



A-533-808
Sunset Review 2016
Public Document
OI: AG

DATE: March 30, 2017

MEMORANDUM TO: Ronald K. Lorentzen
Acting Assistant Secretary
for Enforcement and Compliance

FROM: Gary Taverman
Associate Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations

SUBJECT: Issues and Decision Memorandum for the Final Results of the
Expedited Fourth Sunset Review of the Antidumping Duty Order
on Certain Stainless Steel Wire Rods from India

SUMMARY

We have analyzed the substantive response of the domestic interested parties in the fourth sunset review of the antidumping duty (AD) order on certain stainless steel wire rods (wire rods) from India.¹ Accordingly, we conducted an expedited (120-day) sunset review.² We recommend that you approve the positions developed in the “Discussion of the Issues” section of this memorandum. Below is a complete list of the issues in this sunset review for which we received substantive responses:

1. Likelihood of continuation or recurrence of dumping
2. Magnitude of the margin likely to prevail

BACKGROUND

On December 1, 2016, the Department of Commerce (the Department) published the notice of initiation of the fourth sunset review of the AD order on wire rods from India, pursuant to section 751(c) of the Act.³ On December 13, 2016, the Department received a notice of intent to participate from Carpenter Technology Corporation, North American Stainless, and Universal

¹ No response was received from respondent interested parties.

² See section 751(c)(3)(B) of the Tariff Act of 1930, as amended (the Act) and 19 CFR 351.218(e)(1)(ii)(C)(2).

³ See *Initiation of Five-Year (“Sunset”) Review*, 81 FR 60343 (September 1, 2016).



Stainless & Alloy Products, Inc., (collectively, the domestic interested parties).⁴ Submission of the notice of intent to participate was timely filed by the domestic interested parties within the 15-day deadline, as specified in 19 CFR 351.218(d)(1)(i). The domestic interested parties claimed interested party status under section 771(9)(C) of the Act, as manufacturers in the United States of a domestic like product. On January 3, 2017, the Department received the domestic interested parties' substantive response within the deadline specified in 19 CFR 351.218(d)(3)(i).⁵ We received no substantive responses from any respondent interested parties. As a result, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), the Department is conducting an expedited sunset review of this AD order.

SCOPE OF THE ORDER

The merchandise covered by the AD order is certain stainless steel wire rods from India, which are hot-rolled or hot-rolled annealed and/or pickled rounds, squares, octagons, hexagons or other shapes, in coils. Wire rods are made of alloy steels containing, by weight, 1.2 percent or less of carbon and 10.5 percent or more of chromium, with or without other elements. These products are only manufactured by hot-rolling and are normally sold in coiled form, and are of solid cross section. The majority of wire rods sold in the United States are round in cross-section shape, annealed, and pickled. The most common size is 5.5 millimeters in diameter.

The wire rods subject to this order are currently classifiable under subheadings 7221.00.0005, 7221.00.0017, 7221.00.0018, 7221.00.0030, 7221.00.0045, and 7221.00.0075 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise subject to the order is dispositive.

HISTORY OF THE ORDER

On October 20, 1993, the Department published its final affirmative determination of sales at less than fair value (LTFV) in the *Federal Register* with respect to imports of wire rods from India.⁶ In the *Final Determination*, the Department established an AD margin of 48.80 percent for Mukand Ltd., Sunstar Metals Ltd., Grand Foundry Ltd., and "all-others."

Following the publication of the Department's final determination, the International Trade Commission (ITC) found that the U.S. industry was materially injured by reason of the imports of subject merchandise.⁷ On December 1, 1993, the Department published the AD order on wire rods from India.⁸

⁴ See Letter from domestic interested parties regarding "Five-Year (Sunset) Review of the Antidumping Duty Order on Stainless Steel Wire Rod from India - Notice of Intent to Participate," dated December 13, 2016.

