

**DEPARTMENT OF COMMERCE****International Trade Administration****[C-583-857]****Countervailing Duty Investigation of Certain Corrosion-Resistant Steel Products From Taiwan: Final Negative Countervailing Duty Determination**

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

**SUMMARY:** The Department of Commerce (the Department) determines that countervailable subsidies are not being provided to producers and exporters of certain corrosion-resistant steel products (corrosion-resistant steel) from Taiwan.

**DATES:** *Effective Date:* June 2, 2016.

**FOR FURTHER INFORMATION CONTACT:** Joy Zhang or Cindy Robinson, Office III, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482-1168 and (202) 482-3797, respectively.

**SUPPLEMENTARY INFORMATION:****Background**

The Petitioners in this investigation are the United States Steel Corporation, Nucor Corporation, Steel Dynamics Inc., California Steel Industries, ArcelorMittal USA LLC, and AK Steel Corporation. This investigation covers 26 alleged government subsidy programs. The mandatory respondents

in this investigation are (1) Prosperity Tieh Enterprise Co., Ltd. (PT), and its crossed-own affiliates: Hong-Ye Steel Co., Ltd. (HY), Prosperity Did Enterprise Co., Ltd. (PD), and Chan Lin Enterprise Co., Ltd. (CL) (collectively the Prosperity Companies) and (2) Yieh Phui Enterprise Co., Ltd. (Yieh Phui), and its crossed-own affiliates: Yieh Corporation Limited (YCL); Shin Yang Steel Co., Ltd. (Shin Yang); and Synn Industrial Co., Ltd (Synn) (collectively the Yieh Phui Companies).

On November 6, 2015, the Department published its *Preliminary Determination*.<sup>1</sup> For a description of the events that have occurred since the *Preliminary Determination*, see the Issues and Decision Memorandum. 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 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>. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

**Period of Investigation**

The period of investigation for which we are measuring subsidies is January 1, 2014, through December 31, 2014.

**Scope Comments**

In accordance with the Preliminary Scope Determination,<sup>2</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.

For a summary of the product coverage comments and rebuttal responses submitted on the record of this final determination, and accompanying discussion and analysis of all comments timely received, see the Final Scope Decision Memorandum.<sup>3</sup>

**Scope of the Investigation**

The products covered by this investigation are corrosion-resistant steel products from Taiwan. For a complete description of the scope of the investigation, see Appendix II.

**Analysis of Subsidy Programs and Comments Received**

The subsidy programs under investigation and the issues raised in the case and rebuttal briefs submitted by parties in this investigation are addressed in the Issues and Decision Memorandum, dated concurrently with this notice.<sup>4</sup> A list of subsidy programs and the issues that parties raised, and to which we responded in the Decision Memorandum, is attached to this notice as Appendix I.

We determine the total estimated net countervailable subsidy rates to be:

| Producer/Exporter  | Subsidy rate                     |
|--|----------------------------------|
| Prosperity Tieh Enterprise Co., Ltd. (PT); Hong-Ye Steel Co., Ltd. (HY); Prosperity Did Enterprise Co., Ltd. (PD); and Chan Lin Enterprise Co., Ltd. (CL) (collectively Prosperity Companies). | 0.00 percent <i>ad valorem</i> . |
| Yieh Phui Enterprise Co., Ltd. (Yieh Phui); Yieh Corporation Limited (YCL); Shin Yang Steel Co., Ltd. (Shin Yang); and Synn Industrial Co., Ltd (Synn) (collectively Yieh Phui Companies).     | 0.00 percent <i>ad valorem</i> . |

Because the total estimated net countervailable subsidy rates are zero, we determine that countervailable subsidies are not being provided to producers or exporters of corrosion-resistant steel from Taiwan. We have not calculated an all-others rate pursuant to sections 705(c)(1)(B) and (c)(5) of the Tariff Act of 1930, as amended (the Act) because we have not

reached an affirmative final determination. Because our final determination is negative, this proceeding is terminated in accordance with section 705(c)(2) of the Act.

In the *Preliminary Determination*, the total net countervailable subsidy rates for the individually examined respondents were zero and, therefore, we did not suspend liquidation of

entries of corrosion-resistant steel from Taiwan.<sup>5</sup> Because the estimated subsidy rates for both examined companies are zero in this final determination, we are not directing U.S. Customs and Border Protection to suspend liquidation of entries of corrosion-resistant steel from Taiwan.

<sup>1</sup> See *Countervailing Duty Investigation of Certain Corrosion-Resistant Steel Products from Taiwan: Preliminary Negative Countervailing Duty Determination*, 80 FR 68852 (November 6, 2015) (*Preliminary Determination*).

