

UNITED STATES DEPARTMENT OF COMMERCE International Trade Administration Washington, D.C. 20230

> A-351-837, A-533-828 A-588-068, A-201-831 A-580-852, A-549-820 Sunset Reviews **Public Document** E&C/OVIII: Team

June 23, 2020

MEMORANDUM TO:	Jeffrey I. Kessler Assistant Secretary for Enforcement and Compliance
FROM:	James Maeder Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations
SUBJECT:	Issues and Decision Memorandum for the Expedited Sunset Reviews of the Antidumping Duty Finding/Orders on Prestressed Concrete Steel Wire Strand from Brazil, India, Japan, Mexico, Republic of Korea, and Thailand

### I. SUMMARY

We analyzed the substantive responses of the domestic interested parties<sup>1</sup> in these sunset reviews of the antidumping duty (AD) finding/orders<sup>2</sup> covering prestressed concrete steel wire strand (PC strand) from Brazil, India, Japan, Mexico, Republic of Korea (Korea), and Thailand<sup>3</sup> and

<sup>2</sup> This is the fifth sunset review of the AD finding for Japan and the third sunset review of the AD orders for Brazil, India, Mexico, Korea, and Thailand. *See Notice of Antidumping Duty Order: Prestressed Concrete Steel Wire Strand from Brazil*, 69 FR 4112 (January 28, 2004) (*PC Strand Brazil LTFV Final*); *Notice of Antidumping Duty Order: Prestressed Concrete Steel Wire Strand from India*, 69 FR 4110 (January 28, 2004) (*PC Strand India LTFV Final*); *Steel Wire Strand for Prestressed Concrete from Japan; Finding of Dumping*, 43 FR 57599 (December 8, 1978) (*PC Strand Japan LTFV Final*); *Notice of Antidumping Duty Order: Prestressed Concrete Steel Wire Strand from the Republic of Korea*, 69 FR 4109 (January 28, 2004) (*PC Strand Korea LTFV Final*); *Notice of Antidumping Duty Order: Prestressed Concrete Steel Wire Strand from Mexico*, 69 FR 4112 (January 28, 2004) (*PC Strand Mexico LTFV Final*); and *Notice of Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order: Prestressed Concrete Steel Wire Strand from Thailand*, 69 FR 4111 (January 28, 2004) (*PC Strand Thailand LTFV Final*) (collectively, *AD Finding/Orders*).

<sup>&</sup>lt;sup>3</sup> See Domestic Interested Parties' Letters, "Prestressed Concrete Steel Wire Strand from Brazil - Domestic Interested Parties' Notice of Intent to Participate," dated March 13, 2020 (Domestic Interested Parties' Intent to Participate for Brazil); "Prestressed Concrete Steel Wire Strand from India – Domestic Interested Parties' Notice of Intent to Participate," dated March 13, 2020 (Domestic Interested Parties' Intent to Participate for India); "Prestressed Concrete Steel Wire Strand from Japan – Domestic Interested Parties' Notice of Intent to Participate," dated March 13, 2020 (Domestic Interested Parties' Intent to Participate for Japan); "Prestressed Concrete Steel



<sup>&</sup>lt;sup>1</sup> The domestic interested parties include Insteel Wire Products Company, Strand-Tech Manufacturing. Inc., Sumiden Wire Products Corporation, and Wire Mesh Corp. (collectively domestic interested parties).

recommend that you approve the positions described in the "Discussion of the Issues" section of this memorandum. No respondent interested party submitted a substantive response. Accordingly, we conducted expedited (120-day) sunset reviews of the *AD Finding/Orders*.<sup>4</sup> The following is a complete list of the issues that we address in these expedited sunset reviews:

- 1. Likelihood of Continuation or Recurrence of Dumping; and
- 2. Magnitude of the Dumping Margins Likely to Prevail.

## II. BACKGROUND

On March 2, 2020, the Department of Commerce (Commerce) published the initiation of the sunset reviews of the *AD Finding/Orders*, pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act).<sup>5</sup> On March 13, 2020, Commerce received timely and complete notices of intent to participate in these sunset reviews from the domestic interested parties, 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) as manufacturers in the United States of the domestic like product.<sup>6</sup>

On March 27 and March 30, 2020, the domestic interested parties filed timely and adequate substantive responses, within the deadline specified in 19 CFR 351.218(d)(3)(i).<sup>7</sup> Commerce did not receive substantive responses from any respondent interested party. As a result, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), we deem that the respondent interested parties did not provide an adequate response to the notice of initiation and, therefore, Commerce conducted expedited (120-day) sunset reviews of the *AD Finding/Orders*.

Wire Strand from Mexico – Domestic Interested Parties' Notice of Intent to Participate," dated March 13, 2020 (Domestic Interested Parties' Intent to Participate for Mexico); "Prestressed Concrete Steel Wire Strand from Korea – Domestic Interested Parties' Notice of Intent to Participate," dated March 13, 2020 (Domestic Interested Parties' Intent to Participate for Korea); and "Prestressed Concrete Steel Wire Strand from Thailand – Domestic Interested Parties' Notice of Intent to Participate," dated March 13, 2020 (Domestic Interested Parties' Notice of Intent to Participate," dated March 13, 2020 (Domestic Interested Parties' Notice of Intent to Participate," dated March 13, 2020 (Domestic Interested Parties' Notice of Intent to Participate," dated March 13, 2020 (Domestic Interested Parties' Notice of Intent to Participate," dated March 13, 2020 (Domestic Interested Parties' Notice of Intent to Participate," dated March 13, 2020 (Domestic Interested Parties' Notice of Intent to Participate," dated March 13, 2020 (Domestic Interested Parties' Notice of Intent to Participate," dated March 13, 2020 (Domestic Interested Parties' Notice of Intent to Participate for Thailand).

<sup>&</sup>lt;sup>4</sup> See Procedures for Conducting Five-year (Sunset) Reviews of Antidumping and Countervailing Duty Orders, 70 FR 62061 (October 28, 2005) (Commerce normally will conduct an expedited sunset review where respondent interested parties provide an inadequate response).

<sup>&</sup>lt;sup>5</sup> See Initiation of Five-Year (Sunset) Reviews, 85 FR 12253 (March 2, 2020).

<sup>&</sup>lt;sup>6</sup> See Domestic Interested Parties' Intent to Participate for Brazil, Domestic Interested Parties' Intent to Participate for India, Domestic Interested Parties' Intent to Participate for Japan, Domestic Interested Parties' Intent to Participate for Mexico, Domestic Interested Parties' Intent to Participate for Korea, and Domestic Interested Parties' Intent to Participate for Thailand.

<sup>&</sup>lt;sup>7</sup> See Domestic Interested Parties' Letters, "Prestressed Concrete Steel Wire Strand from Brazil – Domestic Interested Parties' Substantive Response," dated March 30, 2020 (Domestic Interested Parties' Substantive Response for Brazil); "Prestressed Concrete Steel Wire Strand from India – Domestic Interested Parties' Substantive Response," dated March 30, 2020 (Domestic Interested Parties' Substantive Response, "dated March 30, 2020 (Domestic Interested Parties' Substantive Response," dated March 30, 2020 (Domestic Interested Parties' Substantive Response, "dated March 30, 2020 (Domestic Interested Parties' Substantive Response," dated March 30, 2020 (Domestic Interested Parties' Substantive Response," dated March 30, 2020 (Domestic Interested Parties' Substantive Response, "dated March 30, 2020 (Domestic Interested Parties' Substantive Response," dated March 30, 2020 (Domestic Interested Parties' Substantive Response," dated March 27, 2020 (Domestic Interested Parties' Substantive Response, "dated March 30, 2020 (Domestic Interested Parties' Substantive Response," dated March 30, 2020 (Domestic Interested Parties' Substantive Response," dated March 30, 2020 (Domestic Interested Parties' Substantive Response," dated March 30, 2020 (Domestic Interested Parties' Substantive Response," dated March 30, 2020 (Domestic Interested Parties' Substantive Response," dated March 30, 2020 (Domestic Interested Parties' Substantive Response," dated March 30, 2020 (Domestic Interested Parties' Substantive Response," dated March 30, 2020 (Domestic Interested Parties' Substantive Response," dated March 30, 2020 (Domestic Interested Parties' Substantive Response," dated March 30, 2020 (Domestic Interested Parties' Substantive Response," dated March 30, 2020 (Domestic Interested Parties' Substantive Response," dated March 30, 2020 (Domestic Interested Parties' Substantive Response," dated March 30, 2020 (Domestic Interested Parties' Substantive Response," dated March 27, 2020 (Domestic Interested Parties' Substantive Response,"

### III. SCOPE OF THE AD FINDING/ORDERS

The product covered in the sunset reviews of the AD orders on PC strand from Brazil, India, Korea, Mexico, and Thailand is steel strand produced from wire of non-stainless, non-galvanized steel, which is suitable for use in prestressed concrete (both pre-tensioned and post-tensioned) applications. The product definition encompasses covered and uncovered strand and all types, grades, and diameters of PC strand.

