



DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-891]

Carbon and Alloy Steel Wire Rod from the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review; 2019-2020

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

SUMMARY: The Department of Commerce (Commerce) preliminarily finds that POSCO, a producer and exporter of carbon and alloy steel wire rod (wire rod) from the Republic of Korea (Korea), sold subject merchandise in the United States at prices below normal value during the period of review (POR) May 1, 2019, through April 30, 2020. We invite all interested parties to comment on these preliminary results.

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

FOR FURTHER INFORMATION CONTACT: 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) 482-2316.

SUPPLEMENTARY INFORMATION:

Background

On May 21, 2018, Commerce published in the *Federal Register* the *Order*.¹ On April 8, 2019, Commerce revoked, in part, the *Order* with respect to grade 1078 and higher tire cord

¹ See *Carbon and Alloy Steel Wire Rod from Italy, the Republic of Korea, Spain, the Republic of Turkey, and the United Kingdom: Antidumping Duty Orders and Amended Final Affirmative Antidumping Duty Determinations for Spain and the Republic of Turkey*, 83 FR 23417 (May 21, 2018) (*Order*).

quality wire rod used in the production of tire cord wire.² On June 13, 2019, Commerce revoked, in part, the *Order* with respect to valve spring quality (VSQ) wire rod.³

Commerce is conducting this administrative review in accordance with section 751(a)(1)(B) of Tariff Act of 1930, as amended (the Act).⁴ On July 10, 2020, in accordance with 19 CFR 351.221(c)(1)(i), we initiated this review covering POSCO, the sole producer and exporter for which a review was requested.⁵

On July 21, 2020, Commerce tolled all preliminary and final results in administrative reviews by 60 days.⁶ On March 11, 2021 and June 17, 2021, we extended the deadline for issuing the preliminary results until July 30, 2021.⁷

For a detailed description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.⁸

Scope of the *Order*

The scope of the *Order* includes certain hot-rolled products of carbon steel and alloy steel, in coils, of approximately round cross section, less than 19.00 mm in actual solid cross-sectional diameter. Excluded from the scope are grade 1078 and higher tire cord quality wire rod to be used in the production of tire cord wire. Also, excluded from the scope are valve spring

² See *Carbon and Alloy Steel Wire Rod from the Republic of Korea and the United Kingdom: Notice of Final Results of Antidumping Duty Changed Circumstances Review*, 84 FR 13888 (April 8, 2019).

³ See *Carbon and Alloy Steel Wire Rod from the Republic of Korea: Final Results of Antidumping Duty Changed Circumstances Review*, 84 FR 27582 (June 13, 2019).

⁴ See *Carbon and Alloy Steel Wire Rod from Italy, the Republic of Korea, Spain, the Republic of Turkey, and the United Kingdom: Antidumping Duty Orders and Amended Final Affirmative Antidumping Duty Determinations for Spain and the Republic of Turkey*, 83 FR 23417 (May 21, 2018) (*Order*); *see also* *Carbon and Alloy Steel Wire Rod from the Republic of Korea and the United Kingdom: Notice of Final Results of Antidumping Duty Changed Circumstances Review*, 84 FR 13888 (April 8, 2019); and *Carbon and Alloy Steel Wire Rod from the Republic of Korea: Final Results of Antidumping Duty Changed Circumstances Review*, 84 FR 27582 (June 13, 2019).

⁵ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 85 FR 41540 (July 10, 2020).

⁶ See Memorandum, “Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews,” dated July 21, 2020 (the deadline for the final results was actually tolled by 57 days because the tolling started three days before the publication date of the *Preliminary Results*).

⁷ See Memorandum, “Carbon and Alloy Steel Wire Rod from the Republic of Korea—Extension of Deadline for Preliminary Results,” dated March 11, 2021; *see also* Memorandum, “Carbon and Alloy Steel Wire Rod from the Republic of Korea—Extension of Deadline for the Preliminary Results,” dated June 17, 2021.

