



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

A-580-891

Carbon and Alloy Steel Wire Rod From the Republic of Korea: Amended Preliminary Determination of Sales at Less Than Fair Value

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

SUMMARY: On October 31, 2017, the Department of Commerce (Department) published in the *Federal Register* the *Preliminary Determination*<sup>1</sup> of the antidumping duty investigation of carbon and alloy steel wire rod (wire rod) from the Republic of Korea (Korea). The Department is amending the *Preliminary Determination* of the investigation to correct a significant ministerial error.

DATES: Effective [Insert date of publication in the *Federal Register*.]

FOR FURTHER INFORMATION CONTACT: Lingjun Wang, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2316.

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<sup>1</sup> See *Carbon and Alloy Steel Wire Rod from the Republic of Korea: Preliminary Affirmative Determination of Sales at Less Than Fair Value, and Preliminary Negative Determination of Critical Circumstances*, 82 FR 50386 (October 31, 2017) (*Preliminary Determination*); see also the petitioners' November 1, 2017 letter, "Petitioners' Ministerial Error Allegations Concerning POSCO" (Ministerial Error Allegation).

## SUPPLEMENTARY INFORMATION:

### Background

On October 31, 2017, the Department published in the *Federal Register* the *Preliminary Determination* of wire rod from Korea. On November 1, 2017, Gerdau Ameristeel US Inc., Keystone Consolidated Industries, Inc., and Charter Steel (collectively, the petitioners) alleged that the Department made a significant ministerial error in the *Preliminary Determination*.

### Scope of the Investigation

The product covered by this investigation is wire rod from Korea. For a full description of the scope of this investigation, *see* the “Scope of the Investigation,” in the Appendix to this notice.

### Significant Ministerial Error

A ministerial error is defined in 19 CFR 351.224(f) as “an error in addition, subtraction, or other arithmetic function, clerical error resulting from inaccurate copying, duplication, or the like, and any other similar type of unintentional error which the Secretary considers ministerial.” A significant ministerial error is defined in 19 CFR 351.224(g) as a ministerial error, the correction of which, singly or in combination with other errors, would result in: (1) a change of at least five absolute percentage points in, but not less than 25 percent of, the weighted-average dumping margin calculated in the original (erroneous) preliminary determination; or (2) a difference between a weighted-average dumping margin of zero or *de minimis* and a weighted-average dumping margin of greater than *de minimis* or vice versa. Further, 19 CFR 351.224(e) provides that the Department “will analyze any comments received and, if appropriate, correct any significant ministerial error by amending the preliminary determination.”

### Ministerial Error Allegation

The petitioners allege that the Department failed to convert the product matching control number (CONNUM)-specific per-unit import duty cost amounts that were denominated in Korean won to U.S. dollars when it granted POSCO a duty drawback adjustment to U.S. price.<sup>2</sup> The petitioners also maintain that correcting this error results in an increase of more than five absolute percentage points in, but not less than 25 percent of, the weighted-average dumping margin, thereby meeting the definition of “significant” pursuant to 19 CFR 351.224(g)(1).<sup>3</sup>

We agree with the petitioners’ allegation. The CONNUM-specific per-unit duty cost amount that forms the basis of our duty-drawback adjustment was in Korean won.<sup>4</sup> The Department inadvertently failed to convert CONNUM-specific per-unit duty cost amount to U.S. dollars when adjusting U.S. price in the margin calculation program.<sup>5</sup> This error constitutes a ministerial error within the meaning of 19 CFR 351.224(f).<sup>6</sup> Moreover, correcting this ministerial error changes the margin from 10.09 percent to 40.80 percent, thereby making this error significant pursuant to 19 CFR 351.224(g)(1).<sup>7</sup>

### Amended Preliminary Determination

We are amending the preliminary determination of sales at less-than-fair-value for wire rod from Korea to reflect the correction of a ministerial error made in the margin calculation for

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<sup>2</sup> See DOC October 24, 2014 Memorandum: “Cost of Production and Constructed Value Calculation Adjustments for the Preliminary Determination – POSCO,” and DOC October 24, 2014 Memorandum “Preliminary Determination Margin Calculation for POSCO.”