⁵ See Letter from domestic interested parties regarding "Five-Year (Sunset) Review of the Antidumping Duty Order on Stainless Steel Wire Rod from India – Petitioners' Substantive Response," dated January 3, 2017 (Domestic Interested Parties' Substantive Response).

⁶ See *Final Determination of Sales at Less Than Fair Value: Certain Stainless Steel Wire Rods from India*, 58 FR 54110 (October 20, 1993) (*Final Determination*).

⁷ See *Stainless Steel Wire Rod from India*, 58 FR 63394 (December 1, 1993).

⁸ See *Antidumping Duty Order: Certain Stainless Steel Wire Rods from India*, 58 FR 63335 (December 1, 1993) (*Order*).

Administrative Reviews and New Shipper Reviews

Since the publication of the *Order*, the Department has completed seven administrative reviews and three new shipper reviews of the *Order*.⁹

Since the publication of the 2005 sunset review results,¹⁰ the Department initiated, but later rescinded, the *2004/2005 Review*,¹¹ completed the *2005/2006 Administrative Review*, and completed the *2005/2006 New Shipper Review*. The Department found in both the *2005/2006 Administrative Review* and the *2005/2006 New Shipper Review* that producers/exporters of the subject merchandise continue to dump in the United States at levels exceeding *de minimis*.

There have been no further proceedings since the publication of the 2011 sunset review results.¹²

Deposit rates remain in effect for imports of subject merchandise from India.

Duty-Absorption Findings, Changed-Circumstances Reviews, Scope Inquiries

There have been no duty-absorption findings concerning *Order*.

There has been one changed-circumstances review.¹³

There have been two scope rulings with respect to the *Order*.¹⁴

⁹ See *Certain Stainless Steel Wire Rod from India: Final Results of New Shipper Antidumping Duty Administrative Review*, 62 FR 38976 (July 21, 1997); *Certain Stainless Steel Wire Rod from India: Final Results of Antidumping Duty Administrative and New Shipper Reviews*, 64 FR 856 (January 6, 1999); *Stainless Steel Wire Rod from India: Final Results of Antidumping Duty Administrative Review*, 65 FR 31302 (May 17, 2000); *Stainless Steel Wire Rod from India: Final Results of Antidumping Duty Administrative Review*, 67 FR 37391 (May 29, 2002); *Stainless Steel Wire Rods from India: Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 68 FR 26288 (May 15, 2003), amended in *Stainless Steel Wire Rods from India: Notice of Amended Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 68 FR 38301 (June 27, 2003); *Stainless Steel Wire Rods from India: Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 69 FR 29923 (May 26, 2004); *Stainless Steel Wire Rod from India: Final Results of Antidumping Duty Administrative Review and Determination to Revoke Order in Part*, 70 FR 40318 (July 13, 2005), amended in *Stainless Steel Wire Rod from India: Amended Final Results of Antidumping Duty Administrative Review*, 70 FR 47177 (August 12, 2005); *Stainless Steel Wire Rods from India: Final Results of Antidumping Duty Administrative Review and Notice of Rescission of Antidumping Duty Administrative Review in Part*, 72 FR 68123 (December 4, 2007) (*2005/2006 Administrative Review*); *Stainless Steel Wire Rods from India: Final Results of Antidumping Duty New-Shipper Review*, 73 FR 4828 (January 28, 2008) (*2005/2006 New Shipper Review*).

¹⁰ See *Stainless Steel Wire Rods from Brazil, France, and India: Notice of Final Results of Five-year (Sunset) Reviews of Antidumping Duty Orders*, 70 FR 67447 (November 7, 2005) (*2005 Sunset Review*).

¹¹ See *Stainless Steel Wire Rods from India: Notice of Rescission of Antidumping Duty Administrative Review*, 71 FR 40696 (July 18, 2006) (*2004/2005 Review*).

¹² See *Certain Stainless Steel Wire Rods from India: Final Results of the Expedited Sunset Review of the Antidumping Duty Order*, 76 FR 67672 (November 2, 2011) (*2011 Sunset Review*).

