

DEPARTMENT OF COMMERCE**International Trade Administration**

[C-549-818]

Certain Hot-Rolled Carbon Steel Flat Products From Thailand: Notice of Court Decision and Suspension of Liquidation

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

SUMMARY: On July 27, 2004, the United States Court of International Trade issued an order to the Department to find that no countervailable subsidies are being provided for the production or exportation of certain hot-rolled carbon steel flat products from Thailand. Specifically, the Court reversed the Department's finding of a countervailable subsidy relating to a duty drawback program. The effect of removing this countervailable subsidy finding is the reduction of the overall countervailable subsidy rate to 1.80 percent *ad valorem*, which is *de minimis* for Thailand. *Royal Thai Government, et al., v. United States*, Consol. Court No. 02-00026, Slip. Op. 04-91 (CIT 2004) ("*Royal Thai*").

Consistent with the decision of the United States Court of Appeals for the Federal Circuit in *Timken Co. v. United States*, 893 F.2d 337 (Fed. Cir. 1990) ("*Timken*"), the Department is notifying the public that the *Royal Thai* decision was "not in harmony" with the Department's final determination.

EFFECTIVE DATE: August 6, 2004.

FOR FURTHER INFORMATION CONTACT: Dana Mermelstein or Dara Iserson, AD/CVD Enforcement Office 6, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-1391 or (202) 482-4052, respectively.

SUPPLEMENTARY INFORMATION:**Background**

On October 3, 2001, the Department of Commerce ("the Department") issued a countervailing duty determination covering hot-rolled steel from Thailand. *Final Affirmative Countervailing Duty Determination: Certain Hot-Rolled Carbon Steel Flat Products From Thailand*, 66 FR 50410 (October 3, 2001). On December 3, 2001, the countervailing duty order was published. *Notice of Countervailing Duty Order: Certain Hot-Rolled Carbon Steel Flat Products From Thailand* 66 FR 60197 (December 3, 2001).

On February 1, 2002, respondents, the Royal Thai Government (RTG) and

Sahaviriya Steel Industries (SSI), filed their complaint, appealing the final determination and countervailing duty order. *Royal Thai Government, et al., v. United States*, Court No. 02-00027. Petitioners, National Steel Corporation, Bethlehem Steel Corporation, and United States Steel Corporation, also appealed the final determination. *National Steel Corp., et al., v. United States*, Court No. 02-00026, consolidated into *Royal Thai Government, et al., v. United States*, Consol. No. 02-00026.

On May 19, 2004, the RTG and SSI obtained an injunction, applicable during the pendency of this litigation in the Court of International Trade, enjoining the United States from liquidating or causing or permitting liquidation of any entries of certain hot-rolled carbon steel flat products from Thailand that: (1) Were affected by the Department's investigative proceeding; (2) were produced and exported by SSI; (3) were entered or withdrawn from warehouse, for consumption, from January 1, 2002 through December 31, 2002; and, (4) remain unliquidated as of 5 p.m. on May 20, 2004.

On July 27, 2004, the CIT found that the Department's determination to countervail the duty drawback program in its entirety was not supported by substantial evidence and is not in accordance with law. Because the Court found that the drawback program is not countervailable, and the revised subsidy rate is *de minimis* (1.80 percent), it ordered the Department to find that no countervailable subsidies are being provided to the production or exportation of certain hot-rolled carbon steel flat products from Thailand. See *Royal Thai*.

Timken Notice

In its decision in *Timken*, the Federal Circuit held that, pursuant to 516a(c)(1) and (e) of the Act, the Department must publish notice of a decision of the CIT which is not in harmony with the Department's determination. The CIT's decision in *Royal Thai* was not in harmony with the Department's *Final Determination*. Therefore, publication of this notice fulfills the statutory obligation.

Suspension of Liquidation

This notice will serve to continue the suspension of liquidation pending the expiration of the period to appeal the CIT's July 27, 2004, decision, or, if that decision is appealed, pending a final decision by the Court of Appeals for the Federal Circuit. Because the CIT issued an injunction on May 19, 2004, the Department will continue to suspend

entries of hot-rolled steel from Thailand as specified in the injunction. The Department will revoke the Order and issue instructions covering these entries if the CIT's decision is not appealed, or if it is affirmed on appeal.

Dated: August 26, 2004.

James J. Jochum,

Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE**International Trade Administration**

[C-427-815]

Stainless Steel Sheet and Strip in Coils From France: Notice of Amended Final Determination Pursuant to Final Court Decision and Revocation of Order

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

ACTION: Notice of Amended Final Determination Pursuant to Final Court Decision and Revocation of Order.

SUMMARY: On September 24, 2002, the United States Court of International Trade ("CIT") sustained the Department of Commerce's ("the Department") second remand determination of the *Final Affirmative Countervailing Duty Determination: Stainless Steel Sheet and Strip in Coils from France*, 64 FR 30774 (June 8, 1999) ("*French Stainless*"). See *Allegheny Ludlum Corp. v. United States*, 182 F. Supp. 2d 1357 (2002) ("*Allegheny II*"). The Department appealed this decision to the United States Court of Appeals for the Federal Circuit ("Federal Circuit"). On May 13, 2004, the Federal Circuit affirmed the CIT's decision in *Allegheny II*. See *Allegheny Ludlum Corp. v. United States*, 367 F.3d 1339 (Fed. Cir. 2004) ("*Appellate Decision*"). Because all litigation in this matter has concluded, the Department is issuing this amended final determination in *French Stainless* in accordance with the CIT's decision and revoking the countervailing duty order.

EFFECTIVE DATE: September 1, 2004.

FOR FURTHER INFORMATION CONTACT: Jesse Cortes at (202) 482-3986, AD/CVD Operations 1, Office I, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230.

SUPPLEMENTARY INFORMATION: