

- Tool steels;<sup>11</sup> and
- Silico-manganese steels;<sup>12</sup>

The products subject to this investigation are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers: 7208.10.1500, 7208.10.3000, 7208.10.6000, 7208.25.3000, 7208.25.6000, 7208.26.0030, 7208.26.0060, 7208.27.0030, 7208.27.0060, 7208.36.0030, 7208.36.0060, 7208.37.0030, 7208.37.0060, 7208.38.0015, 7208.38.0030, 7208.38.0090, 7208.39.0015, 7208.39.0030, 7208.39.0090, 7208.40.6030, 7208.40.6060, 7208.53.0000, 7208.54.0000, 7208.90.0000, 7210.70.3000, 7211.14.0030, 7211.14.0090, 7211.19.1500, 7211.19.2000, 7211.19.3000, 7211.19.4500, 7211.19.6000, 7211.19.7530, 7211.19.7560, 7211.19.7590, 7225.11.0000, 7225.19.0000, 7225.30.3050, 7225.30.7000, 7225.40.7000, 7225.99.0090, 7226.11.1000, 7226.11.9030, 7226.11.9060, 7226.19.1000, 7226.19.9000, 7226.91.5000, 7226.91.7000, and 7226.91.8000. The products subject to the investigation may also enter under the following HTSUS numbers: 7210.90.9000, 7211.90.0000, 7212.40.1000, 7212.40.5000, 7212.50.0000, 7214.91.0015, 7214.91.0060, 7214.91.0090, 7214.99.0060, 7214.99.0075, 7214.99.0090, 7215.90.5000, 7226.99.0180, and 7228.60.6000.

The HTSUS subheadings above are provided for convenience and U.S. Customs and Border Protection purposes only. The written description of the scope of the investigation is dispositive.

## Appendix II

### List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Investigation
- IV. Scope Comments
- V. Subsidies Valuation Information
- VI. Benchmarks and Interest Rates
- VII. Use of Facts Otherwise Available and Adverse Inferences
- VIII. Analysis of Programs

less than 0.95 nor more than 1.13 percent of carbon; (ii) not less than 0.22 nor more than 0.48 percent of manganese; (iii) none, or not more than 0.03 percent of sulfur; (iv) none, or not more than 0.03 percent of phosphorus; (v) not less than 0.18 nor more than 0.37 percent of silicon; (vi) not less than 1.25 nor more than 1.65 percent of chromium; (vii) none, or not more than 0.28 percent of nickel; (viii) none, or not more than 0.38 percent of copper; and (ix) none, or not more than 0.09 percent of molybdenum.

<sup>11</sup> Tool steels are defined as steels which contain the following combinations of elements in the quantity by weight respectively indicated: (i) More than 1.2 percent carbon and more than 10.5 percent chromium; or (ii) not less than 0.3 percent carbon and 1.25 percent or more but less than 10.5 percent chromium; or (iii) not less than 0.85 percent carbon and 1 percent to 1.8 percent, inclusive, manganese; or (iv) 0.9 percent to 1.2 percent, inclusive, chromium and 0.9 percent to 1.4 percent, inclusive, molybdenum; or (v) not less than 0.5 percent carbon and not less than 3.5 percent molybdenum; or (vi) not less than 0.5 percent carbon and not less than 5.5 percent tungsten.

<sup>12</sup> Silico-manganese steel is defined as steels containing by weight: (i) Not more than 0.7 percent of carbon; (ii) 0.5 percent or more but not more than 1.9 percent of manganese, and (iii) 0.6 percent or more but not more than 2.3 percent of silicon.

