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DEPARTMENT OF COMMERCE

International Trade Administration

(A-351-843, A-570-029, A-533-865, A-588-873, A-580-881, A-421-812, A-821-822, A-412-824)

Certain Cold-Rolled Steel Flat Products from Brazil, the People's Republic of China, India, Japan, the Republic of Korea, the Netherlands, the Russian Federation, and the United Kingdom: Initiation of Less-Than-Fair-Value Investigations

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

ACTION: Notice.

DATES: Effective date: (Insert date of publication in the *Federal Register*).

FOR FURTHER INFORMATION CONTACT: Hermes Pinilla at (202) 482-3477 (Brazil); Scott Hoefke at (202) 482-2947 (the People's Republic of China (PRC)); Patrick O'Connor at (202) 482-0989 (India and Japan); Steve Bezirgianian at (202) 482-1131 (the Republic of Korea (Korea)); Yang Jin Chun at (202) 482-5760 (the Netherlands); Eve Wang at (202) 482-6231 (the Russian Federation (Russia)); or Thomas Schauer at (202) 482-0410 (the United Kingdom), AD/CVD Operations, Enforcement and Compliance, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

The Petitions

On July 28, 2015, the Department of Commerce (the Department) received antidumping duty (AD) petitions concerning imports of certain cold-rolled steel flat products (cold-rolled steel) from Brazil, the PRC, India, Japan, Korea, the Netherlands, Russia, and the United Kingdom, filed in proper form on behalf of AK Steel Corporation, ArcelorMittal USA LLC,

Nucor Corporation, Steel Dynamics, Inc., and United States Steel Corporation (Petitioners).¹

The AD petitions were accompanied by five countervailing duty (CVD) petitions.² Petitioners are domestic producers of cold-rolled steel.³

On July 31, 2015, the Department requested additional information and clarification of certain areas of the Petitions.⁴ Petitioners filed responses to these requests on August 4, 2015.⁵

In accordance with section 732(b) of the Tariff Act of 1930, as amended (the Act), Petitioners allege that imports of cold-rolled steel from Brazil, the PRC, India, Japan, Korea, the Netherlands, Russia, and the United Kingdom are being, or are likely to be, sold in the United States at less-than-fair value within the meaning of section 731 of the Act, and that such imports are materially injuring, or threatening material injury to, an industry in the United States. Also, consistent with section 732(b)(1) of the Act, the Petitions are accompanied by information reasonably available to Petitioners supporting their allegations.

The Department finds that Petitioners filed these Petitions on behalf of the domestic industry because Petitioners are interested parties as defined in section 771(9)(C) of the Act. The

¹ See Petitions for the Imposition of Antidumping Duties on imports of Certain Cold-Rolled Steel Flat Products from Brazil, China, India, Japan, Korea, the Netherlands, Russia, and the United Kingdom, dated July 28, 2015 (the Petitions).

² See the Petitions for the Imposition of Countervailing Duties on Imports of Certain Cold-Rolled Steel Flat Products from Brazil, China, India, Korea, and Russia, dated July 28, 2015.

³ See Volume I of the Petitions, at 2.

⁴ See Letter from the Department to Petitioners entitled “Re: Petitions for the Imposition of Antidumping and Countervailing Duties on Imports of Certain Cold-Rolled Steel Flat Products from Brazil, the People’s Republic of China, India, the Republic of Korea, and Russia and Antidumping Duties on Imports from Japan, Netherlands, and the United Kingdom: Supplemental Questions” dated July 31, 2015 (General Issues Supplemental Questionnaire); and Letters from the Department to Petitioners entitled “Re: Petition for the Imposition of Antidumping Duties on Imports of Certain Cold-Rolled Steel Flat Products from {country}: Supplemental Questions” on each of the country-specific records, dated July 31, 2015.

⁵ See “Response to the Department’s July 31, 2015 Questionnaire Regarding Volume I of the Petition for the Imposition of Antidumping and Countervailing Duties,” dated August 4, 2015 (General Issues Supplement); see also the responses to the Department’s July 31, 2015 questionnaires regarding the remaining antidumping Volumes of the Petition for the Antidumping and Countervailing Duties, each dated August 4, 2015.

Department also finds that Petitioners demonstrated sufficient industry support with respect to the initiation of the AD investigations that Petitioners are requesting.⁶

Periods of Investigation

Because the Petitions were filed on July 28, 2015, the period of investigation (POI) is, pursuant to 19 CFR 351.204(b)(1), as follows: July 1, 2014, through June 30, 2015, for Brazil, India, Japan, Korea, the Netherlands, Russia, and the United Kingdom, and January 1, 2015, through June 30, 2015, for the PRC.

Scope of the Investigations

The product covered by these investigations is cold-rolled steel from Brazil, the PRC, India, Japan, Korea, the Netherlands, Russia, and the United Kingdom. For a full description of the scope of these investigations, *see* the “Scope of the Investigations,” in Appendix I of this notice.

Comments on Scope of the Investigations

During our review of the Petitions, the Department discussed with Petitioners the proposed scope to ensure that the scope language in the Petitions would be an accurate reflection of the products for which the domestic industry is seeking relief.⁷

As discussed in the preamble to the Department’s regulations, we are setting aside a period for interested parties to raise issues regarding product coverage (scope). The Department will consider all comments received from parties and, if necessary, will consult with parties prior to the issuance of the preliminary determination. If scope comments include factual information (*see* 19 CFR 351.102(b)(21)), all such factual information should be limited to public information. In order to facilitate preparation of its questionnaires, the Department requests all

⁶ *See* the “Determination of Industry Support for the Petitions” section below.

⁷ *See* Memorandum from Vicki Flynn to The File, dated August 7, 2015. *See also* Letter from Petitioners entitled “Revised Scope, Amendment to Petitions,” dated August 10, 2015.

interested parties to submit such comments by 5:00 p.m. Eastern Time (ET) on Tuesday, September 8, 2015, which is the first business day after 20 calendar days from the signature date of this notice.⁸ Any rebuttal comments, which may include factual information, must be filed by 5:00 p.m. ET on Friday, September 18, 2015, which is 10 calendar days after the deadline for initial comments.

The Department requests that any factual information the parties consider relevant to the scope of the investigations be submitted during this time period. However, if a party subsequently finds that additional factual information pertaining to the scope of the investigations may be relevant, the party may contact the Department and request permission to submit the additional information. All such comments must be filed on the records of each of the concurrent AD and CVD investigations.

