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DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

A-351-845

Certain Hot-Rolled Steel Flat Products from Brazil: Preliminary Results of the Antidumping Duty Administrative Review; 2016-2017

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

SUMMARY: The Department of Commerce (Commerce) is conducting an administrative review of the antidumping duty order on certain hot-rolled steel flat products from Brazil. The period of review (POR) is March 22, 2016, through September 30, 2017. This review covers six producers/exporters of the subject merchandise. Commerce selected one mandatory respondent, Companhia Siderurgica Nacional (CSN), for individual examination. We preliminarily determine that sales of subject merchandise have been made below normal value (NV) during the POR. We invite interested parties to comment on these preliminary results.

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

FOR FURTHER INFORMATION CONTACT: Peter Zukowski, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0189.

SUPPLEMENTARY INFORMATION:

Scope of the Order

The products covered by this investigation are certain hot-rolled steel flat products from Brazil. For a complete description of the scope of this order, please see the accompanying Preliminary Decision Memorandum.¹

Methodology

Commerce is conducting this review in accordance with sections 751(a) of the Tariff Act of 1930, as amended (the Act). For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum.

The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be found at <http://enforcement.trade.gov/frn/>. The signed Preliminary Decision Memorandum and the electronic version of the Preliminary Decision Memorandum are identical in content. A list of the topics discussed in the Preliminary Decision Memorandum is attached as the Appendix to this notice.

Adverse Facts Available

Pursuant to section 776(a) and (b) of the Act, Commerce has preliminarily relied upon facts otherwise available with adverse inferences (AFA) for CSN because this respondent did not

¹ *See* the Memorandum, "Certain Hot-Rolled Steel Flat Products from Brazil: Decision Memorandum for Preliminary Results of the Antidumping Duty Administrative Review; 2016-2017" (dated concurrently with this *Federal Register* notice) (Preliminary Decision Memorandum).

respond to Commerce's antidumping duty questionnaire. For a complete explanation of the methodology and analysis underlying the preliminary application of AFA, *see* the Preliminary Decision Memorandum.

Adjustment for Export Subsidies

In the original investigation, we subtracted from the final dumping margin of 33.14 percent the portion of CSN's countervailing duty rate attributable to export subsidies (4.07 percent) in order to calculate the cash-deposit rate of 29.07 percent.² Since the publication of the *Antidumping Duty Order*, we have not conducted an administrative review of the countervailing duty order on Hot-Rolled Steel from Brazil.³ Therefore, the portion of the countervailing duty rate attributable to export subsidies currently in effect for CSN is 4.07 percent. Further, imports from CSN during the POR were subject to countervailing duties to offset export subsidies of 4.07 percent or more. As such, we have adjusted the dumping margin to ensure that, in accordance with section 772(c)(1)(C) of the Act, we do not collect duties attributable to export subsidies twice.

Rate for Non-Selected Companies

In accordance with the U.S. Court of Appeals for the Federal Circuit's decision in *Albemarle Corp. v. United States*,⁴ we are applying to the non-selected companies the adjusted dumping margin we are preliminarily applying to CSN in this administrative review.⁵ This is the only rate determined in this review for an individual respondent, and thus, it is applicable to the

² *See Certain Hot-Rolled Steel Flat Products from Australia, Brazil, Japan, the Republic of Korea, the Netherlands, the Republic of Turkey, and the United Kingdom: Amended Final Affirmative Antidumping Determinations for Australia, the Republic of Korea, and the Republic of Turkey and Antidumping Duty Orders*, 81 FR 67962 (October 3, 2016) (*Antidumping Duty Order*).

³ This is the first administrative review following the completion of the investigation.

non-selected companies under section 735(c)(5)(B) of the Act. For a detailed discussion, see the Preliminary Decision Memorandum.

