



DEPARTMENT OF COMMERCE

International Trade Administration

[A-201-848]

Emulsion Styrene-Butadiene Rubber from Mexico: Preliminary Results of Antidumping Duty Administrative Review, Preliminary Determination of No Shipments, and Notice of Intent to Rescind, in Part; 2021-2022

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

SUMMARY: The U.S. Department of Commerce (Commerce) preliminarily finds that producers/exporters of emulsion styrene-butadiene rubber (ESB rubber) from Mexico did not make sales at prices below normal value during the period of review (POR) September 1, 2021, through August 31, 2022. We also preliminarily find that Dynasol Elastomeros S.A. de C.V. (Dynasol Elastomeros) had no shipments during the POR. We invite interested parties to comment on these preliminary results.

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

FOR FURTHER INFORMATION CONTACT: Christopher Maciuba, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington DC 20230; telephone: (202) 482-0413.

SUPPLEMENTARY INFORMATION:

Background

On September 12, 2017, Commerce published in the *Federal Register* the antidumping duty order on ESB rubber from Mexico.¹ On November 3, 2022, Commerce initiated an

¹ See *Emulsion Styrene-Butadiene Rubber from Brazil, the Republic of Korea, Mexico, and Poland: Antidumping Duty Orders*, 82 FR 42790 (September 12, 2017) (*Order*).

administrative review of the *Order*, in accordance with section 751(a) of the Tariff Act of 1930, as Amended (the Act).² We selected Negromex as the sole mandatory respondent in this review.³

On May 18, 2023, Commerce extended the deadline for issuance of the preliminary results until September 29, 2023.⁴ For a complete description of the events that followed the initiation of the review, *see* the Preliminary Decision Memorandum.⁵

Scope of the *Order*

The merchandise subject to the *Order* is ESB rubber from Mexico. For a complete description of the scope, *see* the Preliminary Decision Memorandum.

Preliminary Determination of No Shipments

On November 4, 2022, we received a letter from Dynasol Elastomeros notifying Commerce that it had no exports, sales, or entries of subject merchandise during the POR.⁶ This certification was consistent with entry data obtained by Commerce.⁷ Therefore, we preliminarily determine that Dynasol Elastomeros had no shipments of subject merchandise to the United States during the POR. Consistent with Commerce's practice,⁸ we find that it is not appropriate to rescind the review with respect to Dynasol Elastomeros, but rather to complete the review and

² *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 87 FR 66275 (November 3, 2022) (*Initiation Notice*). The *Initiation Notice* references the six companies for which the petitioner requested review: Continental Tires de Mexico S.A. de C.V. (Continental Tires); Dynasol Elastomeros; Dynasol LLC (Dynasol); Hyundai Glovis Mexico S. de R.L. de C.V. (Hyundai Glovis); Negromex; and Pirelli Neumaticos, S.A. de C.V. (Pirelli Neumaticos).

³ *See* Memorandum, "Respondent Selection," December 6, 2022.

⁴ *See* Memorandum, "Extension of Deadline for Preliminary Results of the 2021-2022 Antidumping Duty Administrative Review," dated May 18, 2023.

⁵ *See* Memorandum, "Decision Memorandum for the Preliminary Results of the Administrative Review of the Antidumping Duty Order: Emulsion Styrene-Butadiene Rubber from Mexico; 2021-2022," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁶ *See* Dynasol Elastomeros's Letter, "Notification of No Shipments," dated November 4, 2022.

⁷ Additionally, Commerce issued a no-shipment inquiry to U.S. Customs and Border Protection (CBP), which is pending at this time.

⁸ *See, e.g., Welded Line Pipe from the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review and Preliminary Determination of No Shipments; 2016-2017*, 84 FR 4046, 4047 (February 14, 2019), unchanged in *Welded Line Pipe from the Republic of Korea: Final Results of Antidumping Duty Administrative Review and Final Determination of No Shipments; 2016-2017*, 84 FR 27762 (June 14, 2019).

issue appropriate instructions to CBP based on the final results of this review.

Notice of Intent to Rescind the Review, in Part

Commerce initiated this review with respect to six companies, including Dynasol.⁹ However, because Dynasol is a U.S. importer, rather than a producer or exporter of subject merchandise, it is not eligible for review. Therefore, we are announcing our intent to rescind this review with respect to Dynasol.

