

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

A-485-803

Certain Cut-to-Length Carbon Steel Plate from Romania: Notice of Final Results and Final Partial Rescission of Antidumping Duty Administrative Review

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

SUMMARY: On September 7, 2004, the Department of Commerce (“the Department”) published the preliminary results of its administrative review of the antidumping duty order on certain cut-to-length carbon steel plate from Romania. *See Certain Cut-to-Length Carbon Steel Plate From Romania: Preliminary Results of the Antidumping Duty Administrative Review and Notice of Intent To Rescind in Part*, 69 FR 54108 (September 7, 2004) (“*Preliminary Results*”). This review covers producer Ispat Sidex, S.A. (“Sidex”) and exporter Metalexportimport, S.A. (“MEI”). The period of review (“POR”) is August 1, 2002, through July 31, 2003. We are rescinding the review with respect to CSR SA Resita (“CSR”) and MINMET, S.A. (“MINMET”) because CSR and MINMET did not ship subject merchandise to the United States during the POR. We invited parties to comment on our *Preliminary Results*. Based on our analysis of comments received, we have made changes in the margin calculation. Therefore, the final results differ from the preliminary results. The final results are listed below in the “Final Results of Review” section.

EFFECTIVE DATE: (Insert Date of Publication in the Federal Register)

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SUPPLEMENTARY INFORMATION:

Background

On September 7, 2004, we published in the *Federal Register* the preliminary results of this antidumping review on September 7, 2004. *See Preliminary Results.*

On September 17, 2004, the Department placed Egyptian import statistics on the record from the Egyptian Central Agency for Public Mobilization and Statistics (CAPMAS), the Egyptian government's official statistical agency. On October 8, 2004, the International Steel Group, Inc. (ISG) and Sidex submitted proposed surrogate values. On October 18, 2004, ISG submitted publicly available factors data to rebut, clarify or correct the surrogate value information filed by Sidex on October 8, 2004. On October 28, 2004, Sidex filed a letter stating that it inadvertently bracketed page 3 of Exhibit 16 of its October 8, 2004, surrogate value submission and it filed this page without brackets.

We invited parties to comment on our *Preliminary Results*. We received case briefs from domestic interested parties IPSCO Steel Inc. (IPSCO) on October 7, 2004. Also, we received case briefs from domestic interested party ISG and respondent Sidex on October 18, 2004. We received rebuttal briefs from IPSCO and Sidex (and Sidex's U.S. affiliate Ispat North America, Inc.) on October 25, 2004. No interested party requested a hearing.

On January 5, 2005, we invited comments from interested parties on the calculation of the “all others” rate and the calculation of the cash deposit for the exporter and producer. On January 11, 2005, we received comments from Sidex, IPSCO, and Nucor on the cash deposit rates and the “all others” rate. On January 14, 2005, we received rebuttal comments from Nucor and IPSCO to Sidex’s comments.

On January 11, 2005, the Department published in the *Federal Register* a notice extending the final results of the administrative review of the antidumping duty order on certain cut-to-length carbon steel plate from Romania by 30 days until no later than February 4, 2005. *See Notice of Extension of Time Limit for the Final Results of Antidumping Duty Administrative Review: Certain Cut-to-Length Carbon Steel Plate From Romania*, 70 FR 1867 (January 11, 2005).

On January 31, 2005, ISG, the only interested party which requested this review, withdrew its request for review with respect to Sidex and MEI but not with respect to CSR and MINMET. Also, on January 31, 2005, Sidex requested that the Department rescind the administrative review of Sidex and MEI. On February 1, 2005, and February 2, 2005, IPSCO and Nucor, respectively, none of which requested this review, stated that the Department should deny ISG’s and Sidex’s request to rescind this administrative review. On February 2, 2005, Sidex rebutted IPSCO’s February 1, 2005, comments.

On February 11, 2005, the Department published in the *Federal Register* a notice extending the final results of the administrative review of the antidumping duty order on certain cut-to-length carbon steel plate from Romania by 30 days until no later than March 7, 2005. *See Notice of*

*Extension of Time Limit for the Final Results of Antidumping Duty Administrative Review:
Certain Cut-to-Length Carbon Steel Plate From Romania*, 70 FR 7232 (February 11, 2005).

On February 7, 2005, the Department requested comments on whether it is appropriate for the Department to rescind this review. On February 16, 2005, we received comments from Sidex, IPSCO, Nucor, U.S. Steel and the United Steelworkers of America (“USWA”). We received no comments from ISG. On February 22, 2005, we received rebuttals comments from Sidex, IPSCO, Nucor, and U.S. Steel. For a summarization of the comments and the Department’s position on this issue, please see Comment 15 of the Department’s "Issues and Memorandum" from Barbara E. Tillman, Acting Deputy Assistant Secretary, Import Administration, to Joseph A. Spetrini, Acting Assistant Secretary, Import Administration, dated March 7, 2005 (“*Decision Memorandum*”).