## IX. Analysis of Comments

Comment 1: Whether Changes in the Ownership (CIO) of Erdemir's Affiliates Resulted in Countervailable Subsidies to Erdemir

Comment 2: Whether the Government of Turkey's (GOT's) Sale of Erdemir to OYAK Resulted in a Privatization that Extinguished the Benefits of Prior Subsidies to Erdemir

Comment 3: Export Sales Denominator for COTAS and Colakoglu Metalurji

Comment 4: COTAS's Rediscount Program Benchmark

Comment 5: Whether the Department Should Correct Certain Errors in Erdemir's Preliminary Calculations

## X. Recommendation

[FR Doc. 2016-19379 Filed 8-11-16; 8:45 am]

BILLING CODE 3510-DS-P

## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-412-825]

### Certain Hot-Rolled Steel Flat Products From the United Kingdom: Final Determination of Sales at Less Than Fair Value

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

**SUMMARY:** The Department of Commerce (the Department) determines that imports of certain hot-rolled steel flat products (hot-rolled steel) from the United Kingdom are being, or are likely to be, sold in the United States at less than fair value (LTFV). The period of investigation (POI) is July 1, 2014, through June 30, 2015. The final dumping margins of sales at LTFV are listed below in the "Final Determination" section of this notice.

**DATES:** Effective August 12, 2016.

#### FOR FURTHER INFORMATION CONTACT:

Catherine Cartsos, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482-1757.

#### SUPPLEMENTARY INFORMATION:

### Background

On March 22, 2016, the Department published the *Preliminary Determination* of this antidumping duty (AD) investigation.<sup>1</sup> The following

<sup>1</sup> See *Certain Hot-Rolled Steel Flat Products From the United Kingdom: Affirmative Preliminary Determination of Sales at Less Than Fair Value, Postponement of Final Determination and Extension of Provisional Measures*, 81 FR 15244 (March 22, 2016) (*Preliminary Determination*).

events occurred since the *Preliminary Determination* was issued.

In March 2016, the Department received supplemental cost responses and revised sales files from Tata Steel UK Ltd. (TSUK), the sole mandatory respondent in this investigation.<sup>2</sup>

In June 2016, AK Steel (one of the petitioners),<sup>3</sup> and TSUK submitted case briefs<sup>4</sup> and rebuttal briefs.<sup>5</sup> A hearing was held on June 21, 2016.

### Scope of the Investigation

The products covered by this investigation are certain hot-rolled steel flat products from the United Kingdom. For a complete description of the scope of this investigation, see the "Scope of the Investigation," in Appendix I of this notice.

### Scope Comments

In the Preliminary Scope Decision Memorandum,<sup>6</sup> the Department set aside a period of time for parties to address scope issues in case briefs or other written comments on scope issues.

In the *Preliminary Determination*, we did not modify the scope language as it appeared in the *Initiation Notice*.<sup>7</sup> No

<sup>2</sup> See Letter from TSUK, "Antidumping Duty Investigation of Certain Hot-Rolled Steel Flat Products from the United Kingdom: TSUK's Section D Second Supplemental Questionnaire Response" (March 22, 2016). See also Letter from TSUK, "Antidumping Duty Investigation of Certain Hot-Rolled Steel Flat Products from the United Kingdom: TSUK's Submission of Revised Sales Files Due to Minor Corrections Presented at Sales Verification" (March 25, 2016).

<sup>3</sup> AK Steel Corporation (AK Steel), ArcelorMittal USA LLC, Nucor Corporation, SSAB Enterprises, LLC, Steel Dynamics, Inc., and United States Steel Corporation (collectively, the petitioners).

<sup>4</sup> See Letter from the petitioners, "Certain Hot-Rolled Steel Flat Products From The United Kingdom/Petitioner's Case Brief" (June 8, 2016); and Letter from TSUK, "Antidumping Duty Investigation of Certain Hot-Rolled Steel Flat Products from the United Kingdom: Case Brief of Tata Steel UK Ltd. and Tata Steel International (Americas) Inc." (June 8, 2016).

<sup>5</sup> See Letter from the petitioners, "Certain Hot-Rolled Steel Flat Products From The United Kingdom/Petitioner's Rebuttal Brief" (June 13, 2016); and Letter from TSUK, "Antidumping Duty Investigation of Certain Hot-Rolled Steel Flat Products from the United Kingdom: Rebuttal Brief of Tata Steel UK Ltd. and Tata Steel International (Americas) Inc." (June 13, 2016).