¹³ See *Stainless Steel Wire Rods from India: Final Results of Changed-Circumstances Antidumping Duty Review*, 73 FR 65832 (November 5, 2008).

¹⁴ See *Notice of Scope Rulings*, 70 FR 41374 (July 19, 2005) and *Notice of Scope Rulings*, 70 FR 55110 (September 20, 2005).

As of January 1, 2017, the Harmonized Tariff Schedule of the United States (HTS) no longer includes subheading 7221.00.0015; this has been replaced by HTS subheadings 7221.00.0017 and 7221.00.0018.¹⁵

Sunset Reviews

The Department has conducted three sunset reviews of the *Order*, pursuant to section 751(c) of the Act, and found in each of the reviews that revocation of the *Order* would likely lead to continuation or recurrence of dumping at the same rates as found in the original investigation.¹⁶ The ITC determined, pursuant to section 751(c) of the Act, that revocation of the *Order* would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.¹⁷ Following the publication of the ITC's determinations, the Department published continuation notices of the *Order*.¹⁸

LEGAL FRAMEWORK

In accordance with section 751(c)(1) of the Act, the Department is conducting this sunset review to determine whether revocation of the *Order* would be likely to lead to the continuation or recurrence of dumping. Sections 752(c)(1)(A) and (B) of the Act provide that in making this determination, the Department shall consider both the weighted-average dumping margins determined in the investigation and subsequent reviews, and the volume of imports of the subject merchandise for the period before, and the period after, the issuance of the *Order*.

In accordance with the guidance provided in the legislative history accompanying the Uruguay Round Agreements Act, specifically the Statement of Administrative Action, H.R. Doc. 103-316, vol. 1 (1994) (SAA),¹⁹ the House Report, H. Rep. No. 103-826, pt. 1 (1994) (House Report),²⁰ and the Senate Report, S. Rep. No. 103-412 (1994) (Senate Report), the Department's determinations of likelihood will be made on an order-wide, rather than company-specific, basis.²¹ In addition, the Department normally determines that revocation of an AD order is likely to lead to continuation or recurrence of dumping when, among other scenarios: (a) dumping continued at any level above *de minimis* after issuance of the order; (b) imports of the subject merchandise ceased after issuance of the order; or (c) dumping was eliminated after the issuance

¹⁵ See Memorandum to the File from Andre Gziryan through Minoo Hatten titled "Request from Customs and Border Protection to Update the ACE Case Reference File," dated February 2, 2017.

¹⁶ See *Final Results of Expedited Sunset Review: Stainless Steel Wire Rods from India*, 65 FR 5315 (February 3, 2000); *2005 Sunset Review*; *2011 Sunset Review*.

¹⁷ See *Stainless Steel Wire Rod from Brazil, France, India, and Spain*, 65 FR 45409 (July 21, 2000); *Stainless Steel Wire Rod from Brazil, France, and India*, 71 FR 42118 (July 25, 2006); *Certain Stainless Steel Wire Rods from India: Continuation of Antidumping Duty Order*, 77 FR 3231 (January 23, 2012).

¹⁸ See *Continuation of Antidumping Duty Orders: Stainless Steel Wire Rod from Brazil, France, and India*, 65 FR 47403 (August 2, 2000); *Continuation of Antidumping Duty Order: Stainless Steel Wire Rods from India*, 71 FR 45023 (August 8, 2006).

¹⁹ Reprinted in 1994 U.S.C.C.A.N. 4040 (1994).

²⁰ Reprinted in 1994 U.S.C.C.A.N. 3773 (1994).