Filing Requirements

All submissions to the Department must be filed electronically using Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS).⁹ An electronically filed document must be received successfully in its entirety by the time and date when it is due. Documents excepted from the electronic submission requirements must be filed manually (*i.e.*, in paper form) with Enforcement and Compliance's APO/Dockets Unit, Room 18022, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230, and stamped with the date and time of receipt by the applicable deadlines.

⁸ See 19 CFR 351.303(b).

⁹ See *Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures*, 76 FR 39263 (July 6, 2011); see also *Enforcement and Compliance; Change of Electronic Filing System Name*, 79 FR 69046 (November 20, 2014) for details of the Department's electronic filing requirements, which went into effect on August 5, 2011. Information on help using ACCESS can be found at <https://access.trade.gov/help.aspx> and a handbook can be found at <https://access.trade.gov/help/Handbook%20on%20Electronic%20Filing%20Procedures.pdf>.

Comments on Product Characteristics for AD Questionnaires

The Department will be giving interested parties an opportunity to provide comments on the appropriate physical characteristics of cold-rolled steel to be reported in response to the Department's AD questionnaires. This information will be used to identify the key physical characteristics of the subject merchandise in order to report the relevant factors and costs of production accurately as well as to develop appropriate product-comparison criteria.

Subsequent to the publication of this notice, the Department will be releasing a proposed list of physical characteristics and product-comparison criteria, and interested parties will have the opportunity to provide any information or comments that they feel are relevant to the development of an accurate list of physical characteristics. Specifically, they may provide comments as to which characteristics are appropriate to use as: 1) general product characteristics and 2) product-comparison criteria. We note that it is not always appropriate to use all product characteristics as product-comparison criteria. We base product-comparison criteria on meaningful commercial differences among products. In other words, although there may be some physical product characteristics utilized by manufacturers to describe cold-rolled steel, it may be that only a select few product characteristics take into account commercially meaningful physical characteristics. In addition, interested parties may comment on the order in which the physical characteristics should be used in matching products. Generally, the Department attempts to list the most important physical characteristics first and the least important characteristics last.

All comments and submissions to the Department must be filed electronically using ACCESS, as explained above, on the records of the Brazil, the PRC, India, Japan, Korea, the Netherlands, Russia, and the United Kingdom less-than-fair-value investigations.

Determination of Industry Support for the Petitions

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) at least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 732(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, the Department shall: (i) poll the industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A); or (ii) determine industry support using a statistically valid sampling method to poll the “industry.”

Section 771(4)(A) of the Act defines the “industry” as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs the Department to look to producers and workers who produce the domestic like product. The International Trade Commission (ITC), which is responsible for determining whether “the domestic industry” has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both the Department and the ITC must apply the same statutory definition regarding the domestic like product,¹⁰ they do so for different purposes and pursuant to a separate and distinct authority. In addition, the Department’s determination is subject to limitations of time and information. Although this may

¹⁰ See section 771(10) of the Act.

result in different definitions of the like product, such differences do not render the decision of either agency contrary to law.¹¹

Section 771(10) of the Act defines the domestic like product as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title.” Thus, the reference point from which the domestic like product analysis begins is “the article subject to an investigation” (*i.e.*, the class or kind of merchandise to be investigated, which normally will be the scope as defined in the Petitions).

With regard to the domestic like product, Petitioners do not offer a definition of the domestic like product distinct from the scope of the investigations. Based on our analysis of the information submitted on the record, we have determined that cold-rolled steel constitutes a single domestic like product and we have analyzed industry support in terms of that domestic like product.¹²

In determining whether Petitioners have standing under section 732(c)(4)(A) of the Act, we considered the industry support data contained in the Petitions with reference to the domestic like product as defined in the “Scope of the Investigations,” in Appendix I of this notice.

¹¹ See *USEC, Inc. v. United States*, 132 F. Supp. 2d 1, 8 (CIT 2001) (citing *Algoma Steel Corp., Ltd. v. United States*, 688 F. Supp. 639, 644 (CIT 1988), *aff’d* 865 F.2d 240 (Fed. Cir. 1989)).

¹² For a discussion of the domestic like product analysis in this case, see Antidumping Duty Investigation Initiation Checklist: Certain Cold-Rolled Steel Flat Products from Brazil (Brazil AD Initiation Checklist), at Attachment II, Analysis of Industry Support for the Antidumping and Countervailing Duty Petitions Covering Certain Cold-Rolled Steel Flat Products from Brazil, the People’s Republic of China, India, Japan, the Republic of Korea, the Netherlands, the Russian Federation, and the United Kingdom (Attachment II); Antidumping Duty Investigation Initiation Checklist: Certain Cold-Rolled Steel Flat Products from the People’s Republic of China (PRC AD Initiation Checklist), at Attachment II; Antidumping Duty Investigation Initiation Checklist: Certain Cold-Rolled Steel Flat Products from India (India AD Initiation Checklist), at Attachment II; Antidumping Duty Investigation Initiation Checklist: Certain Cold-Rolled Steel Flat Products from Japan (Japan AD Initiation Checklist), at Attachment II; Antidumping Duty Investigation Initiation Checklist: Certain Cold-Rolled Steel Flat Products from the Republic of Korea (Korea AD Initiation Checklist), at Attachment II; Antidumping Duty Investigation Initiation Checklist: Certain Cold-Rolled Steel Flat Products from the Netherlands (Netherlands AD Initiation Checklist), at Attachment II; Antidumping Duty Investigation Initiation Checklist: Certain Cold-Rolled Steel Flat Products from the Russian Federation (Russia AD Initiation Checklist); and Antidumping Duty Investigation Initiation Checklist: Certain Cold-Rolled Steel Flat Products from the United Kingdom (United Kingdom AD Initiation Checklist). These checklists are dated concurrently with this notice and on file electronically via ACCESS. Access to documents filed via ACCESS is also available in the Central Records Unit, Room B8024 of the main Department of Commerce building.

