



A-533-820; A-560-812; A-570-865;
A-583-835; A-549-817; A-823-811
Sunset Review
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June 5, 2019

MEMORANDUM TO: Jeffrey I. Kessler
Assistant Secretary
for Enforcement and Compliance

FROM: James Maeder
Associate Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations

SUBJECT: Issues and Decision Memorandum: Final Results of Expedited
Third Sunset Reviews of the Antidumping Duty Orders on Certain
Hot-Rolled Carbon Steel Flat Products from India, Indonesia, the
People's Republic of China, Taiwan, Thailand, and Ukraine

I. Summary

We have analyzed the substantive responses of an interested party in the expedited third sunset reviews of the antidumping duty (AD) orders covering certain hot-rolled carbon steel flat products from India, Indonesia, the People's Republic of China (China), Taiwan, Thailand, and Ukraine.¹ No other interested party submitted an adequate substantive response. Accordingly, we conducted expedited (120-day) sunset reviews pursuant to 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). We recommend that you approve the positions as set forth in the "Discussion of Issues" section of this memorandum. Below is the complete list of the issues in this sunset review for which the Department of Commerce (Commerce) received a substantive response:

1. The Adequacy of the Government of Ukraine's response
2. Likelihood of Continuation or Recurrence of Dumping
3. Magnitude of the Margins Likely to Prevail

¹ See *Notice of Amended Final Antidumping Duty Determination of Sales at Less Than Fair Value and Antidumping Duty Order: Certain Hot-Rolled Carbon Steel Flat Products from India*, 66 FR 60194 (December 3, 2001) (*India Amended Final Determination and Order*); see also *Antidumping Duty Order: Certain Hot-Rolled Carbon Steel Flat Products From Indonesia*, 66 FR 60192 (December 3, 2001); *Notice of Antidumping Duty Order: Certain Hot-Rolled Carbon Steel Flat Products From the People's Republic of China*, 66 FR 59561 (November 29, 2001); *Notice of Antidumping Duty Order: Certain Hot-Rolled Carbon Steel Flat Products From Taiwan*, 66 FR 59563 (November 29, 2001); *Antidumping Duty Order: Certain Hot-Rolled Carbon Steel Flat Products From Thailand*, 66 FR 59562 (November 29, 2001) (*Thailand Order*); *Antidumping Duty Order: Certain Hot-Rolled Carbon Steel Flat Products From Ukraine*, 66 FR 59559 (November 29, 2001) (*Ukraine Order*) (collectively, the AD Orders).

II. Background

On February 5, 2019, pursuant to section 751(c) of Tariff Act of 1930, as amended (the Act), Commerce initiated the third sunset reviews of the *AD Orders* on certain hot-rolled carbon steel flat products from India, Indonesia, China, Taiwan, Thailand, and Ukraine.²

Commerce received a notice of intent to participate from Nucor Corporation; AK Steel Corporation; ArcelorMittal USA LLC; United States Steel Corporation; California Steel Industries; SSAB Enterprises LLC; and Steel Dynamics, Inc. (collectively, the petitioners) within the deadline specified in 19 CFR 351.218(d)(1)(i).³ The petitioners claimed interested party status under section 771(9)(C) of the Act as manufacturers, producers, or wholesalers in the United States of a domestic like product.

On March 7, 2019, we received complete substantive responses for each of the six sunset reviews⁴ to the notice of initiation from the petitioners within the specified time, in accordance with 19 CFR 351.218(d)(3)(i). We received no response from respondent interested parties for the cases regarding certain hot-rolled steel flat products from India, Indonesia, China, Taiwan, or Thailand. We received a response from the Government of Ukraine regarding certain hot-rolled steel flat products from Ukraine,⁵ which we have not found to be an adequate substantive response, as discussed in Issue 1, below. The petitioners submitted rebuttal comments to the Government of Ukraine's response.⁶ Because we did not receive adequate substantive responses from respondent parties, pursuant to section 751(c)(3)(B) of the Act, and 19 CFR 351.218(e)(1)(ii)(C)(2), we conducted expedited sunset reviews of these *AD Orders*.

² See *Initiation of Five-Year (Sunset) Reviews*, 84 FR 1705 (February 5, 2019) (*Initiation*).

³ See Petitioners' Letters, "Certain Hot-Rolled Carbon Steel Flat Products from India: Notice of Intent to Participate;" "Notice of Intent to Participate in Third Five-Year Review of the Antidumping Duty Order on Certain Hot-Rolled Carbon Steel Flat Products from Indonesia;" "Certain Hot-Rolled Carbon Steel Flat Products from the People's Republic of China: Notice of Intent to Participate;" "Certain Hot-Rolled Carbon Steel Flat Products from Taiwan - Five-Year (3rd Sunset) Review of Antidumping Duty Order-Notice of Intent to Participate;" "Five-Year ("Sunset") Review of Antidumping and Countervailing Duty Orders on Certain Hot-Rolled Carbon Steel Flat Products from Thailand: Notice of Intent to Participate;" "Third Five-Year ("Sunset") Review Of Antidumping Duty Order On Certain Hot-Rolled Carbon Steel Flat Products from Ukraine/Notice Of Intent To Participate of the Domestic Interested Parties," each dated February 20, 2019.

⁴ See Petitioners' Letters, "Certain Hot-Rolled Carbon Steel Flat Products from India: Substantive Response to Notice of Initiation" (Petitioners' Substantive Response for India); "Hot-Rolled Carbon Steel Flat Products from Indonesia, Third Review: Substantive Response to Notice of Initiation" (Petitioners' Substantive Response for Indonesia); "Certain Hot-Rolled Carbon Steel Flat Products from the People's Republic of China: Substantive Response to Notice of Initiation" (Petitioners' Substantive Response for China); "Certain Hot-Rolled Carbon Steel Flat Products Taiwan - Five-Year (3rd Sunset) Review of Antidumping Duty Order – Substantive Response to the Notice of Initiation" (Petitioners' Substantive Response for Taiwan); "Five-Year ("Sunset") Review of Antidumping Duty Order on Certain Hot-Rolled Carbon Steel Flat Products from Thailand: Domestic Interested Parties' Substantive Response to the Notice of Initiation of Sunset Review" (Petitioners' Substantive Response for Thailand); "Third Five-Year ("Sunset") Review Of Antidumping Duty Order On Certain Hot-Rolled Carbon Steel Flat Products from Ukraine/Substantive Response to Notice of Initiation" (Petitioners' Substantive Response for Ukraine), each dated March 7, 2019.

⁵ See Letter, "Certain Hot-Rolled Carbon Steel Flat Products from Ukraine, case No. A-823-811," dated March 6, 2019 (Government of Ukraine Comments).

⁶ See Letter, "Third Five-Year ("Sunset") Review of Antidumping Duty Order On Certain Hot-Rolled Carbon Steel Flat Products from Ukraine/Rebuttal To The Comments of the Government Of Ukraine," dated March 11, 2019 (Petitioner Rebuttal Comments).

III. Scopes of the AD Orders

India

The merchandise subject to the order is certain hot-rolled carbon steel flat products of a rectangular shape, of a width of 0.5 inch or greater, neither clad, plated, nor coated with metal and whether or not painted, varnished, or coated with plastics or other non-metallic substances, in coils (whether or not in successively superimposed layers), regardless of thickness, and in straight lengths, of a thickness of less than 4.75 mm and of a width measuring at least 10 times the thickness. Universal mill plate (*i.e.*, flat-rolled products rolled on four faces or in a closed box pass, of a width exceeding 150 mm, but not exceeding 1250 mm, and of a thickness of not less than 4 mm, not in coils and without patterns in relief) of a thickness not less than 4.0 mm is not included within the scope of the order.

Specifically included in the scope of the order are vacuum-degassed, fully stabilized (commonly referred to as interstitial-free (IF)) steels, high-strength low-alloy (HSLA) steels, and the substrate for motor lamination steels. IF steels are recognized as low-carbon steels with micro-alloying levels of elements such as titanium or niobium (also commonly referred to as columbium), or both, added to stabilize carbon and nitrogen elements. HSLA steels are recognized as steels with micro-alloying levels of elements such as chromium, copper, niobium, vanadium, and molybdenum. The substrate for motor lamination steels contains micro-alloying levels of elements such as silicon and aluminum.

Steel products included in the scope of the order, regardless of definitions in the Harmonized Tariff Schedule of the United States (HTSUS), are products in which: i) iron predominates, by weight, over each of the other contained elements; ii) the carbon content is 2 percent or less, by weight; and iii) none of the elements listed below exceeds the quantity, by weight, respectively indicated:

- 1.80 percent of manganese,
- or 2.25 percent of silicon,
- or 1.00 percent of copper,
- or 0.50 percent of aluminum,
- or 1.25 percent of chromium,
- or 0.30 percent of cobalt,
- or 0.40 percent of lead,
- or 1.25 percent of nickel,
- or 0.30 percent of tungsten,
- or 0.10 percent of molybdenum,
- or 0.10 percent of niobium,
- or 0.15 percent of vanadium,
- or 0.15 percent of zirconium.

