

MEMORANDUM TO: Ronald K. Lorentzen
Deputy Assistant Secretary
for Import Administration

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

SUBJECT: Issues and Decision Memorandum for the Expedited Sunset
Reviews of the Antidumping Duty Orders on Certain Polyester
Staple Fiber from the Republic of Korea and Taiwan

Summary

We have analyzed the substantive responses of the domestic interested parties in the second sunset reviews of the antidumping duty orders on certain polyester staple fiber (PSF) from the Republic of Korea (Korea) and Taiwan. We recommend that you approve the positions we developed in the *Discussion of the Issues* section of this memorandum. Below is a complete list of the issues in these sunset reviews for which we received substantive responses:

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

History of the Orders

On March 30, 2000, the Department of Commerce (the Department) published its final affirmative determinations of sales at less than fair value (LTFV) in the *Federal Register* with respect to imports of PSF from Korea and Taiwan.¹

In May 2000, the International Trade Commission (ITC) concluded that the subject PSF included two like products: low-melt PSF and conventional PSF (consisting of all subject PSF except for low-melt fiber).² While the ITC found injury to the U.S. industry producing conventional PSF, it did not find that the U.S. industry producing low-melt PSF was injured or threatened with

¹ See *Notice of Final Determination of Sales at Less Than Fair Value: Certain Polyester Staple Fiber From the Republic of Korea*, 65 FR 16880, 16882 (March 30, 2000) (*Korea Final Determination*), and *Notice of Final Determination of Sales at Less Than Fair Value: Certain Polyester Staple Fiber From Taiwan*, 65 FR 16877, 16879 (March 30, 2000) (*Taiwan Final Determination*).

² See International Trade Commission Publication 3300 “*Certain Polyester Staple Fiber from Korea and Taiwan, Investigations. Nos. 731-TA-825-826 (Final)*” (May 2000) at 5.

material injury by reason of imports of low-melt PSF.³ Accordingly, the Department revised the final antidumping duty margins for producers from Taiwan to exclude low-melt PSF. The Department did not revise the margins for producers from Korea because sales of low-melt PSF were not included in the margin calculations with respect to Korea. Following amendments to the *Korea Final Determination* and the *Taiwan Final Determination*, the antidumping duty orders on PSF from Korea and Taiwan reflected the following weighted-average dumping margins:⁴

<u>Country</u>	<u>Company</u>	<u>Weighted-Average Margin (percent)</u>
<i>Korea</i>	Samyang Corporation (Samyang)	0.14 (<i>de minimis</i>) (excluded)
	Sam Young Synthetics Co. (Sam Young)	7.91
	Geum Poong Corporation Ltd.	0.12 (<i>de minimis</i>) (excluded)
	All Others	7.91
<i>Taiwan</i>	Far Eastern Corporation (Far Eastern) ⁵	11.50
	Nan Ya Plastics Corporation, Ltd. (Nan Ya)	3.79
	All Others	7.31

Korea

Since the issuance of the antidumping duty order on PSF from Korea in May of 2000, the Department has completed nine administrative reviews of the order.⁶

³ *Id.* at 25.

⁴ See *Notice of Amended Final Determination of Sales at Less Than Fair Value: Certain Polyester Staple Fiber From Taiwan*, 65 FR 24678, 24680 (April 27, 2000), *Notice of Amended Final Determination of Sales at Less Than Fair Value: Certain Polyester Staple Fiber From the Republic of Korea and Antidumping Duty Orders: Certain Polyester Staple Fiber From the Republic of Korea and Taiwan*, 65 FR 33807, 33808 (May 25, 2000), and *Certain Polyester Staple Fiber from the Republic of Korea: Notice of Amended Final Determination and Amended Order Pursuant to Final Court Decision*, 68 FR 74552, 74553 (December 24, 2003).

⁵ In antidumping duty administrative reviews with respect to PSF from Taiwan completed after the publication of the *Certain Polyester Staple Fiber from the Republic of Korea and Taiwan: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 70 FR 45368 (August 5, 2005) (*Sunset I Review*), until the publication of *Polyester Staple Fiber from Taiwan: Final Results of Changed-Circumstance Antidumping Duty Administrative Review*, 75 FR 39208 (July 8, 2010) (*CCR Taiwan Final*) (finding Far Eastern New Century Corporation to be successor-in-interest to Far Eastern Corporation/Far Eastern Textile Limited), we referred to Far Eastern Corporation as Far Eastern Textile Ltd. or Far Eastern Textile Limited.

