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DEPARTMENT OF COMMERCE

International Trade Administration

[A-583-856]

Certain Corrosion-Resistant Steel Products from Taiwan: Preliminary Results of Antidumping Duty Administrative Review and Partial Rescission of Antidumping Duty Administrative Review; 2016-2017

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

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that producers/exporters subject to this review made sales of subject merchandise at less than normal value. We invite interested parties to comment on these preliminary results.

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

FOR FURTHER INFORMATION CONTACT: Paul Stolz, Shanah Lee, or Emily Halle, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4474, (202) 482-6386, and (202) 482-0176, respectively.

SUPPLEMENTARY INFORMATION

Background

Commerce is conducting an administrative review of the antidumping duty (AD) order on certain corrosion-resistant steel products (CORE) from Taiwan.¹ The period of review (POR) is June 2, 2016, through June 30, 2017. We initially selected two companies, Sheng Yu Steel Co., Ltd. (SYSCO), and the previously collapsed Prosperity Tieh Enterprise Co., Ltd. (Prosperity),

¹ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 82 FR 42974 (September 13, 2017) (*Initiation Notice*).

Yieh Phui Enterprise Co., Ltd. (YP), and Synn Industrial Co., Ltd. (Synn) entity (collectively, YP/Synn/Prosperity entity), for individual examination.² For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.³ A list of topics included in the Preliminary Decision Memorandum is included as an Appendix to this notice.

Partial Rescission of Administrative Review

We initiated the instant review on eight companies (including companies collapsed and collectively treated as a single entity in the LTFV investigation).⁴ Pursuant to 19 CFR 351.213(d)(1), we will rescind an administrative review, “in whole or in part, if a party that requested a review withdraws the request within 90 days of the date of publication of notice of initiation of the requested review.” Because all relevant parties timely withdrew their requests for review of certain companies listed in the *Initiation Notice*, we are rescinding the

² In the less-than-fair-value (LTFV) investigation of the AD order, we collapsed YP with its affiliate Synn and treated YP/Synn as a single entity in that proceeding. *See Certain Corrosion-Resistant Steel Products from Taiwan: Final Determination of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances, in Part*, 81 FR 35313 (June 2, 2016) and accompanying Issues and Decision Memorandum (IDM) (*Taiwan CORE LTFV Final*); unchanged in *Certain Corrosion-Resistant Steel Products from India, Italy, the People’s Republic of China, the Republic of Korea and Taiwan: Amended Final Affirmative Antidumping Determination for India and Taiwan, and Antidumping Duty Orders*, 82 FR 48390 (July 25, 2016) (*Order*). No party challenged the underlying collapsing finding with respect to YP and Synn in the instant review and, as such, we preliminarily determine to collapse YP with its affiliate Synn and thus continue to collapse YP and Synn as a single entity for the purposes of this proceeding. For a further discussion of the affiliation and collapsing determinations, *see* memorandum, “Administrative Review of the Antidumping Duty Order on Certain Corrosion-Resistant Steel Products from Taiwan: Preliminary Affiliation and Collapsing Memorandum for Yieh Phui Enterprise Co., Ltd. and Synn Industrial Co., Ltd.,” dated concurrently with this memorandum (Affiliation-Collapsing Memo). Also, in the LTFV investigation, we collapsed Prosperity with Synn, and thereby collapsed Prosperity, Synn, and YP into a single entity, called the YP/Synn/Prosperity entity. *See Taiwan CORE LTFV Final*. This determination was challenged by respondent parties in the investigation and is subject to pending litigation in that proceeding. As discussed in greater detail in the Affiliation-Collapsing Memo, we find that the facts on the instant record do not support a finding that Prosperity, YP, and Synn be treated as a single entity for the purposes of this administrative review. However, we preliminarily determine to continue to collapse YP and Synn into the YP/Synn entity. Therefore, though only two respondents were selected for individual examination at the outset of the instant review, as a result of the preliminary affiliation/collapsing determination, Commerce is effectively reviewing three respondents, YP/Synn, SYSCO, and Prosperity for individual examination.