All products that meet the physical and chemical description provided above are within the scope of the order unless otherwise excluded. The following products, by way of example, are outside or specifically excluded from the scope of the order:

-Alloy hot-rolled carbon steel products in which at least one of the chemical elements exceeds those listed above (including, e.g., American Society for Testing and Materials (ASTM) specifications A543, A387, A514, A517, A506)).

-Society of Automotive Engineers (SAE)/American Iron & Steel Institute (AISI) grades of series 2300 and higher.

-Ball bearings steels, as defined in the HTSUS.

-Tool steels, as defined in the HTSUS. -Silico-manganese (as defined in the HTSUS) or silicon electrical steel with a silicon level exceeding 2.25 percent.

-ASTM specifications A710 and A736.

-United States Steel (USS) Abrasion-resistant steels (USS AR 400, USS AR 500).

-All products (proprietary or otherwise) based on an alloy ASTM specification (sample specifications: ASTM A506, A507).

-Non-rectangular shapes, not in coils, which are the result of having been processed by cutting or stamping and which have assumed the character of articles or products classified outside chapter 72 of the HTSUS.

The merchandise subject to the order is currently classifiable in the HTSUS at subheadings: 7208.10.15.00, 7208.10.30.00, 7208.10.60.00, 7208.25.30.00, 7208.25.60.00, 7208.26.00.30, 7208.26.00.60, 7208.27.00.30, 7208.27.00.60, 7208.36.00.30, 7208.36.00.60, 7208.37.00.30, 7208.37.00.60, 7208.38.00.15, 7208.38.00.30, 7208.38.00.90, 7208.39.00.15, 7208.39.00.30, 7208.39.00.90, 7208.40.60.30, 7208.40.60.60, 7208.53.00.00, 7208.54.00.00, 7208.90.00.00, 7211.14.00.90, 7211.19.15.00, 7211.19.20.00, 7211.19.30.00, 7211.19.45.00, 7211.19.60.00, 7211.19.75.30, 7211.19.75.60, and 7211.19.75.90. Certain hot-rolled carbon steel covered by the order, including: vacuum-degassed fully stabilized; high-strength low-alloy; and the substrate for motor lamination steel may also enter under the following tariff numbers: 7225.11.00.00, 7225.19.00.00, 7225.30.30.50, 7225.30.70.00, 7225.40.70.00, 7225.99.00.90, 7226.11.10.00, 7226.11.90.30, 7226.11.90.60, 7226.19.10.00, 7226.19.90.00, 7226.91.50.00, 7226.91.70.00, 7226.91.80.00, and 7226.99.00.00.1 Subject merchandise may also enter under 7210.70.30.00, 7210.90.90.00, 7211.14.00.30, 7212.40.10.00, 7212.40.50.00, and 7212.50.00.00. Although the HTSUS subheadings are provided for convenience and customs purposes, Commerce's written description of the merchandise subject to the order is dispositive.

Indonesia

For purposes of the order, the products covered are certain hot-rolled carbon steel flat products of a rectangular shape, of a width of 0.5 inch or greater, neither clad, plated, nor coated with metal and whether or not painted, varnished, or coated with plastics or other non-metallic substances, in coils (whether or not in successively superimposed layers), regardless of thickness, and in straight lengths of a thickness of less than 4.75 mm and of a width measuring at least 10 times the thickness. Universal mill plate (*i.e.*, flat-rolled products rolled on four faces or in a closed box pass, of a width exceeding 150 mm, but not exceeding 1250 mm, and of a thickness of not less than 4.0 mm, not in coils and without patterns in relief) of a thickness not less than 4.0 mm is not included within the scope of the order.

Specifically included within the scope of the order are vacuum degassed, fully stabilized (commonly referred to as interstitial-free (IF)) steels, high strength low alloy (HSLA) steels, and

the substrate for motor lamination steels. IF steels are recognized as low carbon steels with micro-alloying levels of elements such as titanium or niobium (also commonly referred to as columbium), or both, added to stabilize carbon and nitrogen elements. HSLA steels are recognized as steels with micro-alloying levels of elements such as chromium, copper, niobium, vanadium, and molybdenum. The substrate for motor lamination steels contains micro-alloying levels of elements such as silicon and aluminum.

Steel products to be included in the scope of the order, regardless of definitions in the Harmonized Tariff Schedule of the United States (HTSUS), are products in which: (i) Iron predominates, by weight, over each of the other contained elements; (ii) the carbon content is 2 percent or less, by weight; and (iii) none of the elements listed below exceeds the quantity, by weight, respectively indicated:

- 1.80 percent of manganese,
- or 2.25 percent of silicon,
- or 1.00 percent of copper,
- or 0.50 percent of aluminum,
- or 1.25 percent of chromium,
- or 0.30 percent of cobalt,
- or 0.40 percent of lead,
- or 1.25 percent of nickel,
- or 0.30 percent of tungsten,
- or 0.10 percent of molybdenum,
- or 0.10 percent of niobium,
- or 0.15 percent of vanadium,
- or 0.15 percent of zirconium.

All products that meet the physical and chemical description provided above are within the scope of the order unless otherwise excluded. The following products, by way of example, are outside or specifically excluded from the scope of the order:

- Alloy hot-rolled steel products in which at least one of the chemical elements exceeds those listed above (including, e.g., American Society for Testing and Materials (ASTM) specifications A543, A387, A514, A517, A506).

- Society of Automotive Engineers (SAE)/American Iron & Steel Institute (AISI) grades of series 2300 and higher.

- Ball bearing steels, as defined in the HTSUS.

- Tool steels, as defined in the HTSUS.

- Silico-manganese (as defined in the HTSUS) or silicon electrical steel with a silicon level exceeding 2.25 percent.

- ASTM specifications A710 and A736.

- USS abrasion-resistant steels (USS AR 400, USS AR 500).

- All products (proprietary or otherwise) based on an alloy ASTM specification (sample specifications: ASTM A506, A507).

-Non-rectangular shapes, not in coils, which are the result of having been processed by cutting or stamping and which have assumed the character of articles or products classified outside chapter 72 of the HTSUS.

The merchandise subject to the order is classified in the HTSUS at subheadings: 7208.10.15.00, 7208.10.30.00, 7208.10.60.00, 7208.25.30.00, 7208.25.60.00, 7208.26.00.30, 7208.26.00.60, 7208.27.00.30, 7208.27.00.60, 7208.36.00.30, 7208.36.00.60, 7208.37.00.30, 7208.37.00.60, 7208.38.00.15, 7208.38.00.30, 7208.38.00.90, 7208.39.00.15, 7208.39.00.30, 7208.39.00.90, 7208.40.60.30, 7208.40.60.60, 7208.53.00.00, 7208.54.00.00, 7208.90.00.00, 7211.14.00.90, 7211.19.15.00, 7211.19.20.00, 7211.19.30.00, 7211.19.45.00, 7211.19.60.00, 7211.19.75.30, 7211.19.75.60, and 7211.19.75.90. Certain hot-rolled carbon steel flat products covered by the order, including: Vacuum degassed fully stabilized; high strength low alloy; and the substrate for motor lamination steel may also enter under the following tariff numbers: 7225.11.00.00, 7225.19.00.00, 7225.30.30.50, 7225.30.70.00, 7225.40.70.00, 7225.99.00.90, 7226.11.10.00, 7226.11.90.30, 7226.11.90.60, 7226.19.10.00, 7226.19.90.00, 7226.91.50.00, 7226.91.70.00, 7226.91.80.00, and 7226.99.00.00.1 Subject merchandise may also enter under 7210.70.30.00, 7210.90.90.00, 7211.14.00.30, 7212.40.10.00, 7212.40.50.00, and 7212.50.00.00. Although the HTSUS subheadings are provided for convenience and U.S. Customs purposes, the written description of the merchandise subject to the order is dispositive.

China

The products covered by the antidumping duty order are certain hot-rolled carbon steel flat products of a rectangular shape, of a width of 0.5 inch or greater, neither clad, plated, nor coated with metal and whether or not painted, varnished, or coated with plastics or other nonmetallic substances, in coils (whether or not in successively superimposed layers), regardless of thickness, and in straight lengths of a thickness of less than 4.75 mm and of a width measuring at least 10 times the thickness. Universal mill plate (*i.e.*, flat-rolled products rolled on four faces or in a closed box pass, of a width exceeding 150 mm, but not exceeding 1250 mm, and of a thickness of not less than 4.0 mm, not in coils and without patterns in relief) of a thickness not less than 4.0 mm is not included within the scope of the order.