²¹ See SAA at 879, and House Report at 56.

of the order and import volumes for the subject merchandise declined significantly.²² Alternatively, the Department normally will determine that revocation of an AD order is not likely to lead to continuation or recurrence of dumping where dumping was eliminated after issuance of the order and import volumes remained steady or increased.²³

In addition, as a base period for import volume comparison, it is the Department's practice to use the one-year period immediately preceding the initiation of the investigation, rather than the level of pre-order import volumes, as the initiation of an investigation may dampen import volumes and, thus, skew comparison.²⁴ Also, when analyzing import volumes for second and subsequent sunset reviews, the Department's practice is to compare import volumes during the year preceding initiation of the underlying investigation to import volumes since the issuance of the last continuation notice.²⁵

Further, section 752(c)(3) of the Act states that the Department shall provide to the ITC the magnitude of the margin of dumping likely to prevail if the order were revoked. Generally, the Department selects the margin(s) from the final determination in the original investigation, as this is the only calculated rate that reflects the behavior of exporters without the discipline of an order in place.²⁶ However, the Department may use a rate from a more recent review where the dumping margin increased, as this rate may be more representative of a company's behavior in the absence of an order (*e.g.*, where a company increases dumping to maintain or increase market share with an order in place).²⁷ Finally, pursuant to section 752(c)(4)(A) of the Act, a dumping margin of "zero or *de minimis* shall not by itself require" the Department to determine that revocation of an AD order would not be likely to lead to a continuation or recurrence of sales at LTFV.²⁸

In the *Final Modification for Reviews*, the Department announced that it was modifying its practice in sunset reviews such that it will not rely on weighted-average dumping margins that were calculated using the methodology determined to be inconsistent with World Trade Organization (WTO) obligations, *i.e.*, zeroing/the denial of offsets.²⁹ The Department also noted that "*only in the most extraordinary circumstances* will the Department rely on margins other

²² See SAA at 889-90, House Report at 63-64, and Senate Report at 52. See also *Policies Regarding the Conduct of Five-Year ("Sunset") Reviews of Antidumping and Countervailing Duty Orders*; *Policy Bulletin 98.3*, 63 FR 18871, 18872 (April 16, 1998) (*Sunset Policy Bulletin*).

²³ See SAA, H.R. Rep. No. 103-316, Vol. 1 (1994), at 889-90.

²⁴ See, *e.g.*, *Stainless Steel Bar from Germany*; *Final Results of the Sunset Review of the Antidumping Duty Order*, 72 FR 56985 (October 5, 2007), and accompanying Issues and Decision Memorandum at Comment 1.

²⁵ See *Ferrovanadium from the People's Republic of China and the Republic of South Africa: Final Results of the Expedited Second Sunset Reviews of the Antidumping Duty Orders*, 79 FR 14216 (March 13, 2014) and accompanying Issues and Decision Memorandum.

²⁶ See SAA at 890. See also, *e.g.*, *Persulfates from the People's Republic of China: Notice of Final Results of Expedited Second Sunset Review of Antidumping Duty Order*, 73 FR 11868 (March 5, 2008), and accompanying Issues and Decision Memorandum at Comment 2.

²⁷ See SAA at 890-91.

²⁸ See *Folding Gift Boxes from the People's Republic of China: Final Results of the Expedited Sunset Review of the Antidumping Duty Order*, 72 FR 16765 (April 5, 2007) and accompanying Issues and Decision Memorandum at Comment 1.

²⁹ See *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Duty Proceedings*; *Final Modification*, 77 FR 8101, 8103 (February 14, 2012) (*Final Modification for Reviews*).

than those calculated and published in prior determinations.”³⁰ The Department further stated that, apart from the “most extraordinary circumstances,” it would “limit its reliance to margins determined or applied during the five-year sunset period that were not determined in a manner found to be WTO-inconsistent” and that it “may also rely on past dumping margins recalculated pursuant to Section 129 proceedings, dumping margins determined based on the use of total adverse facts available, and dumping margins where no offsets were denied because all comparison results were positive.”³¹

DISCUSSION OF THE ISSUES

Below we address the comments submitted by the domestic interested parties.

