



Billing Code: 3510-DS-P

## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-433-812, A-423-812, A-351-847, A-427-828, A-428-844, A-475-834, A-588-875, A-580-887, A-570-047, A-791-822, A-583-858, A-489-828]

Certain Carbon and Alloy Steel Cut-To-Length Plate from Austria, Belgium, Brazil, France, the Federal Republic of Germany, Italy, Japan, the Republic of Korea, the People's Republic of China, South Africa, Taiwan, and the Republic of Turkey: Initiation of Less-Than-Fair-Value Investigations

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

DATES: *Effective Date:* April 28, 2016.

FOR FURTHER INFORMATION CONTACT: Edythe Artman at (202) 482-3931 (Austria), Elizabeth Eastwood at (202) 482-3874 (Belgium and Italy), Mark Kennedy at (202) 482-7883 (Brazil), Brandon Custard at (202) 482-1823 (Federal Republic of Germany (Germany)), Terre Keaton Stefanova at (202) 482-1280 (France), Kabir Archuletta at (202) 482-2593 (Japan), Steve Bezirgianian at (202) 482-1131 (Republic of Korea (Korea)), Ryan Mullen at (202) 482-5260 (the People's Republic of China (the PRC)), Julia Hancock at (202) 482-1394 (South Africa), Tyler Weinhold at (202) 482-1121 (Taiwan), or Dmitry Vladimirov at (202) 482-0665 (Republic of Turkey (Turkey)), 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 April 8, 2016, the Department of Commerce (the Department) received antidumping duty (AD) petitions concerning imports of certain carbon and alloy steel cut-to-length plate (CTL plate) from Austria, Belgium, Brazil, France, the Germany, Italy, Japan, Korea, the PRC, South

Africa, Taiwan, and the Turkey, filed in proper form on behalf of ArcelorMittal USA LLC, Nucor Corporation, and SSAB Enterprises, LLC (collectively, Petitioners).<sup>1</sup> The AD petitions were accompanied by countervailing duty (CVD) petitions on imports from Brazil, Korea, and the PRC. Petitioners are domestic producers of CTL plate.<sup>2</sup>

On April 13, 2016, April 20, 2016, and April 21, 2016, the Department requested additional information and clarification of certain areas of the Petitions.<sup>3</sup> Petitioners filed responses to these requests on April 18, 2016,<sup>4</sup> April 21, 2016<sup>5</sup>, and April 25, 2016.<sup>6</sup>

In accordance with section 732(b) of the Tariff Act of 1930, as amended (the Act), Petitioners allege that imports of CTL plate from Austria, Belgium, Brazil, France, Germany, Italy, Japan, Korea, the PRC, South Africa, Taiwan, and Turkey 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

---

<sup>1</sup> See Letter to the Secretary of Commerce from Petitioners “Certain Carbon and Alloy Steel Cut-to-Length Plate from Austria, Belgium, Brazil, the People’s Republic of China, France, the Federal Republic of Germany, Italy, Japan, the Republic of Korea, South Africa, Taiwan, and Turkey – Petitions for the Imposition of Antidumping and Countervailing Duties” (April 8, 2016) (the Petitions).

<sup>2</sup> See Volume I of the Petitions, at 2.

<sup>3</sup> See Country-specific letters to Petitioners from the Department concerning supplemental questions on each of the country-specific records (April 13, 2016); see also Letter to Petitioners from the Department “Petition for the Imposition of Antidumping Duties on Imports of Certain Carbon and Alloy Steel Cut-to-Length Plate from Belgium: Supplemental Questions” (April 20, 2016); and Memorandum to the File from Vicki Flynn “Phone Call with Counsel to Petitioners” (April 21, 2016).

<sup>4</sup> See Letter from Petitioners to the Secretary of Commerce “Certain Carbon and Alloy Steel Cut-to-Length Plate from Austria, Belgium, Brazil, the People’s Republic of China, France, the Federal Republic of Germany, Italy, Japan, the Republic of Korea, South Africa, Taiwan, and the Republic of Turkey – Petitioners’ Amendment to Petition Volume I Related to General Issues” (April 18, 2016) (General Issues Supplement); see also responses to the Department’s April 13, 2016, questionnaires concerning supplemental questions on each of the country-specific records (April 18, 2016); and Letter to the Secretary of Commerce from Petitioners “Certain Carbon and Alloy Steel Cut-to-Length Plate from Austria, Belgium, Brazil, the People’s Republic of China, France, the Federal Republic of Germany, Italy, Japan, the Republic of Korea, South Africa, Taiwan, and the Republic of Turkey – Petitioners’ Amendment to Petition Volume I Related to General Issues” (April 25, 2016) (Second General Issues Supplement).

<sup>5</sup> See Letter from Petitioners regarding the Belgium Petition “Certain Carbon and Alloy Steel Cut-to-Length Plate from Austria, Belgium, Brazil, the People’s Republic of China, France, the Federal Republic of Germany, Italy, Japan, the Republic of Korea, South Africa, Taiwan, and Turkey - Petitioners’ Second Amendment to Petition” (April 21, 2016); see also Letter from Petitioners to the Secretary of Commerce “Certain Carbon and Alloy Steel Cut-to-Length Plate from Austria, Belgium, Brazil, the People’s Republic of China, France, the Federal Republic of Germany, Italy, Japan, the Republic of Korea, South Africa, Taiwan, and Turkey – Petitioners’ Amendment to Petition Volume XVI Relating to Austria Antidumping Duties” (April 21, 2016).

<sup>6</sup> See Second General Issues Supplement.

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 Department also finds that Petitioners demonstrated sufficient industry support with respect to the initiation of the AD investigations that Petitioners are requesting.<sup>7</sup>

#### Periods of Investigation

Because the Petitions were filed on April 8, 2016, the period of investigation (POI) is, pursuant to 19 CFR 351.204(b)(1), as follows: April 1, 2015, through March 31, 2016, for Austria, Belgium, Brazil, France, Germany, Italy, Japan, Korea, South Africa, Taiwan, and Turkey, and October 1, 2015, through March 31, 2016, for the PRC.

#### Scope of the Investigations

The product covered by these investigations is CTL plate from Austria, Belgium, Brazil, France, Germany, Italy, Japan, Korea, PRC, South Africa, Taiwan, and Turkey. 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 issued questions to and received responses from Petitioners pertaining to 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.<sup>8</sup>

---

<sup>7</sup> See the “Determination of Industry Support for the Petitions” section below.