³ *See* memorandum, “Decision Memorandum for the Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review: Certain Corrosion-Resistant Steel Products from Taiwan, 2016-2017,” dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁴ *See Initiation Notice*.

administrative review with respect to the following three companies: Great Grandeul Steel Co., Ltd., Meng Sin Material Co., Ltd., and Xxentria Technology Materials Co., Ltd. Accordingly, the remaining companies subject to the instant review are Prosperity, YP/Synn,⁵ SYSCO, and Chung Hung Steel Corporation.

Scope of the Order⁶

The product covered by the order is flat-rolled steel products, either clad, plated, or coated with corrosion-resistant metals such as zinc, aluminum, or zinc-, aluminum-, nickel- or iron-based alloys, whether or not corrugated or painted, varnished, laminated, or coated with plastics or other non-metallic substances in addition to the metallic coating. The subject merchandise is currently classifiable under the Harmonized Tariff Schedule of the United States (HTSUS) subheadings: 7210.30.0030, 7210.30.0060, 7210.41.0000, 7210.49.0030, 7210.49.0091, 7210.49.0095, 7210.61.0000, 7210.69.0000, 7210.70.6030, 7210.70.6060, 7210.70.6090, 7210.90.6000, 7210.90.9000, 7212.20.0000, 7212.30.1030, 7212.30.1090, 7212.30.3000, 7212.30.5000, 7212.40.1000, 7212.40.5000, 7212.50.0000, and 7212.60.0000. The products subject to the orders may also enter under the following HTSUS item numbers: 7210.90.1000, 7215.90.1000, 7215.90.3000, 7215.90.5000, 7217.20.1500, 7217.30.1530, 7217.30.1560, 7217.90.1000, 7217.90.5030, 7217.90.5060, 7217.90.5090, 7225.91.0000, 7225.92.0000, 7225.99.0090, 7226.99.0110, 7226.99.0130, 7226.99.0180, 7228.60.6000, 7228.60.8000, and 7229.90.1000. The HTSUS subheadings above are provided for convenience and customs purposes only. The written description of the scope of the order is dispositive.

⁵ As described above, YP and Synn are treated as a single entity for purposes of these preliminary results. See Affiliation-Collapsing Memo.

⁶ For the full text of the scope of the order, see the Preliminary Decision Memorandum.

Methodology

Commerce is conducting this review in accordance with section 751(a)(1) and (2) of Tariff Act of 1930, as amended (the Act). Export and constructed export price were calculated in accordance with section 772 of the Act. Normal value is calculated in accordance with section 773 of 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 is available 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 accessed directly on the internet at <http://enforcement.trade.gov/frn/index.html>. The signed Preliminary Decision Memorandum and the electronic version of the Preliminary Decision Memorandum are identical in content.

Preliminary Results of the Review

We preliminarily determine the following weighted-average dumping margins exist for the POR:

Exporter/Producer	Weighted-Average Dumping Margin (Percent)
Chung Hung Steel Corporation	2.52 percent ⁷
Prosperity Tieh Enterprise Co., Ltd.	3.04 percent
Yieh Phui Enterprise Co., Ltd. and Synn Industrial Co., Ltd.	1.31 percent

⁷ This rate is based on the rates for the respondents that were selected for individual review, excluding rates that are zero, *de minimis* or based entirely on facts available. *See* section 735(c)(5)(A) of the Act.

Exporter/Producer	Weighted-Average Dumping Margin (Percent)
Sheng Yu Steel Co. Ltd.	4.89 percent

Assessment Rates

Upon issuance of the final results, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries covered by this review.

If the weighted-average dumping margin for the mandatory respondents (*i.e.*, SYSCO, Prosperity, and YP/Synn) is not zero or *de minimis* (*i.e.*, less than 0.5 percent), we will calculate importer-specific *ad valorem* AD assessment rates based on the ratio of the total amount of dumping calculated for the importers examined sales to the total entered value of those same sales in accordance with 19 CFR 351.212(b)(1).⁸ We will instruct CBP to assess antidumping duties on all appropriate entries covered by this review when the importer-specific assessment rate calculated in the final results of this review is above *de minimis* (*i.e.*, 0.5 percent). Where either the respondent's weighted-average dumping margin is zero or *de minimis*, or an importer-specific assessment rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties. 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 where applicable.