1. Likelihood of Continuation or Recurrence of Dumping

The domestic interested parties argue that revocation of the AD order on wire rods from India would likely lead to a continuation or recurrence of dumping by the manufacturers/producers and exporters of the subject merchandise.³²

The domestic interested parties cite section 752(c)(1) of the Act, which instructs the Department to determine whether revocation of an AD order would likely lead to a continuation or recurrence of dumping by considering the weighted-average margins determined in the investigation and reviews, and by considering the volume of imports of subject merchandise prior to and following issuance of the order. The domestic interested parties also refer to the *Policy Bulletin*,³³ which explains that declining import volumes accompanied by continued dumping following issuance of an order may indicate that dumping would be likely to continue absent an order, because information would indicate that the exporter would need to dump to sell at pre-order volumes. Additionally, the domestic interested parties argue, the *Policy Bulletin* explains that the existence of dumping following implementation of an order is highly probative of the likelihood of continuation or recurrence of dumping, as companies that dump with an order in place would likely continue dumping were the order removed. Thus, the domestic interested parties maintain, citing SAA at 890, that the Department will normally determine that revocation of an order is likely to lead to a continuation or recurrence of dumping where:

- (a) dumping continued at any level above *de minimis* after issuance of an order;
- (b) imports of subject merchandise ceased following issuance of an order;
- (c) dumping was eliminated following issuance of an order but import volumes declined.³⁴

The domestic interested parties state that, with the sole exception of Viraj Alloys, Ltd. and VSL Wires, Ltd. (collectively Viraj), which was revoked from the order in 2005, Indian

³⁰ *Id.* (emphasis added).

³¹ *Id.* at 8109.

³² See Domestic Interested Parties’ Substantive Response at page 15.

³³ See *Policies Regarding the Conduct of Five-year (“Sunset”) Reviews of Antidumping and Countervailing Duty Orders*; *Policy Bulletin*, 63 FR 18871 (April 16, 1998) (*Policy Bulletin*).

³⁴ *Id.*, at page 16.

producers/exporters have continued to dump subject merchandise in the United States.³⁵ Specifically, the domestic interested parties assert that dumping margins above *de minimis* continue to exist for all Indian producers/exporters still subject to the order. According to the domestic interested parties, the continued existence of margins above *de minimis* is a sufficient basis for the Department to conclude that dumping is likely to continue were the order revoked as a result of this sunset review, citing *Policy Bulletin*, 63 FR at 18872.

Additionally, the domestic interested parties explain, the imposition of the *Order* resulted in dramatic reductions in the import volume of subject merchandise.³⁶ The domestic interested parties provide a chart demonstrating import volumes between 1990 (three years prior to imposition of the order), and 2016 which, according to the domestic interested parties, was derived from the Department's official import statistics. The domestic interested parties contend that the import statistics illustrate that, during the most recent sunset review period (2011-2015), imports fluctuated, ranging from a low of 342 short tons to a high of 2,458 short tons, but is still far below the pre-order peak level in 1992. Thus, the domestic interested parties assert, the decline and low import volume demonstrate that Indian respondents are not able to sell subject wire rods at pre-order volumes under the discipline of the *Order*.

Accordingly, the domestic interested parties contend, in light of continued existence of dumping margins and the decline in imports on wire rods from India following imposition of the *Order*, the Department should again conclude that dumping is likely to continue or recur were the *Order* revoked, consistent with the previously completed sunset reviews.

Department's Position:

As explained in the Legal Framework section above, the Department's determination of likelihood of continuation or recurrence of dumping will be made on an order-wide basis for each case.³⁷ In addition, the Department will normally determine that the revocation of an AD order is likely to lead to continuation or recurrence of dumping where: (a) dumping continued at any level above *de minimis* after the issuance of the order; (b) imports of the subject merchandise ceased after the issuance of the order; or (c) dumping was eliminated after the issuance of an order and import volumes for the subject merchandise declined significantly.³⁸ In addition, pursuant to section 752(c)(1)(B) of the Act, the Department also considers the volume of imports of the subject merchandise in determining whether revocation of the AD order is likely to lead to continuation or recurrence of dumping. As discussed above, it is the Department's practice to

³⁵ *Id.*, at pages 19-20.

