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Sunset Reviews  
Public Document  
ADCVD/2/GB

MEMORANDUM TO: Ronald K. Lorentzen  
Deputy Assistant Secretary  
for Import Administration

FROM: Christian Marsh  
Deputy Assistant Secretary  
for Antidumping and Countervailing Duty Operations

SUBJECT: Issues and Decision Memorandum for the Expedited Sunset  
Reviews of the Antidumping Duty Orders on Certain Cut-To-  
Length Carbon-Quality Steel Plate from India, Indonesia, Italy,  
Japan, and the Republic of Korea

### Summary

We have analyzed the responses of the interested parties in the second sunset reviews of the antidumping (AD) duty orders covering Certain Cut-To-Length Carbon-Quality Steel Plate (CTL Plate) from India, Indonesia, Italy, Japan, and the Republic of Korea (Korea). We recommend that you approve the positions described in the Discussion of the Issues section of this memorandum. Below is the complete list of the issues in these sunset reviews for which we received substantive responses:

1. Likelihood of Continuation or Recurrence of Dumping
2. Magnitude of the Margin Likely to Prevail

### History of the Orders

#### *India*

On December 29, 1999, the Department published its final determination in the less-than-fair-value (LTFV) investigation of CTL Plate from India. See Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-To-Length Carbon-Quality Steel Plate Products from India, 64 FR 73126 (December 29, 1999). On February 10, 2000, the Department published its final amended determination and AD order on CTL Plate from India. See Notice of Amendment of Final Determinations of Sales at Less Than Fair Value and Antidumping Duty Orders: Certain Cut-To-Length Carbon-Quality Steel Plate Products From France, India, Indonesia, Italy, Japan, and the Republic of Korea, 65 FR 6585 (February 10, 2000) (CTL Amended Final and Order). On February 19, 2003, the Department revised the duty rates imposed by the LTFV investigation

for the Steel Authority of India, Ltd and the all others rate, decreasing the margin from 72.49 to 42.39 percent. See Notice of Determination Under Section 129 of the Uruguay Round Agreements Act: Antidumping Measure on Certain Cut-to-Length Carbon-Quality Steel Plate Products From India, 68 FR 7967 (February 19, 2003) (Section 129 Determination for India). For India, the Department found the following antidumping duty margins:

<u>Manufacturers/Exporters/Producers</u>	<u>LTFV Margin</u>	<u>Sect. 129 Revised Margin</u>
Steel Authority of India, Ltd.	72.49 percent	42.39 percent
All Others	72.49 percent	42.39 percent

### *Indonesia*

On December 29, 1999, the Department published its final determination in the LTFV investigation of CTL Plate from Indonesia. See Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-To-Length Carbon-Quality Steel Plate Products from Indonesia, 64 FR 73164 (December 29, 1999). On February 10, 2000, the Department published its final amended determination and AD order on CTL Plate from India. See CTL Amended Final and Order. For Indonesia, the Department found the following antidumping duty margins:

<u>Manufacturers/Exporters/Producers</u>	<u>LTFV Margin</u>
PT Gunawan Dianjaya/PT Jaya Pari Steel Corp.	50.80 percent
PT Krakatau Steel	52.42 percent
All Others	50.80 percent

### *Italy*

On December 29, 1999, the Department published its final determination in the LTFV investigation of CTL Plate from Italy. See Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-To-Length Carbon-Quality Steel Plate Products from Italy, 64 FR 73234 (December 29, 1999). On February 10, 2000, the Department published its final amended determination and AD order on CTL Plate from Italy. See CTL Amended Final and Order. On May 4, 2007, the Department revised the duty rates imposed by the LTFV investigation for Palini and Bertoli S.p.A and the all others rate, decreasing the margin from 7.85 to 7.64 percent. See Implementation of the Findings of the WTO Panel in U.S.-Zeroing (EC): Notice of Determinations Under Section 129 of the Uruguay Round Agreements Act and Revocations and Partial Revocations of Certain Antidumping Duty Orders, 72 FR 25261 (May 4, 2007) (Section 129 Determination for Italy). For Italy, the Department found the following antidumping duty margins:

<u>Manufacturers/Exporters/Producers</u>	<u>LTFV Margin</u>	<u>Sect. 129 Revised Margin</u>
Palini and Bertoli S.p.A.	7.85 percent	7.64 percent
All Others	7.85 percent	7.64 percent