<sup>2</sup> See Memorandum to Gary Taverman, Associate Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, "Certain Corrosion-Resistant Steel Products From the

People's Republic of China, India, Italy, the Republic of Korea, and Taiwan: Scope Comments Decision Memorandum for the Preliminary Determinations," dated December 21, 2015 (*Preliminary Scope Decision Memorandum*). See also Memorandum to the File, "Certain Corrosion-Resistant Steel Products From the People's Republic of China, India, Italy, the Republic of Korea, and Taiwan: Correction to Preliminary Determination Scope Memorandum," dated January 29, 2016.

<sup>3</sup> See Memorandum to Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, "Scope Comments Decision Memorandum for the Final Determinations," dated concurrently with this notice.

<sup>4</sup> See Issue and Decision Memorandum.

<sup>5</sup> See *Preliminary Determination*, 80 FR 68852.

## United States International Trade Commission (USITC) Notification

In accordance with section 705(d) of the Act, we will notify the USITC of our final determination. Because our final determination is negative, this investigation is terminated.

## Return or Destruction of Proprietary Information

This notice serves as the only reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return/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 that is subject to sanction.

This determination is issued and published pursuant to sections 705(d) and 777(i) of the Act.

Dated: May 24, 2016.

**Paul Piquado,**

*Assistant Secretary for Enforcement and Compliance.*

## Appendix I

- I. Summary
- II. Background
  - A. Case History
  - B. Period of Investigation
- III. Scope Comments
- IV. Scope of the Investigation
- V. Final Determination of Critical Circumstances
- VI. Subsidies Valuation
  - A. Allocation Period
  - B. Attribution of Subsidies
  - C. Denominators
- VII. Benchmarks and Interest Rates
- VIII. Analysis of Programs
  - A. Programs Determined To Be Not Countervailable
    1. Provision of Cold-Rolled Steel and Hot-Rolled Steel for Less Than Adequate Remuneration (LTAR)
    2. Tariff Exemption for Imported Equipment Program
    3. Income Tax Credit for Upgraded Equipment
  - B. Programs Determined Not To Confer a Benefit During the POI
    1. Loan Financing by the National Development Fund (NDF)
    2. Provision of Land for LTAR for Eligible Firms Located in the Pingtung Industrial Park—a New Subsidy Allegation
  - C. Programs Determined To Be Not Used
- IX. Analysis of Comments
 

Comment 1: Whether CSC Is a Government Authority Capable of Providing a Financial Contribution

Comment 2: Whether the Department Should Use A “Tier Two” Benchmark To Measure the Benefit for Cold-Rolled Steel and Hot-Rolled Steel

Comment 3: Whether the Department Should Further Investigate and Collect the Information Requested by AK Steel

X. Conclusion

## Appendix II—Scope of the Investigation

The products covered by this investigation are certain flat-rolled steel products, 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, laminated, or coated with plastics or other non-metallic substances in addition to the metallic coating. The products covered include coils that have a width of 12.7 mm or greater, 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 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 covered also include products not in coils (*e.g.*, in straight lengths) of a thickness of 4.75 mm or more and a width exceeding 150 mm and measuring at least twice 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, 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 (also called wolfram), or
- 0.80 percent of molybdenum, or
- 0.10 percent of niobium (also called columbium), 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 and high strength low alloy (“HSLA”) steels. 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.

Furthermore, this scope also includes Advanced High Strength Steels (“AHSS”) and Ultra High Strength Steels (“UHSS”), both of which are considered high tensile strength and high elongation steels.

Subject merchandise also includes corrosion-resistant steel that has been further processed in a third country, including but not limited to annealing, tempering, 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 in-scope corrosion resistant 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:

- 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 non-metallic substances in addition to the metallic coating;
- Clad products in straight lengths of 4.7625 mm or more in composite thickness and of a width which exceeds 150 mm and measures at least twice the thickness; and
- Certain clad stainless flat-rolled products, which are three-layered corrosion-resistant flat-rolled steel products less than 4.75 mm in composite thickness that consist of a flat-rolled steel product clad on both sides with stainless steel in a 20%-60%-20% ratio.

The products subject to the investigation are currently classified in the Harmonized Tariff Schedule of the United States (“HTSUS”) under item numbers: 7210.30.0030, 7210.30.0060, 7210.41.0000, 7210.49.0030, 7210.49.0091, 7210.49.0095, 7210.61.0000, 7210.69.0000, 7210.70.6030, 7210.70.6060, 7210.70.6090, 7210.90.6000, 7210.90.9000, 7212.20.0000, 7212.30.1030, 7212.30.1090, 7212.30.3000, 7212.30.5000, 7212.40.1000, 7212.40.5000, 7212.50.0000, and 7212.60.0000.

The products subject to the investigation may also enter under the following HTSUS item numbers: 7210.90.1000, 7215.90.1000, 7215.90.3000, 7215.90.5000, 7217.20.1500, 7217.30.1530, 7217.30.1560, 7217.90.1000, 7217.90.5030, 7217.90.5060, 7217.90.5090, 7225.91.0000, 7225.92.0000, 7225.99.0090,

7226.99.0110, 7226.99.0130, 7226.99.0180, 7228.60.6000, 7228.60.8000, and 7229.90.1000.

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

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## DEPARTMENT OF COMMERCE

### International Trade Administration

#### Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity To Request Administrative Review

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

**FOR FURTHER INFORMATION CONTACT:** Brenda E. Waters, Office of AD/CVD Operations, Customs Liaison Unit, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230, telephone: (202) 482-4735.

#### Background

Each year during the anniversary month of the publication of an antidumping or countervailing duty order, finding, or suspended investigation, an interested party, as defined in section 771(9) of the Tariff Act of 1930, as amended (“the Act”), may request, in accordance with 19 CFR 351.213, that the Department of Commerce (“the Department”) conduct an administrative review of that antidumping or countervailing duty order, finding, or suspended investigation.

All deadlines for the submission of comments or actions by the Department discussed below refer to the number of calendar days from the applicable starting date.

#### Respondent Selection

In the event the Department limits the number of respondents for individual examination for administrative reviews initiated pursuant to requests made for the orders identified below, the Department intends to select respondents based on U.S. Customs and

Border Protection (“CBP”) data for U.S. imports during the period of review. We intend to release the CBP data under Administrative Protective Order (“APO”) to all parties having an APO within five days of publication of the initiation notice and to make our decision regarding respondent selection within 21 days of publication of the initiation **Federal Register** notice. Therefore, we encourage all parties interested in commenting on respondent selection to submit their APO applications on the date of publication of the initiation notice, or as soon thereafter as possible. The Department invites comments regarding the CBP data and respondent selection within five days of placement of the CBP data on the record of the review.

In the event the Department decides it is necessary to limit individual examination of respondents and conduct respondent selection under section 777A(c)(2) of the Act:

In general, the Department finds that determinations concerning whether particular companies should be “collapsed” (*i.e.*, treated as a single entity for purposes of calculating antidumping duty rates) require a substantial amount of detailed information and analysis, which often require follow-up questions and analysis. Accordingly, the Department will not conduct collapsing analyses at the respondent selection phase of this review and will not collapse companies at the respondent selection phase unless there has been a determination to collapse certain companies in a previous segment of this antidumping proceeding (*i.e.*, investigation, administrative review, new shipper review or changed circumstances review). For any company subject to this review, if the Department determined, or continued to treat, that company as collapsed with others, the Department will assume that such companies continue to operate in the same manner and will collapse them for respondent selection purposes. Otherwise, the Department will not collapse companies for purposes of respondent selection. Parties are requested to (a) identify which companies subject to review previously were collapsed, and (b) provide a citation to the proceeding in which they were collapsed. Further, if

companies are requested to complete the Quantity and Value Questionnaire for purposes of respondent selection, in general each company must report volume and value data separately for itself. Parties should not include data for any other party, even if they believe they should be treated as a single entity with that other party. If a company was collapsed with another company or companies in the most recently completed segment of this proceeding where the Department considered collapsing that entity, complete quantity and value data for that collapsed entity must be submitted.

#### Deadline for Withdrawal of Request for Administrative Review

Pursuant to 19 CFR 351.213(d)(1), a party that requests a review may withdraw that request within 90 days of the date of publication of the notice of initiation of the requested review. The regulation provides that the Department may extend this time if it is reasonable to do so. In order to provide parties additional certainty with respect to when the Department will exercise its discretion to extend this 90-day deadline, interested parties are advised that, with regard to reviews requested on the basis of anniversary months on or after June 2016, the Department does not intend to extend the 90-day deadline unless the requestor demonstrates that an extraordinary circumstance prevented it from submitting a timely withdrawal request. Determinations by the Department to extend the 90-day deadline will be made on a case-by-case basis.

The Department is providing this notice on its Web site, as well as in its “Opportunity to Request Administrative Review” notices, so that interested parties will be aware of the manner in which the Department intends to exercise its discretion in the future.

*Opportunity to Request a Review:* Not later than the last day of June 2016,<sup>1</sup> interested parties may request administrative review of the following orders, findings, or suspended investigations, with anniversary dates in June for the following periods:

<sup>1</sup> Or the next business day, if the deadline falls on a weekend, federal holiday or any other day when the Department is closed.