Petitioners provided their production of the domestic like product in 2014, as well as total production of the domestic like product for the entire domestic industry.¹³ To establish industry support, Petitioners compared their own production to total production of the domestic like product for the entire domestic industry.¹⁴

Our review of the data provided in the Petitions, General Issues Supplement, and other information readily available to the Department indicates that Petitioners have established industry support.¹⁵ First, the Petitions established support from domestic producers (or workers) accounting for more than 50 percent of the total production of the domestic like product and, as such, the Department is not required to take further action in order to evaluate industry support (*e.g.*, polling).¹⁶ Second, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(i) of the Act for the Petitions because the domestic producers (or workers) who support the Petitions account for at least 25 percent of the total production of the domestic like product.¹⁷ Finally, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(ii) of the Act because the domestic producers (or workers) who support the Petitions account for more than 50 percent of

¹³ See Volume I of the Petitions, at 2-4 and Exhibits I-3 and I-4; General Issues Supplement, at 3. Petitioners also provided an alternate industry support calculation based on American Iron and Steel Institute shipment data. See Volume I of the Petitions, at 2-3 and Exhibit I-3; see also General Issues Supplement, at 2-4 and Exhibits I-Supp-10 through I-Supp-13. Petitioners demonstrate requisite industry support for the initiation of these investigations regardless of which calculation is used.

¹⁴ See Volume I of the Petitions, at 2-4 and Exhibits I-3 and I-4; General Issues Supplement, at 3. For further discussion, see Brazil AD Initiation Checklist, PRC AD Initiation Checklist, India AD Initiation Checklist, Japan AD Initiation Checklist, Korea AD Initiation Checklist, Netherlands AD Initiation Checklist, Russia AD Initiation Checklist, and United Kingdom AD Initiation Checklist, at Attachment II.

¹⁵ See Brazil AD Initiation Checklist, PRC AD Initiation Checklist, India AD Initiation Checklist, Japan AD Initiation Checklist, Korea AD Initiation Checklist, Netherlands AD Initiation Checklist, Russia AD Initiation Checklist, and United Kingdom AD Initiation Checklist, at Attachment II.

¹⁶ See section 732(c)(4)(D) of the Act; see also Brazil AD Initiation Checklist, PRC AD Initiation Checklist, India AD Initiation Checklist, Japan AD Initiation Checklist, Korea AD Initiation Checklist, Netherlands AD Initiation Checklist, Russia AD Initiation Checklist, and United Kingdom AD Initiation Checklist, at Attachment II.

¹⁷ See Brazil AD Initiation Checklist, PRC AD Initiation Checklist, India AD Initiation Checklist, Japan AD Initiation Checklist, Korea AD Initiation Checklist, Netherlands AD Initiation Checklist, Russia AD Initiation Checklist, and United Kingdom AD Initiation Checklist, at Attachment II.

the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the Petitions.¹⁸ Accordingly, the Department determines that the Petitions were filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act.

The Department finds that Petitioners filed the Petitions on behalf of the domestic industry because they are interested parties as defined in section 771(9)(C) of the Act and they have demonstrated sufficient industry support with respect to the AD investigations that they are requesting the Department initiate.¹⁹

Allegations and Evidence of Material Injury and Causation

Petitioners allege that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the imports of the subject merchandise sold at less than normal value (NV). In addition, with regard to Brazil, the PRC, India, Japan, Korea, Russia, and the United Kingdom, Petitioners allege that subject imports exceed the negligibility threshold provided for under section 771(24)(A) of the Act.²⁰

With regard to the Netherlands, while the allegedly dumped imports from the Netherlands do not exceed the statutory requirements for negligibility, Petitioners allege and provide supporting evidence that 1) there is a reasonable indication that data obtained in the ITC's investigation will establish that imports exceed the negligibility threshold,²¹ and 2) there is the potential that imports from the Netherlands will imminently exceed the negligibility threshold and, therefore, are not negligible for purposes of a threat determination.²² Petitioners'

¹⁸ *Id.*

¹⁹ *Id.*

²⁰ See Volume I of the Petitions, at 28-29 and Exhibit I-12.

²¹ See *Statement of Administrative Action (SAA)*, H.R. Doc. No. 103-316, Vol. 1, (1994) (SAA), at 857; see also General Issues Supplement, at 5-7 and Exhibit I-Supp-14.

²² See section 771(24)(A)(iv) of the Act; see also Volume I of the Petitions, at Exhibit I-8; and General Issues Supplement, at 7-9 and Exhibits I-Supp-14 and I-Supp-15.

arguments regarding the limitations of publicly available import data and the collection of scope-specific import data in the ITC's investigation are consistent with the SAA. Furthermore, Petitioners' arguments regarding the potential for imports from the Netherlands to imminently exceed the negligibility threshold are consistent with the statutory criteria for "negligibility in threat analysis" under section 771(24)(A)(iv) of the Act, which provides that imports shall not be treated as negligible if there is a potential that subject imports from a country will imminently exceed the statutory requirements for negligibility.

Petitioners contend that the industry's injured condition is illustrated by reduced market share; reduced shipments, production, and capacity utilization; underselling and price suppression or depression; declining employment variables; lost sales and revenues; and declining financial performance.²³ We have assessed the allegations and supporting evidence regarding material injury, threat of material injury, and causation, and we have determined that these allegations are properly supported by adequate evidence and meet the statutory requirements for initiation.²⁴

Allegations of Sales at Less-Than-Fair Value

The following is a description of the allegations of sales at less-than-fair value upon which the Department based its decision to initiate investigations of imports of cold-rolled steel flat products from Brazil, the PRC, India, Japan, Korea, the Netherlands, Russia, and the United Kingdom. The sources of data for the deductions and adjustments relating to U.S. price and NV are discussed in greater detail in the country-specific initiation checklists.

²³ See Volume I of the Petitions, at 14-16, 23-45, and Exhibits I-3, I-4, I-6, I-8 and I-10 through I-15; see also General Issues Supplement, at Exhibits I-Supp-1, I-Supp-14, and I-Supp-15.

²⁴ See Brazil AD Initiation Checklist, PRC AD Initiation Checklist, India AD Initiation Checklist, Japan AD Initiation Checklist, Korea AD Initiation Checklist, Netherlands AD Initiation Checklist, Russia AD Initiation Checklist, and United Kingdom AD Initiation Checklist, at Attachment III, Analysis of Allegations and Evidence of Material Injury and Causation for the Antidumping and Countervailing Duty Petitions Covering Certain Cold-Rolled Steel Flat Products from Brazil, the People's Republic of China, India, Japan, the Republic of Korea, the Netherlands, Russia, and the United Kingdom.