### *Japan*

On December 29, 1999, the Department published its final determination in the LTFV investigation of CTL Plate from Japan. See Notice of Final Determination of Sales at Less Than

Fair Value: Certain Cut-To-Length Carbon-Quality Steel Plate Products from Japan, 64 FR 73215 (December 29, 1999). On February 10, 2000, the Department published its final amended determination and AD order on CTL Plate from Japan. See CTL Amended Final and Order. On May 20, 2008, the Department revised the duty rates imposed by the LTFV investigation for Kawasaki Steel Corporation and the all others rate, decreasing the margin from 10.78 to 9.46 percent. See Notice of Implementation of Determination Under Section 129 of the Uruguay Round Agreements Act Regarding the Antidumping Duty Order on Certain Cut-to-Length Carbon-Quality Steel Plate Products from Japan, 73 FR 29109 (May 20, 2008) (Section 129 Determination for Japan). For Japan, the Department found the following antidumping duty margins:

<u>Manufacturers/Exporters/Producers</u>	<u>LTFV Margin</u>	<u>Sect. 129 Revised Margin</u>
Kawasaki Steel Corporation	10.78 percent	9.46 percent
Kobe Steel, Ltd.	59.12 percent	59.12 percent
Nippon Steel Corporation	59.12 percent	59.12 percent
NKK Corporation	59.12 percent	59.12 percent
Sumitomo Metal Industries, Ltd.	59.12 percent	59.12 percent
All Others	10.78 percent	9.46 percent

#### *Korea*

On December 29, 1999, the Department published its final determination in the LTFV investigation of CTL Plate from Korea. See Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-To-Length Carbon-Quality Steel Plate Products from Korea, 64 FR 73196 (December 29, 1999). On February 10, 2000, the Department published its final amended determination and AD order on CTL Plate from Korea. See CTL Amended Final and Order. For Korea, the Department found the following antidumping duty margins:

<u>Manufacturers/Exporters/Producers</u>	<u>LTFV Margin</u>
Dongkuk Steel Mill Co., Ltd.	2.98 percent
All Others	2.98 percent

Since the issuance of the AD orders regarding imports of CTL Plate from India, Indonesia, Italy, Japan, and Korea, the Department has conducted: five administrative reviews with respect to CTL Plate from Korea<sup>1</sup>, two administrative reviews with respect to CTL Plate from Italy<sup>2</sup>, and

<sup>1</sup> See Certain Cut-To-Length Carbon-Quality Steel Plate Products from the Republic of Korea: Final Results and Rescission in Part of Antidumping Duty Administrative Review, 69 FR 26361 (May 12, 2004); Certain Cut-to-Length Carbon-Quality Steel Plate Products From the Republic of Korea: Final Results of Antidumping Duty Administrative Review, 71 FR 13080 (March 14, 2006); Certain Cut-to-Length Carbon-Quality Steel Plate Products From the Republic of Korea: Final Results of Antidumping Duty Administrative Review and Rescission of Administrative Review in Part, 73 FR 15132 (March 21, 2008); Certain Cut-to-Length Carbon-Quality Steel Plate Products From the Republic of Korea: Final Results of Antidumping Duty Administrative Review, 74 FR 19046 (April 27, 2009); Certain Cut-to-Length Carbon-Quality Steel Plate From the Republic of Korea: Final Results of Antidumping Duty Administrative Review and Rescission of Administrative Review in Part, 75 FR 10207 (March 5, 2010).

<sup>2</sup> See Certain Cut-To-Length Carbon-Quality Steel Plate Products From Italy: Final Results and Partial Rescission of Antidumping Duty Administrative Review, 71 FR 39299 (July 12, 2006); Certain Cut-to-Length Carbon-Quality Steel Plate Products From Italy: Final Results of Antidumping Duty Administrative Review, 75 FR 47777 (August 9, 2010).

one changed circumstances review with respect to CTL Plate from Japan.<sup>3</sup> Any other administrative reviews or new shipper reviews initiated by the Department since the imposition of the AD orders were subsequently rescinded.<sup>4</sup> The Department has conducted no duty absorption reviews.