<sup>6</sup> See Memorandum to Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, "Certain Hot-Rolled Steel Products From Australia, Brazil, Japan, the Netherlands, the Republic of Korea, Turkey, and the United Kingdom: Scope Comments Decision Memorandum for the Preliminary Determinations," dated March 14, 2016 (Preliminary Scope Decision Memorandum).

<sup>7</sup> See *Preliminary Determination* and accompanying Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance, entitled "Decision Memorandum for the Preliminary Determination in the Less-Than-

interested parties submitted scope comments in case or rebuttal briefs; therefore, the scope of this investigation remains unchanged for this final determination.

### 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, which is hereby adopted by this notice.<sup>8</sup> 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.

### Verification

As provided in section 782(i) of the Tariff Act of 1930, as amended (the Act), in March and April 2016, the Department verified the sales and cost data reported by the mandatory respondent. We used standard verification procedures, including an examination of relevant accounting and production records, and original source documents provided by the respondent.<sup>9</sup>

Fair-Value Investigation of Certain Hot-Rolled Steel Flat Products from the United Kingdom" at page 4. See also *Certain Hot-Rolled Steel Flat Products From Australia, Brazil, Japan, the Republic of Korea, the Netherlands, The Republic of Turkey, and the United Kingdom: Initiation of Less-Than-Fair-Value Investigations*, 80 FR 54261, 54262 (September 9, 2015) (*Initiation Notice*).

<sup>8</sup> See Memorandum to Ronald K. Lorentzen, Acting Assistant Secretary for Enforcement and Compliance, from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations "Issues and Decision Memorandum for the Final Determination of the Antidumping Duty Investigation of Certain Hot-Rolled Steel Flat Products from the United Kingdom" (August 4, 2016) (Issues and Decision Memorandum).

<sup>9</sup> See Memorandum to the File entitled "Certain Hot-Rolled Steel Flat Products from the United Kingdom: Home-Market and Export-Price Sales Verification of Tata Steel UK Ltd.," dated April 12, 2016, Memorandum to the File entitled "Certain Hot-Rolled Steel Flat Products from the United Kingdom: Constructed-Export-Price Sales Verification of Tata Steel UK Ltd.," dated May 18, 2016, and Memorandum to the File entitled "Verification of the Cost Response of Tata Steel UK

### Changes Since the Preliminary Determination

Based on our analysis of the comments received and our findings at verification, we made certain changes to the margin calculations for TSUK. For a discussion of these changes, see the "Margin Calculations" and "Comparisons to Fair Value" sections of the Issues and Decision Memorandum. We have also revised the all-others rate.

### All-Others Rate

Section 735(c)(5)(A) of the Act provides that the estimated all-others rate shall be an amount equal to the weighted-average of the estimated weighted-average dumping margins established for exporters and producers individually investigated excluding any zero or *de minimis* margins, and margins determined entirely under section 776 of the Act. We calculated a company-specific rate for Tata Steel UK Ltd. that is not zero, *de minimis* or determined entirely under section 776 of the Act. Therefore, for purposes of determining the "all-others" rate and pursuant to section 735(c)(5)(A) of the Act, we are using the weighted-average dumping margin calculated for Tata Steel UK Ltd. as the estimated weighted-average dumping margin assigned to all other producers and exporters of the merchandise under consideration.

### Final Determination

The Department determines that the final weighted-average dumping margins are as follows:

Exporter/producer	Weighted-average margin (percent)
Tata Steel UK Ltd. ....	33.06
All-Others .....	33.06

### Disclosure

We intend to disclose the calculations performed to interested parties within five days of the public announcement of this final determination in accordance with 19 CFR 351.224(b).

### Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, the Department will instruct U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of all appropriate entries of hot-rolled steel from the United Kingdom, as described in Appendix I of this notice, which were entered, or

Ltd. in the Antidumping Duty Investigation of Certain Hot-Rolled Steel Flat Products from the United Kingdom," dated May 31, 2016.

withdrawn from warehouse, for consumption on or after March 22, 2016, the date of publication of the *Preliminary Determination* of this investigation in the **Federal Register**.

Further, pursuant to section 735(c)(1)(B)(ii) of the Act, CBP shall require a cash deposit equal to the estimated amount by which the normal value exceeds the U.S. price, as follows: (1) For the exporter/producer listed in the table above, the cash deposit rate will be equal to the weighted average dumping margin which the Department determined in this final determination; (2) if the exporter is not a firm identified in this investigation but the producer is, the rate will be the rate established for the producer of the subject merchandise; (3) the rate for all other producers or exporters will be 33.06 percent, as discussed in the "All Others Rate" section, above. These instructions suspending liquidation will remain in effect until further notice.

### U.S. International Trade Commission Notification

In accordance with section 735(d) of the Act, we will notify the U.S. International Trade Commission (ITC) of the final affirmative determination of sales at LTFV. Because the final determination in this proceeding is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports of hot-rolled steel from the United Kingdom no later than 45 days after our final determination. If the ITC determines that material injury or threat of material injury does not exist, the proceeding will be terminated and all cash deposits will be refunded. If the ITC determines that such injury does exist, the Department will issue an antidumping duty order directing CBP to assess, upon further instruction by the Department, antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation, as discussed above in the "Continuation of Suspension of Liquidation" section. If the ITC determines that material injury or threat of material injury does not exist, the proceeding will be terminated and all cash deposits will be refunded.

### Notification Regarding Administrative Protective Orders

This notice serves as a reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the

disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). 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 the terms of an APO is a violation subject to sanction.

This determination and this notice are issued and published pursuant to sections 735(d) and 777(i)(1) of the Act.

Dated: August 4, 2016.

**Ronald K. Lorentzen,**

*Acting Assistant Secretary for Enforcement and Compliance.*

## Appendix I

### Scope of the Investigation

The products covered by this investigation are certain hot-rolled, flat-rolled steel products, with or without patterns in relief, and whether or not annealed, painted, varnished, or coated with plastics or other non-metallic substances. The products covered do not include those that are clad, plated, or coated with metal. The products covered include coils that have a width or other lateral measurement ("width") of 12.7 mm or greater, regardless of thickness, and regardless of form of coil (e.g., in successively superimposed layers, spirally oscillating, etc.). The products covered also include products not in coils (e.g., in straight lengths) of a thickness of less than 4.75 mm and a width that is 12.7 mm or greater and that measures at least 10 times the thickness. The products described above may be rectangular, square, circular, or other shape and include products of either rectangular or non-rectangular cross-section where such cross-section is achieved subsequent to the rolling process, i.e., products which have been "worked after rolling" (e.g., products which have been beveled or rounded at the edges). For purposes of the width and thickness requirements referenced above:

(1) Where the nominal and actual measurements vary, a product is within the scope if application of either the nominal or actual measurement would place it within the scope based on the definitions set forth above unless the resulting measurement makes the product covered by the existing antidumping<sup>10</sup> or countervailing duty<sup>11</sup> orders on Certain Cut-To-Length Carbon-Quality Steel Plate Products From the Republic of Korea (A-580-836; C-580-837), and

(2) where the width and thickness vary for a specific product (e.g., the thickness of

certain products with non-rectangular cross-section, the width of certain products with non-rectangular shape, etc.), the measurement at its greatest width or thickness applies.

Steel products included in the scope of this investigation are products in which: (1) Iron predominates, by weight, over each of the other contained elements; (2) the carbon content is 2 percent or less, by weight; and (3) none of the elements listed below exceeds the quantity, by weight, respectively indicated:

- 2.50 percent of manganese, or
- 3.30 percent of silicon, or
- 1.50 percent of copper, or
- 1.50 percent of aluminum, or
- 1.25 percent of chromium, or
- 0.30 percent of cobalt, or
- 0.40 percent of lead, or
- 2.00 percent of nickel, or
- 0.30 percent of tungsten, or
- 0.80 percent of molybdenum, or
- 0.10 percent of niobium, or
- 0.30 percent of vanadium, or
- 0.30 percent of zirconium.