Export Price

For Brazil, the PRC, India, Korea, the Netherlands, and the United Kingdom, Petitioners based export price (EP) U.S. prices on price quotes/offers for sales of cold-rolled steel flat products produced in, and exported from, the subject country.²⁵ For the Netherlands and the United Kingdom, Petitioners also based EP U.S. prices on average unit values (AUVs) of U.S. imports from those countries.²⁶ Petitioners also used AUV data as the basis for U.S. price for Japan.²⁷ Where applicable, Petitioners made deductions from U.S. price for movement expenses consistent with the delivery terms.²⁸ Where applicable, Petitioners also deducted from U.S. price trading company/distributor/reseller mark-ups estimated using Petitioners' knowledge of the U.S. industry.²⁹

Constructed Export Price

For Russia, Petitioners based constructed export price (CEP) on a price quote/offer for sale of cold-rolled steel flat products produced in, and exported from, Russia.³⁰ Petitioners made deductions from U.S. price for movement expenses consistent with the delivery terms, and deducted from U.S. price trading company/distributor/reseller mark-ups estimated using publicly reported expenses in the most recently available annual report of a distributor of steel.³¹

Normal Value

For Brazil, India, Korea, and Russia, Petitioners provided home market price information obtained through market research for cold-rolled steel produced in and offered for sale in each of

²⁵ See Brazil AD Initiation Checklist, PRC AD Initiation Checklist, India AD Initiation Checklist, Korea AD Initiation Checklist, Netherlands AD Initiation Checklist, and United Kingdom AD Initiation Checklist.

²⁶ See Netherlands AD Initiation Checklist and United Kingdom AD Initiation Checklist.

²⁷ See Japan AD Initiation Checklist.

²⁸ See Brazil AD Initiation Checklist, PRC AD Initiation Checklist, India AD Initiation Checklist, Japan AD Initiation Checklist, Korea AD Initiation Checklist, Netherlands AD Initiation Checklist, and United Kingdom AD Initiation Checklist.

²⁹ *Id.*

³⁰ See Russia AD Initiation Checklist.

³¹ *Id.*

these countries.³² For all four of these countries, Petitioners provided an affidavit or declaration from a market researcher for the price information.³³ For India, Petitioners made a distributor mark-up adjustment to the price.³⁴ For Korea, home market imputed credit expenses were deducted from the price, and U.S. imputed credit expenses were added to the price.³⁵ Petitioners made no other adjustments to the offer prices to calculate NV, as no others were warranted by the terms associated with the offers.³⁶

For Brazil, Korea, and Russia, Petitioners provided information that sales of cold-rolled steel in the respective home markets were made at prices below the cost of production (COP), and for the United Kingdom, the Netherlands, and Japan, Petitioners did not provide home market price information because, as noted below, they were unable to obtain home market or third country prices. For all six of these countries, Petitioners calculated NV based on constructed value (CV).³⁷ For further discussion of COP and NV based on CV, see below.³⁸

With respect to the PRC, Petitioners stated that the Department has found the PRC to be a non-market economy (NME) country in every previous less-than-fair-value investigation.³⁹ In accordance with section 771(18)(C)(i) of the Act, the presumption of NME status remains in

³² See Brazil AD Initiation Checklist, India AD Initiation Checklist, Korea AD Initiation Checklist, and Russia AD Initiation Checklist.

³³ *Id.*; see also Memorandum to the File, “Telephone Call to Foreign Market Researcher Regarding Antidumping Petition,” on each of the country-specific records, dated August 4, 2015 (Russia), August 5, 2015 (Korea), August 10, 2015 (Brazil), and August 10, 2015 (India).

³⁴ See India AD Initiation Checklist.

³⁵ See Korea AD Initiation Checklist.

³⁶ See India AD Initiation Checklist, Korea AD Initiation Checklist, and Russia AD Initiation Checklist. Note that home market price was not used as the basis for NV for Brazil, but for calculation of net price for comparison to COP, movement expenses were deducted for Brazil. See Brazil AD Initiation Checklist.

³⁷ See Brazil AD Initiation Checklist, Japan AD Initiation Checklist, Korea AD Initiation Checklist, Netherlands AD Initiation Checklist, Russia AD Initiation Checklist, and United Kingdom AD Initiation Checklist.

³⁸ In accordance with section 505(a) of the Trade Preferences Extension Act of 2015, amending section 773(b)(2) of the Act, for all of the investigations other than that for the PRC, the Department will request information necessary to calculate the CV and COP to determine whether there are reasonable grounds to believe or suspect that sales of the foreign like product have been made at prices that represent less than the COP of the product. The Department will no longer require a COP allegation to conduct this analysis.

³⁹ See Volume II of the Petitions, at 1-2.

effect until revoked by the Department. The presumption of NME status for the PRC has not been revoked by the Department and, therefore, remains in effect for purposes of the initiation of this investigation. Accordingly, the NV of the product is appropriately based on factors of production (FOPs) valued in a surrogate market economy country, in accordance with section 773(c) of the Act. In the course of this investigation, all parties, and the public, will have the opportunity to provide relevant information related to the issues of the PRC's NME status and the granting of separate rates to individual exporters.

Petitioners claim that South Africa is an appropriate surrogate country because it is a market economy that is at a level of economic development comparable to that of the PRC, it is a significant producer of the merchandise under consideration, and the data for valuing FOPs, factory overhead, selling, general and administrative (SG&A) expenses and profit are both available and reliable.⁴⁰

Based on the information provided by Petitioners, we believe it is appropriate to use South Africa as a surrogate country for initiation purposes. Interested parties will have the opportunity to submit comments regarding surrogate country selection and, pursuant to 19 CFR 351.301(c)(3)(i), will be provided an opportunity to submit publicly available information to value FOPs within 30 days before the scheduled date of the preliminary determination.

Factors of Production

Petitioners based the FOPs for materials, labor, and energy on a petitioning U.S. producer's consumption rates for producing cold-rolled steel as they did not have access to the consumption rates of PRC producers of the subject merchandise.⁴¹ Petitioners note that the selected U.S. producer was chosen because, like the Chinese producer of the U.S. price offers,

⁴⁰ *Id.* at 2.

⁴¹ See Volume II of the Petitions, at Exhibit II-14 (page 1).

the U.S. producer is a large, integrated producer of subject merchandise.⁴² Petitioners valued the estimated factors of production using surrogate values from South Africa.⁴³

Valuation of Raw Materials

Petitioners valued the FOPs for raw materials (*e.g.*, coke, iron ore, aluminum, ferromanganese) using reasonably available, public import data for South Africa from the Global Trade Atlas (GTA) for the period of investigation.⁴⁴ Petitioners excluded all import values from countries previously determined by the Department to maintain broadly available, non-industry-specific export subsidies and from countries previously determined by the Department to be NME countries. In addition, in accordance with the Department's practice, the average import value excludes imports that were labeled as originating from an unidentified country. The Department determines that the surrogate values used by Petitioners are reasonably available and, thus, are acceptable for purposes of initiation.