<sup>8</sup> See Memorandum to the File from Robert James “Phone Calls with Counsel to Petitioners” (November 6, 2015); *see also* General Issues Supplement at 1-4 and Exhibit I-Supp-8.

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).<sup>9</sup> 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 interested parties to submit such comments by 5:00 p.m. Eastern Time (ET) on Wednesday, May 18, 2016, which is 20 calendar days from the signature date of this notice. Any rebuttal comments, which may include factual information, must be filed by 5:00 p.m. ET on Tuesday, May 31, 2016, which is the next business day after 10 calendar days from the deadline for initial comments.<sup>10</sup>

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

---

<sup>9</sup> *See Antidumping Duties; Countervailing Duties*, 62 FR 27296, 27323 (May 19, 1997).

<sup>10</sup> *See* 19 CFR 351.303(b).

(ACCESS).<sup>11</sup> 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.

#### 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 CTL plate to be reported in response to the Department's AD questionnaires. This information will be used to identify the key physical characteristics of the merchandise under consideration 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

---

<sup>11</sup> 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>.

may be some physical product characteristics used by manufacturers to describe CTL plate, 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.

The Department intends to establish a deadline for relevant comments and submissions at the time it releases the proposed list of physical characteristics and product-comparison criteria. All comments and submissions to the Department must be filed electronically using ACCESS, as explained above, on the records of the Austria, Belgium, Brazil, France, Germany, Italy, Japan, Korea, the PRC, South Africa, Taiwan, and Turkey 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,<sup>12</sup> 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 result in different definitions of the like product, such differences do not render the decision of either agency contrary to law.<sup>13</sup>

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 CTL plate constitutes a single

---

<sup>12</sup> See section 771(10) of the Act.

<sup>13</sup> 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)).

domestic like product and we have analyzed industry support in terms of that domestic like product.<sup>14</sup>

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. To establish industry support, Petitioners provided their shipments of the domestic like product in 2015, as well as the 2015 shipments of Universal Stainless & Alloy Products, Inc., a supporter of the Petitions, and compared these shipments to the estimated total shipments of the domestic like product for the entire domestic industry.<sup>15</sup> Because total industry production data for the domestic like product for 2015 is not reasonably available to Petitioners and Petitioners have

---

<sup>14</sup> For a discussion of the domestic like product analysis in this case, *see* Antidumping Duty Investigation Initiation Checklist: Certain Carbon and Alloy Steel Cut-to-Length Plate from Austria (Austria AD Initiation Checklist), at Attachment II, Analysis of Industry Support for the Antidumping and Countervailing Duty Petitions Covering Certain Carbon and Alloy Steel Cut-to-Length Plate from Austria, Belgium, Brazil, the People’s Republic of China, France, the Federal Republic of Germany, Italy, Japan, the Republic of Korea, South Africa, Taiwan, and the Republic of Turkey (Attachment II); Antidumping Duty Investigation Initiation Checklist: Certain Carbon and Alloy Steel Cut-to-Length Plate from Belgium (Belgium AD Initiation Checklist), at Attachment II; Antidumping Duty Investigation Initiation Checklist: Certain Carbon and Alloy Steel Cut-to-Length Plate from Brazil (Brazil AD Initiation Checklist), at Attachment II; Antidumping Duty Investigation Initiation Checklist: Certain Carbon and Alloy Steel Cut-to-Length Plate from the People’s Republic of China (PRC AD Initiation Checklist), at Attachment II; Antidumping Duty Investigation Initiation Checklist: Certain Carbon and Alloy Steel Cut-to-Length Plate from France (France AD Initiation Checklist), at Attachment II; Antidumping Duty Investigation Initiation Checklist: Certain Carbon and Alloy Steel Cut-to-Length Plate from the Federal Republic of Germany (Germany AD Initiation Checklist), at Attachment II; Antidumping Duty Investigation Initiation Checklist: Certain Carbon and Alloy Steel Cut-to-Length Plate from Italy (Italy AD Initiation Checklist), at Attachment II; Antidumping Duty Investigation Initiation Checklist: Certain Carbon and Alloy Steel Cut-to-Length Plate from Japan (Japan AD Initiation Checklist), at Attachment II; Antidumping Duty Investigation Initiation Checklist: Certain Carbon and Alloy Steel Cut-to-Length Plate from the Republic of Korea (Korea AD Initiation Checklist), at Attachment II; Antidumping Duty Investigation Initiation Checklist: Certain Carbon and Alloy Steel Cut-to-Length Plate from South Africa (South Africa AD Initiation Checklist), at Attachment II; Antidumping Duty Investigation Initiation Checklist: Certain Carbon and Alloy Steel Cut-to-Length Plate from Taiwan (Taiwan AD Initiation Checklist); and Antidumping Duty Investigation Initiation Checklist: Certain Carbon and Alloy Steel Cut-to-Length Plate from the Republic of Turkey (Turkey 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.

<sup>15</sup> *See* Volume I of the Petitions, at 2-4 and Exhibits I-3 through I-5; *see also* General Issues Supplement, at 7-11 and Exhibits I-Supp-2 through I-Supp-4 and I-Supp-11.

established that shipments are a reasonable proxy for production data,<sup>16</sup> we have relied upon the shipment data provided by Petitioners for purposes of measuring industry support.<sup>17</sup>

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.<sup>18</sup> First, the Petitions established support from domestic producers (or workers) accounting for more than 50 percent of the total shipments<sup>19</sup> 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).<sup>20</sup> 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 shipments of the domestic like product.<sup>21</sup> 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 the shipments of the domestic like product produced by that portion of the industry expressing

---

<sup>16</sup> See Volume I of the Petitions, at 3 and Exhibit I-4; *see also* General Issues Supplement, at 7.

<sup>17</sup> See Volume I of the Petitions, at 2-4 and Exhibits I-4 and I-5; *see also* General Issues Supplement, at 8-11 and Exhibits I-Supp-2, I-Supp-3, and I-Supp-11. For further discussion, *see* Austria AD Initiation Checklist, Belgium AD Initiation Checklist, Brazil AD Initiation Checklist, PRC AD Initiation Checklist, France AD Initiation Checklist, Germany AD Initiation Checklist, Italy AD Initiation Checklist, Japan AD Initiation Checklist, Korea AD Initiation Checklist, South Africa AD Initiation Checklist, Taiwan AD Initiation Checklist, and Turkey AD Initiation Checklist, at Attachment II.