The product covered in the sunset review of the AD finding on PC strand from Japan is steel wire strand, other than alloy steel, not galvanized, which is stress-relieved and suitable for use in prestressed concrete.

The merchandise subject to the *AD Finding/Orders* is currently classifiable under subheadings 7312.10.3010 and 7312.10.3012 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under the *AD Finding/Orders* is dispositive.

### IV. HISTORY OF THE AD FINDING/ORDERS

On August 28, 1978, the Department of the Treasury (Treasury) published the final affirmative determination of sales at less than fair value (LTFV) and final discontinuance of AD investigation in part for PC strand from Japan.<sup>8</sup> On November 24, 1978, the U.S. International Trade Commission (ITC) notified Treasury that a U.S. industry was being injured by reason of the imports of PC strand from Japan. On November 29, 1978, the ITC published its findings of injury to a U.S. industry.<sup>9</sup> On December 8, 1978, Treasury published the AD finding on PC strand from Japan.<sup>10</sup>

Japan: Treasury found the weighted-average dumping margins for five companies as follows:

<u>Company</u>	Weighted-Average Margin (percent)
Kawatetsu Wire Products Co., Ltd.	0.60 ( <i>de minimis</i> )
Shinko Wire Co., Ltd.	13.30
Sumitomo Electric Industries, Ltd.	15.80
Suzuki Metal Industry Co., Ltd.	6.90
Tokyo Rope Manufacturing Co., Ltd.	4.50

Treasury discontinued its investigation with respect to Kawatetsu Wire Products Co., Ltd., because of its *de minimis* margin.<sup>11</sup> Treasury did not publish an all-others rate for the AD finding on PC strand from Japan. The ITC stated that the "weighted average dumping margin

<sup>&</sup>lt;sup>8</sup> See Steel Wire Strand for Prestressed Concrete from Japan: Determination of Sales at Less Than Fair Value and Final Discontinuance of Antidumping Investigation, 43 FR 38495 (August 28, 1978) (Final Determination – Japan).

<sup>&</sup>lt;sup>9</sup> See Steel Wire Strand for Prestressed Concrete from Japan, Investigation No. AA1921-188, Publication No. 928 (November 1978); and Steel Wire Strand for Prestressed Concrete from Japan: Determination of Injury, 43 FR 55826 (November 29, 1978) (ITC Determination – Japan).

<sup>&</sup>lt;sup>10</sup> See PC Strand Japan LTFV Final.

<sup>&</sup>lt;sup>11</sup> See Final Determination – Japan, 43 FR at 38498.

for all the sales compared was 9.76.<sup>12</sup> This is the rate which Commerce reported to the ITC as the all-others rate.<sup>13</sup>

On December 8, 2003, Commerce published its affirmative final determinations of sales at LTFV in the AD investigations of PC strand from Brazil, India, Korea, Mexico, and Thailand.<sup>14</sup> On January 28, 2004, following an affirmative injury determination by the ITC,<sup>15</sup> Commerce published the AD orders for these countries in the *Federal Register*.<sup>16</sup> The following is Commerce's finding for each country:

<u>Brazil</u>: Commerce found a weighted-average dumping margin of 118.75 percent for producer/exporter Belgo Bekaert Arames S.A. (Belgo Bekaert), based on total adverse facts available (AFA), and 118.75 percent for all others.

<u>India</u>: Commerce found a weighted-average dumping margin of 102.07 percent for producer/exporter Tata Iron and Steel Co., Ltd. (TISCO), based on total AFA, and 83.65 percent for all others.

<u>Korea</u>: Commerce found a weighted-average dumping margin of 54.19 percent for exporters/producers Kiswire Ltd. (Kiswire) and Dong-Il Manufacturing Co. Ltd. (Dong-Il), based on total AFA, and 35.64 percent for all others.

<u>Mexico</u>: Commerce found a weighted-average dumping margin of 77.20 percent for exporter/producer Cablesa S.A. de C.V. (Cablesa), based on total AFA, and 62.78 percent for producer/exporter Aceros Camesa S.A. de C.V. (Aceros Camesa) and for all others.

<u>Thailand</u>: Commerce found a weighted-average dumping margin of 12.91 percent for exporter/producer Siam Industrial Wire Co., Ltd. (Siam Wire) and for all others.

<sup>&</sup>lt;sup>12</sup> See ITC Determination – Japan.

<sup>&</sup>lt;sup>13</sup> See Final Results of Expedited Sunset Review: Steel Wire Strand from Japan, 64 FR 857, 859-60 (January 6, 1999) (Sunset Review – Japan I); see also Prestressed Concrete Wire Strand From Japan; Final Results of Expedited Sunset Review of Antidumping Finding, 69 FR 25563 (May 7, 2004) (Sunset Review – Japan II). <sup>14</sup> See Notice of Final Determination of Sales at Less Than Fair Value: Prestressed Concrete Steel Wire Strand from Brazil, 68 FR 68354 (December 8, 2003) (Brazil LTFV Final); Notice of Final Determination of Sales at Less Than Fair Value: Prestressed Concrete Steel Wire Strand from India, 68 FR 68352 (December 8, 2003) (India LTFV Final); Notice of Final Determination of Sales at Less Than Fair Value; Prestressed Concrete Steel Wire Strand from the Republic of Korea, 68 FR 68353 (December 8, 2003) (Korea LTFV Final); Notice of Final Determination of Sales at Less Than Fair Value and Negative Final Determination of Critical Circumstances: Prestressed Concrete Steel Wire Strand from Mexico, 68 FR 68350 (December 8, 2003) (Mexico LTFV Final); and Notice of Final Determination of Sales at Less Than Fair Value and Negative Final Determination of Critical Circumstances: Prestressed Concrete Steel Wire Strand from Thailand, 68 FR 68348 (December 8, 2003). <sup>15</sup> See Prestressed Concrete Steel Wire Strand from Brazil, India, Korea, Mexico, and Thailand, Investigation Nos. 701-TA-432 (Final) and 731-TA-1024-1028 (Final), Publication No. 3663 (January 2004); and Prestressed Concrete Steel Wire Strand from Brazil, India, Korea, Mexico, and Thailand, 69 FR 4177 (January 28, 2004) (collectively, ITC Determination).

<sup>&</sup>lt;sup>16</sup> See PC Strand Brazil LTFV Final; PC Strand India LTFV Final; PC Strand Japan LTFV Final; PC Strand Korea LTFV Final; PC Strand Mexico LTFV Final; and PC Stand Thailand LTFV Final.

Since the issuance of the *AD Finding/Orders*, Commerce has completed administrative reviews of the subject merchandise from Japan<sup>17</sup> and Thailand.<sup>18</sup> With respect to Japan, Commerce revoked the AD finding on August 29, 1986, with respect to subject merchandise produced by Sumitomo Electric Industries, Ltd., and exported by Sumitomo Corporation<sup>19</sup> and completed final results of a changed circumstances review in which it determined that Kawasaki Steel Techno-Wire was the successor-in-interest to Kawatetsu Wire Products Co., Ltd., and that the discontinuance issued to Kawatetsu Wire Products Co., Ltd. applied to Kawasaki Steel Techno-Wire.<sup>20</sup> With respect to Mexico, Commerce issued a scope ruling and found that 0.05 oz/sq. ft. zinc-coated PC strand is within the scope of the AD order.<sup>21</sup> The Court of International Trade (CIT) upheld Commerce's scope determination in *Cablesa S.A. de C.V. v. United States*, 31 CIT 252 (March 1, 2007). With the exception of these segments, there have been no other completed administrative reviews (including new shipper reviews), scope inquiries or duty absorption findings in connection with the *AD Finding/Orders*.

Accordingly, except as noted above, the *AD Finding/Orders* remain in effect for all producers and exporters of PC strand from Brazil, India, Japan, Korea, Mexico, and Thailand.

