



## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-580-881]

#### **Certain Cold-Rolled Steel Flat Products from the Republic of Korea: Preliminary Results 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 Hyundai Steel Company (Hyundai) and POSCO/POSCO International Corporation (PIC), the two companies selected for individual examination, did not sell certain cold-rolled steel flat products (cold-rolled steel) from the Republic of Korea (Korea) in the United States at prices below normal value during the period of review (POR) September 1, 2018 through August 31, 2019. Interested parties are invited to comment on these preliminary results.

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

**FOR FURTHER INFORMATION CONTACT:** Michael J. Heaney, George McMahon, or Marc Castillo, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4475, (202) 482-1167, or (202) 482-5019, respectively.

#### **SUPPLEMENTARY INFORMATION:**

##### Background

These preliminary results are made in accordance with section 751 of the Tariff Act of 1930, as amended (the Act). On November 12, 2019, based on timely requests for review, in accordance with 19 CFR 351.221(c)(1)(i), we initiated an administrative review of the

antidumping duty order on cold-rolled steel from Korea for 38 companies.<sup>1</sup> Commerce selected Hyundai and POSCO/POSCO International Corporation (hereafter, POSCO/PIC)<sup>2</sup> as the two mandatory respondents in this review.<sup>3</sup> On February 5, 2020, the petitioners<sup>4</sup> withdrew their request for review of all companies except for Dongbu Incheon Steel Co., Ltd., Dongbu Steel Co., Ltd., Hyundai, POSCO, PDW, and PIC.<sup>5</sup>

On April 24, 2020, Commerce tolled all deadlines in administrative reviews by 50 days.<sup>6</sup> On July 20, 2020, Commerce extended the deadline for the preliminary results by 100 days, in accordance with 751(a)(3)(A) of the Act.<sup>7</sup> On July 21, 2020, Commerce tolled all deadlines in administrative reviews by an additional 60 days.<sup>8</sup> On December 3, 2020, in accordance with section 751(a)(3)(A) of the Act, Commerce extended the preliminary results of review by an additional 18 days, until January 15, 2021.<sup>9</sup>

On October 7, 2020, Commerce published a notice in the *Federal Register* partially rescinding the instant administrative review of 32 companies based on the petitioners' timely

---

<sup>1</sup> See Initiation of Antidumping and Countervailing Duty Administrative Reviews, 84 FR 61011 (November 12, 2019) (*Initiation Notice*).

<sup>2</sup> POSCO reported that the company formerly known as Daewoo International Corporation (DWI) and POSCO Daewoo (PDW) now does business as PIC. See POSCO/PDW's Letter, "Cold-Rolled Steel Flat Products from the Republic of Korea; 2018-2019: POSCO's Respondent Selection Comments," dated December 11, 2019, at 2-3. In its questionnaire response, POSCO subsequently reported that PDW became PIC on March 18, 2019. See POSCO Section A Initial Questionnaire Response, dated February 18, 2020 at 1 and A-1. Based on our analysis in the instant review, we are preliminarily collapsing POSCO and PIC, which we find to be the successor-in-interest to PDW. See Memorandum, "Third Administrative Review of Cold-Rolled Steel Flat Products from the Republic of Korea: POSCO and POSCO International Corporation Affiliation and Collapsing Memorandum," dated concurrently with these preliminary results. Accordingly, hereafter we refer to the collapsed entity as "POSCO/PIC."

<sup>3</sup> See Memorandum, "2018-2019 Administrative Review of Cold-Rolled Steel Flat Products from the Republic of Korea: Respondent Selection," dated January 15, 2020.

<sup>4</sup> The petitioners are ArcelorMittal USA LLC, AK Steel Corporation, Nucor Corporation, Steel Dynamics, Inc., and United States Steel Corporation (collectively, the petitioners).

<sup>5</sup> See Petitioners' Letter, "Cold-Rolled Steel Flat Products from the Republic of Korea: Petitioners' Partial Withdrawal of Request for Review," dated February 5, 2020.