Partial Rescission

In our *Preliminary Results*, we announced our preliminary determination to rescind the administrative review with respect to CSR and MINMET because these companies had no entries of certain cut-to-length carbon steel plate from Romania during the POR. *See Preliminary Results*. We have received no new information contradicting our preliminary intent to rescind. Because the record evidence indicates that CSR and MINMET did not have sales or shipments of subject merchandise during the POR, in accordance with 19 CFR 351.213(d)(3) and consistent with our practice, we are rescinding this review for CSR and MINMET. *See e.g., Polychloroprene Rubber From Japan: Notice of Rescission of Antidumping Duty Administrative Review*, 66 FR 45005 (August 27, 2001).

Scope of the Order

The products under the order include hot-rolled carbon steel universal mill plates (i.e., flat-rolled products rolled on four faces or in a closed box pass, of a width exceeding 150 millimeters but not exceeding 1,250 millimeters and of a thickness of not less than 4 millimeters, not in coil and without patterns in relief), of rectangular shape, neither clad, plated nor coated with metal, whether or not painted, varnished, or coated with plastics or other nonmetallic substances; and certain hot-rolled carbon steel flat-rolled products in straight lengths, of rectangular shape, hot rolled, neither clad, plated, nor coated with metal, whether or not painted, varnished, or coated with plastics or other nonmetallic substances, 4.75 millimeters or more in thickness and of a width which exceeds 150 millimeters and measures at least twice the thickness, as currently classifiable in the HTS under item numbers 7208.31.0000, 7208.32.0000, 7208.33.1000, 7208.33.5000, 7208.41.0000, 7208.42.0000, 7208.43.0000, 7208.90.0000, 7210.70.3000, 7210.90.9000, 7211.11.0000, 7211.12.0000, 7211.21.0000, 7211.22.0045, 7211.90.0000, 7212.40.1000, 7212.40.5000, and 7212.50.0000. Included in this review 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 this review is grade X-70 plate. These HTS item numbers are provided for convenience and customs purposes. The written description remains dispositive.

Separate Rates

MEI and Sidex have requested separate, company-specific antidumping duty rates in this review. In the *Preliminary Results*, we found that MEI and Sidex had met the criteria for the application of separate antidumping duty rates. *See Preliminary Results*. We have not received any

other information since the preliminary results which would warrant reconsideration of our separate rates determination with respect to these companies. We therefore determine that MEI and Sidex should be assigned individual dumping margins in this administrative review.

Analysis of Comments Received

The Department has received comments from Sidex and domestic interested parties ISG, USWA, Nucor, U.S. Steel, and IPSCO, all of which are addressed in the *Decision Memorandum*, which is hereby adopted by this notice. Attached to this notice as an Appendix is a list of the issues that the parties have raised and to which we have responded in the *Decision Memorandum*. 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 Department's Central Records Unit ("CRU"), located at 14th Street and Constitution Avenue, NW, Room B-099. In addition, a complete version of the *Decision Memorandum* can be accessed directly on the Import Administration website at <http://ia.ita.doc.gov/> under the heading *Federal Register Notices*. The paper copy and electronic version of the *Decision Memorandum* are identical in content.

Changes Since the Preliminary Results

Based on our analysis of comments received, we have made the following changes for the final results:

1. For inputs coking coal and iron ore pellets, we inadvertently did not include domestic freight costs in the *Preliminary Results*. For the final results, we have added domestic freight costs for these two inputs. See *Decision Memorandum* at Comment 8.

2. For methane gas, we are using a different surrogate value for the final results. For coke gas and furnace gas, we are now using the BTU heat content methodology. *See Decision Memorandum* at Comments 5 and 6.
3. We are using more contemporaneous POR-specific data from Egypt for the following factors: 1) manganese ore; 2) iron scrap; 3) aluminum; 4) lime; 5) injected coal powder; 6) ammonium sulfate; and 7) crude benzene. *See Decision Memorandum* at Comment 11.
4. In September 2004, the Department issued updated wage rates based on 2002 income data. As a result of these updated wage rates for selected NME countries, the hourly wage rate for Romania increased to \$1.33. Because this wage rate is more contemporaneous than the wage rate used in our *Preliminary Results*, the Department is using this updated wage rate for the final results. *See also* <http://www.ia.ita.doc.gov>.
5. We are now using Alexandria National Iron and Steel Co.'s financial statement for our financial ratios, with an adjustment to include non-depreciation overhead from PT Jaya Pari Steel Tbk. ("Jaya Pari") for the final results. *See Decision Memorandum* at Comment 10. The updated financial ratios are as follows:

28.64% = Factory Overhead Ratio (includes non-depreciation overhead ratio from Jaya Pari)

18.96% = SG&A Ratio (includes interest expenses)

0.79% = Profit Ratio

See Attachment 7 of the Department's Analysis Memorandum for the Final Results of the Antidumping Duty Administrative Review of the Antidumping Duty Order on Certain Cut-to-Length Carbon Steel Plate from Romania, dated March 7, 2005 ("*Final Analysis Memorandum*") for these calculations.