#### **Sunset Reviews**

Japan

On January 6, 1999, Commerce published the notice of the final results of the first sunset review of the AD finding on PC strand from Japan in which it determined that the revocation of the AD

<sup>&</sup>lt;sup>17</sup> See Steel Wire Strand for Prestressed Concrete from Japan; Final Results of Administrative Review of Antidumping Finding, 48 FR 45586 (October 6, 1983), for the period covering April 1, 1978 through November 30, 1980; Steel Wire Strand for Prestressed Concrete from Japan: Final Results of Antidumping Duty, [sic] Administrative Review and Revocation in Part, 51 FR 30894 (August 29, 1986) (Final Results - 1980-82), for the period covering December 1, 1980 through November 30, 1982; Steel Wire Strand for Prestressed Concrete From Japan; Final Results of Antidumping Duty Administrative Review, 52 FR 4373 (February 11, 1987) (as amended in Steel Wire Strand for Prestressed Concrete from Japan; Final Results of Antidumping Duty Administrative Review; Correction, 52 FR 37997 (October 13, 1987)) (Final Results - 1982-85), for the period covering December 1, 1982 through November 30, 1985; Steel Wire Strand for Prestressed Concrete from Japan; Final Results of Antidumping Duty Administrative Review, 53 FR 9787 (March 25, 1988) (as amended in Steel Wire Strand for Prestressed Concrete from Japan; Final Results of Antidumping Duty Administrative Review, 53 FR 11162 (April 5, 1988)) (Final Results - 1985-86), for the period covering December 1 1985, through November 30, 1986; Steel Wire Strand for Prestressed Concrete from Japan; Final Results of Antidumping Duty Administrative Review, 55 FR 46853 (November 7, 1990) (as amended in Steel Wire Strand for Prestressed Concrete from Japan; Notice of Final Court Decision and Amended Final Results of Antidumping Duty Administrative Reviews, 62 FR 60688 (November 12, 1997) (Amended Final Results – 1978-85)), for the period covering April 1, 1978 through November 30, 1985, for one exporter, Mitsui & Co. Ltd. (Mitsui); Steel Wire Strand for Prestressed Concrete from Japan; Final Results of Antidumping Administrative Review, 56 FR 66840 (December 26, 1991) (Final Results - 1985-88), for the period covering April 1, 1985 through November 30, 1988, for one exporter, Mitsui.

 <sup>&</sup>lt;sup>18</sup> See Prestressed Concrete Steel Wire Strand from Thailand: Final Results of Antidumping Duty Administrative Review; 2018, 85 FR 21826 (April 20, 2020); and Prestressed Concrete Steel Wire Strand from Thailand: Final Results of Antidumping Duty Administrative Review; 2015, 82 FR 25240 (June 1, 2017).
<sup>19</sup> See Final Results – 1980-82.

<sup>&</sup>lt;sup>20</sup> See Steel Wire Strand for Prestressed Concrete from Japan; Final Results of Changed Circumstances Antidumping Duty Administrative Review, 55 FR 28796 (July 13, 1990).

<sup>&</sup>lt;sup>21</sup> See Notice of Scope Rulings, 70 FR 24533 (May 10, 2005) (listing a scope determination dated June 16, 2004, on zinc-coated PC strand).

finding on PC strand from Japan would be likely to lead to the continuation or recurrence of dumping.<sup>22</sup> On January 27, 1999, the ITC published its determination that the revocation of the AD finding on PC strand from Japan would be likely to lead to the continuation or recurrence of material injury to a U.S. industry within a reasonably foreseeable time.<sup>23</sup> Based on these results, Commerce published a notice of continuation of the AD finding on PC strand from Japan.<sup>24</sup>

On May 7, 2004, Commerce published the notice of the final results of the second sunset review of the AD finding on PC strand from Japan in which it determined that the revocation of the AD finding on PC strand from Japan would be likely to lead to the continuation or recurrence of dumping.<sup>25</sup> On June 14, 2004, the ITC published its determination that the revocation of the AD finding on PC strand from Japan would be likely to lead to continuation or recurrence of material injury to a U.S. industry within a reasonably foreseeable time.<sup>26</sup> Based on these results, Commerce published a notice of continuation of the AD finding on PC strand from Japan.<sup>27</sup>

#### 2009 Sunset Reviews

On March 26, 2009, Commerce published the notice of the final results of the sunset reviews of the *AD Finding/Orders* in which it determined that the revocation of the *AD Finding/Orders* on PC strand from Brazil, India, Japan, Korea, Mexico, and Thailand would be likely to lead to the continuation or recurrence of dumping.<sup>28</sup> On December 1, 2009, the ITC published its determination that the revocation of the *AD Finding/Orders* on PC strand from these countries would be likely to lead to continuation or recurrence of material injury to a U.S. industry within a reasonably foreseeable time.<sup>29</sup> Based on these results, Commerce published a notice of continuation of the *AD Finding/Orders* on December 11, 2009.<sup>30</sup>

#### 2015 Sunset Reviews

On March 17, 2015, Commerce published the notice of the final results of the sunset reviews of the *AD Finding/Orders* in which it determined that the revocation of the AD finding/orders on

<sup>&</sup>lt;sup>22</sup> See Sunset Review – Japan I.

 <sup>&</sup>lt;sup>23</sup> See Prestressed Concrete Steel Wire Strand from Japan, Investigation No. AA1921-188 (Review), Publication No. 3156 (February 1999); and Prestressed Concrete Steel Wire Strand from Japan, 64 FR 4123 (January 27, 1999).
<sup>24</sup> See Continuation of Antidumping Finding: Prestressed Concrete Steel Wire Strand from Japan, 64 FR 40554 (July 27, 1999).

<sup>&</sup>lt;sup>25</sup> See Sunset Review – Japan II.

<sup>&</sup>lt;sup>26</sup> See Prestressed Concrete Steel Wire Strand from Japan, Investigation No. AA1921-188 (Second Review), Publication No. 3699 (June 2004); and Prestressed Concrete Steel Wire Strand from Japan, 69 FR 33071 (June 14, 2004).

<sup>&</sup>lt;sup>27</sup> See Continuation of Antidumping Duty Findings: Prestressed Concrete Wire Strand from Japan and Pressure Sensitive Plastic Tape from Italy, 69 FR 35584 (June 25, 2004).

<sup>&</sup>lt;sup>28</sup> See Prestressed Concrete Steel Wire Strand from Brazil, India, Japan, the Republic of Korea, Mexico, and Thailand: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Finding/Orders, 74 FR 13189 (March 26, 2009) (Sunset Review 2009), and accompanying Issues and Decision Memorandum (IDM).

<sup>&</sup>lt;sup>29</sup> See Prestressed Concrete Steel Wire Strand from Brazil, India, Japan, Korea, Mexico, and Thailand,

Investigation Nos. 701-TA-432 and 731-TA-1024-1028 (Review) and AA1921-188 (Third Review), Publication 4114 (November 2009); and *Prestressed Concrete Steel Wire Strand from Brazil, India, Japan, Korea, Mexico, and Thailand*, 74 FR 62820 (December 1, 2009).

<sup>&</sup>lt;sup>30</sup> See Continuation of Antidumping and Countervailing Duty Finding and Orders: Prestressed Concrete Wire Strand from Brazil, India, Japan, the Republic of Korea, Mexico, and Thailand, 74 FR 65739 (December 11, 2009).

PC strand from Brazil, India, Japan, Korea, Mexico, and Thailand would be likely to lead to the continuation or recurrence of dumping.<sup>31</sup> On April 15, 2015, the ITC published its determination that the revocation of the *AD Finding/Orders* on PC strand from these countries would be likely to lead to continuation or recurrence of material injury to a U.S. industry within a reasonably foreseeable time.<sup>32</sup> Based on these results, Commerce published a notice of continuation of the *AD Finding/Orders* on April 23, 2015.<sup>33</sup>

# V. LEGAL FRAMEWORK

In accordance with section 751(c)(1) of the Act, Commerce is conducting these sunset reviews to determine whether revocation of the *AD Finding/Orders* would be likely to lead to a continuation or recurrence of dumping. Sections 752(c)(1)(A) and (B) of the Act provide that, in making this determination, Commerce 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 periods before and after the issuance of the *AD Finding/Orders*.