On January 3, 2005, in accordance with section 751(c) of the Tariff Act of 1930, as amended (the Act), the Department automatically initiated the first sunset reviews of the AD orders on CTL Plate from France, India, Indonesia, Italy, Japan, and Korea. See Initiation of Five-Year (Sunset) Reviews, 70 FR 75 (January 3, 2005). As a result of these reviews, the Department found that revocation of the antidumping duty orders would be likely to lead to continuation or recurrence of dumping at the same rates as those found in the original investigations.<sup>5</sup> On November 28, 2005, the International Trade Commission (ITC) determined, pursuant to section 751(c) of the Act that revocation of the AD orders on CTL Plate from India, Indonesia, Italy, Japan, and Korea and CVD orders on CTL Plate from India, Indonesia, Italy and Korea, would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time, but that revocation of the antidumping duty order on CTL Plate from France would not be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.<sup>6</sup> Accordingly, the Department published a notice of continuation of the antidumping duty orders on CTL Plate from India, Indonesia, Italy, Japan, and Korea, and a notice of revocation of the antidumping duty order on CTL Plate from France.<sup>7</sup>

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<sup>3</sup> See Notice of Final Results of Changed Circumstances Antidumping Duty Administrative Review, and Determination To Revoke the Order in Part: Certain Cut-To-Length Carbon-Quality Steel Plate Products From Japan, 68 FR 9975 (March 3, 2003).

<sup>4</sup> See Certain Cut-To-Length Carbon-Quality Steel Plate From Italy: Rescission of Antidumping Duty Administrative Review, 66 FR 23003 (May 7, 2001); Certain Cut-To-Length Carbon-Quality Steel Plate from the Republic of Korea: Rescission of Antidumping Duty Administrative Review, 66 FR 20235 (April 20, 2001); Certain Cut-To-Length Carbon-Quality Steel Plate Products from Indonesia: Notice of Rescission of Antidumping and Countervailing Duty New Shipper Reviews, 66 FR 33661 (June 25, 2001); Certain Cut-To-Length Carbon-Quality Steel Plate from France, Italy, Indonesia, India, and Japan: Rescission of Antidumping Duty Administrative Review, 67 FR 36855 (May 28, 2002); Certain Cut-To-Length Carbon-Quality Steel Plate from the Republic of Korea: Rescission of Antidumping Duty Administrative Review, 67 FR 51821 (August 9, 2002); Certain Cut-To-Length Carbon-Quality Steel Plate From the Republic of Korea: Preliminary Results and Rescission in Part of Antidumping Duty Administrative Review, 68 FR 62770 (November 6, 2003); Certain Cut-to-Length Carbon-Quality Steel Plate Products from the Republic of Korea: Final Results and Rescission in Part of Antidumping Duty Administrative Review, 69 FR 26361 (May 12, 2004); Certain Cut-to-Length Carbon-Quality Steel Plate From Japan: Notice of Rescission of Antidumping Duty Administrative Review, 69 FR 47866 (August 6, 2004); Certain Cut-to-Length Carbon Quality Steel Plate from the Republic of Korea: Rescission of Antidumping Duty Administrative Review, 69 FR 43971 (July 23, 2004); and Certain Cut-to-Length Carbon-Quality Steel Plate From Japan: Notice of Rescission of Antidumping Duty Administrative Review, 74 FR 23391 (May 19, 2009).

<sup>5</sup> See Certain Cut-To-Length Carbon-Quality Steel Plate from France, India, Indonesia, Italy, Japan, and the Republic of Korea: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders, 70 FR 45655 (August 8, 2005).

<sup>6</sup> See Cut-to-Length Carbon-Quality Steel Plate From France, India, Indonesia, Italy, Japan, and Korea, 70 FR 71331 (November 28, 2005).

<sup>7</sup> See Continuation of Antidumping and Countervailing Duty Orders: Certain Cut-to-Length Carbon-Quality Steel Plate from India, Indonesia, Italy, Japan, and Korea, 70 FR 72607 (December 6, 2005); and Revocation of Antidumping Duty Order: Certain Cut-To-Length Carbon-Quality Steel Plate from France, 70 FR 72787 (December 7, 2005).

## Background

On December 1, 2010, the Department published the notice of initiation of the second sunset reviews of the antidumping duty orders on CTL Plate from India, Indonesia, Italy, Japan, and Korea, pursuant to section 751(c) of the Act. See Initiation of Five-Year (Sunset) Reviews, 75 FR 74685 (December 1, 2010).

The Department received notices of intent to participate in each of the sunset reviews from the following domestic parties within the deadline specified in 19 CFR 351.218(d)(1)(i): Arcelor Mittal Steel USA Inc., Evraz Claymont Steel, Evraz Oregon Steel Mills, Nucor Corporation, and SSAB N.A.D. (collectively, the domestic interested parties). These parties claimed interested party status under section 771(9)(C) of the Act and 19 CFR 351.102(b), as domestic manufacturers and producers of the domestic like product.

