DEPARTMENT OF COMMERCE
International Trade Administration
[C–570–013]
Carbon and Certain Alloy Steel Wire Rod From the People’s Republic of China: Final Results of the Expedited First Five-Year Sunset Review of the Countervailing Duty Order

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

SUMMARY: As a result of this sunset review, the Department of Commerce (Commerce) finds that revocation of the countervailing duty (CVD) order on carbon and certain alloy steel wire rod (wire rod) from the People’s Republic of China (China) would be likely to lead to continuation or recurrence of countervailable subsidies at the levels indicated in the “Final Results of Review” section of this notice.


SUPPLEMENTARY INFORMATION:

Background
On January 8, 2015, Commerce published its CVD order on wire rod from China in the Federal Register.

On December 2, 2019, Commerce published the notice of initiation of the first sunset review of the Order, pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act). Commerce received a substantive response from the domestic interested parties within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i). We received no substantive response from any other domestic or interested parties in this proceeding, nor was a hearing requested.

On January 22, 2020, Commerce notified the U.S. International Trade Commission (ITC) that it did not receive an adequate substantive response from respondent interested parties. As a result, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), Commerce conducted an expedited (120-day) sunset review of this Order.

Scope of the Order
The merchandise covered by this Order is certain hot-rolled products of carbon steel and alloy steel, in coils, of approximately circular cross section, less than 19.00 mm in actual solid cross-sectional diameter. Specifically excluded are steel products possessing the above-noted physical characteristics and meeting the Harmonized Tariff Schedule of the United States (HTSUS) definitions for (a) stainless steel; (b) tool steel; (c) high nickel steel; (d) ball bearing steel; or (e) concrete reinforcing bars and rods. Also excluded are free cutting steel (also known as free machining steel) products (i.e., products that contain by weight one or more of the following elements: 0.1 percent or more of lead, 0.05 percent or more of bismuth, 0.08 percent or more of sulfur, more than 0.04 percent of phosphorus, more than 0.05 percent of selenium, or more than 0.01 percent of tellurium). All products meeting the physical description of subject merchandise that are not specifically excluded are included in this scope.

The products subject to this Order are currently classifiable under subheadings 7213.91.3011, 7213.91.3015, 7213.91.3020, 7213.91.3093; 7213.91.4500, 7213.91.6000; 7213.99.0030, 7227.20.0030, 7227.20.0080, 7227.90.6010, 7227.90.6020, 7227.90.6030, and 7227.90.6035 of the HTSUS. Products entered under subheadings 7213.99.0090 and 7227.90.6090 of the HTSUS also may be included in this scope if they meet the physical description of subject merchandise above. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise covered by the Order is dispositive. For a complete description of the scope of the Order, see the accompanying Issues and Decision Memorandum.

Analysis of Comments Received
All issues raised in this sunset review are addressed in the Issues and Decision Memorandum. A list of topics discussed in the Issues and Decision Memorandum is included as an appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via the Enforcement and Compliance’s Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at http://access.trade.gov and in the Central Records Unit, room B8024 of the main Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the internet at http://enforcement.trade.gov/frn/. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

Final Results of Sunset Review
Pursuant to sections 751(c)(1) and 752(b) of the Act, we determine that revocation of the CVD order on wire rod from China would be likely to lead to continuation or recurrence of countervailable subsidies at the following rates:

Manufacturers/producers/ exporters | Net countervailable subsidy (percent)
--- | ---
Benxi Steel | 193.31
Hebei Iron & Steel Co., Ltd. | —
Tangshan Branch | 178.46
All Others | 185.89


3 See Notice of Intent to Participate, from China in the published its CVD order on wire rod.
4 Each claimed interested party status under section 771(9)(C) of the Act, as domestic producers of wire rod in the United States.
5 Commerce received a substantive response from the domestic interested parties within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i).
6 Benxi Steel America, Liberty Steel USA, Nucor Corporation, and Optimus Steel LLC (collectively, domestic interested parties), within the deadline specified in 19 CFR 351.218(d)(1)(i).
7 See Memorandum, “Issues and Decision Memorandum for the Expedited First Sunset Review of the Anti-dumping Duty Order on Carbon and Certain Alloy Steel Wire Rod Oxide from the People’s Republic of China,” dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).
Administrative Protective Order (APO)

This notice also serves as the only reminder to parties subject to an APO of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

Notification to Interested Parties

We are issuing and publishing the final results of this notice in accordance with sections 751(c), 752(b), and 777(i)(1) of the Act, and 19 CFR 351.218.


Jeffrey I. Kossler,
Assistant Secretary for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Issues and Decision Memorandum

I. Summary
II. Background
III. History of the Order
IV. Scope of the Order
V. Legal Framework
VI. Discussion of the Issues
1. Likelihood of Continuation or Recurrence of a Countervailable Subsidy
2. Net Countervailable Subsidy Rates Likely to Prevail
3. Nature of the Subsidies
VII. Final Results of Sunset Review
VIII. Recommendation

SUPPLEMENTARY INFORMATION:

Background

This final determination is made in accordance with section 735 of the Tariff Act of 1930, as amended (the Act). On November 8, 2019, Commerce published the preliminary affirmative determination of sales at LTFV in the investigation of sodium sulfate from Canada, and also extended the final determination to March 23, 2020.1 We invited interested parties to comment on the Preliminary Determination. On January 17, 2020, we received case briefs from the sole respondent, Saskatchewan Mining and Minerals Inc. (SMM),2 and Cooper Natural Resources, Inc.,3 Elementis Global LLC, and Searles Valley Minerals (collectively, the petitioners).4 On January 22, 2020, we received rebuttal briefs from SMM,4 the Government of Canada,5 and the petitioners.6 On February 28, we held a public hearing concerning the issues raised in case and rebuttal briefs.7

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties in this investigation are addressed in the Issues and Decision Memorandum.8 A list of the issues raised is attached to this notice as Appendix II. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance’s Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at https://access.trade.gov, and it is available to all parties in the Central Records Unit, room B–8024 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at http://enforcement.trade.gov/frn/index.html. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

Scope of the Investigation

The product covered by this investigation is sodium sulfate from Canada. For a full description of the scope of this investigation, see the “Scope of the Investigation,” in Appendix I of this notice.

Verification

As provided in section 782(f) of the Tariff Act of 1930, as amended (the Act), in October and December 2019, we verified the cost and sales information submitted by SMM for use in our final determination. We used standard verification procedures, including examination of relevant accounting and production records, and original source documents provided by SMM.9

Analysis of Comments Received and Changes Since the Preliminary Determination

As noted above, we received case and rebuttal briefs pertaining to the Preliminary Determination. For the purposes of the final determination, Commerce has made certain changes to the Preliminary Determination:

We incorporated into the final margin calculation the minor corrections presented by SMM at the outset of...