<sup>18</sup> See Austria AD Initiation Checklist, Belgium AD Initiation Checklist, Brazil AD Initiation Checklist, PRC AD Initiation Checklist, France AD Initiation Checklist, Germany AD Initiation Checklist, Italy AD Initiation Checklist, Japan AD Initiation Checklist, Korea AD Initiation Checklist, South Africa AD Initiation Checklist, Taiwan AD Initiation Checklist, and Turkey AD Initiation Checklist, at Attachment II.

<sup>19</sup> As mentioned above, Petitioners established that shipments are a reasonable proxy for production data. Section 351.203(e)(1) of the Department's regulations states "production levels may be established by reference to alternative data that the Secretary determines to be indicative of production levels."

<sup>20</sup> See section 732(c)(4)(D) of the Act; *see also* Austria AD Initiation Checklist, Belgium AD Initiation Checklist, Brazil AD Initiation Checklist, France AD Initiation Checklist, Germany AD Initiation Checklist, Italy AD Initiation Checklist, Japan AD Initiation Checklist, Korea AD Initiation Checklist, South Africa AD Initiation Checklist, Taiwan AD Initiation Checklist, and Turkey AD Initiation Checklist, at Attachment II.

<sup>21</sup> See Austria AD Initiation Checklist, Belgium AD Initiation Checklist, Brazil AD Initiation Checklist, PRC AD Initiation Checklist, France AD Initiation Checklist, Germany AD Initiation Checklist, Italy AD Initiation Checklist, Japan AD Initiation Checklist, Korea AD Initiation Checklist, South Africa AD Initiation Checklist, Taiwan AD Initiation Checklist, and Turkey AD Initiation Checklist, at Attachment II.

support for, or opposition to, the Petitions.<sup>22</sup> 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.<sup>23</sup>

#### 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, France, Germany, Italy, Japan, and Korea, Petitioners allege that subject imports exceed the three percent negligibility threshold provided for under section 771(24)(A) of the Act.<sup>24</sup>

With regard to Austria, Belgium, South Africa, Taiwan, and Turkey, while the allegedly dumped imports from each of these countries do not individually exceed the statutory requirements for negligibility, Petitioners note that the aggregate import share from these five countries is 7.29 percent, which exceeds the seven percent threshold established by the exception in section 771(24)(A)(ii) of the Act.<sup>25</sup> Therefore, none of the subject imports from these countries are negligible for purposes of the material injury analysis in these Petitions.<sup>26</sup>

---

<sup>22</sup> *Id.*

<sup>23</sup> *Id.*

<sup>24</sup> See Volume I of the Petitions, at 25-29 and Exhibits I-13 and I-16; see also General Issues Supplement, at 15 and Exhibit I-Supp-7.

<sup>25</sup> Section 771(24)(A)(ii) of the Act states “{i}mports that would otherwise be negligible under clause (i) shall not be negligible if the aggregate volume of imports of the merchandise from all countries described in clause (i) with respect to which investigations were initiated on the same day exceeds 7 percent of the volume of all such merchandise imported in to the United States during the applicable 12-month period.”

<sup>26</sup> See Volume I of the Petitions, at 25-26, 29-30, and Exhibit I-13.

Petitioners contend that the industry's injured condition is illustrated by reduced market share; declines in production, capacity utilization, U.S. shipments, labor hours, and wages; underselling and price suppression or depression; deteriorating financial performance; and lost sales and revenues.<sup>27</sup> 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.<sup>28</sup>

#### 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 AD investigations of imports of CTL plate from Austria, Belgium, Brazil, France, Germany, Italy, Japan, Korea, the PRC, South Africa, Taiwan, and Turkey. 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.

#### Export Price

For Brazil, France, Germany, Italy, Japan, the PRC, Taiwan, and Turkey, Petitioners based export price (EP) U.S. prices on price quotes for sales of CTL plate produced in, and exported from, those countries and offered for sale in the United States.<sup>29</sup> For South Africa,

---

<sup>27</sup> *Id.*, at 20-22, 34-47 and Exhibits I-4, I-5, I-9, I-10, I-12 through I-14, I-16, and I-17; *see also* General Issues Supplement, at 11-15 and Exhibits I-Supp-1, I-Supp-6, I-Supp-7, and I-Supp-9.

<sup>28</sup> *See* Austria AD Initiation Checklist, Belgium AD Initiation Checklist, Brazil AD Initiation Checklist, PRC AD Initiation Checklist, France AD Initiation Checklist, Germany AD Initiation Checklist, Italy AD Initiation Checklist, Japan AD Initiation Checklist, Korea AD Initiation Checklist, South Africa AD Initiation Checklist, Taiwan AD Initiation Checklist, and Turkey 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 Carbon and Alloy Steel Cut-to-Length Plate from Austria, Belgium, Brazil, the People's Republic of China, France, the Federal Republic of Germany, Italy, Japan, the Republic of Korea, South Africa, Taiwan, and the Republic of Turkey.

<sup>29</sup> *See* Brazil AD Initiation Checklist, France AD Initiation Checklist, Germany AD Initiation Checklist, Italy AD Initiation Checklist, Japan AD Initiation Checklist, PRC AD Initiation Checklist, Taiwan AD Initiation Checklist, and Turkey AD Initiation Checklist.

Petitioners based EP on the average unit values of publicly available import data.<sup>30</sup> Where applicable, Petitioners made deductions from U.S. price for movement expenses and trading company/importer mark-ups, consistent with the terms of sale.<sup>31</sup>

#### Constructed Export Price

For Austria, Belgium, and Korea, because Petitioners had reason to believe the sale was made through a U.S. affiliate, Petitioners based constructed export price (CEP) on a price quote/offer for sale of CTL plate produced in, and exported from, those countries.<sup>32</sup> Petitioners made deductions from U.S. price for movement expenses consistent with the delivery terms.<sup>33</sup> Where applicable, Petitioners also deducted from U.S. price imputed credit expenses, trading company/importer mark-ups, and CEP expenses.<sup>34</sup>

#### Normal Value

For Austria, Belgium, Brazil, France, Germany, Korea, Taiwan, and Turkey, Petitioners provided home market price information obtained through market research for CTL plate produced in and offered for sale in each of these countries.<sup>35</sup> For all eight of these countries, Petitioners provided a declaration from a market researcher for the price information.<sup>36</sup> Where

---

<sup>30</sup> See South Africa AD Initiation Checklist.