⁸ See Memorandum, “Decision Memorandum for the Preliminary Results of Antidumping Duty Administrative Review: Carbon and Alloy Steel Wire Rod from the Republic of Korea; 2017-2019,” dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

quality (VSQ) steel products which is defined as wire rod. For a complete description of the scope of the *Order*, see the Preliminary Decision Memorandum.⁹

Methodology

Commerce is conducting this review in accordance with section 751(a) of the Act. Constructed export prices are 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/>.

Preliminary Results

We preliminarily determine the following weighted-average dumping margin for the period May 1, 2019, through April 30, 2020:

Exporter and Producer	Weighted-Average Dumping Margin (Percent)
POSCO	7.51

Assessment Rates

Upon issuance of the final results, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries covered by this review.¹⁰ The final results of this review shall be the basis for the assessment of

⁹ *Id.*

¹⁰ See 19 CFR 351.212(b).

antidumping duties on entries of merchandise covered by this review and for future deposits of estimated duties, where applicable.¹¹ 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).

Pursuant to 19 CFR 351.212(b)(1), where an examined respondent's weighted-average dumping margin is not zero or *de minimis* (*i.e.*, less than 0.5 percent), we will calculate an importer-specific *ad valorem* duty assessment rate based on the ratio of the total amount of dumping calculated for the U.S. sales for a given importer to the total entered value 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 entries of subject merchandise during the POR produced by POSCO for which it did not know that its merchandise was destined for the United States, we will instruct CBP to liquidate such unreviewed entries pursuant to the reseller policy,¹² *i.e.*, the assessment rate for such entries will be equal to the all-others rate established in the investigation (*i.e.*, 41.10 percent), if there is no rate for the intermediate company(ies) involved in the transaction.

Cash Deposit Requirements

The following 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 POSCO will be equal to POSCO's weighted-average dumping

¹¹ See section 751(a)(2)(C) of the Act.

¹² See *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

margin 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 producer is, then the cash deposit rate will be the rate established for the completed segment for the most recent POR for the producer of the merchandise; and (4) the cash deposit rate for all other producers or exporters will continue to be 41.10 percent, the all-others rate established in the underlying investigation.¹³ These deposit requirements, when imposed, shall remain in effect until further notice.

Disclosure and Public Comment

Commerce intends to disclose the calculations performed in connection with these preliminary results to interested parties within five days after the date of publication of this notice in accordance with 19 CFR 351.224(b).

Interested parties may submit case briefs no later than 30 days after the date of publication of this notice.¹⁴ Rebuttal briefs, limited to issues raised in the case briefs, may be filed not later than seven days after the time limit for filing case briefs.¹⁵ 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.¹⁶ Executive summaries should be limited to five pages total, including footnotes. Case and rebuttal briefs should be filed using ACCESS and must be served on interested parties.¹⁷ Note

¹³ See *Order*, 81 FR at 23419.

¹⁴ See 19 CFR 351.309(c)(1)(ii); see also 19 CFR 351.303 (for general filing requirements).

¹⁵ See 19 CFR 351.309(d)(1).

¹⁶ See 19 CFR 351.309(c)(2) and (d)(2).

¹⁷ See 19 CFR 351.303.

that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice.¹⁸

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 ACCESS. An electronically-filed request for a hearing must be received successfully in its entirety by ACCESS by 5 p.m. Eastern Time within 30 days after the date of publication of this notice.¹⁹ Hearing requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to issues raised in the briefs. If a request for a hearing is made, Commerce intends to hold the hearing at a date and time to be determined.²⁰

Final Results of Review

Commerce intends to issue the final results of this administrative review, including the results of its analysis of issues raised in any written briefs, not later than 120 days after the publication of these preliminary results in the *Federal Register* pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h)(1), unless otherwise extended.²¹

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. 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.

¹⁸ See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

¹⁹ See 19 CFR 351.310(c); see also 19 CFR 351.303(b)(1).

²⁰ See 19 CFR 351.310(c).

²¹ See section 751(a)(3)(A) of the Act.

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 and 19 CFR 351.221(b)(4).

Dated: July 29, 2021.

Christian Marsh,
Acting 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. Comparisons to Normal Value
- V. Date of Sale
- VI. Constructed Export Price
- VII. Normal Value
- VIII. Currency Conversion
- IX. Recommendation

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