⁶ *Polyester Staple Fiber from Korea: Final Results of Antidumping Duty Administrative Review*, 67 FR 63616 (October 15, 2002) (1999-2001 Korea AR Final Results); *Certain Polyester Staple Fiber from Korea: Final Results of Antidumping Duty Administrative Review*, 68 FR 59366 (October 15, 2003) (2001-2002 Korea AR Final Results); *Certain Polyester Staple Fiber From Korea: Final Results of Antidumping Duty Administrative Review and Final Determination To Revoke the Order in Part*, 69 FR 61341 (October 18, 2004) (2002-2003 AR Korea Final Results), amended in *Notice of Amended Final Results of Antidumping Duty Administrative Review: Certain Polyester Staple Fiber from Korea*, 69 FR 67891 (November 22, 2004); *Notice of Final Results of Antidumping Duty Administrative Review: Certain Polyester Staple Fiber from the Republic of Korea*, 70 FR 73435 (December 12, 2005); *Certain Polyester Staple Fiber from Korea: Final Results of Antidumping Duty Administrative Review and Partial Rescission of Antidumping Duty Administrative Review*, 71 FR 58581 (October 4, 2006); *Certain Polyester Staple Fiber from Korea: Final Results of the 2005-2006 Antidumping Duty Administrative Review*, 72 FR 69663 (December 10, 2007) (2005-2006 Korea AR Final Results); *Certain Polyester Staple Fiber From Korea: Final Results of the 2006-2007 Antidumping Duty Administrative Review*, 73 FR 74144 (December 5, 2008); *Certain Polyester Staple Fiber from the Republic of Korea: Final Results of the 2007-2008 Antidumping Duty*

The Department has conducted two changed-circumstances reviews with respect to PSF from Korea since imposition of the order. On June 6, 2001, the Department issued the final results of a changed-circumstances review in which it found that Huvis Corporation (Huvis) was not the successor-in-interest to either Samyang or SK Chemicals Co., Ltd. but, rather, Huvis was a new entity subject to the all-others rate calculated in the antidumping duty investigation.⁷ On August 20, 2008, the Department determined that Woongjin Chemical Co., Ltd., was the successor-in-interest to Saehan Industries, Inc.⁸

The Department has made no duty-absorption findings or scope rulings with respect to PSF from Korea.

Taiwan

Since the imposition of the antidumping duty order on PSF from Taiwan in May 2000, the Department has completed five administrative reviews of the order.⁹

On April 21, 2011, the Department issued the preliminary results of review for the period May 1, 2009, through April 30, 2010,¹⁰ and intends to issue the final results of the review no later than August 19, 2011.

The Department has conducted one changed-circumstances review with respect to PSF from Taiwan. On July 8, 2010, the Department issued the final results of the changed-circumstances review in which it found that Far Eastern New Century Corporation was successor-in-interest to Far Eastern.¹¹

The Department has made no duty-absorption findings or scope rulings with respect to PSF from Taiwan.

Administrative Review, 74 FR 65517 (December 10, 2009); *Certain Polyester Staple Fiber From the Republic of Korea: Final Results of the 2008-2009 Antidumping Duty Administrative Review*, 75 FR 64252 (October 19, 2010).

⁷ See *Notice of Final Results of Changed Circumstances Antidumping Duty Review: Certain Polyester Staple Fiber From the Republic of Korea*, 66 FR 30411, 30412 (June 6, 2001).

⁸ See *Notice of Final Results of Changed Circumstances Antidumping Duty Review: Certain Polyester Staple Fiber from the Republic of Korea*, 73 FR 49168, 49169 (August 20, 2008).