<sup>31</sup> See Austria AD Initiation Checklist, Brazil AD Initiation Checklist, France AD Initiation Checklist, Germany AD Initiation Checklist, Italy AD Initiation Checklist, Korea AD Initiation Checklist, Japan AD Initiation Checklist, PRC AD Initiation Checklist, South Africa AD Initiation Checklist, Taiwan AD Initiation Checklist, and Turkey AD Initiation Checklist.

<sup>32</sup> See Austria AD Initiation Checklist, Belgium AD Initiation Checklist, and Korea AD Checklist.

<sup>33</sup> *Id.*

<sup>34</sup> *Id.*

<sup>35</sup> See Austria AD Initiation Checklist, Belgium AD Initiation Checklist, Brazil AD Initiation Checklist, France AD Initiation Checklist, Germany AD Initiation Checklist, Korea AD Initiation Checklist, Taiwan AD Initiation Checklist, and Turkey AD Initiation Checklist.

<sup>36</sup> *Id.*; see also Memorandum to the File “Telephone Call to Foreign Market Researcher Regarding Antidumping Petition” on each of the country-specific records (April 19 and 22, 2016).

applicable, Petitioners made deductions for movement expenses, taxes, and imputed credit expenses, consistent with the terms of sale.<sup>37</sup>

For Austria, Brazil, France, Germany, Korea, and Taiwan, Petitioners provided information that sales of CTL plate in the respective home markets were made at prices below the cost of production (COP) and also calculated NV based on constructed value (CV).<sup>38</sup> For Italy, Japan, and South Africa, Petitioners were unable to obtain home market price quotes for CTL plate and calculated NV based on CV.<sup>39</sup> For further discussion of COP and NV based on CV, *see* below.<sup>40</sup>

With respect to the PRC, Petitioners stated that the Department has found the PRC to be a non-market economy (NME) country in every administrative proceeding in which the PRC has been involved.<sup>41</sup> In accordance with section 771(18)(C)(i) of the Act, the presumption of NME status remains in 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.

---

<sup>37</sup> *See* Austria AD Initiation Checklist, Belgium AD Initiation Checklist, Brazil AD Initiation Checklist, France AD Initiation Checklist, Germany AD Initiation Checklist, Korea AD Initiation Checklist, Taiwan AD Initiation Checklist, and Turkey AD Initiation Checklist.

<sup>38</sup> *See* Austria AD Initiation Checklist, Brazil AD Initiation Checklist, France AD Initiation Checklist, Germany AD Initiation Checklist, Korea AD Initiation Checklist, and Taiwan AD Initiation Checklist.

<sup>39</sup> *See* Italy AD Initiation Checklist, Japan AD Initiation Checklist, and South Africa AD Initiation Checklist.

<sup>40</sup> 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, 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.

<sup>41</sup> *See* Volume IV of the Petition at 10.

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.<sup>42</sup>

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 no later than 30 days before the scheduled date of the preliminary determination.

#### Factors of Production

Because information regarding the volume of inputs consumed by Chinese producers/exporters is not reasonably available, Petitioners relied on a surrogate company's actual consumption of direct materials, labor, and energy as an estimate of the PRC manufacturers' FOPs.<sup>43</sup> Petitioners valued the estimated FOPs using surrogate values from South Africa,<sup>44</sup> and used the average POI exchange rate to convert the data to U.S. dollars.<sup>45</sup>

#### Valuation of Raw Materials

Petitioners valued direct materials based on publicly-available data for imports into South Africa obtained from the Global Trade Atlas for the period September 2015 through February 2016 (*i.e.*, the latest six months available).<sup>46</sup> For three items (beach iron scrap, ferromanganese,

---

<sup>42</sup> *Id.* at 11-23; *see also* section 773(c) of the Act.

<sup>43</sup> *See* Volume IV of the Petition at 13-17.

<sup>44</sup> *Id.* at 16-17.

<sup>45</sup> *Id.* at 17 and Exhibit AD-CN-9.

<sup>46</sup> *Id.* at 18-19 and Exhibits AD-CN-22 and AD-CN-23; *see also* Letter to the Secretary of Commerce from Petitioners regarding amendment to the PRC Petition (April 18, 2016) (PRC AD Petition Supplement) at 7 and Exhibits AD-CN-Supp-10 and AD-CN-Supp-11.

and slag iron offsets), there was insufficient import volume to calculate a surrogate value, and so Petitioners relied on South African export statistics.<sup>47</sup> Petitioners excluded all import data from countries previously determined by the Department to maintain broadly available, non-industry-specific export subsidies, from countries previously determined by the Department to be NME countries. In addition, in accordance with the Department's practice, Petitioners excluded imports that were labeled as originating from an unidentified country.<sup>48</sup> Petitioners added to these import values an inland freight rate derived from a report issued by the Human Sciences Research Council, based on the distance from the nearest port to the PRC producing mill.<sup>49</sup>

#### Valuation of Labor

Petitioners relied on 2013 data from the International Labor Organization's ILOSTAT data service to derive an hourly labor rate, and then inflated it using the Consumer Price Index.<sup>50</sup>

#### Valuation of Energy

Petitioners valued electricity using electricity rates in effect during the POI as collected and disseminated by the South African electricity producer Eskom,<sup>51</sup> water and natural gas by obtaining the surrogate values used by a recent Department case using South Africa as surrogate country,<sup>52</sup> coke oven gas (which is neither imported nor sold on the commercial market) by taking South African pricing for natural gas as a substitute and making a downward revision to the value of natural gas to reflect the lower heat value of coke oven gas,<sup>53</sup> and oxygen using the average unit pricing for oxygen imported into South Africa.<sup>54</sup>

---

<sup>47</sup> See Volume IV of Petition at 19.

<sup>48</sup> *Id.*

<sup>49</sup> *Id.* at 17-18 and Exhibit AD-CN-7.

