DEPARTMENT OF COMMERCE

International Trade Administration

[45x617]Corrosion-Resistant Carbon Steel Flat Products From Canada: Preliminary Results of Full Sunset Review of Antidumping Duty Order

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

ACTION: Notice of preliminary results of full sunset review: Corrosion-resistant carbon steel flat products from Canada.

SUMMARY: On September 1, 1999, the Department of Commerce (“the Department”) initiated a sunset review of the antidumping duty order on corrosion-resistant carbon steel flat products from Canada (64 FR 47767), pursuant to section 751(c) of the Tariff Act of 1930, as amended (“the Act”). On the basis of a notice of intent to participate and an adequate substantive response filed on behalf of domestic interested parties and inadequate response (in this case, because exports of the respondent account for less than the threshold amount of exports (i.e., 50 percent)), the Department determined to conduct an expedited review. However, upon reconsideration of our initial adequacy determination, the Department determines that it is appropriate in this case to conduct a full review.

EFFECTIVE DATE: April 7, 2000.

FOR FURTHER INFORMATION CONTACT: Kathryn B. McCormick or Melissa G. Skinner, Office of Policy for Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482–1930 or (202) 482–1560, respectively.

SUPPLEMENTARY INFORMATION:

Statute and Regulations

Unless otherwise indicated, all citations to the Act are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act (“URAA”). In addition, unless otherwise indicated, all citations to the Department regulations are to 19 CFR Part 351 (1999). Guidance on methodological or analytical issues relevant to the Department’s conduct of sunset reviews is set forth in the Department’s Policy Bulletin 98.3—Policies Regarding the Conduct of Five-Year (“Sunset”) Reviews of Antidumping and Countervailing Duty Orders; Policy Bulletin, 63 FR 18871 (April 16, 1998) (“Sunset Policy Bulletin”).

Background

On September 1, 1999, the Department initiated a sunset review of the antidumping duty order on cut-to-length carbon steel plate from Canada (64 FR 47767), pursuant to section 751(c) of the Act. The Department received a notice of intent to participate on behalf of the Bethlehem Steel Corporation and U.S. Steel Corporation, a unit of USX Corporation, Ispat Inland, Inc., and LTV Steel Company (collectively, “domestic interested parties”), within the applicable deadline (September 15, 1999) specified in section 351.216(d)(1)(i) of the Sunset Regulations.

On September 24, 1999, we received a request for an extension to file rebuttal comments from domestic interested parties. Pursuant to 19 CFR 351.302(b), the Department extended the deadline for all participants eligible to file rebuttal comments until October 15, 1999. On October 1, 1999, we received a complete substantive response from domestic interested parties, within the 30-day deadline specified in the Sunset Regulations under section 351.216(d)(3)(i). On October 1, 1999, Dofasco Inc. (“Dofasco”) and Sorevco, Inc. (“Sorevco”) in separate submissions, notified the Department of their intent to participate in this review as respondent interested parties. Domestic interested parties claimed interested-party status under section 771(9)(C) of the Act, as U.S. producers of a domestic like product; Dofasco and Sorevco are interested parties pursuant to section 771(9)(A) of the Act, as foreign producers and exporters of subject merchandise.

All interested parties claim that they have been involved in this proceeding since its inception. Domestic interested parties state that they have participated in the investigation, all five administrative reviews, and all related appeals (see October 1, 1999, Substantive Response of domestic interested parties at 4). Likewise, Dofasco and Sorevco state that they participated as respondent parties in the original investigation, and have participated in each subsequent administrative review (see October 1, 1999, Substantive Responses of Dofasco at 3 and Sorevco at 2).

On October 15, 1999, we received rebuttal comments from domestic interested parties and Dofasco. On October 20, 1999, pursuant to 19 CFR 351.216 (e)(1)(ii)(A), the Department determined to conduct an expedited (120-day) sunset review of this order.

On December 9, 1999, we received comments from Dofasco on the adequacy and appropriateness of an expedited sunset review concerning the subject order. Based on the comments received from Dofasco, we have now determined that it is appropriate to conduct a full review in this case.

In accordance with section 751(c)(5)(C) of the Act, the Department may treat a review as extraordinarily complicated if it is a review of a transition order (i.e., an order in effect on January 1, 1995). This review concerns a transition order within the meaning of section 751(c)(6)(ii) of the Act. Accordingly, on December 22, 1999, the Department determined that the sunset review of cut-to-length carbon steel flat plate is extraordinarily complicated, and extended the time limit for completion of the final results of this review until not later than March 29, 2000, in accordance with section 751(c)(5)(B) of the Act.


\(^2\) See September 30, 1999, Letter from Jeffrey A. May, Director, Office of Policy to Valerie S. Schindler, Skadden, Arps, Slate, Meagher & Flom LLP.