Specifically included within the scope of the order are vacuum degassed, fully stabilized (commonly referred to as interstitial-free (IF)) steels, high strength low alloy (HSLA) steels, and the substrate for motor lamination steels. IF steels are recognized as low carbon steels with micro-alloying levels of elements such as titanium or niobium (also commonly referred to as columbium), or both, added to stabilize carbon and nitrogen elements. HSLA steels are recognized as steels with micro-alloying levels of elements such as chromium, copper, niobium, vanadium, and molybdenum. The substrate for motor lamination steels contains micro-alloying levels of elements such as silicon and aluminum.

Steel products to be included in the scope of the order, regardless of definitions in the Harmonized Tariff Schedule of the United States (HTSUS), are products in which: (i) Iron predominates, by weight, over each of the other contained elements; (ii) the carbon content is 2 percent or less, by weight; and (iii) none of the elements listed below exceeds the quantity, by weight, respectively indicated:

1.80 percent of manganese,
or 2.25 percent of silicon,
or 1.00 percent of copper,
or 0.50 percent of aluminum,
or 1.25 percent of chromium,
or 0.30 percent of cobalt,
or 0.40 percent of lead,
or 1.25 percent of nickel,
or 0.30 percent of tungsten,
or 0.10 percent of molybdenum,
or 0.10 percent of niobium,
or 0.15 percent of vanadium,
or 0.15 percent of zirconium.

All products that meet the physical and chemical description provided above are within the scope of the order unless otherwise excluded. The following products, for example, are outside or specifically excluded from the scope of the order:

- Alloy hot-rolled steel products in which at least one of the chemical elements exceeds those listed above (including, e.g., American Society for Testing and Materials (ASTM) specifications A543, A387, A514, A517, A506).

- Society of Automotive Engineers (SAE)/American Iron & Steel Institute (AISI) grades of series 2300 and higher.

- Ball bearing steels, as defined in the HTSUS.

- Tool steels, as defined in the HTSUS.

- Silico-manganese (as defined in the HTSUS) or silicon electrical steel with a silicon level exceeding 2.25 percent.

- ASTM specifications A710 and A736.

- USS abrasion-resistant steels (USS AR 400, USS AR 500).

- All products (proprietary or otherwise) based on an alloy ASTM specification (sample specifications: ASTM A506, A507).

- Non-rectangular shapes, not in coils, which are the result of having been processed by cutting or stamping and which have assumed the character of articles or products classified outside chapter 72 of the HTSUS.

The merchandise subject to the order is classified in the HTSUS at subheadings: 7208.10.15.00, 7208.10.30.00, 7208.10.60.00, 7208.25.30.00, 7208.25.60.00, 7208.26.00.30, 7208.26.00.60, 7208.27.00.30, 7208.27.00.60, 7208.36.00.30, 7208.36.00.60, 7208.37.00.30, 7208.37.00.60, 7208.38.00.15, 7208.38.00.30, 7208.38.00.90, 7208.39.00.15, 7208.39.00.30, 7208.39.00.90, 7208.40.60.30, 7208.40.60.60, 7208.53.00.00, 7208.54.00.00, 7208.90.00.00, 7211.14.00.90, 7211.19.15.00, 7211.19.20.00, 7211.19.30.00, 7211.19.45.00, 7211.19.60.00, 7211.19.75.30, 7211.19.75.60, and 7211.19.75.90. Certain hot-rolled carbon steel flat products covered by the order, including: Vacuum degassed fully stabilized; high strength low alloy; and the substrate for motor lamination steel may also enter under the following tariff numbers: 7225.11.00.00, 7225.19.00.00, 7225.30.30.50, 7225.30.70.00, 7225.40.70.00, 7225.99.00.90, 7226.11.10.00, 7226.11.90.30, 7226.11.90.60, 7226.19.10.00, 7226.19.90.00, 7226.91.50.00, 7226.91.70.00,

7226.91.80.00, 7226.99.00.00, and 7226.99.0180. Subject merchandise may also enter under 7210.70.30.00, 7210.90.90.00, 7211.14.00.30, 7212.40.10.00, 7212.40.50.00, and 7212.50.00.00. Although the HTSUS subheadings are provided for convenience and U.S. Customs purposes, the written description of the merchandise is dispositive.

Taiwan

The products covered by the order are certain hot-rolled carbon steel flat products of a rectangular shape, of a width of 0.5 inch or greater, neither clad, plated, nor coated with metal and whether or not painted, varnished, or coated with plastics or other non-metallic substances, in coils (whether or not in successively superimposed layers), regardless of thickness, and in straight lengths of a thickness of less than 4.75 mm and of a width measuring at least 10 times the thickness. Universal mill plate (*i.e.*, flat-rolled products rolled on four faces or in a closed box pass, of a width exceeding 150 mm, but not exceeding 1250 mm, and of a thickness of not less than 4.0 mm, not in coils and without patterns in relief) of a thickness not less than 4.0 mm is not included within the scope of the order.

Specifically included within the scope of the order are vacuum degassed, fully stabilized (commonly referred to as interstitial-free (IF)) steels, high strength low alloy (HSLA) steels, and the substrate for motor lamination steels. IF steels are recognized as low carbon steels with micro-alloying levels of elements such as titanium or niobium (also commonly referred to as columbium), or both, added to stabilize carbon and nitrogen elements. HSLA steels are recognized as steels with micro-alloying levels of elements such as chromium, copper, niobium, vanadium, and molybdenum. The substrate for motor lamination steels contains micro-alloying levels of elements such as silicon and aluminum.

Steel products to be included in the scope of the order, regardless of definitions in the Harmonized Tariff Schedule of the United States (HTSUS), are products in which: (i) Iron predominates, by weight, over each of the other contained elements; (ii) the carbon content is 2 percent or less, by weight; and (iii) none of the elements listed below exceeds the quantity, by weight, respectively indicated:

- 1.80 percent of manganese,
- or 2.25 percent of silicon,
- or 1.00 percent of copper,
- or 0.50 percent of aluminum,
- or 1.25 percent of chromium,
- or 0.30 percent of cobalt,
- or 0.40 percent of lead,
- or 1.25 percent of nickel,
- or 0.30 percent of tungsten,
- or 0.10 percent of molybdenum,
- or 0.10 percent of niobium,
- or 0.15 percent of vanadium,
- or 0.15 percent of zirconium.

All products that meet the physical and chemical description provided above are within the scope of the order unless otherwise excluded. The following products, by way of example, are outside or specifically excluded from the scope of the order:

- Alloy hot-rolled steel products in which at least one of the chemical elements exceeds those listed above (including, e.g., American Society for Testing and Materials (ASTM) specifications A543, A387, A514, A517, A506).

- Society of Automotive Engineers (SAE)/American Iron & Steel Institute (AISI) grades of series 2300 and higher.

- Ball bearing steels, as defined in the HTSUS. -Tool steels, as defined in the HTSUS.

- Silico-manganese (as defined in the HTSUS) or silicon electrical steel with a silicon level exceeding 2.25 percent.

- ASTM specifications A710 and A736.

- USS abrasion-resistant steels (USS AR 400, USS AR 500).

- All products (proprietary or otherwise) based on an alloy ASTM specification (sample specifications: ASTM A506, A507).

- Non-rectangular shapes, not in coils, which are the result of having been processed by cutting or stamping and which have assumed the character of articles or products classified outside chapter 72 of the HTSUS.

The merchandise subject to the order is classified in the HTSUS at subheadings: 7208.10.15.00, 7208.10.30.00, 7208.10.60.00, 7208.25.30.00, 7208.25.60.00, 7208.26.00.30, 7208.26.00.60, 7208.27.00.30, 7208.27.00.60, 7208.36.00.30, 7208.36.00.60, 7208.37.00.30, 7208.37.00.60, 7208.38.00.15, 7208.38.00.30, 7208.38.00.90, 7208.39.00.15, 7208.39.00.30, 7208.39.00.90, 7208.40.60.30, 7208.40.60.60, 7208.53.00.00, 7208.54.00.00, 7208.90.00.00, 7211.14.00.90, 7211.19.15.00, 7211.19.20.00, 7211.19.30.00, 7211.19.45.00, 7211.19.60.00, 7211.19.75.30, 7211.19.75.60, and 7211.19.75.90. Certain hot-rolled carbon steel flat products covered by the order, including: Vacuum degassed fully stabilized; high strength low alloy; and the substrate for motor lamination steel may also enter under the following tariff numbers: 7225.11.00.00, 7225.19.00.00, 7225.30.30.50, 7225.30.70.00, 7225.40.70.00, 7225.99.00.90, 7226.11.10.00, 7226.11.90.30, 7226.11.90.60, 7226.19.10.00, 7226.19.90.00, 7226.91.50.00, 7226.91.70.00, 7226.91.80.00, and 7226.99.01.80. Subject merchandise may also enter under 7210.70.30.00, 7210.90.90.00, 7211.14.00.30, 7212.40.10.00, 7212.40.50.00, and 7212.50.00.00. Although the HTSUS subheadings are provided for convenience and U.S. Customs purposes, the written description of the merchandise is dispositive.