Preliminary Results of the Review

As a result of this review, Commerce preliminarily determines that for the period March 22, 2016, through September 30, 2017, the following weighted-average dumping margins exist:⁶

| Exporter and/or Producer | Weighted-Average Dumping Margin | Rate Adjusted for Export Subsidies |
|--|---------------------------------|------------------------------------|
| Aperam South America | 34.28 | 30.21 |
| ArcelorMittal Brasil | 34.28 | 30.21 |
| Companhia Siderurgica Nacional | 34.28 | 30.21 |
| Companhia Siderurgica Suape | 34.28 | 30.21 |
| Marcegaglia do Brasil | 34.28 | 30.21 |
| Usinas Siderurgicas de Minas Gerais SA | 34.28 | 30.21 |

Disclosure

Normally, Commerce discloses to interested parties the calculations performed in connection with the preliminary results within five days of the date of publication of the notice of preliminary results in the *Federal Register*, in accordance with 19 CFR 351.224(b). However, there are no calculations to disclose because, in accordance with section 776 of the Act, we have relied on the application of AFA to CSN, the only mandatory respondent subject to this review, for purposes of these preliminary results for CSN. Because the AFA dumping margin is based

⁴ See *Albemarle Corp. v. United States*, 821 F.3d 1345 (Fed. Cir. 2016).

⁵ See, e.g., *Diamond Sawblades and Parts Thereof from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2015-2016*, 83 FR 17527 (April 20, 2018).

⁶ See Preliminary Decision Memorandum for more detail.

solely on a dumping margin applied in a prior segment of this proceeding, there are no calculations to disclose.

Public Comment

Interested parties may submit case briefs not later than 30 days after the date of publication of this notice.⁷ Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than five days after the time limit for filing case briefs.⁸ Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) A statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.⁹ Case and rebuttal briefs should be filed using ACCESS.¹⁰

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS. An electronically-filed document must be received successfully in its entirety by ACCESS by 5 p.m. Eastern Time within 30 days after the date of publication of this notice.¹¹ Hearing requests should contain: (1) The party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to issues raised in the briefs. If a request for a hearing is made, parties will be notified of the time and date for the hearing to be held at the U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230.¹²

⁷ See 19 CFR 351.309(c)(ii).

⁸ See 19 CFR 351.309(d)(1).

⁹ See 19 CFR 351.309(c)(2) and (d)(2).

¹⁰ See 19 CFR 351.303.

¹¹ See 19 CFR 351.310(c).

¹² *Id.*

Commerce intends to issue the final results of this administrative review, including the results of its analysis of arguments raised in any written briefs, not later than 120 days after the publication of these preliminary results in the Federal Register, unless otherwise extended.¹³

Assessment Rates

Upon completion of the administrative review, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries covered by this review.¹⁴ The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for future deposits of estimated duties, where applicable.¹⁵ We intend to issue instructions to CBP 15 days after the publication date of the final results of this review.

Cash Deposit Requirements

The following cash deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) The cash deposit rate for each specific company listed above will be that established in the final results of this review, except if the rate is less than 0.50 percent and, therefore, de minimis within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rate will be zero; (2) for previously investigated companies not participating in this review, the cash deposit will continue to be the company-specific rate published for the most recently completed segment of this proceeding in which the company participated; (3) if the exporter is not a firm covered in

¹³ See section 751(a)(3)(A) of the Act.

¹⁴ See 19 CFR 351.212(b).

¹⁵ See section 751(a)(2)(C) of the Act.

this review, or the original less-than-fair-value (LTFV) investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent segment for the manufacturer of the merchandise; and (4) the cash deposit rate for all other manufacturers or exporters will continue to be 29.07 percent, the all-others rate established in the LTFV investigation.¹⁶ These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

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

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

Dated: July 6, 2018

¹⁶ See *Antidumping Duty Order*.

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Application of Facts Available and Adverse Inferences
 - A. Use of Facts Available
 - B. Application of Facts Available with an Adverse Inference
 - C. Selection and Corroboration of Adverse Facts Available Rate
 - D. Rate for Non-Selected Companies
- V. Conclusion

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