<sup>3</sup> See Ministerial Error Allegation.

<sup>4</sup> See POSCO August 23, 2017 Response to Supplemental Section D Questionnaire at SD-12 and Exhibit SD-10, and POSCO October 11, 2017 Response to Second Supplemental Section D Questionnaire at SD2-6 and Exhibit SD2-7.

<sup>5</sup> See DOC October 24, 2017 Memorandum: “Cost of Production and Constructed Value Calculation Adjustments for the Preliminary Determination – POSCO” at 4, and DOC October 24, 2017 Memorandum: “Preliminary Determination Margin Calculation for POSCO” at 5.

<sup>6</sup> See DOC Memorandum: “Allegation and Analysis of Ministerial Error in the Preliminary Determination,” dated concurrently with this memorandum (Ministerial Error Analysis Memorandum).

<sup>7</sup> See DOC Memorandum: “Amended Preliminary Determination Margin Calculation for POSCO,” dated concurrently with this memorandum (Amended Preliminary Calculation Memorandum).

POSCO. In addition, because the preliminary “All-Others” rate was based on the estimated weighted-average dumping margin calculated for POSCO, we are also amending the “All-Others” rate. As a result of the correction of the ministerial error, the revised weighted-average dumping margins are as follows:

Exporter/Manufacturer	Weighted-Average Dumping Margin (percent)
POSCO	40.80
All-Others	40.80

Amended Cash Deposits and Suspension of Liquidation

The collection of cash deposits and suspension of liquidation will be revised according to the rates established in this amended preliminary determination, in accordance with section 733(d) and (f) of the Tariff Act of 1930, as amended (the Act) and 19 CFR 351.224. Because the rates are increasing from the *Preliminary Determination*, the amended cash deposit rates will be effective on the date of publication of this notice in the *Federal Register*.

International Trade Commission Notification

In accordance with section 733(f) of the Act, we notified the International Trade Commission of our amended preliminary determination.

Disclosure

We intend to disclose the calculations performed to parties in this proceeding within five days after public announcement of the amended preliminary determination, in accordance with 19 CFR 351.224.

This amended preliminary determination is issued and published in accordance with sections 733(f) and 777(i) of the Act and 19 CFR 351.224(e).

*/s/ Gary Taverman*

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Gary Taverman  
Deputy Assistant Secretary  
for Antidumping and Countervailing Duty Operations  
performing the non-exclusive functions and duties of the  
Assistant Secretary for Enforcement and Compliance

November 20, 2017

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Date

## Appendix

### Scope of the Investigation

The products covered by this investigation are certain hot-rolled products of carbon steel and alloy steel, in coils, of approximately round cross section, less than 19.00 mm in actual solid cross-sectional diameter. Specifically excluded are steel products possessing the above-noted physical characteristics and meeting the Harmonized Tariff Schedule of the United States (HTSUS) definitions for (a) stainless steel; (b) tool steel; (c) high-nickel steel; (d) ball bearing steel; or (e) concrete reinforcing bars and rods. Also excluded are free cutting steel (also known as free machining steel) products (*i.e.*, products that contain by weight one or more of the following elements: 0.1 percent or more of lead, 0.05 percent or more of bismuth, 0.08 percent or more of sulfur, more than 0.04 percent of phosphorous, more than 0.05 percent of selenium, or more than 0.01 percent of tellurium). All products meeting the physical description of subject merchandise that are not specifically excluded are included in this scope.

The products under investigation are currently classifiable under subheadings 7213.91.3011, 7213.91.3015, 7213.91.3020, 7213.91.3093; 7213.91.4500, 7213.91.6000, 7213.99.0030, 7227.20.0030, 7227.20.0080, 7227.90.6010, 7227.90.6020, 7227.90.6030, and 7227.90.6035 of the HTSUS. Products entered under subheadings 7213.99.0090 and 7227.90.6090 of the HTSUS also may be included in this scope if they meet the physical description of subject merchandise above. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this proceeding is dispositive.

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