



DEPARTMENT OF COMMERCE

International Trade Administration

[C-201-864]

Certain Corrosion-Resistant Steel Products from Mexico: Final Affirmative Countervailing Duty Determination

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

SUMMARY: The U.S. Department of Commerce (Commerce) determines that countervailable subsidies are being provided to producers and exporters of certain corrosion-resistant steel products (CORE) from Mexico during the period of investigation (POI), January 1, 2023, through December 31, 2023.

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

FOR FURTHER INFORMATION CONTACT: Maria Teresa Aymerich or Paul Kebker, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0499 or (202) 482-2254, respectively.

SUPPLEMENTARY INFORMATION:

Background

On February 10, 2025, Commerce published in the *Federal Register* its *Preliminary Determination* in the countervailing duty (CVD) investigation of CORE from Mexico and invited interested parties to comment.¹ On July 31, 2025, Commerce issued its post-preliminary analysis regarding new subsidy allegations.² Because Commerce aligned the deadline for this final determination with the deadline for the final determination in the less-than-fair-value

¹ See *Certain Corrosion-Resistant Steel Products From Mexico: Preliminary Affirmative Countervailing Duty Determination, and Alignment of Final Determination With Final Antidumping Duty Determination*, 90 FR 9226 (February 10, 2025) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum (PDM).

² See Memorandum, “Post-Preliminary Analysis,” dated July 31, 2025 (Post-Preliminary Memorandum).

(LTFV) investigation of CORE from Mexico, the deadline for the final determination is now August 25, 2025.³

For a complete description of the events that occurred since Commerce published the *Preliminary Determination*, as well as a full discussion of the issues raised by parties for this final determination, *see* the Issues and Decision Memorandum.⁴ The Issues and Decision Memorandum is a public document that 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 <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Scope of the Investigation

The product covered by this investigation is CORE from Mexico. For a complete description of the scope of this investigation, *see* Appendix I.

Scope Comments

In the Preliminary Scope Memorandum, we set aside a period of time for parties to raise issues regarding product coverage (*i.e.*, scope) in scope-specific case briefs or other written comments.⁵ We received scope case and rebuttal briefs from multiple interested parties. For a summary of the product coverage comments and rebuttal responses submitted to the record for this final determination, and accompanying discussion and analysis of all comments timely

³ *See Preliminary Determination*, 90 FR at 9226-9227; *see also Certain Corrosion-Resistant Steel Products From Mexico: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*, 90 FR 15349 (April 10, 2025).

⁴ *See* Memorandum, "Issues and Decision Memorandum for the Final Affirmative Determination of Countervailing Duty Investigation of Certain Corrosion-Resistant Steel Products from Mexico," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

⁵ *See* Memorandum, "Less-Than-Fair-Value Investigations of Certain Corrosion-Resistant Steel Products from Australia, Brazil, Canada, Mexico, the Netherlands, South Africa, Taiwan, the Republic of Türkiye, the United Arab Emirates, and the Socialist Republic of Vietnam, and Countervailing Duty Investigations of Certain Corrosion-Resistant Steel Products from Brazil, Canada, Mexico, and the Socialist Republic of Vietnam: Preliminary Scope Decision Memorandum," dated April 3, 2025 (Preliminary Scope Memorandum).

received, *see* the Final Scope Memorandum.⁶ In the Final Scope Memorandum, Commerce made no changes to the scope language as it appeared in the *Initiation Notice*.⁷ *See* Appendix I.

Verification

Commerce conducted verification of the information relied upon in making its final determination in this investigation, in accordance with section 782(i) of the Tariff Act of 1930, as amended (the Act). Specifically, we conducted on-site verifications of the subsidy information reported by Ternium Mexico, S.A. de C.V. (Ternium Mexico), Galvasid S.A. de C.V. (Galvasid), and the Government of Mexico (GOM) in July 2025 using standard verification procedures, including an examination of relevant sales and accounting records, and original source documents provided by Ternium Mexico and Galvasid.⁸

Analysis of Subsidy Programs and Comments Received

The subsidy programs under investigation, and the issues raised in the case and rebuttal briefs that were submitted by parties in this investigation, are discussed in the Issues and Decision Memorandum. For a list of the issues raised by parties, and to which we responded in the Issues and Decision Memorandum, *see* Appendix II.