³⁶ *Id.*, at pages 17-18.

³⁷ See SAA at 879 and House Report at 56. See also *Refined Brown Aluminum Oxide from the People's Republic of China: Final Results of Expedited Sunset Review*, 74 FR 4138 (January 23, 2009), and accompanying Issues and Decision Memorandum at Comment 1, and *Freshwater Crawfish Tail Meat from the People's Republic of China: Final Results of the Expedited Second Sunset Review of the Antidumping Duty Order*, 73 FR 65832 (November 5, 2008), and the accompanying Issues and Decision Memorandum at Comment 1 (*Crawfish Tail Meat – PRC*).

³⁸ See SAA at 889-890, House Report at 63-64, and Senate Report at 52. See also *Certain Frozen Fish Fillets From the Socialist Republic of Vietnam: Notice of Final Results of Expedited Sunset Review of Antidumping Duty Order*, 74 FR 5819 (February 2, 2009), and accompanying Issues & Decision Memorandum at 3, *Crawfish Tail Meat – PRC*, and *Folding Gift Boxes from the People's Republic of China: Final Results of the Expedited Sunset Review of the Antidumping Duty Order*, 72 FR 16765 (April 5, 2007), and accompanying Issues & Decision Memorandum at 5.

compare the volume of imports for the one-year period preceding the initiation of the LTFV investigation to the volume of imports during the period of review.

Pursuant to section 752(c)(1)(A) of the Act, the Department considered the weighted-average dumping margins determined in the investigation and the subsequent reviews. As discussed above and in the *Final Modification for Reviews*, the Department has modified its practice in sunset reviews, such that it does not rely on weighted-average dumping margins that are calculated using the “zeroing” methodology found to be WTO-inconsistent. The three previous sunset reviews occurred prior to February 14, 2012, and, therefore, did not address the issue of zeroing. Accordingly, for this proceeding, the Department reviewed its official records to establish whether the dumping margins determined in the LTFV investigation were calculated using zeroing. In the *Final Determination*, the Department assigned as best information available (BIA) a dumping rate of 48.80 percent to all respondents, which was based on the highest petition rate.³⁹ Additionally, the record of the proceeding demonstrates that dumping has persisted since the issuance of the *Order*. Since the publication of the *Order*, the Department has conducted several administrative reviews for subject merchandise from India. In the most recently completed administrative reviews, the Department calculated or assigned dumping margins determined without the use of zeroing. Specifically, in the *2005/2006 Administrative Review*, the Department found that dumping continued during the POR with a margin of 11.56 percent, which was calculated based on a single sale.⁴⁰ In the *2005/2006 New Shipper Review*, the Department assigned the respondent an adverse facts available rate of 48.80 percent, which was based on the highest petition rate.⁴¹ There were no further reviews since the last sunset review. Thus, in general, with the exception of Viraj,⁴² the Department has found that dumping has continued at margins exceeding *de minimis*.⁴³

Pursuant to section 752(c)(1)(B) of the Act, the Department also considered the import volumes of subject merchandise both prior to, and following implementation of, the *Order*. According to data gathered from the ITC, U.S. imports of the subject merchandise from India have remained at consistent levels in the last five years since the third sunset review, above the import levels following issuance of the *Order*, but at levels lower than pre-order volumes.⁴⁴ Thus, because dumping of the subject merchandise continues at margins above *de minimis*, import volumes remain at significantly lower levels than the pre-order volumes, and no party argued or submitted any evidence to the contrary, the Department determines that dumping is likely to continue if the *Order* were revoked.

³⁹ See *Final Determination*, 58 FR at 54111.

⁴⁰ See *Stainless Steel Wire Rods from India: Preliminary Results of Antidumping Duty Administrative Review and Notice of Intent to Rescind Antidumping Duty Administrative Review in Part*, 72 FR 52079, 52082 (September 12, 2007) (stating that Mukand reported one export-price sale through one channel of distribution), *unchanged in 2005/2006 Administrative Review*.

