



## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-570-047]

#### **Certain Carbon and Alloy Steel Cut-To-Length Plate from the People's Republic of China: Rescission of Antidumping Duty Administrative Review; 2018-2019**

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

**SUMMARY:** The Department of Commerce (Commerce) determines that Jiangsu Tiangong Tools Company LTD (TG Tools) did not make a *bona fide* sale of certain carbon and alloy steel cut-to-length plate (CTL plate) from the People's Republic of China (China) during the period of review (POR) March 1, 2018 through February 28, 2019. Therefore, we are rescinding this administrative review.

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

**FOR FURTHER INFORMATION CONTACT:** Bryan Hansen, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3683.

#### Background

On April 3, 2020, Commerce published the *Preliminary Results* and invited interested parties to comment.<sup>1</sup> On June 22, 2020, we received a case brief from TG Tools.<sup>2</sup> On July 1,

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<sup>1</sup> See *Certain Carbon and Alloy Steel Cut-To-Length Plate from the People's Republic of China: Preliminary Intent To Rescind Antidumping Duty Administrative Review; 2018–2019*, 85 FR 18915 (April 3, 2020) (*Preliminary Results*).

<sup>2</sup> See TG Tools' Letter, "Administrative Review of the Antidumping Duty Order on Carbon and Alloy Steel Cut-to-Length Plate from the People's Republic of China: Case Brief," dated June 22, 2020.

2020, we received a rebuttal brief from ArcelorMittal USA LLC (the petitioner).<sup>3</sup>

### Scope of the Order

The merchandise subject to this order is certain carbon and alloy steel hot-rolled or forged flat plate products not in coils, whether or not painted, varnished, or coated with plastics or other non-metallic substances (cut-to-length plate). For a full description of the scope, *see* the Issues and Decision Memorandum.<sup>4</sup>

### Analysis of Comments Received

All issues raised in case briefs are listed in the appendix to this notice and are addressed in the Issues and Decision Memorandum. The Issues and Decision Memorandum is a public document and is made available to the public 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 is available at <http://enforcement.trade.gov/frn/>.

### Bona Fides Analysis

In the *Preliminary Results*, we found that TG Tools did not have a *bona fide* sale of CTL plate during the POR. After analyzing comments from interested parties, we continue to find that TG Tools did not have a *bona fide* sale of CTL plate during the POR. We reached this conclusion based on multiple factors, including: (1) the low quantity and high price of the sale; (2) atypical timing of the sale; (3) the excessive profit made by TG Tools' importer on the resale; and (4) other considerations, such as the fact that TG Tools made only a single sale of subject merchandise during the POR, which was a trial sale of a specialty product, and TG Tools' importer had not previously purchased the subject merchandise and made no subsequent purchases of the specialty product or any other subject merchandise. Our analysis led us to

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<sup>3</sup> See Petitioner's Letter, "Carbon and Alloy Steel Cut-To-Length Plate from the People's Republic of China: Petitioner's Rebuttal Brief," dated July 1, 2020.

<sup>4</sup> See Memorandum, "Decision Memorandum for the Final Results of the Antidumping Duty Administrative Review of Certain Carbon and Alloy Steel Cut-To-Length Plate from the People's Republic of China; 2018-2019," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

conclude that TG Tools' single POR sale is not representative of TG Tools' typical selling practices for subject merchandise.

Because we have determined that TG Tools had no *bona fide* sales during the POR, we are rescinding this administrative review.

#### Assessment Rate

Because Commerce is rescinding this administrative review, we have not calculated a company-specific dumping margin for TG Tools. TG Tools remains part of the China-wide entity and the entry of its subject merchandise during the POR will be assessed antidumping duties at the China-wide entity rate. The China-wide entity rate is 68.27 percent.<sup>5</sup>

Consistent with its recent notice,<sup>6</sup> Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of this rescission notice 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).

#### Cash Deposit Requirements

As noted above, Commerce is rescinding this administrative review. Thus, we have not calculated a company-specific dumping margin for TG Tools. Therefore, entries of TG Tools' subject merchandise continue to be subject to the China-wide entity cash deposit rate of 68.27 percent. This cash deposit requirement shall remain in effect until further notice.

#### Administrative Protective Order

This notice also serves as a final reminder to parties subject to administrative protective order (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to

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<sup>5</sup> See *Certain Carbon and Alloy Steel Cut-To-Length Plate from the People's Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value*, 82 FR 8510 (January 26, 2017).

<sup>6</sup> See *Notice of Discontinuation of Policy to Issue Liquidation Instructions After 15 Days in Applicable Antidumping and Countervailing Duty Administrative Proceedings*, 86 FR 3995 (January 15, 2021).

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 terms of an APO is a violation which is subject to sanction.

#### Notification to Importers

This notice also 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 liquidation of the relevant entries during the POR. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties has occurred and the subsequent assessment of double antidumping duties.

#### Notification to Interested Parties

We are issuing and publishing these final results in accordance with sections 751(a)(1) and 777(i)(1) of the Tariff Act of 1930, as amended, and 19 CFR 351.213(h)(1) and 19 CFR 351.221(b)(5).

Dated: January 19, 2021.

**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. Scope of the Order
- IV. Discussion of the Issues
  - Comment 1: Whether Commerce Has Legal Authority to Apply *Bona Fides* Sales Analysis in Administrative Reviews
  - Comment 2: Whether Record Evidence Supports Finding that TG Tools' U.S. Sale was not *Bona Fide*
  - Comment 3: Whether Commerce Should Apply AFA for Importer's Failure to Provide Requested Information
  - Comment 4: Surrogate Country and Surrogate Values Selection
- V. Recommendation

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