The Department received complete (collective) substantive responses to the notice of initiation from the domestic interested parties within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i). We received no substantive responses from respondent interested parties with respect to any of the orders covered by these sunset reviews. As a result, pursuant to 19 CFR 351.218(e)(1)(ii)(C)(2), the Department conducted expedited (120-day) sunset reviews of the antidumping duty orders on CTL Plate from India, Indonesia, Italy, Japan, and Korea.

## Discussion of the Issues

In accordance with section 751(c)(1) of the Act, the Department is conducting these sunset reviews to determine whether revocation of the antidumping duty orders would be likely to lead to a continuation or recurrence of dumping. Sections 752(c)(1)(A) and (B) of the Act provide that, in making these determinations, the Department shall consider both the weighted-average dumping margins determined in the investigation and subsequent reviews, and the volume of imports of the subject merchandise for the periods before and the periods after the issuance of the antidumping duty orders. In addition, section 752(c)(3) of the Act provides that the Department shall provide to the ITC the magnitude of the margins of dumping likely to prevail if the orders were revoked. Below we address the comments of the interested parties.

### 1. Likelihood of Continuation or Recurrence of Dumping

#### Interested Party Comments

The domestic interested parties believe that revocation of these AD orders would be likely to lead to a continuation or recurrence of dumping by the Indian, Indonesian, Italian, Japanese, and Korean manufacturers, producers, and exporters of the subject merchandise. See Letters from Arcelor Mittal USA, Evraz NA Oregon Steel Mills, Evraz NA Claymont, Nucor Corporation, and SSAB North American Division to the Secretary of Commerce re: Five-year (Sunset) Reviews Pursuant to Section 751(c) of the Tariff Act of 1930 of the Antidumping Duty Order(s) on Cut-To-Length Carbon-Quality Steel Plate from India, Indonesia, Italy, Japan, and the Republic of Korea – Substantive Response(s) to Notice of Initiation (November 30, 2010 and December 1, 2010) (separate letters were simultaneously submitted for each country) (Substantive Response). The domestic interested parties contend that revocation of the AD orders under review would have the effect of continuation of sales at LTFV by margins

equivalent to or greater than those found in the original investigation. See Substantive Response (Japan, Korea) at page 7; Substantive Response (India) at page 5; Substantive Response (Italy) at page 11; and Substantive Response (Indonesia) at page 9.

*India:* Domestic interested parties show that in 1998, imports from India totaled 137,735 tons. See Substantive Response (India) at page 10. Provisional measures of 58.80 percent were implemented against Indian producers and exporters on July 29, 1999, after which the imports from India decreased dramatically from the 1998 levels to 6,462 tons in 1999. Imports from India continued to decrease after the imposition of the AD order. Domestic interested parties assert that Indian producers could not maintain pre-order levels of imports with the imposition of antidumping measures, and imports fell to 1,485 short tons in 2000, 1262 short tons in 2001, 20 short tons in 2002, and no imports in 2003. See Substantive Response (India) at page 10. While imports from India began to rise again to 1,585 short tons in 2004, and 3,856 short tons in 2005, since the continuation of the AD order in 2005, imports rose only once more in 2006 to 6,569 short tons and decreased once again to 1,264 short tons in 2007, then to 355 short tons in 2008, and 187 short tons in 2009. See Substantive Response (India) at page 10. According to the domestic interested parties, although the volume of the imports increased from 2004 through 2006, the decrease in imports after the continuation of the AD order reflects the desired disciplinary effect of the AD order in seeing that once the AD order was continued in 2005, Indian exporters were no longer able to dump large volumes of subject merchandise. Furthermore, the subject-merchandise import figures since the AD order are insignificant when compared to the volumes shipped prior to the AD order. Thus, the domestic interested parties conclude, the significant decrease and near elimination of imports of subject merchandise from India since the imposition and continuation of the AD order indicates a strong likelihood of a recurrence of dumping should the AD order be revoked. Such dumping would injure the domestic industry and, therefore, the AD order under review should not be terminated. See Substantive Response (India) at pages 9-10.