⁴¹ See *Stainless Steel Wire Rods from India: Preliminary Results of the Antidumping Duty New-Shipper Review*, 72 FR 60808, 60810 (October 26, 2007), *unchanged in 2005/2006 New Shipper Review*.

⁴² See *Stainless Steel Wire Rod from India: Final Results of Antidumping Duty Administrative Review and Determination to Revoke Order in Part*, 70 FR 40318, 40320 (July 13, 2005) (revoking the order with respect to Viraj).

⁴³ See *2005/2006 Administrative Review and 2005/2006 New Shipper Review*.

⁴⁴ See “Import Volumes and Values” for import data from India at Attachment 1 and Domestic Interested Parties’ Substantive Response.

2. Magnitude of the Margin Likely to Prevail

Citing the Department's *Policy Bulletin*, the domestic interested parties explain that the Department normally will report to the ITC the company-specific AD margins that were determined in the original investigation because, the domestic interested parties maintain, those margins best represent the behavior of these producers and exporters in the absence of an AD order. Thus, the domestic interested parties request that the Department report the AD margin of 48.80 percent for wire rods from India for all parties.⁴⁵

Department's Position:

Section 752(c)(3) of the Act provides that the Department will report to the ITC the magnitude of the margin of dumping that is likely to prevail if an order were revoked. The Department will normally select a margin from the final determination of the investigation because that is the only calculated rate that reflects the behavior of exporter without the discipline of an order.⁴⁶ As explained above, in accordance with the *Final Modification for Reviews*, the Department will not rely on weighted average dumping margins that were calculated using the methodology found to be WTO-inconsistent.⁴⁷

The Department's preference for selecting a margin from the investigation is based on the fact that it is the only calculated rate that reflects the behavior of manufacturers, producers, and exporters without the discipline of an order.⁴⁸ Under certain circumstances, the Department may select a more recently calculated margin to report to the ITC.⁴⁹

The Department does not find any indication that the margins calculated in subsequent reviews of the order on wire rod from India are more probative of behaviors of manufacturers, producers, and exporters without the discipline of the order. Given the absence of argument and evidence to the contrary, the Department finds that the margin determined in the original investigation is probative of the behavior of producers and exporters of subject merchandise from India if the order is revoked. Accordingly, the Department has determined that the rate from the investigation as indicated in the "Final Results of Sunset Review" section below does not need to be recalculated and, consistent with section 752(c)(3) of the Act, will be reported to the ITC without modification.

FINAL RESULTS OF SUNSET REVIEW

We determine that revocation of the AD order on wire rods from India would likely lead to continuation or recurrence of dumping and that the magnitude of the margin of dumping likely to prevail would be weighted-average margins up to 48.80 percent.

⁴⁵ See Domestic Interested Parties' Substantive Response at page 22.

⁴⁶ See SAA at 890 and *Eveready Battery Co., Inc. v. United States*, 77 F. Supp. 2d 1327, 1333 n.9 (CIT 1999).

⁴⁷ See *Final Modification for Reviews*, 77 FR at 8103.

⁴⁸ *Id.* See also SAA at 890 and House Report at 64.

⁴⁹ See section 752(c)(3) of the Act and *Final Results of Full Sunset Review: Aramid Fiber Formed of Poly Para-Phenylene Terephthalamide From the Netherlands*, 65 FR 65294 (November 1, 2000), and accompanying Issues and Decision Memorandum at "Magnitude of the Margin Likely to Prevail," Comment 3 (citing SAA at 890-91 and House Report at 64).

RECOMMENDATION

Based on our analysis of the substantive response received, we recommend adopting all of the above positions. If this recommendation is accepted, we will publish the final results of this review in the *Federal Register*, and notify the ITC of our determination.



Agree



Disagree

3/30/2017

X Ronald K. Lorentzen

Signed by: RONALD LORENTZEN

Ronald K. Lorentzen
Acting Assistant Secretary
For Enforcement and Compliance

ATTACHMENT 1