⁹ *Certain Polyester Staple Fiber From Taiwan: Final Results of Antidumping Duty Administrative Review*, 71 FR 60476 (October 13, 2006); *Certain Polyester Staple Fiber From Taiwan: Final Results of Antidumping Duty Administrative Review*, 72 FR 69193 (December 7, 2007) (2005-2006 Taiwan AR Final Results); *Certain Polyester Staple Fiber From Taiwan: Final Results of Antidumping Duty Administrative Review*, 73 FR 62477 (October 21, 2008), amended in *Certain Polyester Staple Fiber From Taiwan: Correction to the Final Results of Antidumping Duty Administrative Review*, 73 FR 78722 (December 23, 2008) (2006-2007 Taiwan AR Final Results); *Certain Polyester Staple Fiber From Taiwan: Final Results of Antidumping Duty Administrative Review*, 74 FR 18348 (April 22, 2009) (2007-2008 Taiwan AR Final Results); *Certain Polyester Staple Fiber From Taiwan: Final Results of Antidumping Duty Administrative Review*, 75 FR 43921 (July 27, 2010) (2008-2009 Taiwan AR Final Results).

¹⁰ *Certain Polyester Staple Fiber From Taiwan: Preliminary Results of Antidumping Duty Administrative Review*, 76 FR 22366 (April 21, 2011).

¹¹ See *CCR Taiwan Final*.

Sunset Reviews

The Department has conducted one sunset review, respectively, of the antidumping duty orders on certain PSF from Korea and Taiwan. In the reviews it determined that revocation of the orders would be likely to lead to continuation or recurrence of dumping.¹² The ITC determined that revocation of the antidumping duty orders on certain PSF from Korea and Taiwan would be likely to lead to continuation or recurrence of material injury to an industry in the United States.¹³ On April 3, 2006, the Department published a notice of continuation with respect to the antidumping duty orders on certain PSF from Korea and Taiwan.¹⁴

On March 1, 2011, the Department initiated the second sunset reviews of the antidumping duty orders on PSF from Korea and Taiwan, pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act).¹⁵ The Department invited parties to comment. The Department received notices of intent to participate from the domestic interested parties on March 16, 2011, within the deadline 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 U.S. producers of the domestic like product. The Department received a substantive response from the domestic interested parties on March 31, 2011, within the deadline specified in 19 CFR 351.218(d)(3)(i). The domestic interested parties have been active since the LTFV investigations and have participated in all segments of the proceedings since that time. The Department did not receive responses to the notice of initiation from any of the 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 has conducted expedited sunset reviews of these orders.

Discussion of the Issues

In accordance with section 751(c)(1) of the Act, the Department has conducted these sunset reviews to determine whether revocation of the antidumping duty orders would be likely to lead to continuation or recurrence of dumping. Sections 752(c)(1)(A) and (B) of the Act provide that, in making these determinations, the Department shall consider both the weighted-average dumping margins determined in the investigations and subsequent reviews and the volume of imports of the subject merchandise for the period before and the period after the issuance of the antidumping duty orders. In addition, section 752(c)(3) of the Act provides that the Department shall provide to the ITC the magnitude of the margins of dumping likely to prevail if the orders were revoked. Below we address the comments of the domestic interested parties.

1. Likelihood of Continuation or Recurrence of Dumping

Interested-Party Comments

We received comments only from the domestic interested parties with respect to each country-

¹² See *Sunset I Review*.

¹³ See *Certain Polyester Staple Fiber from Korea and Taiwan*, 71 FR 14721 (March 23, 2006).

¹⁴ See *Certain Polyester Staple Fiber from the Republic of Korea and Taiwan: Continuation of Antidumping Duty Orders*, 71 FR 16558 (April 3, 2006).

¹⁵ See *Initiation of Five-Year ("Sunset") Reviews*, 76 FR 11202 (March 1, 2011).

specific order.

The domestic interested parties contend that the records in these proceedings demonstrate that, since the imposition of the original orders, most respondents have persisted in dumping in the U.S. market. According to the domestic interested parties, if the orders were revoked, it is likely that the foreign producers and exporters would continue dumping in order to sell subject merchandise in any significant quantities in the United States.

The domestic interested parties cite to section 752(c)(1) of the Act and assert that the Department should consider the weighted-average dumping margins determined in the LTFV investigations as well as the change in volume of imports of subject merchandise following the imposition of the orders. The domestic interested parties also argue that, in accordance with the Statement of Administrative Action (SAA) accompanying the Uruguay Round Agreements Act (URAA) and Department policy,¹⁶ the Department should consider declining import volumes that are accompanied by continued dumping margins after the issuance of the orders as an indication that dumping would likely continue absent an order. Additionally, the domestic interested parties cite to section 752(c)(4)(A) of the Act and the *Policy Bulletin*,¹⁷ to argue that the existence of several *de minimis* margins in multiple administrative reviews should not, in themselves, require the Department to conclude that dumping is not likely to continue if the orders were revoked.

