DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-047]


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

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that Jiangsu Tiangong Tools Company LTD (TG Tools) did not make a bona fide sale of certain carbon and alloy steel cut-to-length plate (CTL plate) from the People’s Republic of China (China) during the period of review (POR) March 1, 2018 through February 28, 2019. Therefore, Commerce preliminarily intends to rescind this administrative review. Interested parties are invited to comment on this preliminary rescission of review.

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

FOR FURTHER INFORMATION CONTACT: Hannah Falvey or Matthew Renkey, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4889 or (202) 482-2312, respectively.
SUPPLEMENTARY INFORMATION:

Background

On May 29, 2019, Commerce initiated an administrative review of the antidumping duty order on CTL plate from China in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act), with respect to TG Tools as the sole mandatory respondent in this review.¹

On November 12, 2019, pursuant to section 751(a)(3)(A) of the Act, Commerce determined that it was not practicable to complete the preliminary results of this review within the 245 days and extended the preliminary results by 117 days.² The revised deadline for the preliminary results in this review is now March 27, 2020.

Scope of the Order

The merchandise subject to this order is 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). For a full description of the scope, see the Preliminary Decision Memorandum.³

China-Wide Entity

Commerce’s policy regarding conditional review of the China-wide entity applies to this administrative review.⁴ Under this policy, the China-wide entity will not be under review unless

a party specifically requests, or Commerce self-initiates, a review of the entity. Because no party requested a review of the China-wide entity in this review, the entity is not under review, and the entity’s rate (i.e., 68.27 percent) is not subject to change.5

Methodology

Commerce is conducting this review in accordance with section 751(a)(1)(B) of the Act. For a full description of the methodology underlying our conclusions, see the Preliminary Decision Memorandum. A list of the topics included in the Preliminary Decision Memorandum is included as an appendix to this notice. The Preliminary Decision Memorandum is a public document and is made available to the public 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 it is available to all parties in the Central Records Unit, room B8024 of the main Commerce building. The signed and electronic versions of the Preliminary Decision Memorandum are identical in content.

Preliminary Rescission of the Administrative Review

As discussed in the Preliminary Decision Memorandum and as expounded upon in the Bona Fides Memorandum, Commerce preliminarily finds that the sale made by TG Tools serving as the basis for this review is not a bona fide sale of CTL plate.6 Commerce reached this conclusion based on the totality of the record information surrounding TG Tools’ reported sale, including, but not limited to, the sales price and quantity, the profitability of the resold subject merchandise, the limited number of sales (i.e., one sale), the trial nature of the sale, the comparison to the subsequent sales after the POR, and the likelihood of future sales.

5 See Order, 82 FR at 14352.
6 See Memorandum, “Preliminary Bona Fide Sales Analysis,” dated concurrently with this notice (Bona Fides Memorandum).
Because the non-*bona fide* sale was the only reported sale of subject merchandise during the POR, we find that TG Tools had no reviewable transactions during this POR. Accordingly, we preliminarily intend to rescind this administrative review. The factual information used in our *bona fides* analysis of TG Tools’ sale involves business proprietary information. *See* the *Bona Fides* Memorandum for a full discussion of the basis for our preliminary findings.

**Public Comment**

Interested parties are invited to comment on the preliminary results and may submit case briefs and/or written comments, filed electronically using ACCESS, within 30 days of the date of publication of this notice, pursuant to 19 CFR 351.309(c)(1)(ii). Rebuttal briefs, limited to issues raised in the case briefs, will be due seven days after the due date for case briefs, pursuant to 19 CFR 351.309(d). Parties who submit case or rebuttal briefs in this review are requested to submit with each argument a statement of the issue, a summary of the argument not to exceed five pages, and a table of statutes, regulations, and cases cited, in accordance with 19 CFR 351.309(c)(2).

Pursuant to 19 CFR 351.309(c)(2) and (d)(2), 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. Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until May 19, 2020, unless extended.

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 ACCES. An electronically-filed document must be received successfully in its

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7 *See* 19 CFR 351.213(d)(3).
8 *See* Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19, 85 FR 17006 (March 26, 2020).
entirety by 5:00 p.m. Eastern Time within 30 days after the date of publication of this notice. Requests should contain: (1) the party’s name, address and telephone number; (2) the number of participants; (3) whether any participant is a foreign national; and (4) a list of issues parties intend to discuss. Issues raised in the hearing will be limited to those raised in the respective case and rebuttal briefs.\(^9\) If a request for a hearing is made, Commerce intends to hold the hearing at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230, at a date and time to be determined.\(^10\) Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

Unless otherwise extended, Commerce intends to issue the final results of this administrative review, which will include the results of its analysis of issues raised in any briefs, within 120 days of publication of these preliminary results, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

If Commerce proceeds to a final rescission of this administrative review, the assessment rate to which TG Tools’ shipments are subject will not be affected by this review. If Commerce does not proceed to a final rescission of this administrative review, pursuant to 19 CFR 351.212(b)(1), we will calculate importer-specific (or customer-specific) assessment rates based on the final results of this review.

Cash Deposit Requirements

If Commerce proceeds to a final rescission of this administrative review, TG Tools’ cash deposit rate will continue to be the China-wide rate of 68.27. If Commerce issues final results for this administrative review, Commerce will instruct U.S. Customs and Border Protection to

\(^9\) See 19 CFR 351.310(c).
\(^10\) See 19 CFR 351.310(d).
collect cash deposits, effective upon the publication of the final results, at the rates established therein.

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 POR. Failure to comply with this requirement could result in Commerce’s presumption that reimbursement of antidumping duties occurred and the assessment of doubled antidumping duties.

Notification to Interested Parties

This administrative review and notice are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.221(b)(4).

Dated: March 27, 2020.

Jeffrey I. Kessler,
Assistant Secretary
for Enforcement and Compliance.
Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

I. Summary
II. Background
III. Scope of the Order
IV. Discussion of the Methodology
V. Recommendation

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