



## FACT SHEET

### Commerce Finds Dumping of Imports of Steel Concrete Reinforcing Bar from Japan and Turkey and Finds Unfair Subsidization of Imports of Steel Concrete Reinforcing Bar from Turkey

- On May 16, 2017, the Department of Commerce (Commerce) announced its affirmative final determinations in the antidumping duty (AD) investigations of imports of steel concrete reinforcing bar from Japan and Turkey and affirmative final determination in the countervailing duty (CVD) investigation of imports of steel concrete reinforcing bar from Turkey.
- The AD law provides U.S. businesses and workers with a transparent, quasi-judicial, and internationally accepted mechanism to seek relief from the market-distorting effects caused by injurious dumping of imports into the United States, establishing an opportunity to compete on a level playing field. The CVD law provides U.S. business and workers with a transparent, quasi-judicial, and internationally accepted mechanism to seek relief from the market distorting effects caused by injurious subsidization of imports into the United States, establishing an opportunity to compete on a level playing field.
- For the purpose of an AD investigation, dumping occurs when a foreign company sells a product in the United States at less than its fair value. For the purpose of CVD investigations, a countervailable subsidy is financial assistance from foreign governments that benefits the production of goods from foreign companies and is limited to specific enterprises or industries, or is contingent either upon export performance or upon the use of domestic goods over imported goods.
- In the Japan AD investigation, mandatory respondents Jonan Steel Corporation and Kyoei Steel Ltd. did not respond to Commerce's AD questionnaires; thus Commerce applied adverse facts available (AFA) and assigned the companies an AD rate based on the highest petition rate of 209.46 percent. Commerce assigned the final AD margin of 206.43 percent to all other producers/exporters of steel concrete reinforcing bar from Japan, based on the standard practice of averaging all petition rates when there are no calculated dumping margins for the mandatory respondents available.
- In the Turkey AD investigation, mandatory respondents Habas Sinai ve Tibbi Gazlar Istihsal Endustrisi A.S. (Habas) and Icdas Celik Enerji Tersane ve Ulasim Sanayi A.S. (Icdas) received final dumping margins of 5.39 percent and 8.17 percent, respectively. Commerce applied partial AFA in determining the rate for Icdas because it did not report the manufacturer of certain downstream home market sales. Commerce assigned the final dumping margin of 6.94 percent to all other producers/exporters of steel concrete reinforcing bar from Turkey.
- In the Turkey CVD investigation, Commerce calculated a final subsidy rate of 16.21 percent for the mandatory respondent Habas.
- There is currently in place an existing CVD order on rebar from the Republic of Turkey. *Steel Concrete Reinforcing Bar From the Republic of Turkey*, 79 Fed. Reg. 65,926 (Dep't Commerce Nov. 6, 2014) (2014 Turkey CVD Order). The scope of this on-going CVD investigation on rebar from Turkey covers only rebar produced and/or exported by those companies that are excluded from the

2014 Turkey CVD Order. At the time of the issuance of the 2014 Turkey CVD Order, Habas was the only excluded Turkish rebar producer or exporter. Therefore, although we have established an “all others rate” in this investigation, currently no Turkish rebar producers or exporters would be subject to that rate.

- As a result of the final affirmative determinations, Commerce will instruct U.S. Customs and Border Protection to collect cash deposits based on these final rates.
- The petitioners are the Rebar Trade Action Coalition and its individual members: Byer Steel Group, Inc. (OH), Commercial Metals Company (TX), Gerdau Ameristeel U.S. Inc. (FL), Nucor Corporation (NC), and Steel Dynamics, Inc. (IN).
- The merchandise subject to these investigations is steel concrete reinforcing bar imported in either straight length or coil form (rebar) regardless of metallurgy, length, diameter, or grade or lack thereof. Subject merchandise includes deformed steel wire with bar markings (*e.g.*, mill mark, size, or grade) and which has been subjected to an elongation test.
- The subject merchandise includes rebar that has been further processed in the subject country or a third country, including but not limited to cutting, grinding, galvanizing, painting, coating, or any other processing that would not otherwise remove the merchandise from the scope of the investigations if performed in the country of manufacture of the rebar.
- Specifically excluded are plain rounds (*i.e.*, nondeformed or smooth rebar). Also excluded from the scope is deformed steel wire meeting ASTM A1064/A1064M with no bar markings (*e.g.*, mill mark, size, or grade) and without being subject to an elongation test.
- The subject merchandise is classifiable in the Harmonized Tariff Schedule of the United States (HTSUS) primarily under item numbers 7213.10.0000, 7214.20.0000, and 7228.30.8010. The subject merchandise may also enter under other HTSUS numbers including 7215.90.1000, 7215.90.5000, 7221.00.0017, 7221.00.0018, 7221.00.0030, 7221.00.0045, 7222.11.0001, 7222.11.0057, 7222.11.0059, 7222.30.0001, 7227.20.0080, 7227.90.6030, 7227.90.6035, 7227.90.6040, 7228.20.1000, and 7228.60.6000.
- HTSUS numbers are provided for convenience and customs purposes; however, the written description of the scope remains dispositive.
- In 2016, imports of steel concrete reinforcing bar from Japan and Turkey were valued at an estimated \$96.1 million and \$511.9 million, respectively.