6. We are not using Sidex’s market economy purchases of iron ore powder from India because we have a reasonable basis to believe or suspect that the country benefits from broadly available non-industry specific export subsidies. As a result, we are also excluding all Indian export prices in our valuation of surrogate values, where applicable. *See Decision Memorandum* at Comment 4.

“All Others” Rate

As a result of Romania's transition from a non-market economy to a market economy, an issue arose in this administrative review regarding the calculation of an "all others" rate. For the discussion of the Department’s decision regarding the all-others rate, see the accompanying *Decision Memorandum* at Comment 2.

Final Results of Review

We note that although MEI was the exporter for all of Sidex’s sales, because Sidex provided information that it had knowledge that the subject merchandise was destined for the United States, we have calculated a margin for both Sidex as the producer and MEI as the exporter. We determine that the following margin is the weighted-average antidumping duty margin of all sales made in both the NME and ME portions of the POR.

Manufacturer/Exporter	POR	Margin (percent)
Ispat Sidex, S.A.	08/01/02 - 07/30/03	13.50
Metalexportimport, S.A.	08/01/02 - 07/30/03	13.50

For details on the calculation of the antidumping duty weighted-average margins for Sidex and MEI, see the *Decision Memorandum* and the *Final Analysis Memorandum*. A public version of the analysis memorandum is on file in the CRU.

Assessment Rates

Pursuant to 19 CFR 351.212(b), the Department calculates an assessment rate for each importer of the subject merchandise. Upon issuance of the final results of this review, if any importer-specific assessment rates calculated in the final results are above *de minimis* (i.e., at or above 0.50 percent), the Department will issue appraisement instructions directly to the U.S. Customs and Border Protection (CBP) to assess antidumping duties on appropriate entries by applying the assessment rate to the entered value of the merchandise. For assessment purposes for MEI and Sidex, we calculated importer-specific assessment rates for the subject merchandise by aggregating the dumping duties due for all U.S. sales to each importer and dividing the amount by the total quantity of the sales to that importer. We will direct CBP, within 15 days of publication of these final results of review, to assess the resulting rate, which is in dollars per metric ton, against the total quantity for the subject merchandise on each of MEI's and Sidex's importer's/customer's entries during the POR.

Cash-Deposit Requirements

The following cash-deposit rates will be effective upon publication of the final results of this review for all shipments of certain cut-to-length carbon steel plate from Romania entered, or withdrawn from warehouse, for consumption on or after publication date, as provided for by section 751(a)(2)(C) of the Act: (1) for subject merchandise exported by MEI or Sidex, the deposit rate will be the rate indicated above; (2) for previously reviewed or investigated companies not covered in this review, the

cash deposit rate will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in this review, a prior review, or the original less than fair value (LTFV) investigation (*see Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate from Romania*, 58 FR 37209 (July 9, 1993)), but the manufacturer is, the cash deposit rate will be the rate established in the most recent period for the manufacturer of the merchandise; and, (4) if neither the exporter nor the manufacturer is a firm covered in this or any previous review conducted by the Department, the cash deposit rate will be 75.04 percent, which previously was the Romania-wide rate. *See* the accompanying *Decision Memorandum* at Comment 2.

These deposit requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

Notification to Importers

This notice also serves as a final reminder to importers of their responsibility under section 351.402(f) of the Department's regulations to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during these review periods. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

We are issuing and publishing this determination and notice in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Joseph A. Spetrini
Acting Assistant Secretary
for Import Administration

Date

APPENDIX

List of Comments and Issues in the *Decision Memorandum*

- Comment 1: Cash Deposit Rates
- Comment 2: “All Others” Rate
- Comment 3: Export Prices as Surrogate Value
- Comment 4: Use of Market Economy Price of Iron Ore Powder
- Comment 5: Methane Gas Surrogate Value
- Comment 6: Coke Gas and Furnace Gas Surrogate Values
- Comment 7: Surrogate Value for Wooden Boards
- Comment 8: Romania Domestic Freight Costs
- Comment 9: Updated Surrogate Wage Data
- Comment 10: Surrogate Financial Ratios
- Comment 11: Aberrational Surrogate Values
- Comment 12: Value of Recycled Iron Scrap
- Comment 13: Offsetting for Negative Margins
- Comment 14: Barge Surrogate Value
- Comment 15: Whether to Rescind this Review