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**DEPARTMENT OF COMMERCE**

**International Trade Administration**

**[A-580-891]**

**Carbon and Alloy Steel Wire Rod from the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review; 2017-2019**

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

**SUMMARY:** The Department of Commerce (Commerce) preliminarily finds that POSCO, a producer and exporter of carbon and alloy steel wire rod (wire rod) from the Republic of Korea (Korea), sold subject merchandise in the United States at prices below normal value during the period of review (POR) October 31, 2017 through April 30, 2019. We invite all interested parties to comment on these preliminary results.

**DATES:** Applicable **[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.

**SUPPLEMENTARY INFORMATION:**

Background

Commerce is conducting the first administrative review of the antidumping duty order on wire rod from Korea in accordance with section 751(a)(1)(B) of Tariff Act of 1930, as amended

(the Act).<sup>1</sup> On December 11, 2018, in accordance with 19 CFR 351.221(c)(1)(i), we initiated this administrative review of the *Order* covering POSCO, the sole producer and exporter of the subject merchandise.<sup>2</sup>

On January 29, 2020, we extended the time limit for the preliminary results of this review from 245 days to 364 days.<sup>3</sup> On April 24, 2020, Commerce tolled all deadlines in administrative reviews by 50 days, thereby extending the deadline for these results until July 20, 2020.<sup>4</sup>

For a detailed description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum, dated concurrently with these preliminary results and hereby adopted by this notice.<sup>5</sup>

#### Scope of the *Order*

The scope of the *Order* includes 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. Excluded from the scope are grade 1078 and higher tire cord quality wire rod to be used in the production of tire cord wire. Also, excluded from the scope are valve spring quality (VSQ) steel products which is defined as wire rod. For a complete description of the scope of the *Order*, *see* the Preliminary Decision Memorandum.<sup>6</sup>

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<sup>1</sup> *See Carbon and Alloy Steel Wire Rod from Italy, the Republic of Korea, Spain, the Republic of Turkey, and the United Kingdom: Antidumping Duty Orders and Amended Final Affirmative Antidumping Duty Determinations for Spain and the Republic of Turkey*, 83 FR 23417 (May 21, 2018) (*Order*); *see also Carbon and Alloy Steel Wire Rod from the Republic of Korea and the United Kingdom: Notice of Final Results of Antidumping Duty Changed Circumstances Review*, 84 FR 13888 (April 8, 2019); and *Carbon and Alloy Steel Wire Rod from the Republic of Korea: Final Results of Antidumping Duty Changed Circumstances Review*, 84 FR 27582 (June 13, 2019).

<sup>2</sup> *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 84 FR 33739 (July 15, 2019).

<sup>3</sup> *See* Memorandum, “Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review; 2017-2019,” dated January 29, 2020.

<sup>4</sup> *See* Memorandum, “Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews in Response to Operational Adjustments Due to COVID-19,” dated April 24, 2020.

<sup>5</sup> *See* Memorandum, “Decision Memorandum for the Preliminary Results of Antidumping Duty Administrative Review: Carbon and Alloy Steel Wire Rod from the Republic of Korea; 2017-2019,” dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

<sup>6</sup> *Id.*

## Methodology

Commerce is conducting this review in accordance with section 751(a) of the Act. Constructed export prices are 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. A list of topics discussed in the Preliminary Decision Memorandum is attached as an appendix to this notice.

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 <http://access.trade.gov>. The signed and electronic versions of the Preliminary Decision Memorandum are identical in content.

## Preliminary Results

We preliminarily determine the following weighted-average dumping margin for the period October 1, 2017 through September 30, 2018:

| <b>Exporter and Producer</b> | <b>Weighted-Average Dumping Margin (Percent)</b> |
|------------------------------|--|
| POSCO                        | 1.01   |

## 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. Pursuant to 19 CFR 351.212(b)(1), we calculated an importer-specific *ad valorem* duty assessment rate based on the ratio of the total amount of dumping calculated for the

examined sales to the total entered value of those sales. Where the mandatory respondent did not report entered value, we calculated the entered value in order to calculate the assessment rate. 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 assessment rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

For entries of subject merchandise during the POR produced by the respondent for which it did not know that its merchandise was destined for the United States, we will instruct CBP to liquidate such unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction.

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.<sup>7</sup>

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 POSCO will be equal to POSCO's weighted-average dumping margin 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

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<sup>7</sup> See section 751(a)(2)(C) of the Act.

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 this review, or the underlying investigation, but the producer is, then the cash deposit rate will be the rate established for the completed segment for the most recent POR for the producer of the merchandise; and (4) the cash deposit rate for all other producers or exporters will continue to be 41.1 percent, the all-others rate established in the underlying investigation.<sup>8</sup> These deposit requirements, when imposed, shall remain in effect until further notice.

#### 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.<sup>9</sup>

Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance at a date to be determined. Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than seven days after the time limit for filing case briefs.<sup>10</sup> 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.<sup>11</sup> Case and rebuttal briefs should be filed using ACCESS.<sup>12</sup>

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<sup>8</sup> See *Order*, 81 FR at 23419.

<sup>9</sup> See 19 CFR 351.224(b).

<sup>10</sup> Commerce is exercising its discretion, under 19 CFR 351.309(d)(1), to alter the time limit for filing of rebuttal briefs.

<sup>11</sup> See 19 CFR 351.309(c)(2) and (d)(2).

<sup>12</sup> See 19 CFR 351.303.

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 request for a hearing 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.<sup>13</sup> 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, Commerce intends to hold the hearing at a date and time to be determined.<sup>14</sup>

An electronically-filed document must be received successfully in its entirety by ACCESS by 5:00 p.m. Eastern Time on the established deadline. Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice.<sup>15</sup>

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 publication of these preliminary results in the *Federal Register*, unless otherwise extended.<sup>16</sup>

#### 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

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<sup>13</sup> See 19 CFR 351.310(c); see also 19 CFR 351.303(b)(1).

<sup>14</sup> See 19 CFR 351.310(c).

<sup>15</sup> See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

<sup>16</sup> See section 751(a)(3)(A) of the Act.

requirement could result in Commerce'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 and 19 CFR 351.221(b)(4).

**Jeffrey I. Kessler,**

*Assistant Secretary*

*for Enforcement and Compliance.*

## **Appendix**

### **List of Topics Discussed in the Preliminary Decision Memorandum**

- I. Summary
- II. Background
- III. Description of Products Under Review
- IV. Comparisons to Normal Value
- V. Date of Sale
- VI. Constructed Export Price
- VII. Normal Value
- VIII. Currency Conversion
- IX. Recommendation

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