The domestic interested parties contend that the imposition of antidumping duties has affected the volume of imports of PSF from the producers and exporters of subject merchandise from Korea and Taiwan. The domestic interested parties claim that the record demonstrates that the discipline of the orders has forced producers of subject merchandise to increase their prices in order to lessen the rate at which sales are dumped or to significantly reduce the volume of sales in the United States.

With respect to Korea, the domestic interested parties contend that the existence of *de minimis* margins does not indicate that revocation of the order would not likely lead to continuation or recurrence of sales at LTFV. The domestic interested parties argue that, of the three companies which have received *de minimis* dumping margins in administrative reviews, Huvis received a higher dumping margin in a subsequent review.¹⁸ The domestic interested parties assert that a second company which received a *de minimis* rate, Keon Baek Co., Ltd. (Keon Baek) was later revoked from the order; therefore, no evidence on the record indicates the current pricing behavior of the company.¹⁹ The domestic interested parties state that a third Korean producer, Estal Industry Co., Ltd., has not been reviewed after receiving a *de minimis* margin in the administrative review covering the period November 8, 1999, through April 30, 2001,²⁰ and thus there is no evidence that this company has not increased its level of dumping since that review. Therefore, the domestic interested parties contend, the *de minimis* dumping margins for these

¹⁶ Citing the SAA accompanying the URAA, H.R. Rep. No. 103-316 (1994), at 889.

¹⁷ *Policies Regarding the Conduct of Five-year ("Sunset") Reviews of Antidumping and Countervailing Duty Orders; Policy Bulletin*, 63 FR 18871, 18873 (April 16, 1998) (*Policy Bulletin*).

¹⁸ Comparing 2001-2002 Korea AR Final Results (calculating a *de minimis* rate of 0.21 percent for Huvis) with 2002-2003 Korea AR Final Results (calculating a rate of 1.54 percent for Huvis).

¹⁹ Citing 2002-2003 Korea AR Final Results (the Department revoked the order in part with respect to Keon Baek upon its request because it had received *de minimis* dumping margins in the first and third administrative reviews).

²⁰ Citing 1999-2001 Korea AR Final Results.

three companies are not probative of future pricing behavior. The domestic interested parties state that the Department has calculated margins above *de minimis* in the last seven administrative reviews of the order.

The domestic interested parties comment that, with respect to Taiwan, the Department has completed an administrative review in each year during the current sunset review period and calculated margins above *de minimis* in all but one administrative review. In the 2005-2006 administrative review, they state, Far Eastern obtained a *de minimis* dumping margin but it has received affirmative and increasing dumping margins in each administrative review completed since that time.²¹ Thus, the domestic interested parties assert, dumping has continued throughout the life of the order irrespective of *de minimis* dumping margins.

Taking these facts into consideration, the domestic interested parties assert that, as the Department found in *Sunset I Review* at Comment 1, although U.S. price has increased, the continued existence of *de minimis* margins in both proceedings does not indicate that revocation of the orders would not be likely to lead to continuation or recurrence of sales at LTFV.

Finally, the domestic interested parties aver that producers of PSF from both Korea and Taiwan are currently subject to trade remedies in several other countries, a fact which provides further evidence that increased imports from Korea and Taiwan to the United States would be likely if revocation were to occur. The domestic interested parties state that there are existing antidumping measures against PSF from both Korea and Taiwan in Japan and Turkey. Further, they contend, Korean PSF is subject to antidumping measures in Mexico and Pakistan and Taiwanese PSF is subject to antidumping measures in Indonesia. According to the domestic interested parties, the Competition Commission of Pakistan has called for strengthening its antidumping law to protect Pakistan's PSF industry from continuous dumping of PSF by several countries, including Korea. Thus, the domestic interested parties contend, the recent dumping practices by subject producers in other markets provide further evidence that dumping will likely resume in significant volumes in the United States if the orders are revoked.