Thailand

For purposes of the order, the products covered are certain hot-rolled carbon steel flat products of a rectangular shape, of a width of 0.5 inch or greater, neither clad, plated, nor coated with metal and whether or not painted, varnished, or coated with plastics or other non-metallic substances, in coils (whether or not in successively superimposed layers), regardless of thickness, and in straight lengths of a thickness of less than 4.75 mm and of a width measuring at least 10 times the thickness. Universal mill plate (*i.e.*, flat-rolled products rolled on four faces or in a closed box pass, of a width exceeding 150 mm, but not exceeding 1250 mm, and of a thickness of not less than 4.0 mm, not in coils and without patterns in relief) of a thickness not less than 4.0 mm is not included within the scope of the order.

Specifically included within the scope of the order are vacuum degassed, fully stabilized (commonly referred to as interstitial-free (IF)) steels, high strength low alloy (HSLA) steels, and the substrate for motor lamination steels. IF steels are recognized as low carbon steels with micro-alloying levels of elements such as titanium or niobium (also commonly referred to as columbium), or both, added to stabilize carbon and nitrogen elements. HSLA steels are recognized as steels with micro-alloying levels of elements such as chromium, copper, niobium, vanadium, and molybdenum. The substrate for motor lamination steels contains micro-alloying levels of elements such as silicon and aluminum.

Steel products to be included in the scope of the order, regardless of definitions in the Harmonized Tariff Schedule of the United States (HTS), are products in which: (i) Iron predominates, by weight, over each of the other contained elements; (ii) the carbon content is 2 percent or less, by weight; and (iii) none of the elements listed below exceeds the quantity, by weight, respectively indicated:

- 1.80 percent of manganese,
- or 2.25 percent of silicon,
- or 1.00 percent of copper,
- or 0.50 percent of aluminum,
- or 1.25 percent of chromium,
- or 0.30 percent of cobalt,
- or 0.40 percent of lead,
- or 1.25 percent of nickel,
- or 0.30 percent of tungsten,
- or 0.10 percent of molybdenum,
- or 0.10 percent of niobium,
- or 0.15 percent of vanadium,
- or 0.15 percent of zirconium.

All products that meet the physical and chemical description provided above are within the scope of the order unless otherwise excluded. The following products, by way of example, are outside or specifically excluded from the scope of the order:

- Alloy hot-rolled steel products in which at least one of the chemical elements exceeds those listed above (including, e.g., ASTM specifications A543, A387, A514, A517, A506).

- Society of Automotive Engineers (SAE)/American Iron and Steel Institute (AISI) grades of series 2300 and higher.

- Ball bearings steels, as defined in the HTS.

- Tool steels, as defined in the HTS.

- Silico-manganese (as defined in the HTS) or silicon electrical steel with a silicon level exceeding 2.25 percent.

- ASTM specifications A710 and A736.

- USS Abrasion-resistant steels (USS AR 400, USS AR 500).

- All products (proprietary or otherwise) based on an alloy ASTM specification (sample specifications: ASTM A506, A507).

-Non-rectangular shapes, not in coils, which are the result of having been processed by cutting or stamping and which have assumed the character of articles or products classified outside chapter 72 of the HTS.

The merchandise subject to the order is classified in the HTS at subheadings: 7208.10.15.00, 7208.10.30.00, 7208.10.60.00, 7208.25.30.00, 7208.25.60.00, 7208.26.00.30, 7208.26.00.60, 7208.27.00.30, 7208.27.00.60, 7208.36.00.30, 7208.36.00.60, 7208.37.00.30, 7208.37.00.60, 7208.38.00.15, 7208.38.00.30, 7208.38.00.90, 7208.39.00.15, 7208.39.00.30, 7208.39.00.90, 7208.40.60.30, 7208.40.60.60, 7208.53.00.00, 7208.54.00.00, 7208.90.00.00, 7211.14.00.90, 7211.19.15.00, 7211.19.20.00, 7211.19.30.00, 7211.19.45.00, 7211.19.60.00, 7211.19.75.30, 7211.19.75.60, and 7211.19.75.90. Certain hot-rolled flat-rolled carbon steel flat products covered by the order, including: Vacuum degassed fully stabilized; high strength low alloy; and the substrate for motor lamination steel may also enter under the following tariff numbers: 7225.11.00.00, 7225.19.00.00, 7225.30.30.50, 7225.30.70.00, 7225.40.70.00, 7225.99.00.90, 7226.11.10.00, 7226.11.90.30, 7226.11.90.60, 7226.19.10.00, 7226.19.90.00, 7226.91.50.00, 7226.91.70.00, 7226.91.80.00, and 7226.99.01.80. Subject merchandise may also enter under 7210.70.30.00, 7210.90.90.00, 7211.14.00.30, 7212.40.10.00, 7212.40.50.00, and 7212.50.00.00. Although the HTS subheadings are provided for convenience and U.S. Customs purposes, the written description of the merchandise under the order is dispositive.

Ukraine

For purposes of the order, the products covered are certain hot-rolled carbon steel flat products of a rectangular shape, of a width of 0.5 inch or greater, neither clad, plated, nor coated with metal and whether or not painted, varnished, or coated with plastics or other non-metallic substances, in coils (whether or not in successively superimposed layers), regardless of thickness, and in straight lengths of a thickness of less than 4.75 mm and of a width measuring at least 10 times the thickness. Universal mill plate (*i.e.*, flat-rolled products rolled on four faces or in a closed box pass, of a width exceeding 150 mm, but not exceeding 1250 mm, and of a thickness of not less than 4.0 mm, not in coils and without patterns in relief) of a thickness not less than 4.0 mm is not included within the scope of the order.

Specifically included within the scope of the order are vacuum degassed, fully stabilized (commonly referred to as interstitial-free (IF)) steels, high strength low alloy (HSLA) steels, and the substrate for motor lamination steels. IF steels are recognized as low carbon steels with micro-alloying levels of elements such as titanium or niobium (also commonly referred to as columbium), or both, added to stabilize carbon and nitrogen elements. HSLA steels are recognized as steels with micro-alloying levels of elements such as chromium, copper, niobium, vanadium, and molybdenum. The substrate for motor lamination steels contains micro-alloying levels of elements such as silicon and aluminum.

Steel products to be included in the scope of the order, regardless of definitions in the Harmonized Tariff Schedule of the United States (HTSUS), are products in which: (i) Iron predominates, by weight, over each of the other contained elements; (ii) the carbon content is 2 percent or less, by weight; and (iii) none of the elements listed below exceeds the quantity, by weight, respectively indicated:

1.80 percent of manganese,
or 2.25 percent of silicon,
or 1.00 percent of copper,
or 0.50 percent of aluminum,
or 1.25 percent of chromium,
or 0.30 percent of cobalt,
or 0.40 percent of lead,
or 1.25 percent of nickel,
or 0.30 percent of tungsten,
or 0.10 percent of molybdenum,
or 0.10 percent of niobium,
or 0.15 percent of vanadium,
or 0.15 percent of zirconium.

All products that meet the physical and chemical description provided above are within the scope of the order unless otherwise excluded. The following products, by way of example, are outside or specifically excluded from the scope of the order:

- Alloy hot-rolled steel products in which at least one of the chemical elements exceeds those listed above (including, e.g., American Society for Testing and Materials (ASTM) specifications A543, A387, A514, A517, A506).
- Society of Automotive Engineers (SAE)/American Iron & Steel Institute (AISI) grades of series 2300 and higher.
- Ball bearing steels, as defined in the HTSUS.
- Tool steels, as defined in the HTSUS.
- Silico-manganese (as defined in the HTSUS) or silicon electrical steel with a silicon level exceeding 2.25 percent.
- ASTM specifications A710 and A736.
- USS abrasion-resistant steels (USS AR 400, USS AR 500).
- All products (proprietary or otherwise) based on an alloy ASTM specification (sample specifications: ASTM A506, A507).
- Non-rectangular shapes, not in coils, which are the result of having been processed by cutting or stamping and which have assumed the character of articles or products classified outside chapter 72 of the HTSUS.