In accordance with the guidance provided in the legislative history accompanying the Uruguay Round Agreements Act (URAA), (specifically the SAA),<sup>34</sup> the House Report,<sup>35</sup> and the Senate Report,<sup>36</sup> Commerce's determinations of likelihood will be made on an order-wide, rather than a company-specific, basis.<sup>37</sup> In addition, Commerce normally determines that revocation of an AD 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 is not likely to lead to continuation or recurrence of dumping where dumping was eliminated after issuance of an AD order is not likely to lead to continuation or recurrence of dumping where dumping was eliminated after issuance of an AD order is not likely to lead to continuation or recurrence of dumping where dumping was eliminated after issuance of the order.<sup>38</sup> Alternatively, Commerce normally will determine that revocation of an AD order is not likely to lead to continuation or recurrence of dumping where dumping was eliminated after issuance of the order and import volumes remained steady or increased.<sup>39</sup>

In addition, as a base period of import volume comparison, it is Commerce's practice to use the one-year period immediately preceding the initiation of the investigation, rather than the level of

<sup>&</sup>lt;sup>31</sup> See Prestressed Concrete Steel Wire Strand from Brazil, India, Japan, the Republic of Korea, Mexico, and Thailand: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Finding/Orders, 80 FR 13827 (March 17, 2015) (Sunset Review 2015).

<sup>&</sup>lt;sup>32</sup> See Prestressed Concrete Steel Wire Strand from Brazil, India, Japan, Korea, Mexico, and Thailand, 80 FR 20244 (April 15, 2015).

<sup>&</sup>lt;sup>33</sup> See Prestressed Concrete Steel Wire Strand from Brazil, India, Japan, the Republic of Korea, Mexico, and Thailand: Continuation of the Antidumping Finding/Orders and Countervailing Duty Order, 80 FR 22708 (April 23, 2015).

<sup>&</sup>lt;sup>34</sup> See Statement of Administrative Action accompanying the Uruguay Round Agreements Act, H.R. Doc. 103-316, vol 1 (1994) (SAA).

<sup>&</sup>lt;sup>35</sup> See H. Rep. No. 103-826, pt. 1 (1994) (House Report).

<sup>&</sup>lt;sup>36</sup> See S. Rep. No. 103-412 (1994) (Senate Report).

<sup>&</sup>lt;sup>37</sup> See SAA at 879; see also House Report at 56.

<sup>&</sup>lt;sup>38</sup> 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).

<sup>&</sup>lt;sup>39</sup> See SAA at 889-90; see also Sunset Policy Bulletin.

pre-order import volumes, as the initiation of an investigation may dampen import volumes and, thus, skew comparison.<sup>40</sup> Also, when analyzing import volumes for second and subsequent sunset reviews, Commerce's practice is to compare import volumes during the year preceding initiation of the underlying investigation to import volumes since the issuance of the last continuation notice.<sup>41</sup>

Further, section 752(c)(3) of the Act states that Commerce shall provide to the ITC the magnitude of the margin of dumping likely to prevail if the order were revoked. Generally, Commerce selects the dumping margin from the final determination in the investigation, as this is the only calculated rate that reflects the behavior of exporters without the discipline of an order in place.<sup>42</sup> However, in certain circumstances, a more recently calculated rate may be more appropriate (*e.g.*, "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.")<sup>43</sup>

Finally, 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.<sup>44</sup>

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 zeroing methodology that was the subject of the *Final Modification for Reviews*.<sup>45</sup> However, Commerce explained in the *Final Modification for Reviews* that it "retain{s} the discretion, on a case-by-case basis, to apply an alternative methodology, when appropriate" in both investigations and administrative reviews pursuant to section 777A(d)(1)(B) of the Act.<sup>46</sup> In the *Final Modification for Reviews*, Commerce stated that "only in the most extraordinary circumstances" would it rely on margins other than those calculated and published in prior determinations.<sup>47</sup> Commerce further stated that, apart from the "most extraordinary circumstances," it would "limit its reliance to margins determined or applied during the five-year sunset period that were not determined in a manner found to be WTOinconsistent" and that it "may also rely on past dumping margins recalculated pursuant to Section

<sup>&</sup>lt;sup>40</sup> 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) (Stainless Steel Bar), and accompanying IDM at Comment 1.

<sup>&</sup>lt;sup>41</sup> See Ferrovanadium from the People's Republic of China and the Republic of South Africa: Final Results of the Expedited Second Sunset Reviews of the Antidumping Duty Orders, 79 FR 14216 (March 13, 2014), and accompanying IDM.

<sup>&</sup>lt;sup>42</sup> See SAA at 890; and Sunset Policy Bulletin at section II.B.1; see also, e.g., Persulfates from the People's Republic of China: Notice of Final Results of Expedited Second Sunset Review of Antidumping Duty Order, 73 FR 11868 (March 5, 2008), and accompanying IDM at Comment 2.

<sup>&</sup>lt;sup>43</sup> See SAA at 890-91; see also Sunset Policy Bulletin at section II.B.2.

<sup>&</sup>lt;sup>44</sup> 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 IDM at Comment 1.

<sup>&</sup>lt;sup>45</sup> See Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Duty Proceedings; Final Modification, 77 FR 8101, 8103 (February 14, 2012) (Final Modification for Reviews).

<sup>&</sup>lt;sup>46</sup> *Id.*, 77 FR at 8105-6.

<sup>&</sup>lt;sup>47</sup> *Id.*, 77 FR at 8103.

129 proceedings, dumping margins determined based on the use of total AFA, and dumping margins where no offsets were denied because all comparison results were positive."<sup>48</sup>

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

### VI. DISCUSSION OF THE ISSUES

### 1. Likelihood of Continuation or Recurrence of Dumping

#### **Domestic Interested Parties' Comment(s):**

- Revocation of the *AD Finding/Orders* would lead to the continuation or recurrence of sales at LTFV by margins equivalent to, or greater than, those found in the investigations. The record demonstrates that, since the issuance of the *AD Finding/Orders*, imports of the subject merchandise have decreased significantly or, in some cases, have ceased altogether.<sup>49</sup>
- In determining whether revocation of an AD order would be likely to lead to continuation or recurrence of dumping, Commerce considers whether: (1) dumping continued at any level above *de minimis* after the issuance of the order or the suspension agreement, as applicable; (2) imports of the subject merchandise ceased after issuance of the order or the suspension agreement, as applicable; or (3) dumping was eliminated after the issuance of the order or the suspension agreement, as applicable; and import volumes for the subject merchandise declined significantly.<sup>50</sup>
- Given that import volumes have declined, coupled with the continued existence of dumping margins for all exporters since issuance of the *AD Finding/Orders*, Commerce must find that if the *AD Finding/Orders* were revoked, dumping by producers and exporters of the subject merchandise from Brazil, India, Japan, Korea, Mexico, and Thailand would likely continue or recur.<sup>51</sup>

### **Commerce's Position:**

As discussed above, drawing on the guidance provided in the legislative history accompanying the URAA,<sup>52</sup> Commerce normally determines that revocation of an AD finding/order is likely to lead to continuation or recurrence of dumping where: (a) dumping continued at any level above

<sup>&</sup>lt;sup>48</sup> *Id.*, 77 FR at 8109.

<sup>&</sup>lt;sup>49</sup> See Domestic Interested Parties' Substantive Response for Brazil at 8; Domestic Interested Parties' Substantive Response for India at 12-13; Domestic Interested Parties' Substantive Response for Japan at 17; Domestic Interested Parties' Substantive Response for Mexico at 14; and Domestic Interested Parties' Substantive Response for Thailand at 9-10.

<sup>&</sup>lt;sup>50</sup> See Domestic Interested Parties' Substantive Response for Brazil at 10; Domestic Interested Parties' Substantive Response for India at 10; Domestic Interested Parties' Substantive Response for Japan at 18-19; Domestic Interested Parties' Substantive Response for Mexico at 11-12; and Domestic Interested Parties' Substantive Response for Thailand at 11.

<sup>&</sup>lt;sup>51</sup> See Domestic Interested Parties' Substantive Response for Brazil at 11-13; Domestic Interested Parties' Substantive Response for India at 12-13; Domestic Interested Parties' Substantive Response for Japan at 20-21; Domestic Interested Parties' Substantive Response for Korea at 8-9; Domestic Interested Parties' Substantive Response for Mexico at 15; and Domestic Interested Parties' Substantive Response for Thailand at 12-13. <sup>52</sup> See, e.g., SAA at 889.