*Indonesia:* Domestic interested parties show that in 1998, imports from Indonesia totaled 168,098 short tons. See Substantive Response (Indonesia) at page 10. Provisional measures were implemented against Indonesian producers and exporters on July 29, 1999, after which the imports from Indonesia decreased dramatically from the 1998 levels to 39,553 tons in 1999. Imports from Indonesia continued to decrease after the imposition of the AD order. Domestic interested parties assert that Indonesian producers could not maintain pre-order levels of imports, and after the imposition of antidumping measures there were no imports in 2000, 2002, and 2003, and imports of only 95 short tons in 2001. See Substantive Response (Indonesia) at page 10. In 2004 imports reached a mere 646 short tons, but in 2005 imports continued to rise to 2,756 short tons. However, after the AD order was continued in 2005, imports continued to fluctuate but remained well below pre-order levels. Only 41 short tons were imported in 2006, 1,661 short tons in 2007, 97 short tons in 2008, and there were no imports in 2009. See Substantive Response (Indonesia) at pages 10-11. Thus, the domestic interested parties conclude, the significant decrease and near elimination of imports of subject merchandise from Indonesia since the imposition and continuation of the order indicates a strong likelihood of a recurrence of dumping should the AD order be revoked. Such dumping would injure the domestic industry and, therefore, the AD order under review should not be terminated. See Substantive Response (Indonesia) at pages 10-11.

*Italy:* The domestic interested parties assert that Italian producers of CTL Plate have continued to dump in the U.S market, but have reduced their sales to the United States from their pre-order volumes. Import volumes of CTL Plate have declined significantly since the initiation of the investigation in 1999, and the issuance of the AD order in February 2000. In 1997 and 1998, two years before the AD petition was filed, subject imports were over 80,000 short tons; then they dropped to 11,369 short tons in 1999 after the petition was filed, and subsequently dropped even further to 2,369 short tons in 2000, the first year after the antidumping duties were imposed. From 2000 to 2005, the domestic interested parties show that imports averaged 6,715 short tons per year, and after the continuation of the AD order imports dropped even further, averaging 3,984 short tons per year from 2005 through 2009. See Substantive Response (Italy) at pages 13-14. Thus, the domestic interested parties conclude, the significant decrease in imports of the subject merchandise since the imposition and continuation of the order indicates a strong likelihood of a recurrence of dumping should the AD order be revoked. Such dumping would injure the domestic industry and, therefore, the AD order under review should not be terminated. See Substantive Response (Italy) at page 14.

*Japan:* The domestic interested parties contend that import volumes for CTL Plate from Japan have declined significantly since the issuance of the AD order in 2000 and the continuation of the AD order in 2005. The domestic interested parties point out that, from the implementation of the AD order in 2000 through 2009, imports of CTL Plate from Japan have decreased and are significantly less than the pre-order volumes. See Substantive Response (Japan) at page 8. This significant decrease in imports of the subject merchandise since the imposition of the order indicates a strong likelihood of a recurrence of dumping should the AD order be revoked. Such dumping would injure the domestic industry and, therefore, the AD order under review should not be terminated. See Substantive Response (Japan) at pages 8-9. Furthermore, the domestic interested parties state that the subject merchandise has continued to enter the United States at cash deposit rates ranging from 9.46 percent to 59.12 percent, which meets the Department's "continued dumping" factor. See Substantive Response (Japan) at pages 6-7.

*Korea:* With respect to the volume of imports, the domestic interested parties assert that the imposition of the AD order has had a dramatic impact on the volume of imports of CTL Plate from Korea. The domestic interested parties point to the record history of the AD order to demonstrate that the discipline of the AD order has forced Korean producers of subject merchandise either to increase their prices, to reduce dumping levels or to significantly reduce their volume of sales to the United States. Since the implementation and continuation of the AD order imports of subject merchandise have significantly decreased, and even the largest yearly volume of imports of 270,745 short tons in 2006 is significantly less than the 1998 pre-order peak of 352,056 short tons. See Substantive Response (Korea) at page 8. In addition, citing to the Department's Policy Bulletin<sup>8</sup>, the domestic interested parties assert that the Department should determine that revocation of an AD order is inappropriate where dumping continued at any level above de minimis after the issuance of the order. In subsequent administrative reviews of the order on CTL plate from Korea, the Department generally determined increases in margins for the Korean producers, with dumping rates as high as 32.70 percent for certain producers. See Substantive Response (Korea) at page 7. The domestic interested parties conclude that the

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<sup>8</sup> See Policies Regarding the Conduct of Five-year ("Sunset") Reviews of Antidumping and Countervailing Duty Orders; Policy Bulletin, 63 FR 18871 (April 16, 1998) (Policy Bulletin).

substantial decrease in imports of subject merchandise from Korea and the increase in margin rates resulting from AD reviews since the imposition and continuation of the AD order indicates a strong likelihood of recurrence of dumping if the AD order were revoked. Thus, the Department should find that revocation of the AD order under review would likely lead to continuation or recurrence of dumping, and should therefore conclude that the order not be terminated. See Substantive Response (Korea) at page 8.