In sum, the domestic interested parties claim that the results of the administrative reviews conducted by the Department demonstrate that producers and exporters of subject merchandise have continued to sell in the United States at less than normal value. In addition, the domestic interested parties assert that unfair trading practices in third-country markets by producers both in Korea and Taiwan also demonstrate that dumping is likely to resume in the United States in the absence of the orders.

Department's Position

Considering the declining import volumes accompanied by the continued existence of dumping margins after the issuance of the orders, the Department finds that, absent the orders, dumping would be likely to continue.

²¹ They refer to the following notices: *2005-2006 Taiwan AR Final Results* (a *de minimis* rate of 0.30 percent for Far Eastern); *2006-2007 Taiwan AR Final Results* (1.74 percent for Far Eastern); *2007-2008 Taiwan AR Final Results* (1.97 percent for Far Eastern); *2008-2009 Taiwan AR Final Results* (2.43 percent for Far Eastern).

Section 752(c)(1) of the Act instructs that, in determining whether revocation of an order would be likely to lead to continuation or recurrence of sales at LTFV, the Department shall consider 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 antidumping duty order.

Section 752(c)(2) the Act explains further that, if good cause is shown, the Department, “shall also consider such other price, cost, market or economic factors as it deems relevant.” The Department’s regulations provide, however, that normally the Department will consider such other factors only where it conducts a full sunset review. See 19 CFR 351.218(e)(2)(iii).

Drawing on the guidance provided in the legislative history accompanying the SAA,²² the Department normally determines that revocation of an antidumping duty order would be 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. See SAA at 890. In addition, the SAA at 889, the House Report at 62, and the Senate Report at 52 state:

“(D)eclining import volumes accompanied by the continued existence of dumping margins after the issuance of the order may provide a strong indication that, absent an order, dumping would be likely to continue, because the evidence would indicate that the exporter needs to dump to sell at pre-order volumes.”

The Department analyzed and considered the volume of imports of the subject merchandise for the period before and after the issuance of the orders at issue. With respect to PSF from Korea, import volumes decreased from the previous year in 2005, 2006, 2008, and 2009. In fact, import volumes in 2005, 2006, 2007, 2008, 2009, and 2010 were significantly less than during the period of investigation prior to the order. In every year import volumes were below the import level during the period prior to the issuance of the order. See Attachment 1. Imports from Korea have declined from 95 million kilograms in the year before the order was imposed to 64 million kilograms in 2010. *Id.*

With respect to PSF from Taiwan, import volumes decreased from the previous year in 2005, 2006, 2008, and 2009. In fact, import volumes in 2005, 2006, 2007, 2008, 2009, and 2010 were significantly less than during the period of investigation prior to the order. Imports from Taiwan have declined from 70 million kilograms in the year before the order was imposed to 12 million kilograms in 2010. See Attachment 1.

In addition to declining imports, the record of the calculated margins in reviews of the orders on PSF from Korea and Taiwan show that dumping has persisted since the issuance of the orders. Deposit rates above *de minimis* remain in effect for imports of PSF from Korea and Taiwan despite successive administrative reviews of each order.

²² See SAA, the House Report, H. Rep. No. 103-826, pt. 1 (1994) (House Report), and the Senate Report, S. Rep. No. 103-412 (1994) (Senate Report).

For Huvis, a Korean producer of PSF and the only Korean respondent to have participated in a review in each year of the current sunset period, deposit rates still remain above *de minimis* despite the slight decrease in the dumping margin in each successive review during the sunset period. Further, in *2005-2006 Korea AR Final Results*, Dongwoo Industry Co., Ltd., a previously unreviewed respondent, received a dumping margin nearly six times higher than the all-others rate.

For Far Eastern, a Taiwanese producer of PSF and the only Taiwanese respondent to have participated in a reviews in each year of the current sunset period, deposit rates remain above *de minimis* despite Far Eastern's receipt of a *de minimis* rate in the *2005-2006 Taiwan AR Final Results*. Although it received a *de minimis* margin in an administrative review since the completion of *Sunset I Review*,²³ a finding of a *de minimis* margin does not require the Department to determine that sales at LTFV are unlikely to continue or recur upon revocation of an antidumping duty order. See section 752(c)(4)(A) of the Act. In fact, in every administrative review since Far Eastern received a *de minimis* rate, it has received an affirmative and increasing dumping margin.

