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DEPARTMENT OF COMMERCE

International Trade Administration

A-588-869

Diffusion-Annealed, Nickel-Plated Flat-Rolled Steel Products from Japan: Preliminary Results of the Antidumping Duty Administrative Review and Preliminary Determination of No Shipments; 2017-2018

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

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that one of the producers/exporters subject to this administrative review did not make sales of subject merchandise at less than normal value (NV) and the other made no sales of subject merchandise during the period of review (POR) May 1, 2017 through April 30, 2018. Interested parties are invited to comment on these preliminary results of review.

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

FOR FURTHER INFORMATION CONTACT: Ian Hamilton, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4798.

Scope of the Order

The products covered by the order are flat-rolled, cold-reduced steel products, regardless of chemistry, whether or not in coils, either plated or coated with nickel or nickel-based alloys and subsequently annealed (*i.e.*, “diffusion annealed”), whether or not painted, varnished or coated with plastics or other metallic or nonmetallic substances from Japan. Products subject to the order are currently classified in the Harmonized Tariff Schedule of the United States

(HTSUS) subheadings 7212.50.0000 and 7210.90.6000. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise subject to this scope is dispositive.¹

SUPPLEMENTARY INFORMATION:

Background

On July 12, 2018, based on a timely request for review, in accordance with 19 CFR 351.221(c)(1)(i), we initiated an administrative review on diffusion-annealed, nickel-plated, flat-rolled steel products from Japan.² This review covers two producers and exporters of the subject merchandise. In November 2018, we extended the preliminary results of this review to no later than May 31, 2019.³ Commerce exercised its discretion to toll all deadlines affected by the partial federal government closure from December 22, 2018 through the resumption of operations on January 28, 2019.⁴ Accordingly, the revised deadline for the preliminary results of this review is now July 10, 2019. For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.

¹ For a full description of the scope of the order, *see* Memorandum, “Decision Memorandum for the Preliminary Results of the 2017-2018 Administrative Review of the Antidumping Duty Order on Diffusion-Annealed, Nickel-Plated Flat-Rolled Steel Products from Japan,” dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

² *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 83 FR 32270 (July 12, 2018).

³ *See* Memorandum, “Diffusion-Annealed, Nickel-Plated Flat-Rolled Steel Products from Japan: Extension of the Deadline for Preliminary Results of the 2017-2018 Antidumping Duty Administrative Review,” dated November 30, 2018.

⁴ *See* Memorandum to the Record from 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, “Deadlines Affected by the Partial Shutdown of the Federal Government,” dated January 28, 2019. All deadlines in this segment of the proceeding have been extended by 40 days.

Methodology

Commerce is conducting this review in accordance with sections 751(a)(1)(B) and (2) of the Tariff Act of 1930, as amended (the Act). Export price is calculated in accordance with section 772 of the Act. NV 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 to all parties in the Central Records Unit, room B8024 of the main Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <https://enforcement.trade.gov/frn/summary/japan/japan-fr.htm>. The signed and electronic versions of the Preliminary Decision Memorandum are identical in content. A list of the topics discussed in the Preliminary Decision Memorandum is attached as an Appendix to this notice.

Preliminary Determination of No Shipments

Nippon Steel & Sumitomo Metal Corporation (Nippon Steel) properly filed its certification that it had no shipments of subject merchandise to the United States during the POR.⁵ There is no information on the record which contradicts Nippon Steel's no shipment certification. Therefore, based on the evidence on the record, we preliminarily determine that Nippon Steel had no shipments of subject merchandise to the United States during the POR. Consistent with our practice, we are not preliminarily rescinding the review with respect to Nippon Steel, but, rather, we will complete the review for this company and issue appropriate

⁵ *See* Nippon Steel's Letter, "Diffusion-Annealed Nickel-Plated Flat-Rolled Steel Products from Japan: Certification of No U.S. Sales During Administrative Review Period," dated August 20, 2018.

instructions to U.S. Customs and Border Protection (CBP) based on the final results of this review.⁶

Preliminary Results of the Review

As a result of this review, we preliminarily determine that a weighted-average dumping margin of 0.00 percent exists for Toyo Kohan Co., Ltd. (Toyo Kohan) for the period May 1, 2017 through April 30, 2018.