*de minimis* after the issuance of the finding/order, (b) imports of the subject merchandise ceased after the issuance of the finding/order, or (c) dumping was eliminated after the issuance of the finding/order and import volumes for the subject merchandise declined significantly.<sup>53</sup>

Consistent with the legal framework laid out above and in section 752(c)(1)(A) of the Act, we first considered the weighted-average dumping margins determined in the investigations in these proceedings. As stated above, in the investigations, Commerce found dumping margins of 118.75 for Brazil; 83.65 to 102.07 percent for India; 0.60 to 15.80 percent for Japan; 35.64 to 54.19 percent for Korea; 62.78 to 77.20 percent for Mexico; and 12.91 percent for Thailand.<sup>54</sup> These margins were not calculated using the zeroing methodology that was the subject of the *Final Modification for Reviews*. There have been no administrative or new shipper reviews conducted in the proceedings involving Brazil, India, Korea, or Mexico. Accordingly, based on the dumping margins in the investigations of these proceedings, any entries of subject merchandise from these countries after issuance of the AD orders were assessed at above *de minimis* rates. Even though there have been administrative reviews conducted in the proceedings of the subject merchandise from these countries of subject merchandise from these countries after issuance of the AD *Findings/Orders* have also been assessed at above *de minimis* rates.

In addition, pursuant to section 752(c)(1)(B) of the Act and in accordance with Commerce's practice, in order to determine whether revocation of an AD finding/order would be likely to lead to continuation of dumping, Commerce considers the volume of imports of the subject merchandise for the one-year period immediately preceding the initiation of the investigation as a base period for comparison to the sunset review period.<sup>55</sup> In the reviews for all countries except Japan, we examined import volumes in 2002 (the year prior to those investigations) as compared to import volumes during this sunset review period (*i.e.*, 2014-2018). With respect to Japan, we used 1976, the year before the investigation, as the base year. As discussed below, Commerce examined import volume data submitted by domestic interested parties.<sup>56</sup> With respect to Japan, because the ITC Dataweb does not provide data before 1985, we have relied on the volume data from Commerce submitted by the domestic interested parties.

**Brazil:** There have been no reviews of the Brazil order, so the above-*de minimis* dumping margins established in the investigation are still in effect.<sup>57</sup> As stated in the *Final Modification for Reviews*, "{i}f the dumping margins determined in a manner not found to be WTO-inconsistent in these disputes indicate that dumping continued with the discipline of the order in place, those dumping margins alone can form the basis for a determination that dumping will continue or recur if the order were to be revoked."<sup>58</sup> Here, the dumping margin established for the mandatory respondent in the investigation was based on total AFA, and this rate and the

<sup>&</sup>lt;sup>53</sup> Id. at 889-890; see also Certain Frozen Fish Fillets from the Socialist Republic of Vietnam: Notice of Final Results of Expedited Sunset Review of Antidumping Duty Order, 74 FR 5819 (February 2, 2009), and accompanying IDM at 3; and Folding Gift Boxes from China IDM at 5.

<sup>&</sup>lt;sup>54</sup> See AD Findings/Orders.

<sup>&</sup>lt;sup>55</sup> See Stainless Steel Bar IDM at Comment 1.

<sup>&</sup>lt;sup>56</sup> See Attachment of this memorandum (import data in pounds and calculated rates of change comparing the preorder and sunset period volumes). Source: Commerce.

<sup>&</sup>lt;sup>57</sup> See Brazil LTFV Final, 68 FR at 68355.

<sup>&</sup>lt;sup>58</sup> *Final Modification for Reviews*, 77 FR at 8103.

dumping margin established for all other companies was based on petition margins, which did not involve the zeroing methodology.<sup>59</sup>

Furthermore, in the *Final Modification for Reviews*, Commerce noted that decreased import volumes may also provide a basis to determine whether dumping is likely to recur or continue if the order is revoked.<sup>60</sup> Our review of the available data indicates that Brazilian imports of subject merchandise entered under two HTS categories: HTS 7312.10.3010 and HTS 7312.10.3012.<sup>61</sup> Combining both HTS categories, the available data indicate that, with the exception of minimal imports in 2015 (which were virtually 0.0 percent of their 2002 volume), there were no imports of PC strand from Brazil during the sunset review period.<sup>62</sup> The decreased volume of imports of PC strand from Brazil supports a conclusion that exporters and importers of subject merchandise are declining to enter into some transactions at dumped prices that would have been made prior to the possible application of antidumping duties, and likely would be made again if the possibility of antidumping duties were removed.

Thus, given the continued existence of dumping margins not affected by the zeroing methodology and the significant decline and virtual cessation in import volumes since the issuance of the order, Commerce determines that dumping would be likely to continue or recur if the Brazil order were revoked.

**India:** As discussed above, there have been no reviews of the India order, and thus, the above *de minimis* dumping margins determined in the investigation are still in effect.<sup>63</sup> The *Final Modification for Reviews* provides that "{i}f the dumping margins determined in a manner not found to be WTO-inconsistent in these disputes indicate that dumping continued with the discipline of the order in place, those dumping margins alone can form the basis for a determination that dumping will continue or recur if the order were to be revoked."<sup>64</sup> Here, the dumping margin established for the mandatory respondent in the investigation was based on AFA using a petition margin, and the all-others rate was based on an average of the petition rates, which did not involve the zeroing methodology.<sup>65</sup>

Furthermore, in the *Final Modification for Reviews*, Commerce noted that decreased import volumes may also provide a basis to determine whether dumping is likely to recur or continue if the order is revoked.<sup>66</sup> Our review of the available data indicates that there were limited imports

<sup>&</sup>lt;sup>59</sup> See Brazil LTFV Final, 68 FR at 68355 (discussing that the mandatory respondent received an AFA rate of 118.75 percent based on the petition, and that the all other companies received the same rate); see also Notice of Preliminary Determination of Sales at Less Than Fair Value: Prestressed Concrete Steel Wire Strand from Brazil, 68 FR 42386 (July 17, 2003).

<sup>&</sup>lt;sup>60</sup> See Final Modification for Reviews, 77 FR at 8103.

<sup>&</sup>lt;sup>61</sup> See Attachment of this memorandum.

<sup>&</sup>lt;sup>62</sup> See Domestic Interested Parties' Substantive Response for Brazil at 12-13. Brazilian PC strand imports in kg:

<sup>2002 - 25,045,896; 2015 - 2.</sup> See Attachment of this memorandum.

<sup>&</sup>lt;sup>63</sup> See India LTFV Final, 68 FR at 68353.

<sup>&</sup>lt;sup>64</sup> See Final Modification of Reviews, 77 FR at 8103.

<sup>&</sup>lt;sup>65</sup> See India LTFV Final, 68 FR at 68352; see also Notice of Preliminary Determination of Sales at Less Than Fair Value: Prestressed Concrete Steel Wire Strand from India, 68 FR 42389, 42392 (July 17, 2003).

<sup>&</sup>lt;sup>66</sup> See Final Modification of Reviews, 77 FR at 8109.

of PC strand from India in one year of the sunset period.<sup>67</sup> During the rest of the sunset period, there were no imports of PC strand from India.<sup>68</sup> The decreased volume of imports from India supports a conclusion that exporters and importers of subject merchandise are declining to enter into some transactions at dumped prices that would have been made prior to the possible application of antidumping duties, and likely would be made again if the possibility of antidumping duties were removed.

Thus, given the continued existence of dumping margins not affected by the zeroing methodology and the significant decline in import volumes since the issuance of the order, Commerce determines that dumping would be likely to continue or recur if the India order were revoked.

**Japan:** Our review of the available data indicates that U.S. imports of subject merchandise from Japan entered under the same HTS categories referenced above. The available data show imports from Japan ceased during 2017 and occurred in 2014, 2015, 2016, and 2018 at volumes less than one percent of their 1976 level.<sup>69</sup> As discussed above, since the publication of the *AD Finding*, Commerce has conducted several administrative reviews. In those reviews, Commerce found that dumping has continued.<sup>70</sup> Moreover, during this sunset period, there were no administrative reviews remain in effect. As noted above, the *Final Modification for Reviews* provides that "{i}f the dumping margins determined in a manner not found to be WTO-inconsistent in these disputes indicate that dumping continued with the discipline of the order in place, those dumping margins alone can form the basis for a determination that dumping will continue or recur if the order were to be revoked."<sup>71</sup>

We examined the dumping margins previously established in the investigation and prior administrative reviews which are still in effect. Dumping margins above *de minimis* continue to exist for shipments of the subject merchandise from Tokyo Wire Rope Manufacturing Company, Ltd. (Tokyo Rope), Mitsui, and for the all other producers/exporters.<sup>72</sup> However, we have

<sup>&</sup>lt;sup>67</sup> See Domestic Interested Parties' Substantive Response for India at 12-13 and Attachment 1. Indian PC strand imports in pounds (lbs.): 18,546,419 (2002) and 34,262 (2015); see also Attachment of this memorandum.