Unless specifically excluded, products are included in this scope regardless of levels of boron and titanium.

For example, specifically included in this scope are vacuum degassed, fully stabilized (commonly referred to as interstitial-free (IF)) steels, high strength low alloy (HSLA) steels, the substrate for motor lamination steels, Advanced High Strength Steels (AHSS), and Ultra High Strength Steels (UHSS). IF steels are recognized as low carbon steels with micro-alloying levels of elements such as titanium and/or niobium added to stabilize carbon and nitrogen elements. HSLA steels are recognized as steels with micro-alloying levels of elements such as chromium, copper, niobium, titanium, vanadium, and molybdenum. The substrate for motor lamination steels contains micro-alloying levels of elements such as silicon and aluminum. AHSS and UHSS are considered high tensile strength and high elongation steels, although AHSS and UHSS are covered whether or not they are high tensile strength or high elongation steels.

Subject merchandise includes hot-rolled steel that has been further processed in a third country, including but not limited to pickling, oiling, levelling, annealing, tempering, temper rolling, skin passing, painting, varnishing, trimming, cutting, punching, and/or slitting, or any other processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the hot-rolled steel.

All products that meet the written physical description, and in which the chemistry quantities do not exceed any one of the noted element levels listed above, are within the scope of this investigation unless specifically excluded. The following products are outside of and/or specifically excluded from the scope of this investigation:

- Universal mill plates (i.e., hot-rolled, flat-rolled products not in coils that have been rolled on four faces or in a closed box pass, of a width exceeding 150 mm but not exceeding 1250 mm, of a thickness not less than 4.0 mm, and without patterns in relief);

- Products that have been cold-rolled (cold-reduced) after hot-rolling;<sup>12</sup>
- Ball bearing steels;<sup>13</sup>
- Tool steels;<sup>14</sup> and
- Silico-manganese steels;<sup>15</sup>

The products subject to this investigation are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers: 7208.10.1500, 7208.10.3000, 7208.10.6000, 7208.25.3000, 7208.25.6000, 7208.26.0030, 7208.26.0060, 7208.27.0030, 7208.27.0060, 7208.36.0030, 7208.36.0060, 7208.37.0030, 7208.37.0060, 7208.38.0015, 7208.38.0030, 7208.38.0090, 7208.39.0015, 7208.39.0030, 7208.39.0090, 7208.40.6030, 7208.40.6060, 7208.53.0000, 7208.54.0000, 7208.90.0000, 7210.70.3000, 7211.14.0030, 7211.14.0090, 7211.19.1500, 7211.19.2000, 7211.19.3000, 7211.19.4500, 7211.19.6000, 7211.19.7530, 7211.19.7560, 7211.19.7590, 7225.11.0000, 7225.19.0000, 7225.30.3050, 7225.30.7000, 7225.40.7000, 7225.99.0090, 7226.11.1000, 7226.11.9030, 7226.11.9060, 7226.19.1000, 7226.19.9000, 7226.91.5000, 7226.91.7000, and 7226.91.8000. The products subject to the investigation may also enter under the following HTSUS numbers: 7210.90.9000, 7211.90.0000, 7212.40.1000, 7212.40.5000, 7212.50.0000, 7214.91.0015, 7214.91.0060, 7214.91.0090, 7214.99.0060, 7214.99.0075, 7214.99.0090, 7215.90.5000, 7226.99.0180, and 7228.60.6000.

The HTSUS subheadings above are provided for convenience and U.S. Customs purposes only. The written description of the scope of the investigation is dispositive.

<sup>12</sup> For purposes of this scope exclusion, rolling operations such as a skin pass, levelling, temper rolling or other minor rolling operations after the hot-rolling process for purposes of surface finish, flatness, shape control, or gauge control do not constitute cold-rolling sufficient to meet this exclusion.