Changes Since the *Preliminary Determination*

Based on our review and analysis of the information received during verification, our post-preliminary analysis, and comments received from parties, for this final determination, we made certain changes to the countervailable subsidy rate calculations for Ternium Mexico, and for all other producers/exporters. For a discussion of these changes, *see* the Issues and Decision Memorandum.

⁶ *See* Memorandum, “Less-Than-Fair-Value Investigations of Certain Corrosion-Resistant Steel Products from Australia, Brazil, Canada, Mexico, the Netherlands, South Africa, Taiwan, the Republic of Türkiye, the United Arab Emirates, and the Socialist Republic of Vietnam, and Countervailing Duty Investigations of Certain Corrosion-Resistant Steel Products from Brazil, Canada, Mexico, and the Socialist Republic of Vietnam: Final Scope Decision Memorandum,” dated concurrently with this notice (Final Scope Memorandum).

⁷ *See Certain Corrosion-Resistant Steel Products from Brazil, Canada, Mexico, and the Socialist Republic of Vietnam: Initiation of Countervailing Duty Investigations*, 89 FR 80204 (October 2, 2024) (*Initiation Notice*).

⁸ *See* Memoranda, “Verification of the Questionnaire Responses of the Ternium Mexico, S.A. de C.V.,” dated July 24, 2025; “Verification of the Questionnaire Responses of the Galvasid, S.A. de C.V.,” dated July 24, 2025; and “Verification of the Questionnaire Responses of the Government of Mexico,” dated July 24, 2025.

Methodology

Commerce conducted this investigation in accordance with section 701 the Act. For each of the subsidy programs found to be countervailable, Commerce determines that there is a subsidy, *i.e.*, a financial contribution by an “authority” that gives rise to a benefit to the recipient, and that the subsidy is specific.⁹ For a full description of the methodology underlying our final determination, *see* the Issues and Decision Memorandum.

In making this final determination, Commerce relied, in part, on facts available, including adverse facts available (AFA), pursuant to sections 776(a) and (b) of the Act. For a full discussion of our application of AFA, *see* the section “Use of Facts Otherwise Available and Application of Adverse Inferences” in the Issues and Decision Memorandum.

All-Others Rate

Pursuant to section 705(c)(5)(A)(i) of the Act, Commerce will determine an all-others rate equal to the weighted average countervailable subsidy rates established for those exporters and/or producers individually investigated, excluding any zero and *de minimis* countervailable subsidy rates, and any rates based entirely under section 776 of the Act. In this investigation, the only rate above *de minimis* is partially based on AFA under section 776 of the Act. This is the only rate available in this proceeding for deriving the all-others rate. Given these facts, Commerce has determined that a reasonable method for establishing the estimated all-others countervailable subsidy rate is to assign Ternium Mexico’s estimated countervailable subsidy rate to all other producers and exporters.

Final Determination

Commerce determines that the following estimated net countervailable subsidy rates exist for the period January 1, 2023, through December 31, 2023:

Company	Subsidy Rate (percent <i>ad valorem</i>)
Ternium Mexico, S.A. de C.V.	13.26

⁹ *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; *see also* section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

Galvasid S.A. de C.V.	0.00
All Others	13.26

Disclosure

Commerce intends to disclose its calculations and analysis performed to interested parties in this final determination within five days of its public announcement, or if there is no public announcement, within five days of the date of publication of this notice in the *Federal Register*, in accordance with 19 CFR 351.224(b).

Continuation of Suspension of Liquidation

As a result of our *Preliminary Determination*, and pursuant to sections 703(d)(1)(B) and (d)(2) of the Act, Commerce instructed U.S. Customs and Border Protection (CBP) to collect cash deposits and suspend liquidation of entries of CORE as described in the scope of the investigation section, that were entered, or withdrawn from warehouse, for consumption on or after February 10, 2025, the date of publication of the *Preliminary Determination* in the *Federal Register*, except for Galvasid and its cross-owned companies because Galvasid's preliminary rate was zero. In accordance with section 733(d) of the Act, we instructed CBP to discontinue the suspension of liquidation of all entries of CORE entered or withdrawn from warehouse, on or after June 10, 2025, but to continue the suspension of liquidation of all entries of CORE from February 10, 2025, through June 9, 2025.

If the U.S. International Trade Commission (ITC) issues a final affirmative injury determination, we will issue a countervailing duty order, reinstate the suspension of liquidation under section 706(a) of the Act, and require a cash deposit of estimated countervailing duties for such entries of CORE, other than those produced and exported by Galvasid and its cross-owned companies because Galvasid's rate is zero, in the amounts indicated above. If the ITC determines that material injury, or threat of material injury, does not exist, this proceeding will be terminated, and all estimated duties deposited or securities posted as a result of the suspension of liquidation will be refunded or canceled.