Department's Position:

Consistent with the guidance provided in the legislative history accompanying the Uruguay Round Agreements Act (URAA), specifically the Statement of Administrative Action (SAA), H. Doc. No. 103-316, vol. 1 (1994), the House Report, H. Rep. No. 103-826, pt. 1 (1994) (House Report), and the Senate Report, S. Rep. No. 103-412 (1994) (Senate Report), the Department's determinations of likelihood will be made on an order-wide basis.<sup>9</sup> In addition, the Department normally will determine that revocation of an AD order is likely to lead to continuation or recurrence of dumping where (a) dumping continued at any level above de minimis after the issuance of the order, (b) imports of the subject merchandise ceased after the issuance of the order, or (c) dumping was eliminated after the issuance of the order and import volumes for the subject merchandise declined significantly.<sup>10</sup> In addition, pursuant to section 752(c)(1)(B) of the Act, the Department considers the volume of imports of the subject merchandise for the period before and after the issuance of the AD order.

*India:* Using statistics provided by the ITC Dataweb (see attachment),<sup>11</sup> the Department examined the data for the relevant periods which show that imports CTL Plate from India have declined in every year since the completion of the first sunset review in 2005, except in 2006. In 2006, 6,569 short tons entered into the United States, an import level which was well below the pre-order level of 137,735 short tons in 1998. In 2009, only 187 short tons entered into the United States. Given that imports of the subject merchandise, with the exception of 2006, declined significantly each year following the imposition and continuation of the AD order, dumping continues at above de minimis levels, as discussed below, and imports are below pre-order levels, the Department determines that dumping is likely to continue or recur if the order were revoked.

*Indonesia:* Using statistics provided by the ITC Dataweb for the relevant period (see attachment), the Department finds that imports of Indonesian CTL Plate fluctuated between 2,756 short tons and 41 short tons after the completion of the first sunset review in 2005, and in 2009 no imports entered into the United States. Given that there have been no reviews since the LTFV investigation, dumping continues at above de minimis levels, as discussed below, and imports are significantly below the pre-order level of 165,481 short tons in 1998, the Department determines that dumping is likely to continue or recur if the order were revoked.

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<sup>9</sup> See SAA at 879 and House Report at 56.

<sup>10</sup> See SAA at 889 and 890, House Report at 63-64, and Senate Report at 52.

<sup>11</sup> The CTL Plate import volume data is reported by the ITC Dataweb in kilograms. We have converted the data into short tons in order to compare the volume data with the import volume data provided by the domestic interested parties in the substantive responses.

*Italy:* Using statistics provided by the ITC Dataweb (see attachment) for the relevant period, the Department finds that imports of Italian CTL Plate declined in every year since the imposition of the AD order, except in 2004, when 29,636 short tons entered into the United States, an import level which was below the pre-order level of 88,613 short tons in 1998. Given that dumping continues at above de minimis levels and imports are below pre-order levels, the Department determines that dumping is likely to continue or recur if the order were revoked.

*Japan:* The Department examined the statistics provided by the ITC Dataweb (see attachment) for the relevant period which show that imports of Japanese CTL Plate fluctuated between 71,977 short tons and 49,304 short tons after the completion of the first sunset review in 2005, well below the pre-order level of 247,675 short tons. Given the continued existence of dumping margins for Japanese producers as well as lower import volumes since the imposition of the order, it is unlikely that respondents would be able to sell at pre-order volumes without dumping. Accordingly, the Department determines that dumping is likely to continue or recur if the order were revoked.

*Korea:* Using statistics provided by the ITC Dataweb for the relevant period (see attachment), the Department finds that imports of Korean CTL Plate declined in every year after the completion of the first sunset review in 2005, except in 2006, when 71,977 short tons entered into the United States. However, no imports of subject merchandise since the completion of the first sunset review in 2005 have reached the pre-order level, which totaled 349,384 short tons in 1998. Given that dumping continues at above de minimis levels, and imports are below pre-order levels, the Department determines that dumping is likely to continue or recur if the order were revoked.