<sup>50</sup> *Id.* at 20-21 and Exhibits AD-CN-10, AD-CN-25, and AD-CN-29.

<sup>51</sup> *Id.* at 19 and Exhibit AD-CN-24.

<sup>52</sup> *Id.* at 19-20 and Exhibits AD-CN-26 and AD-CN-27.

<sup>53</sup> *Id.* at 20; *see also* PRC AD Petition Supplement at 7-8 and Exhibits AD-CN-Supp-12, AD-CN-Supp-13, and AD-CN-Supp-14.

<sup>54</sup> See PRC AD Petition Supplement at 8-9 and Exhibits AD-CN-Supp-10 and AD-CN-Supp-14.

### Valuation of Packing Materials

Petitioners valued the packing expenses used by the PRC producers based on actual production experience of a U.S. producer of CTL plate.<sup>55</sup>

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

Petitioners valued factory overhead, SG&A, and profit using publicly available financial statements from Evraz Highveld, a South African company that produces the merchandise under consideration.<sup>56</sup>

### 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 the experience of a surrogate producer, adjusted for known differences between the surrogate producer and the producer(s) of the respective country (*i.e.*, Austria, Brazil, France, Germany, Italy, Japan, Korea, South Africa, and Taiwan), during the proposed POI.<sup>57</sup> Using publicly-available data to account for price differences, Petitioners multiplied the surrogate usage quantities by the submitted value of the inputs used to manufacture CTL plate in each country.<sup>58</sup> For Austria, Brazil, France, Germany, Italy, Japan, Korea, South Africa, and Taiwan, labor rates were derived from publicly available sources multiplied by the product-specific usage rates.<sup>59</sup> For Austria, Brazil, France, Germany, Italy, Japan, Korea, South Africa, and Taiwan, to determine factory overhead, SG&A, and financial expense rates, Petitioners relied on financial statements of companies they asserted were producers of identical or

---

<sup>55</sup> See Volume IV of Petition at 1 and 23 and Exhibits AD-CN-18 and AD-CN-21.

<sup>56</sup> See Volume IV of Petition at 21-23 and Exhibits AD-CN-21 and AD-CN-30; *see also* PRC AD Petition Supplement at 9-10 and Exhibits AD-CN-Supp-16.

<sup>57</sup> See Austria AD Initiation Checklist, Brazil AD Initiation Checklist, France AD Initiation Checklist, Germany AD Initiation Checklist, Italy AD Initiation Checklist, Japan AD Initiation Checklist, Korea AD Initiation Checklist, South Africa AD Initiation Checklist, and Taiwan AD Initiation Checklist.

<sup>58</sup> *Id.*

<sup>59</sup> *Id.*

comparable merchandise operating in the respective foreign country.<sup>60</sup> For Brazil, we adjusted the financial expense rate to reflect the results from the consolidated rather than non-consolidated financial statements.<sup>61</sup>

For Austria, Brazil, France, Germany, Korea, and Taiwan, 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 CV for those countries.<sup>62</sup> For Italy, Japan, and South Africa, Petitioners indicated they were unable to obtain home market or third country prices; accordingly, Petitioners based NV only on CV for those countries.<sup>63</sup> 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.<sup>64</sup> With the exception of Brazil and Italy, 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.<sup>65</sup> For Brazil and Italy, because the relevant financial statements indicated that the companies were operating at a loss, Petitioners did not include profit in CV.<sup>66</sup>

### Fair Value Comparisons

Based on the data provided by Petitioners, there is reason to believe that imports of CTL plate from Austria, Belgium, Brazil, France, Germany, Italy, Japan, Korea, the PRC, South

---

<sup>60</sup> *Id.*

<sup>61</sup> See Brazil AD Initiation Checklist.

<sup>62</sup> See Austria AD Initiation Checklist, Brazil AD Initiation Checklist, France AD Initiation Checklist, Germany AD Initiation Checklist, Korea AD Initiation Checklist, and Taiwan AD Initiation Checklist.

<sup>63</sup> See Italy AD Initiation Checklist, Japan AD Initiation Checklist, and South Africa AD Initiation Checklist.

<sup>64</sup> See Austria AD Initiation Checklist, Brazil AD Initiation Checklist, France AD Initiation Checklist, Germany AD Initiation Checklist, Italy AD Initiation Checklist, Japan AD Initiation Checklist, Korea AD Initiation Checklist, South Africa AD Initiation Checklist, and Taiwan AD Initiation Checklist.

<sup>65</sup> See Austria AD Initiation Checklist, France AD Initiation Checklist, Germany AD Initiation Checklist, Japan AD Initiation Checklist, Korea AD Initiation Checklist, South Africa AD Initiation Checklist, and Taiwan AD Initiation Checklist.

<sup>66</sup> See Brazil AD Initiation Checklist and Italy AD Initiation Checklist.

Africa, Taiwan, and Turkey 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 margins for CTL plate are as follows: 1) Austria ranges from 35.50 to 121.90 percent;<sup>67</sup> 2) Belgium is 51.78 percent;<sup>68</sup> 3) Brazil is 74.52 percent;<sup>69</sup> 4) France ranges from 28.43 to 148.02 percent;<sup>70</sup> 5) Germany ranges from 42.59 to 174.03 percent;<sup>71</sup> 6) Italy is 130.63 percent;<sup>72</sup> 7) Japan is 179.2 percent;<sup>73</sup> 8) Korea ranges from 44.70 to 248.64;<sup>74</sup> 9) South Africa ranges from 81.29 to 94.14 percent;<sup>75</sup> 10) Taiwan ranges from 8.30 to 77.13 percent;<sup>76</sup> and 11) Turkey ranges from 34.03 to 50.00 percent.<sup>77</sup>

Based on comparisons of EP to NV, in accordance with section 773(c) of the Act, the estimated dumping margin for CTL plate from the PRC ranges from 67.93 to 68.27 percent.<sup>78</sup>

#### Initiation of Less-than-Fair-Value Investigations

Based upon the examination of the AD Petitions on CTL plate from Austria, Belgium, Brazil, France, Germany, Italy, Japan, Korea, the PRC, South Africa, Taiwan, and Turkey, 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 CTL plate from Austria, Belgium, Brazil, France, Germany, Italy, Japan, Korea, the PRC, South Africa, Taiwan, and Turkey are being, or are likely to be, sold in the United States at less than fair value. In accordance with

---

<sup>67</sup> See Austria AD Initiation Checklist.