<sup>13</sup> Ball bearing steels are defined as steels which contain, in addition to iron, each of the following elements by weight in the amount specified: (i) Not less than 0.95 nor more than 1.13 percent of carbon; (ii) not less than 0.22 nor more than 0.48 percent of manganese; (iii) none, or not more than 0.03 percent of sulfur; (iv) none, or not more than 0.03 percent of phosphorus; (v) not less than 0.18 nor more than 0.37 percent of silicon; (vi) not less than 1.25 nor more than 1.65 percent of chromium; (vii) none, or not more than 0.28 percent of nickel; (viii) none, or not more than 0.38 percent of copper; and (ix) none, or not more than 0.09 percent of molybdenum.

<sup>14</sup> Tool steels are defined as steels which contain the following combinations of elements in the quantity by weight respectively indicated: (i) More than 1.2 percent carbon and more than 10.5 percent chromium; or (ii) not less than 0.3 percent carbon and 1.25 percent or more but less than 10.5 percent chromium; or (iii) not less than 0.85 percent carbon and 1 percent to 1.8 percent, inclusive, manganese; or (iv) 0.9 percent to 1.2 percent, inclusive, chromium and 0.9 percent to 1.4 percent, inclusive, molybdenum; or (v) not less than 0.5 percent carbon and not less than 3.5 percent molybdenum; or (vi) not less than 0.5 percent carbon and not less than 5.5 percent tungsten.

<sup>15</sup> Silico-manganese steel is defined as steels containing by weight: (i) Not more than 0.7 percent of carbon; (ii) 0.5 percent or more but not more than 1.9 percent of manganese, and (iii) 0.6 percent or more but not more than 2.3 percent of silicon.

<sup>10</sup> Notice of Amendment of Final Determinations of Sales at Less Than Fair Value and Antidumping Duty Orders: Certain Cut-To-Length Carbon-Quality Steel Plate Products From France, India, Indonesia, Italy, Japan and the Republic of Korea, 65 FR 6585 (February 10, 2000).

<sup>11</sup> Notice of Amended Final Determinations: Certain Cut-to-Length Carbon-Quality Steel Plate From India and the Republic of Korea; and Notice of Countervailing Duty Orders: Certain Cut-To-Length Carbon-Quality Steel Plate From France, India, Indonesia, Italy, and the Republic of Korea, 65 FR 6587 (February 10, 2000).

## Appendix II

### List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Investigation
- IV. Margin Calculations
- V. Comparisons to Fair Value
- VI. Discussion of Issues
  - Comment 1: Total Adverse Facts Available
  - Comment 2: Level of Trade
  - Comment 3: Home-Market Freight Revenue
  - Comment 4: CEP Credit Expense
  - Comment 5: Restructuring and Impairment Costs
  - Comment 6: Raw Material Costs
  - Comment 7: Energy Costs
  - Comment 8: Partial Adverse Facts Available for Certain Sales
  - Comment 9: Verification Correction
- VII. Recommendation

[FR Doc. 2016–19374 Filed 8–11–16; 8:45 am]

BILLING CODE 3510–DS–P

## DEPARTMENT OF COMMERCE

### International Trade Administration

[C–580–884]

### Countervailing Duty Investigation of Certain Hot-Rolled Steel Flat Products From the Republic of Korea: Final Affirmative Determination

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

**SUMMARY:** The Department of Commerce (the Department) determines that countervailable subsidies are being provided to producers/exporters of certain hot-rolled steel flat products (hot-rolled steel) from the Republic of Korea (Korea). For information on the subsidy rates, see the “Final Determination” section of this notice. The period of investigation is January 1, 2014, through December 31, 2014.

**DATES:** Effective August 12, 2016.

**FOR FURTHER INFORMATION CONTACT:** Katie Marksberry, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone (202) 482–7906.