The merchandise subject to the order is classified in the HTSUS at subheadings: 7208.10.15.00, 7208.10.30.00, 7208.10.60.00, 7208.25.30.00, 7208.25.60.00, 7208.26.00.30, 7208.26.00.60, 7208.27.00.30, 7208.27.00.60, 7208.36.00.30, 7208.36.00.60, 7208.37.00.30, 7208.37.00.60, 7208.38.00.15, 7208.38.00.30, 7208.38.00.90, 7208.39.00.15, 7208.39.00.30, 7208.39.00.90, 7208.40.60.30, 7208.40.60.60, 7208.53.00.00, 7208.54.00.00, 7208.90.00.00, 7211.14.00.90, 7211.19.15.00, 7211.19.20.00, 7211.19.30.00, 7211.19.45.00, 7211.19.60.00, 7211.19.75.30, 7211.19.75.60, and 7211.19.75.90. Certain hot-rolled carbon steel flat products covered by the order, including: Vacuum degassed fully stabilized; high strength low alloy; and the substrate for motor lamination steel may also enter under the following tariff numbers: 7225.11.00.00, 7225.19.00.00, 7225.30.30.50, 7225.30.70.00, 7225.40.70.00, 7225.99.00.90, 7226.11.10.00, 7226.11.90.30, 7226.11.90.60, 7226.19.10.00, 7226.19.90.00, 7226.91.50.00, 7226.91.70.00,

7226.91.80.00, and 7226.99.00.00.1 Subject merchandise may also enter under 7210.70.30.00, 7210.90.90.00, 7211.14.00.30, 7212.40.10.00, 7212.40.50.00, and 7212.50.00.00. Although the HTSUS subheadings are provided for convenience and U.S. Customs purposes, the written description of the merchandise is dispositive.

IV. History of the Orders

In 2001, Commerce published in the *Federal Register* its final affirmative determinations of sales at less than fair value (LTFV) with respect to imports of certain hot-rolled carbon steel flat products from India, Indonesia, China, Taiwan, Thailand, and Ukraine at the following weighted-average dumping margins:

Manufacturer/Producer/Exporter	Weighted-Average Dumping Margin(percent)
India ⁷	
Ispat Industries Ltd. (Ispat)	44.40
Essar Steel Ltd. (Essar)	36.53
All Others	38.72
Indonesia ⁸	
PT Krakatau Steel Corporation (Krakatau)	47.86
All Others	47.86
China ⁹	
Angang Group International Trade Co. Ltd.; New Iron & Steel Co., Ltd.; and Angang Group Hong Kong Co., Ltd. (Angang)	69.85
Shanghai Baosteel Group Corporation; Baoshan Iron & Steel Co., Ltd.; and Baosteel Group International Trade Corporation (Baosteel)	64.20
Benxi Iron & Steel Group International Economic &	

⁷ See *India Amended Final Determination and Order*.

⁸ See *Notice of Final Determination of Sales at Less Than Fair Value: Certain Hot-Rolled Carbon Steel Flat Products from Indonesia*, 66 FR 49628 (September 28, 2001) (*Indonesia Final Determination*).

⁹ See *Final Determination of Sales at Less Than Fair Value: Certain Hot-Rolled Carbon Steel Flat Products from the People's Republic of China*, 66 FR 49632 (September 28, 2001) (*China Final Determination*). Angang, Baosteel, and Benxi appealed the *China Final Determination*. As a result of that appeal, Commerce amended the *China Final Determination* to reflect the results of the second remand determination, in which Commerce recalculated margins of 31.09 percent, 12.39 percent, and 57.19 percent for Angang, Baosteel, and Benxi, respectively. See *Certain Hot-Rolled Carbon Steel Flat Products from the People's Republic of China; Notice of Amended Final Determination Pursuant to Court Decision*, 70 FR 69734 (November 17, 2005) (*China Amended Final Determination Pursuant to Remand*).

Trade Co., Ltd.; Bengang Steel Plates Co., Ltd.; and Benxi Iron & Steel Group Co., Ltd. (Benxi)	90.83
Panzhihua Iron and Steel (Group) Company (Panzhihua)	65.59
Wuhan Iron & Steel Group Corporation (Wuhan)	65.59
China-Wide Entity	90.83
Taiwan ¹⁰	
An Feng Steel Co., Ltd. (An Feng)	29.14
China Steel Corporation/Yieh Loong (China Steel/Yieh Loong)	29.14
All Others	20.28
Thailand ¹¹	
Sahaviriya Steel Industries Public Co., Ltd. (SSI)	4.44
Siam Strip Mill Public Co., Ltd. (SSM)	20.30
All Others	4.44
Ukraine ¹²	
Ukraine-Wide Entity	90.33

Thereafter, Commerce published individual antidumping duty orders on certain hot-rolled carbon steel flat products from India, Indonesia, China, Taiwan, Thailand, and Ukraine.¹³

In 2006, Commerce conducted the *First Sunset Review* on certain hot-rolled carbon steel flat products from India, Indonesia, China, Taiwan, Thailand, and Ukraine pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act), and found that revocation of the antidumping

¹⁰ See *Notice of Final Determination of Sales at Less Than Fair Value: Certain Hot-Rolled Carbon Steel Flat Products from Taiwan*, 66 FR 49618 (September 28, 2001) (*Taiwan Final Determination*).

¹¹ See *Notice of Final Determination of Sales at Less Than Fair Value; Certain Hot-Rolled Carbon Steel Flat Products from Thailand*, 66 FR 49622 (September 28, 2001) (*Thailand Final Determination*) and *Certain Hot-Rolled Carbon Steel Flat Products from Thailand: Final Results of Antidumping Duty Changed Circumstances Review and Reinstatement in the Antidumping Duty Order*, 74 FR 22885 (May 15, 2009) (*Thailand Changed Circumstances Review*).

¹² See *Notice of Final Determination of Sales at Less Than Fair Value: Certain Hot-Rolled Carbon Steel Flat Products from Ukraine*, 66 FR 50401 (October 3, 2001) (*Ukraine Final Determination*).

¹³ See *AD Orders*.

duty orders would be likely to lead to continuation or recurrence of dumping.¹⁴ The U.S. International Trade Commission (ITC) determined, pursuant to section 751(c) of the Act, that revocation of the antidumping duty orders would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.¹⁵ As a result, Commerce published the notice of continuation of the antidumping duty orders.¹⁶

From 2013 to 2014, Commerce conducted the *Second Sunset Review* on certain hot-rolled carbon steel flat products from India, Indonesia, China, Taiwan, Thailand, and Ukraine pursuant to section 751(c) of the Act, and found that revocation of the antidumping duty orders would be likely to lead to continuation or recurrence of dumping.¹⁷ The U.S. International Trade Commission (ITC) determined, pursuant to section 751(c) of the Act, that revocation of the antidumping duty orders would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.¹⁸ As a result, Commerce published the notice of continuation of the antidumping duty orders.¹⁹

The case history for each order since the *Second Sunset Review* is provided below.

India – Commerce conducted two administrative reviews of the order, finding that there were no shipments for the 2013-2014 and 2014-2015 administrative reviews.²⁰

Indonesia – Commerce has not conducted any administrative reviews of the order.

China – Commerce completed an administrative review of the order for the period of November 1, 2012, through October 31, 2013.²¹ Commerce then completed an administrative review for 2016 -2017, in which no Chinese producer established a rate separate from the China-wide entity

¹⁴ 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) (*First Sunset Review*).

¹⁵ See *Hot-Rolled Steel Products from Argentina, China, India, Indonesia, Kazakhstan, Romania, South Africa, Taiwan, Thailand, and Ukraine*, 72 FR 61676 (October 31, 2007).

¹⁶ See *Certain Hot-Rolled Carbon Steel Flat Products from India, Indonesia, the People's Republic of China, Taiwan, Thailand, and Ukraine: Continuation of Antidumping Duty and Countervailing Duty Orders*, 72 FR 73316 (December 27, 2007).

¹⁷ See *Certain Hot-Rolled Carbon Steel Flat Products from India, Indonesia, the People's Republic of China, Taiwan, Thailand, and Ukraine: Continuation of Antidumping and Countervailing Duty Orders*, 79 FR 7425 (February 7, 2014), and accompanying Issues and Decisions Memorandum (*Second Sunset Review*).

¹⁸ See *Hot-Rolled Steel Products from China, India, Indonesia, Taiwan, Thailand, and Ukraine; Determination*, 79 FR 3622 (January 22, 2014).

¹⁹ See *Second Sunset Review*.

²⁰ See *Certain Hot-Rolled Carbon Steel Flat Products from India: Final Results of Antidumping Duty Administrative Review; 2013-2014*, 81 FR 1165 (January 11, 2016); see also *Certain Hot-Rolled Carbon Steel Flat Products from India: Final Results of Antidumping Duty Administrative Review; 2014-2015*, 82 FR 1700 (January 6, 2017).