Valuation of Labor

Petitioners valued labor using South African labor data published by the International Labor Organization (ILO).⁴⁵ Specifically, Petitioners relied on industry-specific wage rate data from Chapter 5A of the ILO's "Labor Cost in Manufacturing" publication as South African wage information was not available in Chapter 6A of the ILO's "Yearbook of Labor Statistics" publication.⁴⁶ As the South African wage data are monthly data from 2012 in South African Rand, Petitioners converted the wage rates to hourly, adjusted for inflation and then converted to U.S. Dollars using the average exchange rate during the POI.⁴⁷ Petitioners then applied that

⁴² *Id.*

⁴³ *Id.*, at Exhibit II-14.

⁴⁴ See Volume II of the Petitions, at Exhibit II-14(D).

⁴⁵ *Id.*, at Exhibit II-14 (page 5 and Exhibit II-14(E)).

⁴⁶ *Id.*

⁴⁷ *Id.*

resulting labor rate to the labor hours expended by the U.S. producer of cold-rolled-resistant steel.⁴⁸

Valuation of Energy

Petitioners used public information, as compiled by Eskom (a South African electricity producer), to value electricity.⁴⁹ This 2014-2015 Eskom price information was converted to U.S. Dollars and from kilowatt hours to thousand kilowatt hours in order to be compared to the U.S. producer factor usage rates.⁵⁰ The cost of natural gas in South Africa was calculated from the average unit value of imports of liquid natural gas for the period, as reported by GTA.⁵¹ Using universal conversion factors, Petitioners converted that cost to the U.S. producer-reported factor unit of million British thermal units to ensure the proper comparison.⁵²

Valuation of Factory Overhead, Selling, General and Administrative Expenses, and Profit

Petitioners calculated surrogate financial ratios (*i.e.*, manufacturing overhead, SG&A expenses, and profit) using the 2013 audited financial statement of EVRAZ Highveld Steel and Vanadium, a South African producer of comparable merchandise (*i.e.*, flat-rolled steel).⁵³

Normal Value Based on Constructed Value

Pursuant to section 773(b)(3) of the Act, COP consists of the cost of manufacturing (COM); SG&A expenses; financial expenses; and packing expenses. Petitioners calculated COM based on Petitioners' experience adjusted for known differences between their industry in the United States and the industries of the respective country (*i.e.*, Brazil, Japan, Korea, the Netherlands, Russia, and the United Kingdom), during the proposed POI.⁵⁴ Using publicly-

⁴⁸ *Id.*, at Exhibit II-14(I).

⁴⁹ *Id.*, at Exhibit II-14(F).

⁵⁰ *Id.*, at Exhibit II-14 (page 7 and Exhibit II-14(F)).

⁵¹ *Id.*, at Exhibit II-14(G).

⁵² *Id.*, at Exhibit II-14 (page 7).

⁵³ *Id.*, at Exhibit II-14 (page 8 and Exhibit II-14(H)).

⁵⁴ See Brazil AD Initiation Checklist, Japan AD Initiation Checklist, Korea AD Initiation Checklist, Netherlands AD

available data to account for price differences, Petitioners multiplied their usage quantities by the submitted value of the inputs used to manufacture cold-rolled steel in each country.⁵⁵ For Brazil, Japan, Korea, the Netherlands, Russia, and the United Kingdom, labor rates were derived from publicly available sources multiplied by the product-specific usage rates.⁵⁶ For Brazil, Japan, Korea, the Netherlands, Russia, and the United Kingdom, to determine factory overhead, SG&A, and financial expense rates, Petitioners relied on financial statements of producers of comparable merchandise operating in the respective foreign country, although for Brazil and Japan, we made adjustments to Petitioners' calculations of these rates.⁵⁷

For Brazil, Korea, and Russia, because certain home market prices fell below COP, pursuant to sections 773(a)(4), 773(b), and 773(e) of the Act, as noted above, Petitioners calculated NVs based on constructed value (CV) for those countries.⁵⁸ For the Japan, the Netherlands, and the United Kingdom, Petitioners indicated they were unable to obtain home market or third country prices; accordingly, Petitioners based NV only on CV for those countries.⁵⁹ Pursuant to section 773(e) of the Act, CV consists of the COM, SG&A, financial expenses, packing expenses, and profit. Petitioners calculated CV using the same average COM, SG&A, and financial expenses, to calculate COP.⁶⁰ Petitioners relied on the financial statements of the same producers that they used for calculating manufacturing overhead, SG&A, and financial expenses to calculate the profit rate, though for Brazil and Japan, in addition to the same adjustments to Petitioners' calculations of factory overhead, SG&A, and financial expense

Initiation Checklist, Russia AD Initiation Checklist, and United Kingdom AD Initiation Checklist.

⁵⁵ *Id.*

⁵⁶ *Id.*

⁵⁷ *Id.*

⁵⁸ See Brazil AD Initiation Checklist, Korea Initiation Checklist, and Russia Initiation Checklist.

⁵⁹ See Japan AD Initiation Checklist, Netherlands AD Initiation Checklist, and United Kingdom AD Initiation Checklist.

⁶⁰ See Brazil AD Initiation Checklist, Japan AD Initiation Checklist, Korea AD Initiation Checklist, Netherlands AD Initiation Checklist, Russia AD Initiation Checklist, and United Kingdom AD Initiation Checklist.

rates as we made for the calculation of COP, we made an adjustment to the Petitioners' calculated profit rates.⁶¹

Fair Value Comparisons

Based on the data provided by Petitioners, there is reason to believe that imports of cold-rolled steel from Brazil, the PRC, India, Japan, Korea, the Netherlands, Russia, and the United Kingdom are being, or are likely to be, sold in the United States at less-than-fair value. Based on comparisons of EP or CEP to NV in accordance with sections 772 and 773 of the Act, the estimated dumping margin(s) for cold-rolled steel for each country are as follows: 1) Brazil ranges from 30.28 to 35.43 percent;⁶² 2) India is 43.12 percent;⁶³ 3) Japan is 71.35 percent;⁶⁴ 4) Korea ranges from 75.42 to 177.50 percent;⁶⁵ 5) the Netherlands ranges from 39.43 to 121.53 percent;⁶⁶ 6) Russia ranges from 69.12 to 227.52 percent;⁶⁷ and 7) the United Kingdom ranges from 32.59 to 69.30 percent.⁶⁸

Based on comparisons of EP to NV, in accordance with section 773(c) of the Act, the estimated dumping margin for cold-rolled steel from the PRC is 265.79 percent.⁶⁹

Initiation of Less-than-Fair-Value Investigations

Based upon the examination of the AD Petitions on cold-rolled steel from Brazil, the PRC, India, Japan, Korea, the Netherlands, Russia, and the United Kingdom, we find that the Petitions meet the requirements of section 732 of the Act. Therefore, we are initiating AD investigations to determine whether imports of cold-rolled steel from Brazil, the PRC, India,

⁶¹ *Id.*

⁶² *See* Brazil AD Initiation Checklist.