<sup>&</sup>lt;sup>68</sup> See Domestic Interested Parties' Substantive Response for India at 12-13 and Attachment 1; see also Attachment of this memorandum.

<sup>&</sup>lt;sup>69</sup> See Domestic Interested Parties' Substantive Response for Japan at 22-24. Japanese PC strand imports in (lbs.): 139,096 (1976); –867 (2014); 989 (2014); 1,334 (2016); 0 (2016); –657 (2018). See Attachment of this memorandum.

<sup>&</sup>lt;sup>70</sup> See footnote 17 supra.

<sup>&</sup>lt;sup>71</sup> Final Modification of Reviews, 77 FR at 8103.

<sup>&</sup>lt;sup>72</sup> Tokyo Rope's above *de minimis* margin was established in the final determination and remained the same after its review in 1985-86. *See Final Determination – Japan*, 43 FR at 38498; and *Final Results – 1985-86*, 53 FR 11162. Shinko Wire Co., Ltd.'s (Shinko) and Suzuki Metal Industry Co., Ltd. (Suzuki) also received above *de minimis* margins in the final determination, but in a later review were assigned zero margins. *See Final Determination – Japan*, 43 FR at 38498; and *Final Results – 1985-86*, 53 FR 11162. The only other company that received an above *de minimis* margin in the final determination, Sumitomo Electric (Sumitomo), was revoked from the order in the 1980- 82 review. *See Final Determination – Japan*, 43 FR at 38498; and *Final Results – 1985-86*, 53 FR at 38498; and *Final Results – 1980-82*, 51 FR 30894. Mitsui was not part of the final determination but received an above *de minimis* rate in later reviews that is still in effect. *See Amended Final Results – 1978-85*, 62 FR 60688; and *Final Results – 1985-88*, 56 FR 66840. The above *de minimis* all others rate is a weighted average of the five margins in the final determination. *See ITC Determination – Japan*, 43 FR 55826. There has been no change to the all others rate over the life of the order.

determined that these rates were calculated using the zeroing methodology.<sup>73</sup> Notwithstanding this fact, based on the dramatic decline in imports described above, we conclude that exporters would need to dump to sell at pre-order volumes, and thus, dumping is likely to continue or recur if the Japan order were revoked.<sup>74</sup>

**Korea:** As discussed above, there have been no reviews of the Korea order, and thus, the above*de minimis* dumping margins determined in the investigation are still in effect.<sup>75</sup> The *Final Modification for Reviews* provides that "{i}f the dumping margins determined in a manner not found to be WTO-inconsistent in these disputes indicate that dumping continued with the discipline of the order in place, those dumping margins alone can form the basis for a determination that dumping will continue or recur if the order were to be revoked."<sup>76</sup> Here, the dumping margins established for the two mandatory respondents in the investigation were based on AFA using a petition margin, and the all-others rate was based on an average of the petition rates, which did not involve the zeroing methodology.<sup>77</sup>

Furthermore, in the *Final Modification for Reviews*, Commerce noted that decreased import volumes may also provide a basis to determine whether dumping is likely to recur or continue if the order is revoked.<sup>78</sup> Our review of the available data indicates that U.S. imports of subject merchandise from Korea entered under the two HTS categories referenced above.<sup>79</sup> Combining both HTS categories, in 2014, imports of PC strand from Korea were 3.35 percent of their 2002 volume, and have been trending slightly downward during the sunset review period, ending at 1.20 percent of their 2002 volume in 2018.<sup>80</sup> Thus, there is still a significant decline compared to the volume of pre-order imports. The decreased volume of imports of PC strand from Korea supports a conclusion that exporters and importers of subject merchandise are declining to enter into some transactions at dumped prices that would have been made prior to the possibile application of antidumping duties, and likely would be made again if the possibility of antidumping duties were removed.

<sup>&</sup>lt;sup>73</sup> See Final Modification of Reviews. Tokyo Rope's margin was not based on 100 percent of its sales "compared at margin," and thus we find that it was calculated using the zeroing methodology. See Final Determination – Japan, 43 FR at 38498. Mitsui's current rate established in the 1985-88 review was based on Sumitomo's rate from the final determination. See Final Results – 1985-88, 56 FR 66840. Like Tokyo Rope's rate, Sumitomo's rate also was not based on 100 percent of its sales "compared at margin," and thus we find Sumitomo's rate, and Mitsui's rate by extension was determined using the zeroing methodology. See Final Determination – Japan, 43 FR at 38498. Of the five margins from the final determination that constitute the all others rate (Shinko, Sumitomo, Suzuki, Kawatetsu, and Tokyo Rope), only Shinko's rate is based on 100 percent of sales "compared at margin." See Final Determination – Japan, 43 FR at 38498. Therefore, we find that the all-others rate by extension was determined using the zeroing methodology.

<sup>&</sup>lt;sup>74</sup> See Final Modification of Reviews, 77 FR at 8103-04; see also SAA at 889.

<sup>&</sup>lt;sup>75</sup> See Korea LTFV Final, 68 FR at 68354.

<sup>&</sup>lt;sup>76</sup> See Final Modification of Reviews, 77 FR at 8103.

<sup>&</sup>lt;sup>77</sup> See Korea LTFV Final, 68 FR at 68354; Notice of Preliminary Determination of Sales at Less Than Fair Value: Prestressed Concrete Steel Wire Strand from the Republic of Korea, 68 FR 42393, 42394-96 (July 17, 2003).

<sup>&</sup>lt;sup>78</sup> See Final Modification of Reviews, 77 FR at 8109.

<sup>&</sup>lt;sup>79</sup> See Attachment of this memorandum.

<sup>&</sup>lt;sup>80</sup> See Domestic Parties' Substantive Response for Korea at 12-13 and Attachment 1. Korean PC strand imports in lbs.: 28,172,356 (2002); 2,081,673 (2014); 1,761,815 (2015); 653,000 (2016); 354,763 (2017); and 743,524 (2018); *see also* Attachment of this memorandum.

Thus, given the continued existence of dumping margins not affected by the zeroing methodology and the significant decline in import volumes since the issuance of the order, Commerce determines that dumping would be likely to continue or recur if the Korea order were revoked.

**Mexico:** As discussed above, there have been no completed reviews of the Mexico order, so the above *de minimis* dumping margins determined in the investigation are still in effect.<sup>81</sup> As noted above, the *Final Modification for Reviews* provides that "{i}f the dumping margins determined in a manner not found to be WTO-inconsistent in these disputes indicate that dumping continued with the discipline of the order in place, those dumping margins alone can form the basis for a determination that dumping will continue or recur if the order were to be revoked."<sup>82</sup> Here, the dumping margin for one of the mandatory respondents in the investigation was based on total AFA using a petition margin, and the dumping margin for the other mandatory respondent, upon which the all others rate was based, was a combination of partial facts available and positive comparison margins, which did not involve the zeroing methodology.<sup>83</sup>

Furthermore, in the *Final Modification for Reviews*, Commerce noted that decreased import volumes may also provide a basis to determine whether dumping is likely to recur or continue if the order is revoked.<sup>84</sup> Our review of the available data indicates that U.S. imports of subject merchandise from Mexico entered under the same HTS categories referenced above, began the sunset period at 3.31 percent of their 2002 volume, ceased in 2015 through 2017, and recurred at 0.01 percent of their 2002 volume in 2018.<sup>85</sup> The decreased volume of Mexican imports supports a conclusion that exporters and importers of subject merchandise are declining to enter into some transactions at dumped prices that would have been made prior to the possible application of antidumping duties, and likely would be made again if the possibility of antidumping duties were removed.

Thus, given the continued existence of dumping margins not affected by the zeroing methodology and the significant decline in import volumes since the issuance of the order, Commerce determines that dumping would be likely to continue or recur if the Mexico order were revoked.

**Thailand:** Our review of the available data indicates that U.S. imports of subject merchandise from Thailand entered under the same HTS categories referenced above, began the sunset period at zero percent of their 2002 volume in 2014, then increased to 0.94 percent of their 2002 volume in 2015, ceased in 2016 and 2017, and dramatically increased to 83.82 percent of their 2002 volume in 2018.<sup>86</sup> With the exception of 2018 (*i.e.*, the last year included in this sunset review

<sup>&</sup>lt;sup>81</sup> See Mexico LTFV Final, 68 FR at 68350.