²¹ See *Certain Hot-Rolled Carbon Steel Flat Products from the People's Republic of China: Final No Shipments Determination of Antidumping Duty Administrative Review; 2012-2013*, 79 FR 67415 (November 13, 2014).

and Commerce applied the existing China-wide rate.²² Commerce recently initiated an administrative review for the period of November 1, 2017, through October 31, 2018.²³

Taiwan – Commerce has not completed any administrative reviews of the order. Commerce rescinded one administrative review.²⁴

Thailand – Commerce recently initiated a review for the 2017-2018 period.²⁵

Ukraine – Commerce has not conducted any administrative reviews of the order.

V. Legal Framework

In accordance with section 751(c)(1) of the Act, Commerce is conducting this sunset review to determine whether revocation of the *AD Orders* would be likely to lead to a continuation or recurrence of dumping. If Commerce determines that revocation of the *AD Orders* would be likely to lead to a continuation or recurrence of dumping, pursuant to section 752(c)(3) of the Act, Commerce shall provide the ITC with the magnitude of the margin of dumping likely to prevail if the *AD Orders* were revoked.

As explained in the Statement of Administrative Action (SAA) accompanying the Uruguay Round Agreements Act, Commerce normally determines that revocation of an antidumping duty order is likely to lead to continuation or recurrence of dumping when: (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; (c) dumping was eliminated after the issuance of the order and import volumes for the subject merchandise declined significantly; or (d) there are declining import volumes accompanied by the continued existence of dumping margins after the issuance of the order.²⁶ Pursuant to section 752(c)(4)(A) of the Act, a dumping margin of “zero or *de minimis* shall not by itself require” Commerce to determine that revocation of an AD order would not be likely to lead to a continuation or recurrence of sales at LTFV.²⁷

Alternatively, Commerce normally will determine that revocation of an antidumping duty 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.²⁸ Consistent with guidance provided in the legislative history accompanying the Uruguay Round Agreements Act

²² See *Certain Hot-Rolled Carbon Steel Flat Products from the People’s Republic of China: Final Results of Antidumping Duty Administrative Review*; 2016–2017, 83 FR 46914 (September 17, 2018).

²³ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 84 FR 2159 (February 6, 2019).

²⁴ See *Certain Hot-Rolled Carbon Steel Flat Products from Taiwan: Notice of Rescission of Antidumping Duty Administrative Review*, 77 FR 14341 (March 9, 2012).

²⁵ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 84 FR 2159 (February 6, 2019).

²⁶ 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*, 63 FR 18871, 18872 (April 16, 1998) (*Sunset Policy Bulletin*).

²⁷ 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) (*Folding Gift Boxes*) and accompanying Issues and Decision Memorandum (IDM) at Comment 1.

²⁸ See SAA, H.R. Rep. No. 103-316, Vol. 1 (1994), at 889-90; see also *Sunset Policy Bulletin*.

(i.e., SAA, H.R. Rep. No. 103-316, Vol. 1 (1994);²⁹ House Report, H. Rep. No. 103-826, pt. 1 (1994) (House Report);³⁰ and Senate Report, S. Rep. No. 103-412 (1994) (Senate Report)), Commerce will make its likelihood determination on an order-wide, rather than company-specific, basis.³¹

Sections 752(c)(1)(A) and (B) of the Act provide that, in determining whether revocation of the *AD Orders* would be likely to lead to a continuation or recurrence of dumping, Commerce 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 antidumping duty order. As a base period for import volume comparison, it is Commerce's practice to use the one-year period immediately preceding the initiation of the investigation, rather than a period after initiation but before issuance of the order, as the initiation of an investigation may dampen import volumes and, thus, skew the comparison.³²

If Commerce determines that revocation of the *AD Orders* would be likely to lead to a continuation or recurrence of dumping, generally Commerce provides the ITC with the magnitude of the margin of dumping likely to prevail based on the dumping margin(s) from the final determination in the investigation because this is the only calculated dumping margin that reflects the behavior of exporters without the discipline of an order in place.³³ However, in certain circumstances, Commerce may determine that a more recently calculated dumping margin 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 or "if dumping margins have declined over the life of an order and imports have remained steady or increased, {Commerce} may conclude that exporters are likely to continue dumping at the lower rates found in a more recent review."³⁴

Regarding the margin of dumping likely to prevail, in the *Final Modification for Reviews*, Commerce announced that in five-year (i.e., sunset) reviews, it will not rely on weighted-average dumping margins that were calculated using the methodology determined by the Appellate Body to be World Trade Organization (WTO)-inconsistent, i.e., zeroing/the denial of offsets.³⁵ Commerce also noted that "only in the most extraordinary circumstances will Commerce rely on margins other than those calculated and published in prior determinations."³⁶ Commerce further stated that, apart from the "most extraordinary circumstances," it would "limit its reliance to

²⁹ Reprinted at 1994 U.S.C.C.A.N. 4040 (1994).

³⁰ Reprinted at 1994 U.S.C.C.A.N. 3773 (1994).

³¹ See SAA at 879; and House Report at 56.

³² 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 IDM at Comment 1.

³³ See SAA at 890; and *Sunset Policy Bulletin* at section II.B.1. See, 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) (*Persulfates from China*) and accompanying IDM at Comment 2.

³⁴ See SAA at 890-91; see also *Sunset Policy Bulletin* at section II.B.2.

³⁵ See *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Duty Proceedings; Final Modification*, 77 FR 8101, 8109 (February 14, 2012) (*Final Modification for Reviews*).

³⁶ *Id.*; see also 19 CFR 351.218(e)(2).

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 (AFA), and dumping margins where no offsets were denied because all comparison results were positive.”³⁷

VI. Discussion of the Issues

Consistent with the legal framework, we address the following issues: (1) the adequacy of the Government of Ukraine’s response; (2) the likelihood of continuation or recurrence of dumping; and (3) the magnitude of the dumping margins likely to prevail.

1. The Adequacy of the Government of Ukraine’s Response

Government of Ukraine’s Comments³⁸

- The AD measures on hot-rolled carbon steel flat products were imposed 18 years ago and do not reflect the current situation of the Ukrainian hot-rolled products market.
- Ukraine graduated as a market economy in 2006 and is now operating based on market principles; therefore, the order issued in 2001 was against an industry that no longer exists.
- Since the Ukrainian producers are basing prices on market principles now, if the AD measures lapsed, this would not lead to the continuation or recurrence of dumping.
- The Ukrainian AD duty on hot-rolled carbon steel flat products was calculated in 2001 using zeroing. The zeroing methodology was found to be inconsistent with World Trade Organization General Agreement on Tariffs and Trade of 1994.
- Commerce changed its policy regarding zeroing in 2012. Therefore, the AD order on hot-rolled carbon steel flat products does not comply with current antidumping legislation as well as WTO provisions.
- Due to conflict in Ukraine, the metallurgical production facilities of Ukrainian are now concentrated in Russian-occupied territories.
- The movement of goods through the region has halted, with exceptions only for humanitarian goods.
- The production of steel products in Ukraine has decreased significantly, and continues to decrease.
- The situation in Ukraine is of a long-term character and it is unlikely that Ukraine would resume dumping activities in the United States that would cause injury to the U.S. industry.

³⁷ See *Final Modification for Reviews*, 77 FR at 8109.

³⁸ See Government of Ukraine Comments at 1-5.

Petitioners' Rebuttal Comments³⁹

- Commerce does not equate a market economy with status with sales at fair value in an AD determination.
- Commerce has conducted two sunset reviews since Ukraine attained market economy status and determined that revocation of the *Ukraine Order* would likely lead to a continuation or recurrence of dumping at rates equal to those determined in the original investigation.
- Commerce did not use zeroing in the original investigation of hot-rolled carbon steel flat products from Ukraine; it used adverse facts available after determining that a respondent had significantly impeded the investigation and two other respondents did not participate.
- The Government of Ukraine provided information on total steel production, not hot-rolled carbon steel flat products.
- Ukraine's production of subject merchandise has not been affected by its conflict with Russia.
- The virtual elimination of Ukrainian imports of subject merchandise to the United States after the *AD Orders* was before Ukraine's conflict with Russia, meaning that the reduction in the dumping of subject merchandise has been unaffected by the conflict. This reduction does not demonstrate that dumping would not resume if the *AD Orders* were now revoked.
- No Ukrainian producers or exporters submitted a substantive response.
- According to 19 CFR § 351.218(e)(1)(ii)(A), a response can only be considered by Commerce to be substantive when it is submitted by producers or exporters accounting for more than 50 percent of the volume of total exports of subject merchandise to the United States.
- The Government of Ukraine's submission alone is insufficient to trigger a full review; therefore, Commerce should find it inadequate.