⁶³ *See* India AD Initiation Checklist.

⁶⁴ *See* Japan AD Initiation Checklist.

⁶⁵ *See* Korea AD Initiation Checklist.

⁶⁶ *See* Netherlands AD Initiation Checklist.

⁶⁷ *See* Russia AD Initiation Checklist.

⁶⁸ *See* United Kingdom AD Initiation Checklist.

⁶⁹ *See* PRC AD Initiation Checklist.

Japan, Korea, the Netherlands, Russia, and the United Kingdom are being, or are likely to be, sold in the United States at less-than-fair value. In accordance with section 733(b)(1)(A) of the Act and 19 CFR 351.205(b)(1), unless postponed, we will make our preliminary determinations no later than 140 days after the date of this initiation.

On June 29, 2015, the President of the United States signed into law the Trade Preferences Extension Act of 2015, which made numerous amendments to the AD and CVD law.⁷⁰ The 2015 law does not specify dates of application for those amendments. On August 6, 2015, the Department published an interpretative rule, in which it announced the applicability dates for each amendment to the Act, except for amendments contained in section 771(7) of the Act, which relate to determinations of material injury by the ITC.⁷¹ The amendments to sections 771(15), 773, 776, and 782 of the Act are applicable to all determinations made on or after August 6, 2015, and, therefore, apply to these AD investigations.⁷²

Respondent Selection

Petitioners named eight companies from Brazil,⁷³ 43 companies from India,⁷⁴ 13 companies from Japan,⁷⁵ nine companies from Korea,⁷⁶ four companies from the Netherlands,⁷⁷ 11 companies from Russia,⁷⁸ and nine companies from the United Kingdom,⁷⁹ as producers/exporters of cold-rolled steel. Following standard practice in AD investigations involving market economy countries, the Department intends to select respondents based on U.S.

⁷⁰ See Trade Preferences Extension Act of 2015, Pub. L. No. 114-27, 129 Stat. 362 (2015).

⁷¹ See *Dates of Application of Amendments to the Antidumping and Countervailing Duty Laws Made by the Trade Preferences Extension Act of 2015*, 80 FR 46793 (August 6, 2015) (*Applicability Notice*).

⁷² *Id.* at 46794-95. The 2015 amendments may be found at <https://www.congress.gov/bill/114th-congress/house-bill/1295/text/pl>.

⁷³ See the Volume I of the Petitions, at Exhibit I-7.

⁷⁴ *Id.*

⁷⁵ *Id.*

⁷⁶ *Id.*

⁷⁷ See the Volume I of the Petitions, at Exhibit I-7. See also the Volume XI of the Petitions, at 1.

⁷⁸ See the Volume I of the Petitions, at Exhibit I-7.

⁷⁹ See the Volume I of the Petitions, at Exhibit I-7. See also the Volume XIV of the Petitions, at 1.

Customs and Border Protection (CBP) data for U.S. imports under the appropriate HTSUS numbers listed with the scope in Appendix I, below. We intend to release the CBP data under Administrative Protective Order (APO) to all parties with access to information protected by APO within five business days of publication of this *Federal Register* notice. Interested parties wishing to comment regarding respondent selection must do so within seven business days of the publication of this notice. Comments must be filed electronically using ACCESS. An electronically-filed document must be received successfully in its entirety by the Department's electronic records system, ACCESS, by 5:00 p.m. ET by the date noted above. We intend to make our decision regarding respondent selection within 20 days of publication of this notice.

With respect to the PRC, Petitioners named 224 companies as producers/exporters of cold-rolled steel.⁸⁰ In accordance with our standard practice for respondent selection in cases involving NME countries, we intend to issue quantity-and-value (Q&V) questionnaires to each potential respondent and base respondent selection on the responses received. In addition, the Department will post the Q&V questionnaire along with filing instructions on the Enforcement and Compliance website at <http://www.trade.gov/enforcement/news.asp>.

Exporters/producers of cold-rolled steel from the PRC that do not receive Q&V questionnaires by mail may still submit a response to the Q&V questionnaire and can obtain a copy from the Enforcement and Compliance website. The Q&V response must be submitted by all PRC exporters/producers no later than August 31, 2015, which is two weeks from the signature date of this notice. All Q&V responses must be filed electronically via ACCESS.

⁸⁰ *Id.*

Separate Rates

In order to obtain separate-rate status in an NME investigation, exporters and producers must submit a separate-rate application.⁸¹ The specific requirements for submitting a separate-rate application in the PRC investigation are outlined in detail in the application itself, which is available on the Department's website at <http://enforcement.trade.gov/nme/nme-sep-rate.html>. The separate-rate application will be due 30 days after publication of this initiation notice.⁸² Exporters and producers who submit a separate-rate application and have been selected as mandatory respondents will be eligible for consideration for separate-rate status only if they respond to all parts of the Department's AD questionnaire as mandatory respondents. The Department requires that respondents from the PRC submit a response to both the Q&V questionnaire and the separate-rate application by their respective deadlines in order to receive consideration for separate-rate status.

Use of Combination Rates

The Department will calculate combination rates for certain respondents that are eligible for a separate rate in an NME investigation. The Separate Rates and Combination Rates Bulletin states:

{w}hile continuing the practice of assigning separate rates only to exporters, all separate rates that the Department will now assign in its NME Investigation will be specific to those producers that supplied the exporter during the period of investigation. Note, however, that one rate is calculated for the exporter and all of the producers which supplied subject merchandise to it during the period of investigation. This practice applies both to mandatory respondents receiving an individually calculated separate rate as well as the pool of non-investigated firms receiving the weighted-average of the individually calculated rates. This practice

⁸¹ See Policy Bulletin 05.1: Separate-Rates Practice and Application of Combination Rates in Antidumping Investigation involving Non-Market Economy Countries (April 5, 2005), available at <http://enforcement.trade.gov/policy/bull05-1.pdf> (Policy Bulletin 05.1).