As the Department's *Policy Bulletin* states, citing the SAA at 890 and the House Report at 47:

{E}xistence of dumping margins after the order, or the cessation of imports after the order, is highly probative of the likelihood of continuation or recurrence of dumping. If companies continue to dump with the discipline of an order in place, it is reasonable to assume that dumping would continue if the discipline were removed. If imports cease after the order is issued, it is reasonable to assume that the exporters could not sell in the United States without dumping and that, to reenter the U.S. market, they would have to resume dumping.

The records of these sunset reviews illustrate that, even with the discipline of orders in place, dumping continued and the volume of imports decreased with respect to PSF from Korea and Taiwan. Therefore, it is reasonable for the Department to infer that revocation of the orders on PSF from Korea and Taiwan would be likely to lead to a continuation or recurrence of dumping. Accordingly, we find that the continuation of dumping at levels above *de minimis* combined with the fact that under the discipline of the orders import volumes have shrunk warrants the continuation of these orders.

As the Department's regulations stipulate and the *Policy Bulletin* indicates, normally the Department considers other factors if good cause is shown under section 752(c)(2) of the Act only when it conducts a full sunset review. See 19 CFR 351.218(e)(2)(iii) and *Policy Bulletin*, 63 FR at 18872. For this reason, in reaching this decision, we have not considered arguments of the domestic interested parties concerning the continued existence of dumping at levels above *de minimis* margins in light of increasing U.S. prices and trade remedies in other markets. See *Certain Cold-Rolled and Corrosion-Resistant Carbon Steel Flat Products From Korea; Final Results of Expedited Sunset Reviews*, 65 FR 18044 (April 6, 2000), and the accompanying Issues and Decision Memorandum at Comment 1.

²³ See *2005-2006 Taiwan AR Final Results*.

Therefore, on the basis of information provided by the domestic interested parties, sufficient data on the record of these reviews regarding dumping margins and import volumes, and the lack of information provided by the respondent parties, we continue to find that it is likely that, if the antidumping duty orders were revoked, dumping would continue or recur.

2. *Magnitude of the Margin Likely to Prevail*

Interested-Party Comments

We received comments only from the domestic interested parties with respect to each country-specific order.

The domestic interested parties argue that the Department should report the dumping margins found in the original investigations to the ITC as the margins likely to prevail if the dumping orders were revoked. The domestic interested parties assert that revocation of the antidumping duty orders would be likely to lead to a continuation or recurrence of dumping by the manufacturers and exporters of the subject merchandise from Korea and Taiwan. According to the domestic interested parties, the SAA and the Department's *Policy Bulletin* state that dumping margins found in the original investigations establish the magnitude of the dumping margins likely to prevail if the orders at issue were revoked. The domestic interested parties apply this principle to suggest that the following dumping margins are likely to prevail upon revocation of the orders:

<u>Country</u>	<u>Company</u>	<u>Weighted-Average Margin (percent)</u>
<i>Korea</i>	Sam Young	7.91
	All Others	7.91
<i>Taiwan</i>	Far Eastern	11.50
	Nan Ya	3.79
	All Others	7.31

Department's Position

Considering that dumping margins have not declined over the life of the orders at issue and imports have not remained steady or increased since before the orders were imposed, we find that it is appropriate to report the rates from the original investigations to the ITC as the magnitude of the margins likely to prevail in the absence of the order because they are the only calculated rates that reflects the behavior of manufacturers and exporters without the discipline of an order in place.

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 the orders were revoked. The Department will normally provide to the ITC the company-specific margin from the investigation for each

company.²⁴ 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 and exporters without the discipline of an order or suspension agreement in place. *Id.* at 20-21; see SAA at 890 and House Report at 64. The SAA explains further that, "{i}n certain instances, a more recently calculated rate may be more appropriate" if "dumping margins have declined over the life of an order and imports have remained steady or increased." See SAA at 890-91. Under certain circumstances, the Department may select a more recently calculated margin to report to the ITC.²⁵ For companies not investigated specifically or for companies that did not begin shipping until after the order was issued, normally the Department will provide a margin based on the all-others rate from the investigation.²⁶

As explained previously, with respect to the orders on PSF from Korea and Taiwan, import volumes have decreased, dumping margins have fluctuated, and the percentage dumping margins determined in administrative reviews continue to be greater than *de minimis* in every case except one since the last sunset review.