Commerce's Position:

We agree with the petitioners that the comments of the Government of Ukraine alone do not meet the threshold of an adequate substantive response of interested parties, as the Government of Ukraine did not produce or export subject merchandise to the United States. In accordance with 19 CFR 351.218(e)(1)(ii)(A), "the Secretary will normally conclude that respondent interested parties have provided an adequate response to a notice of initiation where it receives complete substantive responses under paragraph (d)(3) of this section from respondent interested parties accounting on average for more than 50 percent, on a volume basis (or value basis, if appropriate), of the total exports of subject merchandise to the United States over the five calendar years preceding the year of publication of the notice of initiation." Furthermore, 19 CFR 351.218(e)(2)(i) provides that the Secretary normally will conduct a full sunset review only where it has received adequate responses from both domestic and respondent interested parties. Because we find that the Government of Ukraine's comments do not meet the regulatory requirements for an adequate response, we have not conducted a full sunset review. Additionally, the arguments raised by the Government of Ukraine appear to focus on other

³⁹ See Petitioners' Rebuttal Comments at 2-5.

factors as referenced under section 752(c)(2) of the Act, which provides that, upon good cause shown, the Secretary may consider other factors that it deems relevant. In accordance with 19 CFR 351.218(e)(2)(iii), “the Secretary normally will consider such other factors only where it conducts a full sunset review under paragraph (e)(2)(i) of this section.” Because we are not conducting a full sunset review, we have not further considered the Government of Ukraine’s comments.

2. Likelihood of Continuation or Recurrence of Dumping

The petitioners contend that where dumping has continued at any level above *de minimis* since the issuance of an order, Commerce normally finds revocation of the order likely would lead to continued dumping.⁴⁰ In addition, the petitioners argue that Commerce will not revoke an order where imports of subject merchandise have decreased significantly.⁴¹

Since the issuance of the *AD Orders*, the petitioners assert that dumping of certain hot-rolled carbon steel flat products from India, Indonesia, China, Taiwan, Thailand, and Ukraine has continued. They also contend that import volumes from all six countries have declined substantially, and that Commerce should continue to rely on adverse facts available (AFA) rates, as it determined it would in the *Final Modification of Reviews*.⁴² Additionally, the petitioners argue that Commerce determined in the *Final Modification of Reviews* that even where there are no dumping margins on which it can rely, a decrease in the volume of the subject merchandise can – on its own – establishes that dumping is likely to continue or recur if the orders are removed.⁴³ The petitioners state that Commerce should find, consistent with the *First Sunset Review* and the *Second Sunset Review*, that dumping is likely to continue or recur if the *AD Orders* are removed.⁴⁴ The petitioners make the following claims regarding each of the orders:

India⁴⁵ – The petitioners claim that dumping has continued at levels above *de minimis* since the *AD Orders* were imposed. Since the original investigation, there have been no determinations that dumping has been eliminated or reduced. Additionally, Commerce determined in the *Second Sunset Review* that the weighted-margin all-others rate was not affected by the denial of offsets and remains in effect.

⁴⁰ See Petitioners’ Substantive Response for India at 20-21; see also Petitioners’ Substantive Response for Indonesia at 12-13; Petitioners’ Substantive Response for China at 20-21; Petitioners’ Substantive Response for Taiwan at 15-16; Petitioners’ Substantive Response for Thailand at 10-15; Petitioners’ Substantive Response for Ukraine at 11.

⁴¹ See Petitioners’ Substantive Response for India at 21-24; see also Petitioners’ Substantive Response for Indonesia at 13-14; Petitioners’ Substantive Response for China at 22-24; Petitioners’ Substantive Response for Taiwan at 17-19; Petitioners’ Substantive Response for Thailand at 14-15; Petitioners’ Substantive Response for Ukraine at 12-13.

⁴² *Id.*, citing *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Duty Proceedings; Final Modification*, 77 FR 8101 (February 14, 2012) (*Final Modification of Reviews*).

⁴³ *Id.*, citing 77 FR 8103.

⁴⁴ See Petitioners’ Substantive Response for India at 24-25; see also Petitioners’ Substantive Response for Indonesia at 14; Petitioners’ Substantive Response for China at 24-27; Petitioners’ Substantive Response for Taiwan at 19-21; Petitioners’ Substantive Response for Thailand at 16; Petitioners’ Substantive Response for Ukraine at 14-15.

⁴⁵ See Petitioners’ Substantive Response for India at 20-21.

Indonesia⁴⁶ – The petitioners claim that dumping has continued at levels above *de minimis* since the order was imposed. The petitioners state that since no administrative review has been conducted since the investigation, there is no indication that dumping above *de minimis* levels has been eliminated or reduced.

China⁴⁷ – The petitioners claim that dumping at levels above *de minimis* has continued since the *AD Orders* were imposed. In three previous administrative reviews, Commerce has found dumping margins based on total or partial AFA for respondents’ and China-wide rates.

Taiwan⁴⁸ – The petitioners state that since no administrative review has been conducted since the investigation, there is no indication that dumping above *de minimis* levels has been eliminated or reduced.

Thailand⁴⁹ – The petitioners claim that dumping has continued at levels above *de minimis* since the *AD Orders* were imposed. The petitioners also state that the uptick of imports in 2018, as compared to a nine-year period of no imports immediately preceding, indicates the importance of maintaining the *AD Orders*. Commerce has initiated an administrative review for the 2017-2018 period, but there have been no determinations since the changed circumstances review that dumping has been eliminated or ceased.

Ukraine⁵⁰ – The petitioners state that since no administrative review has been conducted since the investigation, there is no indication that dumping above *de minimis* levels has been eliminated or reduced.

Commerce’s Position

As explained in the “Legal Framework” section above, when determining whether revocation of the *AD Order* would be likely to lead to continuation or recurrence of dumping, sections 752(c)(1)(A) and (B) of the Act instruct Commerce to consider: (1) the weighted-average dumping margins determined in the investigation and subsequent reviews; and (2) the volume of imports of the subject merchandise for the period before and after the issuance of the *AD Order*. According to the SAA, the existence of dumping margins after the *AD 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.”⁵¹ In addition, “declining import volumes accompanied by the continued existence of dumping margins after the issuance of an order may provide a strong indication that, absent an order, dumping would be likely to

⁴⁶ See Petitioners’ Substantive Response for Indonesia at 12-13.

⁴⁷ See Petitioners’ Substantive Response for China at 20-21.

⁴⁸ See Petitioners’ Substantive Response for Taiwan at 15-16.

⁴⁹ See Petitioners’ Substantive Response for Thailand at 11-12.

⁵⁰ See Petitioners’ Substantive Response for Ukraine at 11.

⁵¹ See SAA at 890.

continue, because the evidence would indicate that the exporter needs to dump to sell at pre order volumes.”⁵²

In the instant reviews, for the reasons stated below, we find that revocation of the *AD Orders* on hot-rolled carbon steel flat products from India, Indonesia, China, Taiwan, Thailand, and Ukraine would likely result in the continuation or recurrence of dumping in the United States.

India

Since the publication of the continuation notice of the *AD Orders* in the *Second Sunset Review* was published, Commerce conducted two administrative reviews of the order, finding that there were no shipments for the 2013-2014 and 2014-2015 administrative reviews.⁵³ Aside from a rate assigned to Essar in the 2007-2008 administrative review which was based on total AFA, the rates from the LTFV investigation remain in effect. As noted in the SAA, “[i]f 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.”⁵⁴

Given the continued existence of dumping margins and the significant decline in import volumes below the pre-order levels of 825,961 short tons (2000) to the sunset review period range from a low of 1,971 short tons in 2013 to a high of 104,425 short tons in 2015,⁵⁵ we determine, pursuant to section 752(c)(1) of the Act, that dumping is likely to continue or recur if the *AD Orders* were revoked.

Indonesia

Since the publication of the continuation notice of the *AD Orders* in the *Second Sunset Review* was published, no administrative reviews have been completed, so the dumping margins remain at the rates found in the LTFV investigation.⁵⁶ We find that there have been no imports during the sunset review period (2013-2018).⁵⁷ As discussed in the SAA, 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.⁵⁸ Thus, we determine that dumping is likely to continue or recur if the *AD Orders* were revoked, pursuant to section 752(c)(1) of the Act.

China

Since the publication of the continuation notice of the *AD Orders* in the *Second Sunset Review* was published, no administrative reviews have been completed, so the dumping margins remain at the rates found in the LTFV investigation, except where otherwise amended pursuant to court

⁵² *Id.* at 889, House Report at 63, Senate Report at 52.

⁵³ Administrative reviews for the 2013-2014 and 2014-2015 periods were found to have no shipments. *See Certain Hot-Rolled Carbon Steel Flat Products from India*, 81 FR 1165 (January 11, 2016) and *Certain Hot-Rolled Carbon Steel Flat Products from India*, 82 FR 1700 (January 6, 2017).

⁵⁴ *See* SAA at 890.

⁵⁵ *See* Attachment 1.

⁵⁶ *See Second Sunset Review*.

⁵⁷ *See* Attachment 1.