<sup>&</sup>lt;sup>82</sup> Final Modification of Reviews, 77 FR at 8103.

<sup>&</sup>lt;sup>83</sup> See Mexico LTFV Final, 68 FR at 68350-51; Notice of Preliminary Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Affirmative Preliminary Determination of Critical Circumstances in Part: Prestressed Concrete Steel Wire Strand from Mexico, 68 FR 42378 (July 17, 2003).

<sup>&</sup>lt;sup>84</sup> See Final Modification of Reviews, 77 FR at 8109.

<sup>&</sup>lt;sup>85</sup> See Domestic Interested Parties' Substantive Response for Mexico at 14-15. Mexican PC strand imports in lbs.: 54,000,037 (2002); 1,785,149 (2014); and 3,000 (2018). See Attachment of this memorandum.

<sup>&</sup>lt;sup>86</sup> See Domestic Interested Parties' Substantive Response for Thailand at 13-15. Thai PC strand imports in lbs.: 9,356,138 (2002); 87,881 (2015); and 7,841,970 (2018); see also Attachment of this memorandum.

period), there has also been a significant decline in import volumes from the 2002 level during this sunset review period with respect to the AD order on Thailand. Given that Commerce found dumping at above *de minimis* levels in the LTFV investigation segment of this proceeding<sup>87</sup> and has completed only two administrative reviews since the issuance of this AD order (both of which were completed during this sunset review period and resulted in margins of zero for the sole respondent), there has been no other activity with respect to this AD order. As discussed in further detail below and in accordance with the *Final Modification for Reviews*, the single dumping margin calculated in the investigation, which remains applicable to all others, was not affected by the zeroing methodology (*i.e.*, no offsets were denied because all comparison results were positive).<sup>88</sup>

Given the continued existence of a dumping margin not affected by the zeroing methodology and the significant decline in import volumes since the issuance of the order (with the exception of an increase in imports in 2018), Commerce determines that dumping would be likely to continue or recur if the Thailand order were revoked.

## 2. Magnitude of the Dumping Margins Likely to Prevail

### **Domestic Interested Parties' Comments:**

Citing the *Final Modification for Reviews*, *Sunset Policy Bulletin*, and legislative history, the domestic interested parties request that Commerce report to the ITC the AD margins that were determined in the respective original investigations, which the domestic interested parties argue are WTO-consistent.<sup>89</sup> Thus, the domestic interested parties recommend that Commerce report the AD margins for PC strand from Brazil, India, Japan, Korea, Mexico, and Thailand as follows:<sup>90</sup>

• In determining the magnitude of the dumping margins likely to prevail in the event of revocation and that should be reported to the ITC, the SAA and Commerce's *Sunset Reviews Policy Bulletin* state that the agency will normally select the dumping margins

<sup>&</sup>lt;sup>87</sup> See PC Strand Thailand LTFV Final, 69 FR at 4111.

<sup>&</sup>lt;sup>88</sup> Id.

<sup>&</sup>lt;sup>89</sup> See Domestic Interested Party's Substantive Responses for Brazil at 15 (WTO-consistent investigation AFA rates for Belgo Bekaert and the all others rate were based on the highest petition margin); see also Domestic Interested Party's Substantive Responses for India at 15 (WTO-consistent investigation rates based on the highest petition margin as AFA for TISCO and an average of petition rates for the all others rate); Domestic Interested Party's Substantive Responses for Japan at 26-27 (investigation rates for Shinko, Suzuki, Tokyo Rope, and the all others rate because there is no record that these rates were calculated by a WTO inconsistent method); Domestic Interested Party's Substantive Responses for Korea at 15 (WTO-consistent investigation AFA rates based on the highest petition margin for Dong-II Steel Manufacturing Co., Ltd. and Kiswire Ltd. and an average of petition rates for the all others rate); Domestic Interested Party's Substantive Responses for Heighest petition margin for Cablesa and that there is no record evidence that the calculated rate for Aceros Camesa which was also used for the all others rate is WTO-inconsistent); and Domestic Interested Party's Substantive Responses for Thailand at 16-17 (company-specific final margin from the investigation for Siam Wire best reflects the behavior of the respondents free of the constraints of the dumping order; there is no information in the record that this margin is WTO-inconsistent).

<sup>&</sup>lt;sup>90</sup> See Domestic Interested Party's Substantive Responses for Brazil, India, Korea, and Thailand at 12; Domestic Interested Party's Substantive Response for Mexico at 13; and Domestic Interested Party's Substantive Response for Japan at 25.

established in the investigation, because they are the only calculated rates that reflect the behavior of exporters without the discipline of an order or suspension agreement in place.<sup>91</sup>

- Furthermore, Commerce has determined that it would rely on dumping margins that were calculated using AFA to determine whether dumping continued at above-*de minimis* levels.<sup>92</sup> Therefore, though the margins applied to the respondent companies in the original investigations for Brazil, India, Korea, and Mexico were assigned using AFA, Commerce may rely on these margins in finding that dumping is likely to continue if the orders are revoked. Accordingly, the dumping margins that should be reported to the ITC are the margins from the investigations, specifically: (1) for Brazil, 118.75 percent for Belgo Bekaert, based on total AFA;<sup>93</sup> (2) for India, 102.07 percent for TISCO, based on total AFA, and 83.65 percent for all-others;<sup>94</sup> (3) for Japan, 13.30 percent for Shinko, 6.90 percent for Suzuki, 4.50 percent for Tokyo Rope, and 9.76 percent for all others;<sup>95</sup> (4) for Korea, 54.19 percent for Kiswire and Dong-II, based on total AFA, and 35.64 percent for all others;<sup>96</sup> (5) for Mexico, 77.20 percent for Cablesa, based on total AFA, and 62.78 percent for Aceros Camesa and for all others;<sup>97</sup> and (6) for Thailand, 12.91 percent for Siam Wire and for all others.<sup>98</sup>
- This conclusion is consistent with the SAA, Commerce's *Sunset Policy Bulletin*, and the *Final Modification for Reviews*.<sup>99</sup>

#### **Commerce's Position:**

Section 752(c)(3) of the Act provides that the administering authority shall provide to the ITC the magnitude of the margin of dumping that is likely to prevail if an order were revoked.<sup>100</sup>

<sup>&</sup>lt;sup>91</sup> See Domestic Interested Party's Substantive Responses for Brazil at 13; Domestic Interested Party's Substantive Responses for India at 13; Domestic Interested Party's Substantive Responses for Japan at 25; Domestic Interested Party's Substantive Responses for Mexico at 16; and Domestic Interested Party's Substantive Responses for Thailand at 15 (citing *Sunset Reviews Policy Bulletin* at "Sunset Reviews in Antidumping Proceedings").

<sup>&</sup>lt;sup>92</sup> See Domestic Interested Party's Substantive Responses for Brazil at 11-12; Domestic Interested Party's Substantive Responses for India at 12; Domestic Interested Party's Substantive Responses for Korea at 12; Domestic Interested Party's Substantive Responses for Mexico at 12; Domestic Interested Party's Substantive Responses for Thailand at 11-12 (citing *Final Modification for Reviews* at "Final Modification for Calculating the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Duty Proceedings" and "Sunset Determinations").

<sup>&</sup>lt;sup>93</sup> See Domestic Interested Party's Substantive Responses for Brazil at 6.

<sup>&</sup>lt;sup>94</sup> See Domestic Interested Party's Substantive Responses for India at 6.

<sup>&</sup>lt;sup>95</sup> See Domestic Interested Party's Substantive Responses for Japan at 6.

<sup>&</sup>lt;sup>96</sup> See Domestic Interested Party's Substantive Responses for Korea at 6.

<sup>&</sup>lt;sup>97</sup> See Domestic Interested Party's Substantive Responses for Mexico at 6.

<sup>&</sup>lt;sup>98</sup> See Domestic Interested Party's Substantive Responses for Thailand at 6.

<sup>&</sup>lt;sup>99</sup> See Domestic Interested Party's Substantive Responses for Brazil at 15; see also Domestic Interested Party's Substantive Responses for India at 15-16; Domestic Interested Party's Substantive Responses for Japan at 27; Domestic Interested Party's Substantive Responses for Korea at 15-16; Domestic Interested Party's Substantive Responses for Mexico at 18; and Domestic Interested Party's Substantive Responses for Thailand at 15.

<sup>&</sup>lt;sup>100</sup> See, e.g., 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 IDM at Comment 2.