Methodology

Commerce is conducting this review in accordance with section 751(a) of the Act. We have calculated constructed export price 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 these preliminary results, *see* the Preliminary Decision Memorandum. A list of topics included in the Preliminary Decision Memorandum is included as an appendix to this notice. The Preliminary 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 Preliminary Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Rate for Non-Selected Companies

We did not select Continental Tires, Hyundai Glovis, and Pirelli Neumaticos for individual examination in this review. The Act and Commerce's regulations do not address the 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 less-than-fair value (LTFV) investigation, for guidance when

⁹ *See Initiation Notice*, 87 FR at 66277.

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.

However, pursuant to section 735(c)(5)(B) of the Act, if the estimated weighted-average dumping margins established for all exporters and producers individually examined are zero, *de minimis*, or determined based entirely on facts otherwise available, Commerce may use any reasonable method to establish the estimated weighted-average dumping margin for all other producers or exporters.

Negromex is the sole mandatory respondent in this administrative review, and its weighted-average dumping margin is zero. Accordingly, we preliminarily assign to the non-selected companies the dumping margin of 0.00 percent in accordance with section 735(c)(5)(B) of the Act.

Preliminary Results of the Review

For these preliminary results, Commerce has calculated the following estimated weighted-average dumping margins for the period September 1, 2021, through August 31, 2022:

Exporter/Producer	Weighted-Average Dumping Margin (Percent)
Industrias Negromex S.A. de C.V.	0.00
Continental Tires de Mexico S.A. de C.V.	0.00
Hyundai Glovis Mexico S. de R.L. de C.V.	0.00
Pirelli Neumaticos S.A. de C.V.	0.00

Assessment Rates

Upon completion of this administrative review, Commerce shall determine, and CBP shall assess, antidumping duties on all appropriate entries. If Negromex's weighted-average dumping margin is not zero or *de minimis* in the final results of this review, we will calculate importer-specific *ad valorem* antidumping duty assessment rates based on the ratio of the total

amount of dumping calculated for the importer's examined sales during the POR to the total entered value of those same sales in accordance with 19 CFR 351.212(b)(1). We will instruct CBP to assess antidumping duties on all appropriate entries covered by this review where the importer-specific assessment rate calculated in the final results of this review is not zero or *de minimis*. If the Negromex's weighted-average dumping margin is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

In accordance with Commerce's "automatic assessment" practice, for entries of subject merchandise during the POR produced by Negromex for which the company did not know that the merchandise was destined for the United States, we will instruct CBP to liquidate those entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction.¹⁰

For the companies which were not selected for individual review, we intend to assign an assessment rate based on the review-specific average rate, as noted in the "Preliminary Results of the Review" section, above. If this rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.¹¹

The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by this review and for future deposits of estimated duties, where applicable.

Commerce intends to issue assessment instructions to CBP no earlier than 41 days after the date of publication of the final results of this review in the *Federal Register*, in accordance with 19 CFR 356.8(a).

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

¹⁰ For a full discussion of this practice, see *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

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

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 the companies under review will be equal to the weighted-average dumping margin established in the final results of this administrative 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 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 exporter is not a firm covered in this review, a prior review, or the original LTFV 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; and (4) the cash deposit rate for all other producers or exporters will continue to be 19.52 percent, the all-others rate established in the LTFV investigation.¹² These cash deposit requirements, when imposed, shall remain in effect until further notice.

Disclosure and Public Comment

We intend to disclose the calculations performed to parties within five days after publication of the preliminary results in the *Federal Register*.¹³ 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, limited to issues raised in the case briefs, may be filed not later than seven days after the date for filing case briefs.¹⁴ 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.¹⁵ Case and rebuttal briefs should be filed using ACCESS,¹⁶ and must be served on interested

¹² See *Order*.

¹³ See 19 CFR 351.224(b).

¹⁴ 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*).

¹⁵ See 19 CFR 351.309(c)(2) and (d)(2).

¹⁶ See 19 CFR 351.303.

parties. Executive summaries should be limited to five pages total, including footnotes. Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice.¹⁷

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, within 30 days after the date of publication of this notice. An electronically filed document must be received successfully in its entirety by 5:00 p.m. Eastern Time. 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 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.¹⁸ Parties should confirm the date, time, and location of the hearing two days before the scheduled date.

Final Results of Review

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

Notification to Importers

This notice also serves as a 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 doubled antidumping duties.

¹⁷ See *Temporary Rule*.

¹⁸ See 19 CFR 351.310(d).

Notification to Interested Parties

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

Dated: September 29, 2023.

Lisa W. Wang,
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. Intent to Rescind the Review, In Part
- V. Discussion of the Methodology
- VI. Currency Conversion
- VII. Recommendation

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