ITC Notification

In accordance with section 705(d) of the Act, Commerce will notify the ITC of its final affirmative determination that countervailable subsidies are being provided to producers and exporters of CORE from Mexico. As Commerce's final determination is affirmative, in accordance with section 705(b) of the Act, the ITC will determine, within 45 days, whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports of CORE from Mexico. In addition, we are making available to the ITC all non-privileged and non-proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under administrative protective order (APO), without the written consent of the Assistant Secretary for Enforcement and Compliance.

If the ITC determines that material injury or threat of material injury does not exist, this proceeding will be terminated, and all cash deposits will be refunded. If the ITC determines that such injury does exist, Commerce will issue a CVD order directing CBP to assess, upon further instruction by Commerce, countervailing duties on all imports of the subject merchandise that are entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation, as discussed above in the "Continuation of Suspension of Liquidation" section.

Administrative Protective Order

In the event that the ITC issues a final negative injury determination, this notice will serve as the only reminder to parties subject to the APO of their responsibility concerning the destruction of proprietary information disclosed under APO, in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return/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 Interested Parties

This determination is issued and published pursuant to sections 705(d) and 777(i) of the Act, and 19 CFR 351.210(c).

Dated: August 25, 2025.

Abdelali Elouaradia,
*Deputy Assistant Secretary
for Enforcement and Compliance.*

Appendix I

Scope of the Investigation

The products covered by this investigation are certain flat-rolled steel products, either clad, plated, or coated with corrosion-resistant metals such as zinc, aluminum, or zinc-, aluminum-, nickel- or iron-based alloys, whether or not corrugated or painted, varnished, laminated, or coated with plastics or other non-metallic substances in addition to the metallic coating. The products covered include coils that have a width of 12.7 mm or greater, regardless of form of coil (*e.g.*, in successively superimposed layers, spirally oscillating, *etc.*). The products covered also include products not in coils (*e.g.*, in straight lengths) of a thickness less than 4.75 mm and a width that is 12.7 mm or greater and that measures at least 10 times the thickness. The products covered also include products not in coils (*e.g.*, in straight lengths) of a thickness of 4.75 mm or more and a width exceeding 150 mm and measuring at least twice the thickness. The products described above may be rectangular, square, circular, or other shape and include products of either rectangular or non-rectangular cross-section where such cross-section is achieved subsequent to the rolling process, *i.e.*, products which have been “worked after rolling” (*e.g.*, products which have been beveled or rounded at the edges).

For purposes of the width and thickness requirements referenced above:

- (1) Where the nominal and actual measurements vary, a product is within the scope if application of either the nominal or actual measurement would place it within the scope based on the definitions set forth above, and
- (2) where the width and thickness vary for a specific product (*e.g.*, the thickness of certain products with non-rectangular cross-section, the width of certain products with non-rectangular shape, *etc.*), the measurement at its greatest width or thickness applies.

Steel products included in the scope of these investigations are products in which: (1) iron predominates, by weight, over each of the other contained elements; and (2) the carbon content is 2 percent or less, by weight.

Subject merchandise also includes corrosion-resistant steel that has been further processed in a third country, including but not limited to annealing, tempering, painting, varnishing, trimming, cutting, punching and/or slitting or any other processing that would not otherwise remove the merchandise from the scope of the investigations if performed in the country of manufacture of the in-scope corrosion resistant steel.

All products that meet the written physical description are within the scope of these investigations unless specifically excluded. The following products are outside of and/or specifically excluded from the scope of these investigations:

- Flat-rolled steel products either plated or coated with tin, lead, chromium, chromium oxides, both tin and lead (“terne plate”) or both chromium and chromium oxides (“tin free steel”), whether or not painted, varnished or coated with plastics or other non-metallic substances in addition to the metallic coating;
- Clad products in straight lengths of 4.7625 mm or more in composite thickness and of a width which exceeds 150 mm and measures at least twice the thickness;

- Certain clad stainless flat-rolled products, which are three-layered corrosion-resistant carbon steel flat-rolled products less than 4.75 mm in composite thickness that consist of a carbon steel flat-rolled product clad on both sides with stainless steel in a 20%-60%-20% ratio; and