### SUPPLEMENTARY INFORMATION:

#### Background

The Department published the *Preliminary Determination* on January 15, 2016.<sup>1</sup> A summary of events that

occurred since the Department published the *Preliminary Determination*, as well as a full discussion of the issues raised by parties for this final determination, may be found in the Issues and Decision Memorandum.<sup>2</sup> 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 <http://access.trade.gov>, and is available to all parties in the Central Records Unit, Room B8024, 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/>. The signed Issues and Decision Memorandum and the electronic version are identical in content.

#### Scope of the Investigation

The products covered by this investigation are hot-rolled steel flat products from Korea. For a complete description of the scope of this investigation, see the “Scope of the Investigation,” in Appendix II of this notice.

#### Analysis of Subsidy Programs and Comments Received

The subsidy programs under investigation and the issues raised in the case and rebuttal briefs by parties in this investigation are discussed in the Issues and Decision Memorandum. A list of the issues that parties raised, and to which we responded in the Issues and Decision Memorandum, is attached to this notice as Appendix I.

#### Use of Adverse Facts Available

In making this final determination, the Department relied, in part, on facts available and, because POSCO and Hyundai Steel Co., Ltd. (Hyundai Steel) did not act to the best of their ability in responding to the Department’s requests for information, we drew an adverse inference where appropriate in selecting from among the facts otherwise available.<sup>3</sup> Specifically, we find that the application of adverse facts available is warranted for POSCO for its failure to report certain cross-owned input

suppliers, and facilities located in a foreign economic zone (FEZ). We are also applying adverse facts available to POSCO’s affiliated trading company, Daewoo International Corporation (DWI)<sup>4</sup> for certain loans presented at verification. Further, we find that the application of adverse facts available is warranted for Hyundai Steel for its failure to report its location in an FEZ. For further information, see the section “Use of Facts Otherwise Available and Adverse Inferences” in the accompanying Issues and Decision Memorandum.

#### Changes Since the Preliminary Determination

Based on our analysis of the comments received from parties and the minor corrections presented, and additional items discovered at verification, we made certain changes to the respondents’ subsidy rate calculations. For a discussion of these changes, see the Issues and Decision Memorandum.

#### Final Determination

In accordance with section 705(c)(1)(B)(i) of the Act, we calculated a rate for POSCO and Hyundai Steel, the two exporters/producers of subject merchandise selected for individual examination in this investigation.

In accordance with sections 705(c)(1)(B)(i)(I) and 705(c)(5)(A) of the Act, for companies not individually investigated, we apply an “all-others” rate, which is normally calculated by weighting the subsidy rates of the individual companies selected as respondents with those companies’ export sales of the subject merchandise to the United States. Under section 705(c)(5)(A)(i) of the Act, the all-others rate should exclude zero and *de minimis* rates calculated for the exporters and producers individually investigated, and any rates determined entirely under section 776 of the Act. Therefore, we have excluded the rate calculated for POSCO because it was determined entirely under section 776 of the Act. Thus, for the “all-others” rate, we applied the rate calculated for Hyundai Steel.

Company	Subsidy rate (percent)
POSCO .....	57.04
Hyundai Steel Co., Ltd. ....	3.89
All-Others .....	3.89

<sup>4</sup> POSCO reported at verification that DWI changed its name to POSCO Daewoo Corporation (PDC) in March 2016. See IDM at 6.

<sup>1</sup> See *Countervailing Duty Investigation of Certain Hot-Rolled Steel Flat Products From the Republic of Korea: Preliminary Negative Determination and Alignment of Final Determination With Final Antidumping Duty Determination*, 81 FR 2172

(January 15, 2016) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum (PDM).

<sup>2</sup> See Memorandum to Paul Piquado, “Issues and Decision Memorandum for the Final Determination in the Countervailing Duty Investigation of Certain Hot-Rolled Steel Flat Products from the Republic of Korea,” dated August 4, 2016 (Issues and Decision Memorandum).

<sup>3</sup> See sections 776(a) and (b) of the Act.