For the order on PSF from Korea the Department found that dumping of subject merchandise continued at levels above *de minimis* after the issuance of the order. During the sunset period one producer's margins decreased but were still greater than *de minimis* in every review. Additionally, a new respondent received a dumping margin well in excess of any previous dumping margins determined under this order. For these reasons, the circumstances described in the SAA at 890-91 (declining margins and increasing or steady imports) do not exist.

For the order on PSF from Taiwan, for the only producer for which we completed reviews we calculated four margins at levels above *de minimis* and one margin that was *de minimis* in all of the completed administrative reviews since the last sunset review. Of the three margins calculated for this producer since it received a *de minimis* margin, each subsequent dumping margin has been greater than its predecessor. For these reasons, the circumstances described in the SAA at 890-91 (declining margins and increasing or steady imports) do not exist.

Accordingly and consistent with our practice, we find that it is appropriate to report the rates from the original investigations to the ITC as the magnitude of the margins likely to prevail in the absence of the orders.²⁷ We continue to find (as we did in *Sunset I Review*) that the margins calculated in the original investigations are probative of the behavior of manufacturers and exporters from Korea and Taiwan and that those rates reflect the magnitude of the margin of dumping that would be likely to prevail if the orders were revoked. Therefore, consistent with section 752(c) of the Act, we will report to the ITC the company-specific and all-others rates from the investigations as indicated below.

²⁴ See SAA at 890. See also *Eveready Battery Co., Inc. v. United States*, 77 F. Supp. 2d 1327, 1333 (CIT 1999).

²⁵ See section 752(c)(3) of the Act. See also *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 Comment 3.

²⁶ See *Certain Hot-Rolled Carbon Steel Flat Products from Argentina, the People's Republic of China, India, Indonesia, Kazakhstan, Romania, South Africa, Taiwan, Thailand, and Ukraine; Final Results of Expedited Sunset Reviews of the Antidumping Duty Orders*, 71 FR 70506 (December 5, 2006), and accompanying Issues and Decision Memorandum at Comment 2.

²⁷ The Department's practice prior to 1993 is described further in footnote 1 of the *Policy Bulletin*, 63 FR at 18873.

Final Results

We determine that revocation of the antidumping duty orders on PSF from Korea and Taiwan would likely lead to continuation or recurrence of dumping at the following weighted-average percentage margins:

<u>Country</u>	<u>Company</u>	<u>Weighted-Average Margin (percent)</u>
<i>Korea</i>	Sam Young	7.91
	All Others	7.91
<i>Taiwan</i>	Far Eastern	11.50
	Nan Ya	3.79
	All Others	7.31

Recommendation

Based on our analysis of the comments received from the domestic interested parties, we recommend adopting all of the above positions. If these recommendations are accepted, we will publish the final results of these sunset reviews in the *Federal Register* and notify the ITC of our determination.

Agree _____

Disagree _____

Ronald K. Lorentzen
Deputy Assistant Secretary
for Import Administration

Date

Attachment 1

PSF: First Unit of Quantity by First Unit of Quantity
for PSF

U.S. Imports for Consumption

Annual Data

Country	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	1999-2010
<i>In Actual Units of Quantity</i>															
First Unit of Quantity where quantities are collected in kilograms															
Korea	71,642,837	100,573,349	95,455,137	90,088,187	91,208,027	100,968,006	117,187,430	95,190,078	83,839,237	77,050,097	94,653,343	79,880,046	61,499,768	63,657,162	
% change		40%	-5%	-6%	1%	11%	16%	-19%	-12%	-8%	23%	-16%	-23%	4%	-33%
Taiwan	35,126,519	54,023,154	70,110,239	74,604,543	77,136,070	63,626,524	42,997,746	32,829,686	24,557,397	16,996,671	21,859,340	13,635,784	6,764,123	11,848,070	
% change		54%	30%	6%	3%	-18%	-32%	-24%	-25%	-31%	29%	-38%	-50%	75%	-83%
Total	106,769,356	154,596,503	165,565,376	164,692,730	168,344,097	164,594,530	160,185,176	128,019,764	108,396,634	94,046,768	116,512,683	93,515,830	68,263,891	75,505,232	