For the companies which were not selected for individual review (*i.e.*, Chung Hung), we will assign an assessment rate based on the weighted-average of the cash deposit rates calculated

⁸ In these preliminary results, Commerce applied the assessment rate calculation method adopted in Antidumping Proceedings: *See Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification*, 77 FR 8101 (February 14, 2012).

for the companies selected for mandatory review (*i.e.*, SYSCO, Prosperity, and YP/Synn), excluding any which are *de minimis* or determined entirely on adverse facts available. 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.⁹

In accordance with Commerce's "automatic assessment" practice, for entries of subject merchandise during the POR produced by each respondent for which they did not know that their merchandise was destined for the United States, we will instruct CBP to liquidate entries not reviewed at the all-others rate of 10.34 percent if there is no rate for the intermediate company(ies) involved in the transaction.¹⁰ We intend to issue instructions to CBP 15 days after publication of the final results of this review.

Cash Deposit Requirements

The following deposit requirements will be effective upon publication of the notice of final results of administrative review for all shipments of CORE from Taiwan entered, or withdrawn from warehouse, for consumption on or after the date of publication provided by section 751(a)(2) of the Act: (1) The cash deposit rate for each company listed above will be equal to the dumping margins established in the final results of this review except if the ultimate rates are *de minimis* within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rates will be zero; (2) for merchandise exported by producers or exporters not covered in this administrative review but covered in a prior segment of the proceeding, the cash deposit rate will continue to be the company-specific rate published for the most recently completed segment of this proceeding in which the producer or exporter participated; (3) if the exporter is not a firm

⁹ See section 751(a)(2)(C) of the Act.

¹⁰ See *Order*.

covered in this review, a prior review, or the original less-than-fair-value investigation but the producer is, the cash deposit rate will be the rate established for the most recently completed segment of the proceeding for the producer of the merchandise; and (4) the cash deposit rate for all other producers or exporters will continue to be 10.34 percent, the all-others rate established in the antidumping investigation.¹¹ These deposit requirements, when imposed, shall remain in effect until further notice.

Disclosure and Public Comment

Commerce will disclose to parties to this proceeding the calculations performed in reaching the preliminary results within five days of the date of publication of these preliminary results.¹² Pursuant to 19 CFR 351.309(c)(1)(ii), interested parties may submit case briefs not later than 30 days after the date of publication of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may be filed not later than five days after the date for filing case briefs.¹³ Parties who submit case briefs or rebuttal briefs in this proceeding are requested to submit with the argument: (1) a statement of the issue, (2) a summary of the argument, and (3) a table of authorities.¹⁴ All briefs must be filed electronically using ACCESS. An electronically filed document must be received successfully in its entirety by Commerce's electronic records system, ACCESS.

Interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, using Enforcement and Compliance's ACCESS system within 30 days of publication of this notice.¹⁵

¹¹ *Id.*

¹² *See* 19 CFR 351.224(b).

¹³ *See* 19 CFR 351.309(d).

¹⁴ *See* 19 CFR 351.309(c)(2) and (d)(2).

¹⁵ *See* 19 CFR 351.310(c).

Requests should contain the party's name, address, and telephone number, the number of participants, and a list of the issues to be discussed. If a request for a hearing is made, we will inform parties of the scheduled date for the hearing which will be held at the U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230, at a time and location to be determined.¹⁶ Parties should confirm by telephone the date, time, and location of the hearing.

Unless the deadline is extended pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h)(2), Commerce will issue the final results of this administrative review, including the results of our analysis of the issues raised by the parties in their case briefs, within 120 days after issuance of these preliminary results.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) 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 Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of doubled antidumping duties.

These preliminary results of review is are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213(h).

Dated: August 3, 2018.

James Maeder,
Associate Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations
performing the duties of Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations.

¹⁶ See 19 CFR 351.310.

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum:

- I. Summary
 - II. Background
 - III. Scope of the Order
 - IV. Partial Rescission of Review
 - V. Rates for Respondents Not Selected for Individual Examination
 - VI. Discussion of the Methodology
 - A. Collapsing of Affiliated Companies
 - B. Comparisons to Normal Value
 - C. Determination of the Comparison Method
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 - X. Normal Value
 - A. Home Market Viability
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 - XII. Recommendation
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