



DEPARTMENT OF COMMERCE

International Trade Administration

[C-580-837]

Certain Cut-to-Length Carbon-Quality Steel Plate from the Republic of Korea: Final Results of Countervailing Duty Administrative Review; Calendar Year 2018

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

SUMMARY: The Department of Commerce (Commerce) determines that Hyundai Steel Co. (Hyundai Steel) and certain other producers/exporters of certain cut-to-length plate from the Republic of Korea (Korea) received countervailable subsidies that are above *de minimis* and that Dongkuk Steel Mill Co., Ltd. (DSM) received a *de minimis* net subsidy rate during the period of review (POR) January 1, 2018 through December 31, 2018.

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

FOR FURTHER INFORMATION CONTACT: John Conniff (for Hyundai Steel) or Jolanta Lawska (for DSM), AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1009 or (202) 482-8362, respectively.

SUPPLEMENTARY INFORMATION:

Background

On March 6, 2020, Commerce published the *Preliminary Results* of this administrative review.¹ On April 24, 2020, Commerce tolled all deadlines in administrative reviews by 50 days.² On July 21, 2020, Commerce tolled all deadlines in administrative reviews by an additional 60 days.³ Additionally, on August 6, 2020, Commerce issued a post-preliminary analysis memorandum.⁴ On August 19, 2020, we received timely filed case briefs from Nucor Corporation (the petitioner), the Government of Korea (GOK), DSM, and Hyundai Steel. On September 2, 2020, the GOK, Hyundai Steel and DSM submitted timely filed rebuttal briefs. On September 25, 2020, Commerce extended the deadline for issuing the final results of this review by 29 days.⁵ On November 2, 2020, Commerce further extended the final results of this review by 28 days to December 18, 2020.⁶ For a complete description of the events that occurred since the *Preliminary Results*, see the Issues and Decision Memorandum.⁷

Scope of the Order

The merchandise covered by the order is certain hot-rolled carbon-quality steel plate.

The merchandise subject to the order is currently classifiable in the HTSUS under subheadings:

7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000,

¹ See *Certain Cut-to-Length Carbon-Quality Steel Plate from the Republic of Korea: Preliminary Results of Countervailing Duty Administrative Review; Calendar Year 2018*, 85 FR 13136 (March 6, 2020) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum.

² 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.

³ See Memorandum, “Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews,” dated July 21, 2020.

⁴ See Memorandum, “Countervailing Duty Administrative Review: Certain Cut-to-Length Carbon-Quality Steel Plate from the Republic of Korea: Post-Preliminary Analysis Memorandum,” dated August 6, 2020.

⁵ See Memorandum, “Extension of Deadline for Final Results of Countervailing Duty Administrative Review,” dated September 25, 2020.

⁶ See Memorandum, “Extension of Deadline for Final Results of Countervailing Duty Administrative Review,” dated November 2, 2020.

⁷ See Memorandum, “Issues and Decision Memorandum for the Final Results of Countervailing Duty Administrative Review: Cut-to-Length Carbon-Quality Steel Plate from the Republic of Korea; 2018,” dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

7208.53.0000, 7208.90.0000, 7210.70.3000, 7210.90.9000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7211.90.0000, 7212.40.1000, 7212.40.5000, 7212.50.0000, 7225.40.3050, 7225.40.7000, 7225.50.6000, 7225.99.0090, 7226.91.5000, 7226.91.7000, 7226.91.8000, 7226.99.0000.

Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise covered by the order is dispositive.⁸

Analysis of Comments Received

All issues raised in interested parties' case briefs are addressed in the Issues and Decision Memorandum. The issues are identified in the appendix to this notice. 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

Based on the comments received from interested parties and record information, we have made changes to the net subsidy rates calculated for the mandatory respondents. For a discussion of these issues, *see* the Issues and Decision Memorandum.

Methodology

Commerce is conducting this review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, we find that there is a subsidy, *i.e.*, a financial contribution from a government or public entity that gives rise to a benefit to the recipient, and that the subsidy is

⁸ For a complete description of the scope of the order, *see* the Issues and Decision Memorandum.

specific.⁹ For a full description of the methodology underlying our conclusions, *see* the Issues and Decision Memorandum.