<sup>6</sup> 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.

<sup>7</sup> See Memorandum, "Extension of Time Limit for Preliminary Results of Antidumping Duty Administrative Review," dated July 20, 2020.

<sup>8</sup> See Memorandum, "Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews," dated July 21, 2020.

<sup>9</sup> See Memorandum, "Extension of Deadline for Preliminary Results of 2018-2019 Antidumping Duty Administrative Review" dated December 3, 2020.

withdrawal of their requests for review of those companies.<sup>10</sup> The administrative review will continue with respect to KG Dongbu Steel,<sup>11</sup> Hyundai, and POSCO/PIC.

For a complete description of the events that followed the initiation of this administrative review, *see* the Preliminary Decision Memorandum.<sup>12</sup> A list of topics discussed in the Preliminary Decision Memorandum is included 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/>. The signed and the electronic versions of the Preliminary Decision Memorandum are identical in content.

#### Scope of the Order

The product covered by the *Order*<sup>13</sup> is cold-rolled steel from Korea. For a complete description of the scope of the *Order*, *see* the Preliminary Decision Memorandum.

#### Methodology

Commerce is conducting this review in accordance with sections 751(a) of the Act. Commerce has calculated constructed export prices in accordance with section 772 of the Act. Normal value is calculated in accordance with section 773 of the Act. Commerce preliminarily finds that a cost-based particular market situation (PMS) existed in Korea during the POR

---

<sup>10</sup> *See Certain Cold-Rolled Steel Flat Products from the Republic of Korea: Partial Rescission of Antidumping Duty Administrative Review; 2018-2019*, 85 FR 63253 (October 7, 2020).

<sup>11</sup> *See Certain Cold-Rolled Steel Flat Products and Certain Corrosion-Resistant Steel Products from the Republic of Korea: Preliminary Results of Antidumping Duty and Countervailing Duty Changed Circumstance Reviews*, 86 FR 287 (January 5, 2021). Commerce preliminarily determined that KG Dongbu Steel Co., Ltd. (KG Dongbu Steel) is the successor-in-interest to Dongbu Steel Co., Ltd. (Dongbu Steel) and Dongbu Incheon Steel Co., Ltd. (Dongbu Incheon) for purposes of determining antidumping duty (AD) cash deposits and liabilities pursuant to the AD orders on certain cold-rolled steel and certain corrosion resistant steel products (CORE) from Korea.

<sup>12</sup> *See* Memorandum, "Decision Memorandum for the Preliminary Results of the Antidumping Duty Administrative Review: Certain Cold Rolled Steel Flat Products from the Republic of Korea; 2018-2019," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

<sup>13</sup> *See Certain Cold Rolled Steel Flat Products from Brazil, India, the Republic of Korea, and the United Kingdom: Amended Final Affirmative Antidumping Determinations for Brazil and the United Kingdom and Antidumping Duty Orders*, 81 FR 64432 (September 20, 2016) (*Order*).

concerning the cost of hot-rolled coil (HRC) as a component of the cost of production for the cold-rolled steel that Hyundai Steel and POSCO/PIC produced.<sup>14</sup> Specifically, we quantified the impact of the PMS on the material cost of HRC, and derived a corresponding adjustment factor that, when applied to the cost of HRC, accounts for the distortions induced by the observed PMS.<sup>15</sup> For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum.

#### Rate for Non-Examined Company

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. 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, we preliminarily calculated a zero percent dumping margin for Hyundai and POSCO/PIC and have assigned this rate (*i.e.*, 0.00 percent) to the company not individually examined (*i.e.*, KG Dongbu Steel Co., Ltd.).<sup>16</sup>

#### Preliminary Results of Review

Commerce preliminarily determines that, for the period September 1, 2018 through August 31, 2019, the following weighted-average dumping margins exist:

---

<sup>14</sup> For a complete discussion, *see* Memorandum, “2018-2019 Administrative Review of Antidumping Duty Order on Certain Cold Rolled Steel Flat Products from the Republic of Korea: Decisions on Particular Market Situation Allegations,” dated concurrently with this notice (PMS Memorandum).