⁸² Although in past investigations this deadline was 60 days, consistent with 19 CFR 351.301(a), which states that "the Secretary may request any person to submit factual information at any time during a proceeding," this deadline is now 30 days.

is referred to as the application of “combination rates” because such rates apply to specific combinations of exporters and one or more producers. The cash-deposit rate assigned to an exporter will apply only to merchandise both exported by the firm in question and produced by a firm that supplied the exporter during the period of investigation.⁸³

Distribution of Copies of the Petitions

In accordance with section 732(b)(3)(A) of the Act and 19 CFR 351.202(f), copies of the public version of the Petitions have been provided to the governments of Brazil, the PRC, India, Japan, Korea, the Netherlands, Russia, and the United Kingdom via ACCESS. To the extent practicable, we will attempt to provide a copy of the public version of the Petitions to each exporter named in the Petitions, as provided under 19 CFR 351.203(c)(2).

ITC Notification

We have notified the ITC of our initiation, as required by section 732(d) of the Act.

Preliminary Determinations by the ITC

The ITC will preliminarily determine, within 45 days after the date on which the Petitions were filed, whether there is a reasonable indication that imports of cold-rolled steel from Brazil, the PRC, India, Japan, Korea, the Netherlands, Russia and/or the United Kingdom are materially injuring or threatening material injury to a U.S. industry.⁸⁴ A negative ITC determination for any country will result in the investigation being terminated with respect to that country;⁸⁵ otherwise, these investigations will proceed according to statutory and regulatory time limits.

Submission of Factual Information

Factual information is defined in 19 CFR 351.102(b)(21) as: (i) evidence submitted in response to questionnaires; (ii) evidence submitted in support of allegations; (iii) publicly available information to value factors under 19 CFR 351.408(c) or to measure the adequacy of

⁸³ See Policy Bulletin 05.1 at 6 (emphasis added).

⁸⁴ See section 733(a) of the Act.

⁸⁵ *Id.*

remuneration under 19 CFR 351.511(a)(2); (iv) evidence placed on the record by the Department; and (v) evidence other than factual information described in (i)–(iv). Any party, when submitting factual information, must specify under which subsection of 19 CFR 351.102(b)(21) the information is being submitted⁸⁶ and, if the information is submitted to rebut, clarify, or correct factual information already on the record, to provide an explanation identifying the information already on the record that the factual information seeks to rebut, clarify, or correct.⁸⁷ Time limits for the submission of factual information are addressed in 19 CFR 351.301, which provides specific time limits based on the type of factual information being submitted. Please review the regulations prior to submitting factual information in these investigations.

Extensions of Time Limits

Parties may request an extension of time limits before the expiration of a time limit established under 19 CFR 351, or as otherwise specified by the Secretary. In general, an extension request will be considered untimely if it is filed after the expiration of the time limit established under 19 CFR 351 expires. For submissions that are due from multiple parties simultaneously, an extension request will be considered untimely if it is filed after 10:00 a.m. ET on the due date. Under certain circumstances, we may elect to specify a different time limit by which extension requests will be considered untimely for submissions which are due from multiple parties simultaneously. In such a case, we will inform parties in the letter or memorandum setting forth the deadline (including a specified time) by which extension requests must be filed to be considered timely. An extension request must be made in a separate, stand-alone submission; under limited circumstances we will grant untimely-filed requests for the

⁸⁶ See 19 CFR 351.301(b).

⁸⁷ See 19 CFR 351.301(b)(2).

extension of time limits. Review *Extension of Time Limits; Final Rule*, 78 FR 57790 (September 20, 2013), available at <http://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm>, prior to submitting factual information in these investigations.

Certification Requirements

Any party submitting factual information in an AD or CVD proceeding must certify to the accuracy and completeness of that information.⁸⁸ Parties are hereby reminded that revised certification requirements are in effect for company/government officials, as well as their representatives. Investigations initiated on the basis of petitions filed on or after August 16, 2013, and other segments of any AD or CVD proceedings initiated on or after August 16, 2013, should use the formats for the revised certifications provided at the end of the *Final Rule*.⁸⁹ The Department intends to reject factual submissions if the submitting party does not comply with applicable revised certification requirements.

Notification to Interested Parties

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305. On January 22, 2008, the Department published *Antidumping and Countervailing Duty Proceedings: Documents Submission Procedures; APO Procedures*, 73 FR 3634 (January 22, 2008). Parties wishing to participate in these investigations should ensure that they meet the requirements of these procedures (*e.g.*, the filing of letters of appearance as discussed in 19 CFR 351.103(d)).

⁸⁸ See section 782(b) of the Act.

⁸⁹ See *Certification of Factual Information to Import Administration during Antidumping and Countervailing Duty Proceedings*, 78 FR 42678 (July 17, 2013) (*Final Rule*); see also frequently asked questions regarding the *Final Rule*, available at http://enforcement.trade.gov/tlei/notices/factual_info_final_rule_FAQ_07172013.pdf.

This notice is issued and published pursuant to section 777(i) of the Act.

Paul Piquado
Assistant Secretary
for Enforcement and Compliance

Dated: August 17, 2015.

Appendix I

Scope of the Investigations

The products covered by these investigations are certain cold-rolled (cold-reduced), flat-rolled steel products, whether or not annealed, painted, varnished, or coated with plastics or other non-metallic substances. The products covered do not include those that are clad, plated, or coated with metal. The products covered include coils that have a width or other lateral measurement (“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; (2) the carbon content is 2 percent or less, by weight; and (3) none of the elements listed below exceeds the quantity, by weight, respectively indicated:

- 2.50 percent of manganese, or
- 3.30 percent of silicon, or
- 1.50 percent of copper, or
- 1.50 percent of aluminum, or
- 1.25 percent of chromium, or
- 0.30 percent of cobalt, or
- 0.40 percent of lead, or
- 2.00 percent of nickel, or
- 0.30 percent of tungsten (also called wolfram), or
- 0.80 percent of molybdenum, or
- 0.10 percent of niobium (also called columbium), or

- 0.30 percent of vanadium, or
- 0.30 percent of zirconium

Unless specifically excluded, products are included in this scope regardless of levels of boron and titanium.