#### **NEXT STEPS**

- The U.S. International Trade Commission (ITC) is scheduled to announce its final determinations on or about June 29, 2017, for Japan and/or Turkey.
- If the ITC makes affirmative final determinations that imports of steel concrete reinforcing bar from Japan and/or Turkey materially injure, or threaten material injury to, the domestic industry, Commerce will issue AD and CVD orders. If the ITC makes negative determinations of injury, the investigations will be terminated.

**FINAL SUBSIDY RATES:**

COUNTRY	EXPORTERS/PRODUCERS	SUBSIDY RATES
Turkey	Habaş Sinai ve Tibbi Gazlar Istihsal Endüstrisi A.Ş.	16.21%
	All others	16.21%

**FINAL DUMPING MARGINS:**

COUNTRY	EXPORTER/PRODUCER	DUMPING RATES
Japan	Jonan Steel Corporation	209.46%
	Kyoei Steel Ltd.	209.46%
	All Others	206.43%

COUNTRY	EXPORTER/PRODUCER	DUMPING RATES	CASH DEPOSIT RATE
Turkey	Habas Sinai ve Tibbi Gazlar Istihsal Endustrisi A.S.	5.39%	5.18%
	Icdas Celik Enerji Tersane ve Ulasim Sanayi A.S.	8.17%	8.00%
	All Others	6.94%	6.77%

**NOTE:** The Department normally adjusts AD cash deposits for estimated antidumping duties by the amount of export subsidies countervailed in a companion CVD proceeding, when CVD provisional measures are in effect. Accordingly, where the Department made an affirmative determination for countervailable export subsidies, the Department has offset the estimated weighted-average dumping margin by the appropriate CVD rate.

## CASE CALENDAR:

EVENT	AD INVESTIGATIONS	CVD INVESTIGATIONS
Petitions Filed	September 20, 2016	September 20, 2016
DOC Initiation Date	October 11, 2016	October 11, 2016
ITC Preliminary Determination	November 4, 2016	November 4, 2016
DOC Preliminary Determination	February 28, 2017	February 21, 2017
DOC Final Determination	May 15, 2017	May 15, 2017
ITC Final Determination	June 29, 2017	June 29, 2017
Issuance of Order*	July 6, 2017	July 6, 2017

**NOTE:** Commerce's preliminary and final determination deadlines are governed by statute. For AD investigations, the deadlines are set forth in sections 733(b) and 735(a) of the Tariff Act of 1930, as amended (the Act). These deadlines may be extended under certain circumstances.

\*This will take place only in the event of final affirmative determinations from the ITC.

## IMPORT STATISTICS:

JAPAN	2014	2015	2016
Volume (metric tons)	85,248	242,336	268,323
Value (USD)	46,634,213	108,693,228	96,109,516
TURKEY	2014	2015	2016
Volume (metric tons)	890,130	1,474,457	1,352,798
Value (USD)	520,527,898	674,398,479	511,926,230

Source: U.S. Census Bureau, accessed through Global Trade Atlas (HTSUS 7213.10.0000, 7214.20.0000, and 7228.30.8010). Imports of steel concrete reinforcing bar may also enter under HTSUS 7215.90.1000, 7215.90.5000, 7221.00.0017, 7221.00.0018, 7221.00.0030, 7221.00.0045, 7222.11.0001, 7222.11.0057, 7222.11.0059, 7222.30.0001, 7227.20.0080, 7227.90.6030, 7227.90.6035, 7227.90.6040, 7228.20.1000, and 7228.60.6000. These HTSUS subheadings are basket categories that may cover a significant amount of non-subject merchandise and therefore have been excluded for purposes of reporting import statistics above.