Rate for Non-Selected Companies Under Review

The statute and Commerce’s regulations do not directly address the countervailing duty rates to be applied to companies not selected for individual examination where Commerce limited its examination in an administrative review pursuant to section 777A(e)(2) of the Act. However, Commerce normally determines the rates for non-selected companies in reviews in a manner that is consistent with section 705(c)(5) of the Act, which provides instructions for calculating the all-others rate in an investigation. Section 777A(e)(2) of the Act provides that “the individual countervailable subsidy rates determined under subparagraph (A) shall be used to determine the all-others rate under section 705(c)(5) {of the Act}.” Section 705(c)(5)(A) of the Act states that for companies not investigated, in general, we will determine an all-others rate by using the weighted-average countervailable subsidy rates established for each of the companies individually investigated, excluding zero and *de minimis* rates or any rates based solely on the facts available.

We determine that Hyundai Steel received countervailable subsidies that are above *de minimis*. Therefore, in these final results, we are applying the net subsidy rate calculated for Hyundai Steel to BDP International and Sung Jin Steel Co., Ltd.

Final Results of Administrative Review

In accordance with section 751(a)(1)(A) of the Act and 19 CFR 351.221(b)(5), we determine that the following total estimated net countervailable subsidy rates exist for the period January 1, 2018 through December 31, 2018:

Company	Subsidy Rate <i>Ad Valorem</i>
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⁹ *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

Dongkuk Steel Mill Co., Ltd.	0.28 percent (<i>de minimis</i>)
Hyundai Steel Company	0.50 percent
BDP International	0.50 percent
Sung Jin Steel Co., Ltd.	0.50 percent

Disclosure

Commerce intends to disclose the calculations performed for these final results of review within five days of the date of publication of this notice in the *Federal Register*, in accordance with 19 CFR 351.224(b).

Assessment Rates

In accordance with 19 CFR 351.212(b)(2), Commerce intends to issue appropriate instructions to U.S. Customs and Border Protection (CBP) 15 days after publication of these final results to liquidate shipments of subject merchandise. Because we have calculated a *de minimis* countervailable subsidy rate for DSM, we will instruct CBP to liquidate the appropriate entries without regard to countervailing duties in accordance with 19 CFR 351.212. We will instruct CBP to liquidate shipments of subject merchandise produced and/or exported by Hyundai Steel and the above listed companies, entered or withdrawn from warehouse for consumption from January 1, 2018 through December 31, 2018, at the *ad valorem* rates listed above for each respective company.

Cash Deposit Instructions

In accordance with section 751(a)(2)(C) of the Act, we intend to instruct CBP to collect cash deposits of estimated countervailing duties, in the amounts shown above, with the exception of DSM, on shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review. Because the countervailable subsidy rate for DSM is *de minimis*, Commerce will instruct CBP to collect cash deposits at a rate of zero for DSM for all shipments of the subject merchandise that are entered,

or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this administrative review. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits of estimated countervailing duties at the most-recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Administrative Protective Order (APO)

This notice also serves as a reminder to parties subject to 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 the return or 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

These final results are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.221(b)(5).

Dated: December 18, 2020

Jeffrey I. Kessler,

Assistant Secretary

for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Issues and Decision Memorandum

Summary
Background
Scope of the Order
Period of Review
Subsidies Valuation Information
Analysis of Programs
Analysis of Comments

Dongkuk Steel Mill Co., Ltd. (DSM)

- Comment 1: Whether Commerce's Findings that the Demand Response Resources (DRR) Program Constitutes a Countervailable Subsidy is in Accordance with the Requirements of the Statute or the World Trade Organization (WTO) Agreement on Subsidies and Countervailing Measures (SCM Agreement)
- Comment 2: Whether the "Energy Savings System" (ESS) Discount Program Is Not a Subsidy Relating to Subject Merchandise
- Comment 3: Commerce Incorrectly Calculated the Benefit from the KEXIM Import Financing Used by DSM
- Comment 4: Whether Commerce Incorrectly Calculated the Benefit from the R&D Project for the Development of Earthquake-Proof Reinforced Steel Bars (ITIPA R&D)
- Comment 5: Commerce Incorrectly Described Unaffiliated Trading Companies as Affiliates of DSM in the Preliminary Issues and Decision Memorandum

Hyundai Steel Company (Hyundai Steel)

- Comment 6: Commerce Erred in its Preliminary Finding that the Reduction for Sewerage Fees Program for Hyundai Steel
- Comment 7: Commerce should continue to determine that the Upstream Electricity Subsidy Program is not Countervailable
- Comment 8: Whether the GOK Provided Carbon Emission Credits for Less Than Adequate Remuneration (LTAR) to Hyundai Steel

Recommendation

[FR Doc. 2020-28591 Filed: 12/23/2020 8:45 am; Publication Date: 12/28/2020]