<sup>68</sup> See Belgium AD Initiation Checklist.

<sup>69</sup> See Brazil AD Initiation Checklist.

<sup>70</sup> See France AD Initiation Checklist.

<sup>71</sup> See Germany AD Initiation Checklist.

<sup>72</sup> See Italy AD Initiation Checklist.

<sup>73</sup> See Japan AD Initiation Checklist.

<sup>74</sup> See Korea AD Initiation Checklist.

<sup>75</sup> See South Africa AD Initiation Checklist.

<sup>76</sup> See Taiwan AD Initiation Checklist.

<sup>77</sup> See Turkey AD Initiation Checklist.

<sup>78</sup> See PRC AD Initiation Checklist.

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.<sup>79</sup> 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.<sup>80</sup> 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 investigations.<sup>81</sup>

#### Respondent Selection

Petitioners named three companies in Brazil,<sup>82</sup> three companies in Turkey,<sup>83</sup> 11 companies in Germany,<sup>84</sup> nine companies in Italy,<sup>85</sup> five companies in Japan,<sup>86</sup> 21 companies in Korea,<sup>87</sup> four companies in South Africa,<sup>88</sup> and 10 companies in Taiwan,<sup>89</sup> as producers/exporters of CTL plate. Following standard practice in AD investigations involving

---

<sup>79</sup> See Trade Preferences Extension Act of 2015, Pub. L. No. 114-27, 129 Stat. 362 (2015).

<sup>80</sup> 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).

<sup>81</sup> *Id.* at 46794-95. The 2015 amendments may be found at <https://www.congress.gov/bill/114th-congress/house-bill/1295/text/pl>.

<sup>82</sup> See Volume I of the Petition at 18-19 and Exhibit I-8.

<sup>83</sup> Petitioners initially named only one company in Turkey, but later indicated that there are two additional producers in Turkey, MMK Metalurji and Tosçelik Profile & Sheet, that are theoretically capable of producing a product that would fall within the scope of this investigation. See Letter to the Secretary of Commerce from Petitioners “Certain Carbon and Alloy Steel Cut-to-Length Plate from Austria, Belgium, Brazil, the People’s Republic of China, France, the Federal Republic of Germany, Italy, Japan, the Republic of Korea, South Africa, Taiwan, and Turkey – Petitioners Amendment to the Petition” (April 18, 2016).

<sup>84</sup> See Volume I of the Petition at 18-19 and Exhibit I-8.

<sup>85</sup> *Id.*

<sup>86</sup> *Id.*

<sup>87</sup> *Id.*

<sup>88</sup> *Id.*

<sup>89</sup> *Id.*

market economy countries, in the event the Department determines that the number of companies is large and it cannot individually examine each company based upon the Department's resources, where appropriate, the Department intends to select respondents based on U.S. Customs and Border Protection (CBP) data for U.S. imports under the appropriate Harmonized Tariff Schedule of the United States numbers listed with the scope in Appendix I, below. We also intend to release the CBP data under Administrative Protective Order (APO) to all parties with access to information protected by APO on the record within five business days of publication of this *Federal Register* notice. Comments regarding the CBP data and respondent selection should be submitted seven calendar days after the placement of the CBP data on the record of these investigations. Parties wishing to submit rebuttal comments should submit those comments five calendar days after the deadline for the initial comments.

Although the Department normally relies on the number of producers/exporters identified in the petition and/or import data from CBP to determine whether to select a limited number of producers/exporters for individual examination in AD investigations, Petitioners identified only one company as a producer/exporter of CTL plate in Austria: Voelstalpine Grobblech GmbH; two companies in Belgium: Industeel and NLMK Clabecq; and two companies in France: Dillinger France and Industeel France.<sup>90</sup> We currently know of no additional producers/exporters of merchandise under consideration from these countries and Petitioners provided information from an independent third-party source as support.<sup>91</sup> Accordingly, the Department intends to examine all known producers/exporters in the investigations for Austria, Belgium, and France (*i.e.*, the companies cited above for each respective investigation).

---

<sup>90</sup> *Id.*

<sup>91</sup> See Volume I of the Petition at Exhibit I-9.

Comments for the above-referenced investigations 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 dates 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 56 companies as producers/exporters of CTL plate.<sup>92</sup> 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 CTL plate 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 May 12, 2016, which is two weeks from the signature date of this notice. All Q&V responses must be filed electronically via ACCESS.

### Separate Rates

In order to obtain separate-rate status in an NME investigation, exporters and producers must submit a separate-rate application.<sup>93</sup> 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>.

---

<sup>92</sup> See Volume I of the Petition, at Exhibit I-8.

<sup>93</sup> 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).

The separate-rate application will be due 30 days after publication of this initiation notice.<sup>94</sup>

Exporters and producers who submit a separate-rate application and are 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 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.<sup>95</sup>

#### 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 Austria, Belgium,

---

<sup>94</sup> 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.

<sup>95</sup> See Policy Bulletin 05.1 at 6 (emphasis added).

Brazil, France, Germany, Italy, Japan, Korea, the PRC, South Africa, Taiwan, and Turkey 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 will notify 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 CTL plate from Austria, Belgium, Brazil, France, Germany, Italy, Japan, Korea, the PRC, South Africa, Taiwan, and/or Turkey are materially injuring or threatening material injury to a U.S. industry.<sup>96</sup> A negative ITC determination for any country will result in the investigation being terminated with respect to that country;<sup>97</sup> 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 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 submitted<sup>98</sup> and, if the information is submitted to rebut, clarify, or correct factual information already on the record, to provide an explanation identifying

---

<sup>96</sup> See section 733(a) of the Act.

<sup>97</sup> *Id.*

<sup>98</sup> See 19 CFR 351.301(b).

the information already on the record that the factual information seeks to rebut, clarify, or correct.<sup>99</sup> 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. 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 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.

---

<sup>99</sup> See 19 CFR 351.301(b)(2).

## Certification Requirements

Any party submitting factual information in an AD or CVD proceeding must certify to the accuracy and completeness of that information.<sup>100</sup> 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*.<sup>101</sup> 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)).