For example, specifically included in this scope are vacuum degassed, fully stabilized (commonly referred to as interstitial-free (IF)) steels, high strength low alloy (HSLA) steels, motor lamination steels, Advanced High Strength Steels (AHSS), and Ultra High Strength Steels (UHSS). IF steels are recognized as low carbon steels with micro-alloying levels of elements such as titanium and/or niobium added to stabilize carbon and nitrogen elements. HSLA steels are recognized as steels with micro-alloying levels of elements such as chromium, copper, niobium, titanium, vanadium, and molybdenum. Motor lamination steels contain micro-alloying levels of elements such as silicon and aluminum. AHSS and UHSS are considered high tensile strength and high elongation steels, although AHSS and UHSS are covered whether or not they are high tensile strength or high elongation steels.

Subject merchandise includes cold-rolled 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 cold-rolled steel.

All products that meet the written physical description, and in which the chemistry quantities do not exceed any one of the noted element levels listed above, 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:

- Ball bearing steels;⁹⁰
- Tool steels;⁹¹
- Silico-manganese steel;⁹²

⁹⁰ Ball bearing steels are defined as steels which contain, in addition to iron, each of the following elements by weight in the amount specified: (i) not less than 0.95 nor more than 1.13 percent of carbon; (ii) not less than 0.22 nor more than 0.48 percent of manganese; (iii) none, or not more than 0.03 percent of sulfur; (iv) none, or not more than 0.03 percent of phosphorus; (v) not less than 0.18 nor more than 0.37 percent of silicon; (vi) not less than 1.25 nor more than 1.65 percent of chromium; (vii) none, or not more than 0.28 percent of nickel; (viii) none, or not more than 0.38 percent of copper; and (ix) none, or not more than 0.09 percent of molybdenum.

⁹¹ Tool steels are defined as steels which contain the following combinations of elements in the quantity by weight respectively indicated: (i) more than 1.2 percent carbon and more than 10.5 percent chromium; or (ii) not less than 0.3 percent carbon and 1.25 percent or more but less than 10.5 percent chromium; or (iii) not less than 0.85 percent carbon and 1 percent to 1.8 percent, inclusive, manganese; or (iv) 0.9 percent to 1.2 percent, inclusive, chromium and 0.9 percent to 1.4 percent, inclusive, molybdenum; or (v) not less than 0.5 percent carbon and not less than 3.5 percent molybdenum; or (vi) not less than 0.5 percent carbon and not less than 5.5 percent tungsten.

⁹² Silico-manganese steel is defined as steels containing by weight: (i) not more than 0.7 percent of carbon; (ii) 0.5 percent or more but not more than 1.9 percent of manganese, and (iii) 0.6 percent or more but not more than 2.3 percent of silicon.

- Grain-oriented electrical steels (GOES) as defined in the final determination of the U.S. Department of Commerce in *Grain-Oriented Electrical Steel From Germany, Japan, and Poland*.⁹³
- Non-Oriented Electrical Steels (NOES), as defined in the antidumping orders issued by the U.S. Department of Commerce in *Non-Oriented Electrical Steel From the People's Republic of China, Germany, Japan, the Republic of Korea, Sweden, and Taiwan*.⁹⁴

The products subject to these investigations are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers: 7209.15.0000, 7209.16.0030, 7209.16.0060, 7209.16.0070, 7209.16.0091, 7209.17.0030, 7209.17.0060, 7209.17.0070, 7209.17.0091, 7209.18.1530, 7209.18.1560, 7209.18.2510, 7209.18.2520, 7209.18.2580, 7209.18.6020, 7209.18.6090, 7209.25.0000, 7209.26.0000, 7209.27.0000, 7209.28.0000, 7209.90.0000, 7210.70.3000, 7211.23.1500, 7211.23.2000, 7211.23.3000, 7211.23.4500, 7211.23.6030, 7211.23.6060, 7211.23.6075, 7211.23.6085, 7211.29.2030, 7211.29.2090, 7211.29.4500, 7211.29.6030, 7211.29.6080, 7211.90.0000, 7212.40.1000, 7212.40.5000, 7225.50.6000, 7225.50.8015, 7225.50.8085, 7225.99.0090, 7226.92.5000, 7226.92.7050, and 7226.92.8050. The products subject to the investigations may also enter under the following HTSUS numbers: 7210.90.9000, 7212.50.0000, 7215.10.0010, 7215.10.0080, 7215.50.0016, 7215.50.0018, 7215.50.0020, 7215.50.0061, 7215.50.0063, 7215.50.0065, 7215.50.0090, 7215.90.5000, 7217.10.1000, 7217.10.2000, 7217.10.3000, 7217.10.7000, 7217.90.1000, 7217.90.5030, 7217.90.5060, 7217.90.5090, 7225.19.0000, 7226.19.1000, 7226.19.9000, 7226.99.0180, 7228.50.5015, 7228.50.5040, 7228.50.5070, 7228.60.8000, and 7229.90.1000.

The HTSUS subheadings above are provided for convenience and U.S. Customs purposes only. The written description of the scope of the investigations is dispositive.

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⁹³ *Grain-Oriented Electrical Steel From Germany, Japan, and Poland: Final Determinations of Sales at Less Than Fair Value and Certain Final Affirmative Determination of Critical Circumstances*, 79 Fed. Reg. 42,501, 42,503 (Dep't of Commerce, July 22, 2014). This determination defines grain-oriented electrical steel as "a flat-rolled alloy steel product containing by weight at least 0.6 percent but not more than 6 percent of silicon, not more than 0.08 percent of carbon, not more than 1.0 percent of aluminum, and no other element in an amount that would give the steel the characteristics of another alloy steel, in coils or in straight lengths."

⁹⁴ *Non-Oriented Electrical Steel From the People's Republic of China, Germany, Japan, the Republic of Korea, Sweden, and Taiwan: Antidumping Duty Orders*, 79 Fed. Reg. 71,741, 71,741-42 (Dep't of Commerce, Dec. 3, 2014). The orders define NOES as "cold-rolled, flat-rolled, alloy steel products, whether or not in coils, regardless of width, having an actual thickness of 0.20 mm or more, in which the core loss is substantially equal in any direction of magnetization in the plane of the material. The term 'substantially equal' means that the cross grain direction of core loss is no more than 1.5 times the straight grain direction (*i.e.*, the rolling direction) of core loss. NOES has a magnetic permeability that does not exceed 1.65 Tesla when tested at a field of 800 A/m (equivalent to 10 Oersteds) along (*i.e.*, parallel to) the rolling direction of the sheet (*i.e.*, B800 value). NOES contains by weight more than 1.00 percent of silicon but less than 3.5 percent of silicon, not more than 0.08 percent of carbon, and not more than 1.5 percent of aluminum. NOES has a surface oxide coating, to which an insulation coating may be applied."