Also excluded from the scope of the antidumping duty investigation on corrosion resistant steel from Taiwan are any products covered by the existing antidumping duty order on corrosion-resistant steel from Taiwan. *See Certain Corrosion-Resistant Steel Products from India, Italy, the People's Republic of China, the Republic of Korea and Taiwan: Amended Final Affirmative Antidumping Determination for India and Taiwan, and Antidumping Duty Orders*, 81 FR 48390 (July 25, 2016); *Corrosion-Resistant Steel Products from Taiwan: Notice of Third Amended Final Determination of Sales at Less Than Fair Value Pursuant to Court Decision and Partial Exclusion from Antidumping Duty Order*, 88 FR 58245 (August 25, 2023).

Also excluded from the scope of the antidumping duty investigation on corrosion-resistant steel from the United Arab Emirates and the antidumping duty and countervailing duty investigations on corrosion-resistant steel from the Socialist Republic of Vietnam are any products covered by the existing antidumping and countervailing duty orders on corrosion-resistant steel from the People's Republic of China and the Republic of Korea and the antidumping duty order on corrosion-resistant steel from Taiwan. *See Certain Corrosion-Resistant Steel Products from India, Italy, the People's Republic of China, the Republic of Korea and Taiwan: Amended Final Affirmative Antidumping Determination for India and Taiwan, and Antidumping Duty Orders*, 81 FR 48390 (July 25, 2016); *see also Certain Corrosion-Resistant Steel Products from India, Italy, Republic of Korea and the People's Republic of China: Countervailing Duty Order*, 81 FR 48387 (July 25, 2016). This exclusion does not apply to imports of corrosion-resistant steel that are entered, or withdrawn from warehouse, for consumption in the United States for which the relevant importer and exporter certifications have been completed and maintained and all other applicable certification requirements have been met such that the entry is entered into the United States as not subject to the antidumping and countervailing duty orders on corrosion-resistant steel from the People's Republic of China, the antidumping and countervailing duty orders on corrosion-resistant steel from the Republic of Korea, or the antidumping duty order on corrosion-resistant steel from Taiwan.

The products subject to this investigation are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers: 7210.30.0030, 7210.30.0060, 7210.41.0000, 7210.49.0030, 7210.49.0040, 7210.49.0045, 7210.49.0091, 7210.49.0095, 7210.61.0000, 7210.69.0000, 7210.70.6030, 7210.70.6060, 7210.70.6090, 7210.90.6000, 7210.90.9000, 7212.20.0000, 7212.30.1030, 7212.30.1090, 7212.30.3000, 7212.30.5000, 7212.40.1000, 7212.40.5000, 7212.50.0000, 7212.60.0000, 7225.91.0000, 7225.92.0000, 7226.99.0110, and 7226.99.0130.

The products subject to this investigation may also enter under the following HTSUS item numbers: 7210.90.1000, 7215.90.1000, 7215.90.3000, 7215.90.5000, 7217.20.1500, 7217.30.1530, 7217.30.1560, 7217.90.1000, 7217.90.5030, 7217.90.5060, 7217.90.5090, 7225.99.0090, 7226.99.0180, 7228.60.6000, 7228.60.8000, and 7229.90.1000.

The HTSUS subheadings above are provided for convenience and customs purposes only. The written description of the scope of the investigation is dispositive.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Subsidies Valuation
- IV. Use of Facts Otherwise Available and Application of Adverse Inferences
- V. Changes Since the *Preliminary Determination*
- VI. Calculation of the All-Others Rate
- VII. Analysis of Programs
- VIII. Discussion of the Issues
 - Comment 1: Commerce's Determination that the Government of Mexico's (GOM) Provision of Mining Rights for Less Than Adequate Remuneration (LTAR) Program Provided No Benefit to Ternium Mexico
 - Comment 2: Application of Adverse Facts Available (AFA) Rates to the Banco Nacional de Comercio Exterior S.N.C. (Bancomext) Financial Factoring and Nacional Financiera, S.N.C., Development Banking Institution (NAFIN) Factoring Programs
 - Comment 3: AFA for the Bancomext Program
 - Comment 4: Whether the Bancomext Program Provides a Countervailable Subsidy Exceeding the *De Minimis* Level
 - Comment 5: AFA for the NAFIN Factoring Program
 - Comment 6: Whether to Use Ternium Mexico's Total Sales as the Denominator in Calculating the Benefit for the Bancomext and NAFIN Factoring Programs
- IX. Recommendation

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