<sup>15</sup> *See* PMS Memorandum.

<sup>16</sup> *See Albemarle Corp. v. United States*, 821 F.3d 1345 (Fed. Cir. 2016).

<b>Producer or Exporter</b>	<b>Weighted-Average Dumping Margin (percent)</b>
Hyundai Steel Company	0.00
POSCO/POSCO International Corporation	0.00
KG Dongbu Steel Co., Ltd.	0.00

#### Disclosure, Public Comment, and Opportunity to Request a Hearing

We intend to disclose the calculations performed for these preliminary 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). Pursuant to 19 CFR 351.309(c), interested parties may submit case briefs no later than 30 days after the date of publication of this notice. Rebuttal briefs, the content of which is limited to issues raised in the case briefs, may be filed no later than seven days after the date for filing case briefs.<sup>17</sup> Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice.<sup>18</sup>

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.<sup>19</sup> Case and rebuttal briefs should be filed using ACCESS<sup>20</sup> and must be served on interested parties.<sup>21</sup> 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

---

<sup>17</sup> See 19 CFR 351.309(d); see also *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020) (*Temporary Rule*).

<sup>18</sup> See 19 CFR 351.303 (for general filing requirements); see also *Temporary Rule*.

<sup>19</sup> See 19 CFR 351.309(c)(2) and (d)(2).

<sup>20</sup> See generally 19 CFR 351.303.

<sup>21</sup> See 19 CFR 351.303(f).

the date of publication of this notice.<sup>22</sup> 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 the hearing at a date and time to be determined.<sup>23</sup> Parties should confirm 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.<sup>24</sup>

### Assessment Rates

Upon completion of this administrative review, Commerce shall determine, and Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries covered by this review.<sup>25</sup> Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the Federal Register. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

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

---

<sup>22</sup> See 19 CFR 351.310(c).

<sup>23</sup> See 19 CFR 351.310(d).

<sup>24</sup> See section 751(a)(3)(A) of the Act and 19 CFR 351.213(h).

<sup>25</sup> See 19 CFR 351.212(b)(1).

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 to liquidate the appropriate entries without regard to antidumping duties.<sup>26</sup>

For entries of subject merchandise during the POR produced by Hyundai and POSCO/PIC 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.<sup>27</sup>

#### Cash Deposit Requirements

The following cash 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 Hyundai, POSCO/PIC, and other companies listed in the final results of review will be equal to the weighted-average dumping margin established in the final results of this administrative review; (2) for merchandise exported by producers or exporters not covered in this review but covered in a prior segment of the proceeding, the cash deposit rate will continue to be the company-specific rate published for the most recently completed segment of this proceeding in which they were reviewed; (3) if the

---

<sup>26</sup> 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*).

<sup>27</sup> See *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

exporter is not a firm covered in this review or the original 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 merchandise; (4) the cash deposit rate for all other producers or exporters will continue to be 20.33 percent,<sup>28</sup> the all-others rate established in the less-than-fair-value investigation. These cash deposit requirements, when imposed, shall remain in effect until further notice.

#### 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 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

Commerce is issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(4).

Dated: January 15, 2021.

**Jeffrey I. Kessler,**

*Assistant Secretary*

*for Enforcement and Compliance.*

---

<sup>28</sup> See Order.

## **Appendix**

### **List of Topics Discussed in the Preliminary Decision Memorandum**

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Affiliation and Collapsing
- V. Rate for Non-Examined Company
- VI. Discussion of the Methodology
- VII. Currency Conversion
- VIII. Recommendation

[FR Doc. 2021-01496 Filed: 1/22/2021 8:45 am; Publication Date: 1/25/2021]