\(^3\) See October 20, 1999, Memorandum for Jeffrey A. May, Re: Certain Cut-to-Length Carbon Steel Flat Plate from Canada: Adequacy of Respondent Interested Party Response to the Notice of Initiation.

\(^4\) See Extension of Time Limit for Final Results of Expedited Five-Year Reviews, 64 FR 71726 (December 22, 1999).
Scope of Review

These products include flat-rolled carbon steel products, of rectangular shape, either clad, plated, or coated with corrosion-resistant metals such as zinc, aluminum, or zinc-, aluminum-, nickel, or iron-based alloys, whether or not corrugated or painted, varnished or coated with plastics or other nonmetallic substances in addition to the metallic coating, in coils (whether or not in successively superimposed layers) and of a width of 0.5 inch or greater, or in straight lengths which, if of a thickness less than 4.75 millimeters, are of a width of 0.5 inch or greater and which measures at least 10 times the thickness or if of a thickness of 4.75 millimeters or more are of a width which exceeds 150 millimeters and measures at least twice the thickness, as currently classifiable in the Harmonized Tariff Schedule (“HTS”) under item numbers: 7210.30.0000, 7210.30.0030, 7210.40.0000, 7210.40.0030, 7210.49.0000, 7210.60.0000, 7210.60.0030, 7210.70.0000, 7210.70.0030, 7210.70.6000, 7210.70.6090, 7210.90.1000, 7210.90.6000, 7210.90.9000, 7212.20.0000, 7212.30.1030, 7212.30.1090, 7212.90.1000, 7212.90.5000, 7212.90.5030, 7217.10.1500, 7217.10.30.1530, 7217.10.30.1560, 7217.10.90.1000, 7217.90.5030, 7217.90.5060, and 7217.90.5090.

Included in the scope are flat-rolled products of nonrectangular cross-section where such cross-section is achieved subsequent to the rolling process (i.e., products which have been “worked after rolling”)—for example, products which have been bevelled or rounded at the edges.

Excluded from the scope are flat-rolled steel products either plated or coated with tin, lead, chromium, chromium oxides, both tin and lead (“terne plate”), or both chromium and chromium oxides (“tin-free steel”), whether or not painted, varnished or coated with plastics or other nonmetallic substances in addition to the metallic coating. Also excluded from the scope are certain clad stainless flat-rolled products, which are three-layered corrosion-resistant carbon steel flat-rolled products less than 4.75 millimeters in composite thickness that consist of a carbon steel flat-rolled product clad on both sides with stainless steel in a 20–60 percent ratio.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties to this sunset review are addressed in the “Issues and Decision Memorandum” (“Decision Memo”) from Jeffrey A. May, Director, Office of Policy, Import Administration, to Robert S. La Russa, Assistant Secretary for Import Administration, dated March 29, 2000, which is hereby adopted and incorporated by reference into this notice. The issues discussed in the attached Decision Memo include adequacy, the likelihood of continuation or recurrence of dumping, and the magnitude of the margin likely to prevail were the order revoked. Parties can find a complete discussion of all issues raised in this review and the corresponding recommendations in this public memorandum which is on file in the Central Records Unit, room B–099, of the main Commerce building.

In addition, a complete version of the Decision Memo can be accessed directly on the Web at www.ita.doc.gov/import_admin/records/frn. The paper copy and electronic version of the Decision Memo are identical in content.

Preliminary Results of Review:

We preliminarily determine that revocation of the antidumping duty order on corrosion-resistant carbon steel flat products from Canada would be likely to lead to continuation or recurrence of dumping at the following percentage weighted-average margins:

<table>
<thead>
<tr>
<th>Manufacturer/exporters</th>
<th>Margin (percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dofasco, Inc.............</td>
<td>11.71</td>
</tr>
<tr>
<td>Stelco, Inc...............</td>
<td>22.70</td>
</tr>
<tr>
<td>All Others...............</td>
<td>18.71</td>
</tr>
</tbody>
</table>

Any interested party may request a hearing within 30 days of publication of this notice in accordance with 19 CFR 351.310(c). Any hearing, if requested, will be held on May 17, 2000, in accordance with 19 CFR 351.310(d). Interested parties may submit case briefs no later than May 8, 2000, in accordance with 19 CFR 351.309(c)(1)(i). Rebuttal briefs, which must be limited to issues raised in the case briefs, may be filed not later than May 15, 2000. The Department will issue a notice of final results of this sunset review, which will include the results of its analysis of issues raised in any such comments, no later than July 27, 2000, in accordance with section 751(c)(5)(B) of the Act.

This five-year (“sunset”) review and notice are in accordance with sections 751(c), 752, and 777(f)(1) of the Act.