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

Paul Piquado,  
Assistant Secretary  
for Enforcement and Compliance.

Dated: April 28, 2016.

---

<sup>100</sup> See section 782(b) of the Act.

<sup>101</sup> 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](http://enforcement.trade.gov/tlei/notices/factual_info_final_rule_FAQ_07172013.pdf).

## **Appendix I**

### **Scope of the Investigations**

The products covered by these investigations are certain carbon and alloy steel hot-rolled or forged flat plate products not in coils, whether or not painted, varnished, or coated with plastics or other non-metallic substances (cut-to-length plate). Subject merchandise includes plate that is produced by being cut-to-length from coils or from other discrete length plate and plate that is rolled or forged into a discrete length. The products covered include (1) Universal mill plates (*i.e.*, flat-rolled products rolled on four faces or in a closed box pass, of a width exceeding 150 mm but not exceeding 1250 mm, and of a thickness of not less than 4 mm, which are not in coils and without patterns in relief), and (2) hot-rolled or forged flat steel products of a thickness of 4.75 mm or more and of a width which exceeds 150 mm and measures at least twice the thickness, and which are not in coils, whether or not with patterns in relief. The covered products described above may be rectangular, square, circular or other shapes and include products of either rectangular or non-rectangular cross-section where such non-rectangular 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, the following rules apply:

- (1) except where otherwise stated where the nominal and actual thickness or width measurements vary, a product from a given subject country 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 unless the product is already covered by an order existing on that specific country (*e.g.*, orders on hot-rolled flat-rolled steel); 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 includes cut-to-length plate that has been further processed in the subject country or a third country, including but not limited to pickling, oiling, levelling, annealing, tempering, temper rolling, skin passing, painting, varnishing, trimming, cutting, punching, beveling, 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 cut-to-length plate.

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

- (1) products clad, plated, or coated with metal, whether or not painted, varnished or coated with plastic or other non-metallic substances;
- (2) military grade armor plate certified to one of the following specifications or to a specification that references and incorporates one of the following specifications:
  - MIL-A-12560,
  - MIL-DTL-12560H,
  - MIL-DTL-12560J,
  - MIL-DTL-12560K,
  - MIL-DTL-32332,
  - MIL-A-46100D,
  - MIL-DTL-46100-E,
  - MIL-46177C,
  - MIL-S-16216K Grade HY80,
  - MIL-S-16216K Grade HY100,
  - MIL-S-24645A HSLA-80;
  - MIL-S-24645A HSLA-100,
  - T9074-BD-GIB-010/0300 Grade HY80,
  - T9074-BD-GIB-010/0300 Grade HY100,
  - T9074-BD-GIB-010/0300 Grade HSLA80,
  - T9074-BD-GIB-010/0300 Grade HSLA100, and
  - T9074-BD-GIB-010/0300 Mod. Grade HSLA115,

except that any cut-to-length plate certified to one of the above specifications, or to a military grade armor specification that

references and incorporates one of the above specifications, will not be excluded from the scope if it is also dual- or multiple-certified to any other non-armor specification that otherwise would fall within the scope of this order;

- (3) stainless steel plate, containing 10.5 percent or more of chromium by weight;
- (4) CTL plate meeting the requirements of ASTM A-829, Grade E 4340 that are over 305 mm in actual thickness;
- (5) Alloy forged and rolled CTL plate greater than or equal to 152.4 mm in actual thickness meeting each of the following requirements:

(a) Electric furnace melted, ladle refined & vacuum degassed and having a chemical composition (expressed in weight percentages):

- Carbon 0.23-0.28,
- Silicon 0.05-0.20,
- Manganese 1.20-1.60,
- Nickel not greater than 1.0,
- Sulfur not greater than 0.007,
- Phosphorus not greater than 0.020,
- Chromium 1.0-2.5,
- Molybdenum 0.35-0.80,
- Boron 0.002-0.004,
- Oxygen not greater than 20 ppm,
- Hydrogen not greater than 2 ppm, and
- Nitrogen not greater than 60 ppm;

(b) With a Brinell hardness measured in all parts of the product including mid thickness falling within one of the following ranges:

- (i) 270-300 HBW,
- (ii) 290-320 HBW, or

- (iii) 320-350HBW;
  - (c) Having cleanliness in accordance with ASTM E45 method A (Thin and Heavy): A not exceeding 1.5, B not exceeding 1.0, C not exceeding 0.5, D not exceeding 1.5; and
  - (d) Conforming to ASTM A578-S9 ultrasonic testing requirements with acceptance criteria 2 mm flat bottom hole;
- (6) Alloy forged and rolled steel CTL plate over 407 mm in actual thickness and meeting the following requirements:
- (a) Made from Electric Arc Furnace melted, Ladle refined & vacuum degassed, alloy steel with the following chemical composition (expressed in weight percentages):
    - Carbon 0.23-0.28,
    - Silicon 0.05-0.15,
    - Manganese 1.20-1.50,
    - Nickel not greater than 0.4,
    - Sulfur not greater than 0.010,
    - Phosphorus not greater than 0.020,
    - Chromium 1.20-1.50,
    - Molybdenum 0.35-0.55,
    - Boron 0.002-0.004,
    - Oxygen not greater than 20 ppm,
    - Hydrogen not greater than 2 ppm, and
    - Nitrogen not greater than 60 ppm;
  - (b) Having cleanliness in accordance with ASTM E45 method A (Thin and Heavy): A not exceeding 1.5, B not exceeding 1.5, C not exceeding 1.0, D not exceeding 1.5;
  - (c) Having the following mechanical properties:
    - (i) With a Brinell hardness not more than 237 HBW measured in all parts of the product including mid

thickness; and having a Yield Strength of 75ksi min and UTS 95ksi or more, Elongation of 18% or more and Reduction of area 35% or more; having charpy V at -75 degrees F in the longitudinal direction equal or greater than 15 ft. lbs (single value) and equal or greater than 20 ft. lbs (average of 3 specimens) and conforming to the requirements of NACE MR01-75; or

(ii) With a Brinell hardness not less than 240 HBW measured in all parts of the product including mid thickness; and having a Yield Strength of 90 ksi min and UTS 110 ksi or more, Elongation of 15% or more and Reduction of area 30% or more; having charpy V at -40 degrees F in the longitudinal direction equal or greater than 21 ft. lbs (single value) and equal or greater than 31 ft. lbs (average of 3 specimens);