## 2. Magnitude of the Margin Likely to Prevail

### Interested Party Comments

*India:* In their substantive response, the domestic interested parties state that revocation of the AD order would likely lead to the recurrence of dumping of CTL Plate from India in the United States market, at margins equal to or greater than those found in the original investigation. In accordance with the SAA, because the margins from the original investigation are the only calculated rates that reflect the behavior of the exporters without the discipline of an order in place, the domestic interested parties recommend the Department report these margins to the ITC. In addition the domestic interested parties point out that the Department's Policy Bulletin states that the Department normally "will provide the company specific margin from the investigation for each company regardless of whether the margin was calculated using a company's own information or based on best information available or the facts available." See Substantive Response (India) at page 11. Therefore, applying the principles set forth in the SAA and in the Department's Policy Bulletin, the domestic interested parties assert that the Department should rely on the dumping margins established in the original investigation, as amended by the Section 129 Determination for India. These rates are set forth in the "History of the Orders" section, above.

*Indonesia:* The domestic interested parties state that revocation of the AD order would likely lead to the recurrence of dumping of CTL Plate from Indonesia in the United States market, at margins equal to or greater than those found in the original investigation. In accordance with the

SAA and the Department's Policy Bulletin, they recommend that the Department report to the ITC the margins that were calculated in the final determination reached in the original investigation because they are the only calculated rates that reflect the behavior of the exporters without the discipline of an order in place. See Substantive Response (Indonesia) at pages 12-13. The domestic interested parties recommend the Department report to the ITC dumping margins from the original investigation as set forth in the "History of the Orders" section, above.

*Italy:* The domestic interested parties contend that revocation of the AD order would likely lead to dumping at margins equal to or greater than those found in the original investigation. In accordance with the SAA and the Department's Policy Bulletin, the domestic interested parties point out that normally the Department will report to the ITC the margins that were calculated in the final determination reached in the original investigation. However, they also point out that the Department's Policy Bulletin, 63 FR at 18873, indicates that the Department may report to the ITC a more recently calculated rate that is higher than the rate originally calculated because a company may choose to increase dumping in order to maintain or increase market share. See Substantive Response (Italy) at pages 14-16, citing Natural Bristle Paint Brushes and Brush Heads from the People's Republic of China: Final Results of the Expedited Sunset Review of the Antidumping Duty Order, 75 FR 13489 (March 22, 2010) (PRC Paint Brushes) and accompanying Issues and Decision Memorandum at Comment 2, and Certain Iron Construction Castings From The People's Republic of China: Five-year ("Sunset") Review of Antidumping Duty Order; Final Results, 70 FR 24511 (May 10, 2005). Therefore, the domestic interested parties argue that given the persistent dumping by Palini and Bertoli S.p.A. since the imposition of the order, the higher rate (12.18 percent) currently in place for the company as a result of the most recent administrative review provides a reasonable reflection of the individual company's likely continued dumping if revocation occurred. See Certain Cut-to-Length Carbon-Quality Steel Plate Products From Italy: Final Results of Antidumping Duty Administrative Review, 75 FR 47777 (August 9, 2010). In accordance with the SAA and the Department's Policy Bulletin, the domestic interested parties state that for the remaining Italian producers of CTL Plate the Department should rely upon the margins from the original investigation, as amended, by the Section 129 Determination for Italy. The domestic interested parties recommend that the Department find the following dumping margins likely to prevail upon revocation of the AD order (Palini and Bertoli S.p.A.: 12.18 percent; All Others 7.64 percent), see Substantive Response (Italy) at page 16.

*Japan:* The domestic interested parties contend that revocation of the AD order would likely lead to dumping at margins equal to or greater than those found in the original investigation. In accordance with the SAA, they recommend that the Department report to the ITC the margins that were calculated in the final determination reached in the LTFV investigation, as amended by the Section 129 Determination for Japan, because they are the only calculated rates that reflect the behavior of the exporters without the discipline of an order in place. The domestic interested parties argue that, while there was a reduction of the cash deposit rate for Kawasaki<sup>12</sup> and the all-others rate in response to the Section 129 Determination for Japan, there have not been any other administrative reviews of the order that amended the rates calculated from the LTFV

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<sup>12</sup> We note that JFE Steel Corporation has been identified as the alleged successor-in-interest to Kawasaki in a different proceeding. See Stainless Steel Sheet and Strip in Coils from Japan: Final Results of Antidumping Duty Administrative Review, 70 FR 37759, 37761 (June 30, 2005). However, the Department has not made a formal successor-in-interest determination concerning Kawasaki in the instant proceeding, nor in any other proceeding.

investigation. Accordingly, the domestic interested parties recommend that the Department find the dumping margins likely to prevail upon revocation of the AD order to be those which were determined in the LTFV investigation, as amended by the Section 129 Determination for Japan, as set forth in the “History of the Orders” section, above. See Substantive Response (Japan) at pages 6-7.