Commerce prefers selecting a margin from the investigation because such rates are the only calculated rates that reflect the behavior of manufacturers, producers, and exporters without the discipline of a finding/order or suspension agreement in place.<sup>101</sup> Under certain circumstances, however, Commerce may select a more recently calculated margin to report to the ITC.<sup>102</sup> As explained above, in accordance with the *Final Modification for Reviews*, Commerce will not rely on weighted-average dumping margins that were calculated using the zeroing methodology.<sup>103</sup>

As discussed above, since the publication of the *AD Finding/Orders*, Commerce has conducted administrative reviews of the finding on PC strand from Japan and the order on PC strand from Thailand, but no administrative reviews of the AD orders on PC strand from Brazil, India, Korea, and Mexico. Consistent with the final results of the *Sunset Review 2015*, we find that the AD margins in the LTFV investigations are probative of the behavior of manufacturers/exporters from these countries if the orders were revoked because these margins are the only margins which reflect the behavior of these manufacturers/exporters absent the discipline of the orders. Furthermore, for the reasons described below, we have determined that each of these margins is not affected by the zeroing methodology, because, in accordance with the *Final Modification for Reviews*, these rates are either based on petition margins or are calculated rates where no offsets were denied because all comparison results were positive.<sup>104</sup> Thus, Commerce determines that the magnitude of the margin of dumping likely to prevail in the event of revocation of these orders would be weighted-average margins up to the following percentages:

<u>Brazil</u>: Belgo Bekaert – 118.75 percent (margin not affected by the zeroing methodology because it is an AFA rate based entirely on the highest margin alleged in the petition).<sup>105</sup>

<u>India</u>: TISCO – 102.07 percent (margin not affected by the zeroing methodology because it is an AFA rate based entirely on the highest margin alleged in the petition).<sup>106</sup>

<u>Korea</u>: Kiswire Ltd. and Dong-II Steel Manufacturing Co., Ltd. -54.19 percent (margin not affected by the zeroing methodology because it is an AFA rate based entirely on the highest margin alleged in the petition).<sup>107</sup>

<u>Mexico</u>: Cablesa – 77.20 percent (margin not affected by the zeroing methodology because it is an AFA rate based entirely on the highest margin alleged in the petition).<sup>108</sup>

<u>Japan</u>: In determining the magnitude of the margin of dumping that is likely to prevail if *PC Strand Japan LTFV Final* were revoked, in accordance with our long-standing practice and in

- <sup>103</sup> See Final Modification for Reviews, 77 FR at 8103.
- $^{104}$  *Id*.

<sup>&</sup>lt;sup>101</sup> See Eveready Battery Co. v. United States, 77 F. Supp. 2d 1327, 1333 n.9 (CIT 1999); and SAA at 890.

<sup>&</sup>lt;sup>102</sup> See section 752(c)(3) of the Act; and *Final Results of Full Sunset Review: Aramid Fiber Formed of Poly Para-Phenylene Terephthalamide from the Netherlands*, 65 FR 65294 (November 1, 2000), and the accompanying IDM at Comment 3, "Magnitude of the Margin Likely to Prevail."

<sup>&</sup>lt;sup>105</sup> See Brazil LTFV Final, 68 FR at 68355.

<sup>&</sup>lt;sup>106</sup> See India LTFV Final, 68 FR at 68352-53.

<sup>&</sup>lt;sup>107</sup> See Korea LTFV Final, 68 FR at 68354.

<sup>&</sup>lt;sup>108</sup> See Mexico LTFV Final, 68 FR at 68350-51.

light of the *Final Modification for Reviews*, Commerce examined whether the weighted-average dumping margins determined in the investigation were not affected by zeroing.

Consistent with the final results of the *Sunset Review – Japan I*, *Sunset Review – Japan II*, *Sunset Review 2009*, and *Sunset Review 2015*, we first determined that the AD margins in the *Final Determination– Japan* are probative of the behavior of Japanese manufacturers/exporters if the finding was revoked because these margins are the only margins which reflect the behavior of these manufacturers/exporters absent the discipline of the finding.<sup>109</sup> We next examined, in accordance with the *Final Modification for Reviews*, whether these margins were calculated using the zeroing methodology. Our analysis demonstrates that of the investigation margins, only one, the rate for Shinko, is not affected by the zeroing methodology because it is a calculated rate which does not involve the denial of offsets.<sup>110</sup> Thus, we will rely on this margin, 13.30 percent,<sup>111</sup> as the margin of dumping likely to prevail if the order were revoked that we will report to the ITC.

<u>Thailand</u>: In determining the magnitude of the margin of dumping that is likely to prevail if the order were revoked, in accordance with our long-standing practice and in light of the *Final Modification for Reviews*, Commerce examined whether the weighted-average dumping margins determined in the investigation were not affected by zeroing.

Consistent with the final results of the *Sunset Review 2009 and Sunset Review 2015*, we first determined that the AD margins in the *PC Strand Thailand LTFV Final* are probative of the behavior of Thai manufacturers/exporters if the finding was revoked because these margins are the only margins which reflect the behavior of these manufacturers/exporters absent the discipline of the finding.<sup>112</sup> We next examined, in accordance with the *Final Modification for Reviews*, whether these margins were calculated using the zeroing methodology. Our analysis demonstrates that the sole investigation margin calculated, that for Siam Wire, which was applied to all others, is not affected by the zeroing methodology because it is a calculated rate which does not involve the denial of offsets.<sup>113</sup> Thus, we will rely on this margin, 12.91 percent,<sup>114</sup> as the margin of dumping likely to prevail if the order were revoked that we will report to the ITC.

## VII. FINAL RESULTS OF SUNSET REVIEWS

For the reasons stated above, we determine that revocation of the *AD Finding/Orders* on PC strand from Brazil, India, Japan, Korea, Mexico, and Thailand would likely lead to continuation or recurrence of dumping and that the magnitude of the margins of dumping likely to prevail would be weighted-average margins up to 118.75 percent for Brazil, 102.07 percent for India,

<sup>&</sup>lt;sup>109</sup> See Polyvinyl Alcohol from Japan, the Republic of Korea, and the People's Republic of China: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders, 73 FR 57596 (October 3, 2008) (Polyvinyl from Japan et al.), and accompanying IDM at 6.

<sup>&</sup>lt;sup>110</sup> See Final Determination – Japan, 43 FR at 38498 (the "Results of Fair Value Comparisons" section states that Shinko's rate was based on 100 percent of its sales "compared at margin," indicating that all of its comparisons were positive, *i.e.*, Shinko's margin was not based on zeroing).

<sup>&</sup>lt;sup>112</sup> See Polyvinyl from Japan et al. IDM at 6.

<sup>&</sup>lt;sup>113</sup> See PC Strand Thailand LTFV Final, 69 FR at 4111.

<sup>&</sup>lt;sup>114</sup> Id.

13.30 percent for Japan, 54.19 percent for Korea, 77.20 percent for Mexico, and 12.91 percent for Thailand.

## VIII. RECOMMENDATION

Based on our analysis of the substantive responses received, 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 determinations.

Х		

Agree

Disagree

6/23/2020

Signed by: JEFFREY KESSLER Jeffrey I. Kessler Assistant Secretary for Enforcement and Compliance

# ATTACHMENT

Country	Unit	2002	2014	2015	2016	2017	2018
BRAZIL	LBS	25,045,896		2			
	% of 2002 Vol.			0.00000799%			
Country	Unit	2002	2014	2015	2016	2017	2018
INDIA	LBS	18,546,419		34262			
	% of 2002 Vol.			0.1847%			
Country	Unit	2002	2014	2015	2016	2017	2018
KOREA	LBS	62,109,339	2,081,673	1,761,815	653,000	354,763	743,524
	% of 2002 Vol.		3.35%	2.84%	1.05%	0.57%	1.20%
Country	Unit	2002	2014	2015	2016	2017	2018
MEXICO	LBS	54,000,037	1785149	0	0	0	3000
	% of 2002 Vol.		3.31%				0.01%
Country	Unit	2002	2014	2015	2016	2017	2018
THAILAND	LBS	9,356,138	0	87881	0	0	7841970
	% of 2002 Vol.			0.94%			83.82%
Country	Unit	1976	2014	2015	2016	2017	2018
JAPAN	LBS	139,096	867	989	1334	0	657
	% of 1976 Vol.		0.62%	0.71%	0.96%		0.47%

Sources: U.S. Department of Commerce and U.S. International Trade Commission import data for HTSUS subheadings 731210310 and 7312103012.