(d) Conforming to ASTM A578-S9 ultrasonic testing requirements with acceptance criteria 3.2 mm flat bottom hole; and

(e) Conforming to magnetic particle inspection in accordance with AMS 2301;

(7) Alloy forged and rolled steel CTL plate over 407 mm in actual thickness and meeting the following requirements:

(a) Made from Electric Arc Furnace melted, ladle refined & vacuum degassed, alloy steel with the following chemical composition (expressed in weight percentages):

- Carbon 0.25-0.30,
- Silicon not greater than 0.25,
- Manganese not greater than 0.50,
- Nickel 3.0-3.5,
- Sulfur not greater than 0.010,
- Phosphorus not greater than 0.020,
- Chromium 1.0-1.5,
- Molybdenum 0.6-0.9,
- Vanadium 0.08 to 0.12

- Boron 0.002-0.004,
- Oxygen not greater than 20 ppm,
- Hydrogen not greater than 2 ppm, and
- Nitrogen not greater than 60 ppm.

(b) Having cleanliness in accordance with ASTM E45 method A (Thin and Heavy): A not exceeding 1.0(t) and 0.5(h), B not exceeding 1.5(t) and 1.0(h), C not exceeding 1.0(t) and 0.5(h), and D not exceeding 1.5(t) and 1.0(h);

(c) Having the following mechanical properties: A Brinell hardness not less than 350 HBW measured in all parts of the product including mid thickness; and having a Yield Strength of 145ksi or more and UTS 160ksi or more, Elongation of 15% or more and Reduction of area 35% or more; having charpy V at -40 degrees F in the transverse direction equal or greater than 20 ft. lbs (single value) and equal or greater than 25 ft. lbs (average of 3 specimens);

(d) Conforming to ASTM A578-S9 ultrasonic testing requirements with acceptance criteria 3.2 mm flat bottom hole; and

(e) Conforming to magnetic particle inspection in accordance with AMS 2301.

At the time of the filing of the petition, there was an existing antidumping duty order on certain cut-to-length carbon-quality steel plate products from Korea. *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-To-Length Carbon-Quality Steel Plate Products from Korea*, 64 Fed. Reg. 73,196 (Dep't Commerce Dec. 29, 1999), as amended, 65 Fed. Reg. 6,585 (Dep't Commerce Feb 10, 2000) (1999 Korea AD Order). The scope of the antidumping duty investigation with regard to cut-to-length plate from Korea covers only (1) subject cut-to-length plate not within the physical description of cut-to-length carbon quality steel plate in the 1999 Korea AD Order, regardless of producer or exporter; and (2) cut-to-length plate produced and/or exported by those companies that were excluded or revoked from the 1999 Korea AD Order as of April 8, 2016. The only revoked or excluded company is Pohang Iron and Steel Company, also known as POSCO.

At the time of the filing of the petition, there was an existing countervailing duty order on certain cut-to-length carbon-quality steel plate from Korea. *See Final Affirmative Countervailing Duty Determination: Certain Cut-to-Length Carbon-Quality Steel Plate From the Republic of Korea*, 64 Fed. Reg. 73,176 (Dep't Commerce Dec. 29, 1999), as amended, 65 Fed. Reg. 6,587 (Dep't Commerce

Feb. 10, 2000) (1999 Korea CVD Order). The scope of the countervailing duty investigation with regard to cut-to-length plate from Korea covers only (1) subject cut-to-length plate not within the physical description of cut-to-length carbon quality steel plate in the 1999 Korea CVD Order regardless of producer or exporter, and (2) cut-to-length plate produced and/or exported by those companies that were excluded or revoked from the 1999 Korea CVD Order as of April 8, 2016. The only revoked or excluded company is Pohang Iron and Steel Company, also known as POSCO.

Excluded from the scope of the antidumping duty investigation on cut-to-length plate from China are any products covered by the existing antidumping duty order on certain cut-to-length carbon steel plate from the People's Republic of China. *See Suspension Agreement on Certain Cut-to-Length Carbon Steel Plate From the People's Republic of China; Termination of Suspension Agreement and Notice of Antidumping Duty Order*, 68 Fed. Reg. 60,081 (Dep't Commerce Oct. 21, 2003), as amended, *Affirmative Final Determination of Circumvention of the Antidumping Duty Order on Certain Cut-to-Length Carbon Steel Plate From the People's Republic of China*, 76 Fed. Reg. 50,996, 50,996-97 (Dep't of Commerce Aug. 17, 2011). On August 17, 2011, the U.S. Department of Commerce found that the order covered all imports of certain cut-to-length carbon steel plate products with 0.0008 percent or more boron, by weight, from China not meeting all of the following requirements: aluminum level of 0.02 percent or greater, by weight; a ratio of 3.4 to 1 or greater, by weight, of titanium to nitrogen; and a hardenability test (*i.e.*, Jominy test) result indicating a boron factor of 1.8 or greater.

The products subject to the investigations are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers: 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7225.40.1110, 7225.40.1180, 7225.40.3005, 7225.40.3050, 7226.20.0000, and 7226.91.5000.

The products subject to the investigations may also enter under the following HTSUS item numbers: 7208.40.6060, 7208.53.0000, 7208.90.0000, 7210.70.3000, 7210.90.9000, 7211.19.1500, 7211.19.2000, 7211.19.4500, 7211.19.6000, 7211.19.7590, 7211.90.0000, 7212.40.1000, 7212.40.5000, 7212.50.0000, 7214.10.000, 7214.30.0010, 7214.30.0080, 7214.91.0015, 7214.91.0060, 7214.91.0090, 7225.11.0000, 7225.19.0000, 7225.40.5110, 7225.40.5130, 7225.40.5160, 7225.40.7000, 7225.99.0010, 7225.99.0090, 7206.11.1000, 7226.11.9060, 7229.19.1000, 7226.19.9000, 7226.91.0500, 7226.91.1530, 7226.91.1560, 7226.91.2530, 7226.91.2560, 7226.91.7000, 7226.91.8000, and 7226.99.0180.

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

[FR Doc. 2016-10627 Filed: 5/4/2016 8:45 am; Publication Date: 5/5/2016]