Disclosure and Public Comment

Commerce intends to disclose the calculations performed in connection with these preliminary results to interested parties within five days after the date of publication of this notice.⁷ Interested parties may submit case briefs to Commerce no later than 30 days after the date of publication of this notice.⁸ 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.⁹ 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.¹⁰ Case and rebuttal briefs should be filed using ACCESS.¹¹

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, U.S.

Department of Commerce, filed electronically via ACCESS within 30 days after the date of

⁶ See, e.g., *Certain Frozen Warmwater Shrimp from Thailand; Preliminary Results of Antidumping Duty Administrative Review, Partial Rescission of Review, Preliminary Determination of No Shipments; 2012-2013*, 79 FR 15951, 15952 (March 24, 2014), unchanged in *Certain Frozen Warmwater Shrimp from Thailand: Final Results of Antidumping Duty Administrative Review, Final Determination of No Shipments, and Partial Rescission of Review; 2012-2013*, 79 FR 51306, 51307 (August 28, 2014).

⁷ See 19 CFR 351.224(b).

⁸ See 19 CFR 351.309(c).

⁹ See 19 CFR 351.309(d).

¹⁰ See 19 CFR 351.309(c)(2) and (d)(2).

¹¹ See 19 CFR 351.303.

publication of this notice.¹² 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 20230.¹³

An electronically-filed document must be received successfully in its entirety by ACCESS by 5 p.m. Eastern Time on the established deadline.

Commerce intends to issue the final results of this administrative review, including the results of its analysis of issues raised in any written briefs, not later than 120 days after the date of publication of this notice, unless otherwise extended.¹⁴

Assessment Rates

Upon completion of the administrative review, Commerce shall determine, and CBP shall assess, antidumping duties on all appropriate entries.

Pursuant to 19 CFR 351.212(b)(1), we calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for the examined sales to the total entered value of the sales for which entered value was reported. Where either the respondent's weighted-average dumping margin is zero or *de minimis* within the meaning of 19 CFR 351.106(c)(1), or an importer-specific 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

¹² See 19 CFR 351.310(c).

¹³ See 19 CFR 351.310(d).

¹⁴ See section 751(a)(3)(A) of the Act.

covered by the final results of this review and for future deposits of estimated duties, where applicable.

Commerce's "reseller policy" will apply to entries of subject merchandise during the POR produced by Toyo Kohan for which Toyo Kohan did not know that the merchandise it sold to the intermediary (*e.g.*, a reseller, trading company, or exporter) was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction.¹⁵

We intend to issue liquidation instructions to CBP 15 days after publication of the final results of this review.

Cash Deposit Requirements

The following 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 Toyo Kohan 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 companies not participating in this review, the cash deposit rate will continue to be the company-specific cash deposit rate published for the most recently completed segment; (3) if the exporter is not a firm covered in this or a previous administrative review, or the original less-than-fair-value (LTFV) investigation, but the producer is, the cash deposit rate will be the cash deposit rate established for the most recent segment for the producer of the merchandise; and (4) the cash deposit rate for all other producers or exporters will continue to be 45.42 percent, the all-others rate established

¹⁵ For a full discussion of this practice, see *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

in the LTFV investigation.¹⁶ These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice 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 the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Notification to Interested Parties

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: July 10, 2019

Jeffrey I. Kessler
Assistant Secretary
for Enforcement and Compliance

¹⁶ See *Diffusion-Annealed, Nickel-Plated Flat-Rolled Steel Products from Japan: Antidumping Duty Order*, 79 FR 30816 (May 29, 2014).

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Preliminary Determination of No Shipments
- V. Discussion of the Methodology
- VI. Currency Conversion
- VII. Recommendation

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