.trade.gov/frn/index.html>. The signed IDM and the electronic version of the IDM are identical in content.

Changes Since the Preliminary Results

Based on a review of the record and comments received from interested parties regarding our *Preliminary Results*, we made certain changes to the preliminary weighted-average margins for NEXTEEL and SeAH.⁸

Final Results of the Review

We are assigning the following weighted-average dumping margins to the firms listed below for the period December 1, 2017 through November 30, 2018:

⁷ See Memorandum, "Issues and Decision Memorandum for the Final Results of the 2017-2018 Administrative Review of the Antidumping Duty Order on Welded Line Pipe from Korea", dated concurrently with, and hereby adopted by, this notice (IDM).

⁸ See IDM at 3.

Producer or Exporter	Weighted-Average Dumping Margin (Percent)
NEXTEEL Co., Ltd.	15.07
SeAH Steel Corporation	9.33

Review-Specific Average Rate for Companies Not Selected for Individual Review

The dumping margins for the exporters or products not selected for individual review are listed in Appendix II.

Disclosure of Calculations

We intend to disclose the calculations performed within five days of the date of publication of this notice to parties in this proceeding, in accordance with 19 CFR 351.224(b).

Assessment Rates

Pursuant to section 751(a)(2)(C) of the Tariff Act of 1930, as amended (Act), and 19 CFR 351.212(b)(1), Commerce has determined, 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.

Pursuant to 19 CFR 351.212(b)(1), NEXTEEL reported the entered value of its U.S. sales such that 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. SeAH did not report actual entered value for all of its U.S. sales; in such instances, we calculated importer-specific per-unit duty assessment rates by aggregating the total amount of antidumping duties calculated for the examined sales and dividing this amount by the total quantity of those sales. 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.

For the companies which were not selected for individual review, we will assign an assessment rate equal to each company's weighted-average dumping margin identified above.

The final results of this 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.⁹

We intend to issue liquidation instructions to CBP 15 days after publication 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 each specific company listed above will be equal to the weighted-average dumping margin that is 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 listed above, the cash deposit rate 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 original less-than-fair-value (LTFV) investigation, but the manufacturer is, the cash deposit rate will be the cash deposit rate established for the most recently completed segment for the producer of the subject merchandise; and 4) the cash deposit rate for all other producers or exporters will continue to be 4.38 percent, the all-others rate established in the LTFV investigation.¹⁰ These deposit requirements, when imposed, shall remain in effect until further notice.

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

⁹ See section 751(a)(2)(C) of the Act.

¹⁰ See *Welded Line Pipe from the Republic of Korea and the Republic of Turkey: Antidumping Duty Orders*, 80 FR 75056, 75057 (December 1, 2015).

liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Administrative Protective Order

This notice serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition 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 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

This notice is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: November 20, 2020.

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

Appendix I

List of Topics Discussed in the IDM

- I. Summary
- II. Background
- III. Margin Calculations
- IV. Discussion of the Issues
 - Comment 1: Lawfulness of Commerce's Interpretation of the Particular Market Situation (PMS) Provision
 - Comment 2: Evidence of a PMS
 - Comment 3: PMS Adjustment
 - Comment 4: Differential Pricing
 - Comment 5: Non-Prime Costs for NEXTEEL
 - Comment 6: Suspended Production Loss for NEXTEEL
 - Comment 7: Capping of Freight Revenue for SeAH
 - Comment 8: General and Administrative Expense Adjustment for SeAH's U.S. Affiliates
 - Comment 9: SeAH's Constructed Export Price Offset Claim
- V. Recommendation

Appendix II

Review-Specific Average Rate Applicable to Companies Not Selected for Individual Review:¹¹

<u>Exporter or Producer</u>	<u>Weighted-Average Dumping Margin (Percent)</u>
AJU Besteel Co., Ltd.	11.60
BDP International, Inc.	11.60
Daewoo International Corporation	11.60
Dongbu Incheon Steel Co.	11.60
Dongbu Steel Co., Ltd.	11.60
Dongkuk Steel Mill	11.60
Dong Yang Steel Pipe	11.60
EEW Korea Co., Ltd.	11.60
HISTEEL Co., Ltd.	11.60
Husteel Co., Ltd.	11.60
Hyundai RB Co. Ltd.	11.60
Hyundai Steel Company/Hyundai HYSCO	11.60
Kelly Pipe Co., LLC.	11.60
Keonwoo Metals Co., Ltd.	11.60
Kolon Global Corp.	11.60
Korea Cast Iron Pipe Ind. Co., Ltd.	11.60
Kurvers Piping Italy S.R.L.	11.60
MSTEEL Co., Ltd.	11.60
Miju Steel MFG Co., Ltd.	11.60
Poongsan Valinox (Valtimet Division)	11.60
POSCO	11.60
POSCO Daewoo	11.60
R&R Trading Co. Ltd.	11.60
Sam Kang M&T Co., Ltd.	11.60
Sin Sung Metal Co., Ltd.	11.60
SK Networks	11.60
Soon-Hong Trading Company	11.60
Steel Flower Co., Ltd.	11.60
TGS Pipe	11.60
Tokyo Engineering Korea Ltd.	11.60

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¹¹ This rate is based on the weighted-average of the margins calculated for those companies selected for individual review using the publicly-ranged U.S. quantities. Because we cannot apply our normal methodology of calculating a weighted-average margin due to requests to protect business proprietary information, we find this rate to be the best proxy of the actual weighted-average margin determined for the mandatory respondents. *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); *see also* Memorandum, "Calculation of the Review-Specific Average Rate for the Final Results," dated concurrently with this notice.