⁵⁸ *See* SAA at 890.

remand.⁵⁹ We find that recent imports during the sunset review period (2013-2018) are significantly below the pre-order level of 487,708 short tons (2000).⁶⁰ Specifically, imports for the sunset review period range from a low of 23,569 short tons in 2016 to a high of 40,091 short tons in 2013.⁶¹ As noted in the SAA, “[i]f 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.”⁶² Thus, given the continued existence of dumping margins and the decline in import volumes, Commerce determines that dumping is likely to continue or recur if the order were revoked, pursuant to section 752(c)(1) of the Act.

Taiwan

Since the publication of the continuation notice of the *AD Orders* in the *Second Sunset Review* were published, no administrative reviews have been completed, so the dumping margins remain at the rates found in the LTFV investigation.⁶³ We find that recent imports during the sunset review period (2013-2018) are significantly below the pre-order level of 725,825 short tons (2000).⁶⁴ Specifically, imports for the sunset review period range from a low of 5,801 short tons in 2018 to a high of 12,793 short tons in 2013.⁶⁵ As noted in the SAA, “[i]f 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.”⁶⁶ Thus, given the continued existence of dumping margins and the decline in import volumes, we determine that dumping is likely to continue or recur if the order were revoked, pursuant to section 752(c)(1) of the Act.

Thailand

Since the publication of the continuation notice of the *AD Orders* in the *Second Sunset Review* was published, no administrative reviews have been completed, so the dumping margins remain at the rates found in the LTFV investigation.⁶⁷ We also find that recent imports during the sunset review period (2013-2018) are significantly below the pre-order level of 233,764 short tons (2000).⁶⁸ Specifically, imports for the sunset review period range from a low of 0 short tons in 2015 and 2016 to a high of 9,885 short tons in 2017.⁶⁹ As noted in the SAA, “[i]f 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.”⁷⁰ Thus, given the continued existence of dumping margins and the decline in import volumes, we determine that dumping is likely to continue or recur if the order were revoked, pursuant to section 752(c)(1) of the Act.

⁵⁹ See *Second Sunset Review*.

⁶⁰ See Attachment 1.

⁶¹ *Id.*

⁶² See SAA at 890.

⁶³ See *Second Sunset Review*.

⁶⁴ See Attachment 1.

⁶⁵ *Id.*

⁶⁶ See SAA at 890.

⁶⁷ See *Second Sunset Review*.

⁶⁸ *Id.*

⁶⁹ *Id.*

⁷⁰ See SAA at 890.

Ukraine

Since the publication of the continuation notice of the *AD Orders* in the *Second Sunset Review* was published, no administrative reviews have been completed, so the dumping margins remain at the rates found in the LTFV investigation.⁷¹ We find that there have been no imports during the sunset review period (2013-2018).⁷² As discussed in the SAA, 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.⁷³ Thus, we determine that dumping is likely to continue or recur if the order were revoked, pursuant to section 752(c)(1) of the Act.

3. Magnitude of the Dumping Margin Likely to Prevail

The petitioners argue that for India, Indonesia, Taiwan, and Ukraine, Commerce should use the margins calculated in the LTFV investigations, and that for China, Commerce should use the margins calculated in the LTFV investigation and subsequent remand redetermination, since those are the only calculated rates that reflect the behavior of each exporter and/or producer without the discipline of an order. The petitioners also argue that in the *Second Sunset Review*, Commerce found that the margins for India, Indonesia, China, Taiwan, Thailand, and Ukraine were all WTO-consistent and compliant with the *Final Modification for Reviews*.⁷⁴

For China, the petitioners contend that Commerce should report to the ITC the margins from the LTFV investigation for Panzhihua, Wuhan, and the China-wide entity and the margins calculated upon remand of the original investigation for Angang, Baosteel, and Benxi.⁷⁵ Even if the *Final Modification for Reviews* were relevant in this context, the petitioners claim all of the margins calculated in the original investigation are in harmony with the *Final Modification for Reviews*.⁷⁶ Specifically, the petitioners state, the dumping margins for Angang, Benxi, and the China-wide entity were calculated based on partial or total AFA, and the margins for Panzhihua and Wuhan were based partially on AFA as they were based on the mandatory respondents' rates. The petitioners argue that while Baosteel's margin was not based on adverse facts available, it was recalculated without the denial of offsets.⁷⁷

Additionally, for Thailand, the petitioners argue that Commerce should report one margin for all Thai producers, specifically the highest margin calculated in the LTFV investigation. The petitioners claim that this would be consistent with Commerce's practice of selecting one margin

⁷¹ See *Second Sunset Review*.

⁷² See Attachment 1.

⁷³ See SAA at 890.

⁷⁴ See Petitioners' Substantive Response for India at 24-25; see also Petitioners' Substantive Response for Indonesia at 14; see also Petitioners' Substantive Response for China at 24-27; Petitioners' Substantive Response for Taiwan at 19-21; Petitioners' Substantive Response for Thailand at 16; Petitioners' Substantive Response for Ukraine at 14-15.

⁷⁵ See *Notice of Preliminary Determination of Sales at Less Than Fair Value: Certain Hot-Rolled Carbon Steel Flat Products from the People's Republic of China*, 66 FR 22183, 22193 (May 3, 2001), unchanged in *China Final Determination* and *China Amended Final Determination Pursuant to Remand*.

⁷⁶ See Petitioners' Substantive Response for China at 25-26.

⁷⁷ *Id.* at 26.

“from the investigation, because that is the only calculated rate that reflects the behavior of exporters without the discipline of an order.”⁷⁸

Commerce’s Position

Section 752(c)(3) of the Act provides that Commerce shall provide to the ITC the magnitude of the margin of dumping that is likely to prevail if the order were revoked. Commerce normally will select a dumping margin that was determined in the final determination of the LTFV investigation because that is the only calculated rate that reflects the behavior of each exporter and/or producer without the discipline of an order.⁷⁹

In these sunset reviews, Commerce has relied upon weighted-average antidumping duty margins that were not affected by the WTO-inconsistent methodology, *i.e.*, zeroing, addressed in the *Final Modification for Reviews*. Specifically, Commerce has relied upon the margins established in the LTFV investigation, as indicated below, which were either 1) not affected by zeroing because no offsets were denied, as all comparison results were positive,⁸⁰ or 2) based on total AFA and did not involve the denial of offsets.⁸¹

After considering the arguments put forth, and the dumping margins determined in the LTFV investigations, we determine that revocation of the *AD Orders* on certain hot-rolled carbon steel flat products from India, Indonesia, China, Taiwan, Thailand, and Ukraine would be likely to lead to continuation or recurrence of dumping up to the weighted-average dumping margins listed in the Final Results of Review section. These are the only rates that reflect the behavior of manufacturers, producers, and exporters without the discipline of an order in place. Thus, Commerce will report to the ITC the rates listed below:

VII. Final Results of Review

Hot-Rolled Carbon Steel Flat Products from India

We determine that revocation of the *AD Orders* would be likely to lead to a continuation or recurrence of dumping at a margin up to 44.40 percent.

Hot-Rolled Carbon Steel Flat Products from Indonesia

We determine that revocation of the *AD Orders* would be likely to lead to a continuation or recurrence of dumping at a margin up to 47.86 percent.

⁷⁸ *Id.* (citing *Policies Regarding the Conduct of Five-year (“Sunset”) Reviews of Antidumping and Countervailing Duty Orders*; *Policy Bulletin*, 63 FR 18873 (April 16, 1998), and SAA at 890).

⁷⁹ See SAA at 890; *see also* House Report at 64.

⁸⁰ See *Second Sunset Review* at 15-19 (referring to India and Indonesia).

⁸¹ *Id.* (referring to China, Taiwan, Thailand, and Ukraine).

Hot-Rolled Carbon Steel Flat Products from China

We determine that revocation of the *AD Orders* would be likely to lead to a continuation or recurrence of dumping at a margin up to 90.83 percent.

Hot-Rolled Carbon Steel Flat Products from Taiwan

We determine that revocation of the *AD Orders* would be likely to lead to a continuation or recurrence of dumping at a margin up to 29.14 percent.

Hot-Rolled Carbon Steel Flat Products from Thailand

We determine that revocation of the *AD Orders* would be likely to lead to a continuation or recurrence of dumping at a margin up to 20.30 percent.

Hot-Rolled Carbon Steel Flat Products from Ukraine

We determine that revocation of the *AD Orders* would be likely to lead to a continuation or recurrence of dumping at a margin up to 90.33 percent.

VIII. Recommendation

Based on our analysis of the substantive comments received, we recommend adopting all the above positions. If accepted, we will publish the final results of these sunset reviews in the *Federal Register* and notify the ITC of our findings.



Agree

Disagree

/s/ Jeffrey I. Kessler

Jeffrey I. Kessler
Assistant Secretary
for Enforcement and Compliance

June 5, 2019

Date