*Korea:* The domestic interested parties contend that revocation of the AD order would likely lead to dumping at margins equal to or greater than those found in the original investigation. Although there have been several administrative reviews for Korean producers of CTL Plate, the domestic interested parties assert that the administrative reviews have generally demonstrated substantial increases in margins. See Substantive Response (Korea) at page 7. Therefore, in accordance with the SAA, the domestic interested parties request that the Department, at a minimum, report to the ITC the margins that were calculated in the final determination reached in the original investigation as the rates likely to prevail if the order were revoked. See Substantive Response (Korea) at pages 6-7. These rates are set forth in the “History of the Orders” section, above.

#### Department’s Position:

Section 752(c)(3) of the Act provides that the Department will report to the ITC the magnitude of the margin of dumping that is likely to prevail if the order were revoked. Normally, the Department will provide to the ITC the company-specific margin from the investigation for each company. For companies not investigated specifically or for companies that did not begin shipping until after the order was issued, the Department normally will provide a margin based on the “all others” rate from the investigation. The Department’s preference for selecting a margin from the investigation is based on the fact that it is the only calculated rate that reflects the behavior of manufacturers, producers, and exporters without the discipline of an order or suspension agreement in place. See SAA at page 890.

The Department must determine the appropriate rates to report to the ITC regarding CTL Plate from India, Indonesia, Italy, Japan, and Korea. The investigation margins, in addition to being the margins based on a time period for which the orders were not yet in place, are the only margins we can examine because, with the exception of the AD orders on Italy and Korea, there have been no administrative reviews of the AD orders. With respect to CTL Plate from India, Indonesia, and Japan, because no review has been completed since the imposition of the order, we assume that the respondents would continue to dump at the same rates found in the LTFV final determination, and as amended by the Section 129 Determination for India and Section 129 Determination for Japan. We also find it reasonable to assume that if the respondents had reduced or eliminated their dumping practices they would have completed a review in order to reduce their cash deposit and assessment rates.

In the case of CTL Plate from Korea, while the post-order administrative reviews resulted in above de minimis margins, the Department agrees with domestic interested parties that it should report the rates from the original investigation because these are the only calculated rates that reflect the behavior of manufacturers, producers, and exporters without the discipline of an order or suspension agreement in place. The Department also notes that no argument has been placed on the record of this sunset review as to why the Department should report different rates and depart from its preference for reporting the investigation rates.

With respect to CTL Plate from Italy, the Department agrees with domestic interested parties that the Department should rely upon the margin from the investigation, as amended by the Section 129 Determination for Italy, for all-other producers/exporters. However, the Department disagrees with domestic interested parties that it should report the 12.18 percent assigned to Palini and Bertoli S.p.A. in the most recent administrative review covering the period February 1, 2008, through January 31, 2009. Domestic interested parties argue that the higher rate for Palini and Bertoli S.p.A. provides a reasonable reflection of Palini and Bertoli S.p.A.'s likely dumping. Citing to a number of cases involving the People's Republic of China, including PRC Paint Brushes, domestic interested parties claim that such cases endorse the view that the most recent administrative review rate should be reported because it is higher than the rate assigned during the original investigation. See Substantive Response (Italy) at page 16. As noted by the domestic interested parties, the Department's Policy Bulletin, 63 FR at 18873, states that the Department may report a more recently calculated margin for a particular company where a company has increased dumping to increase market share. However, in the instant case, unlike PRC Paint Brushes, the domestic interested parties have not provided information to the Department to demonstrate that Palini and Bertoli S.p.A. has increased its imports to the United States or its market share. They have only argued that the discipline of the order has caused total import volumes to decrease. The Department's practice establishes that the onus is on the party requesting more recent rates to be reported to the ITC to provide the Department with the necessary evidence to support doing so, but no such evidence has been placed on the record of this proceeding. See Certain Stainless Steel Sheet and Strip in Coils From Germany, Japan, the Republic of Korea, and Taiwan: Final Results of the Expedited Second Sunset Reviews of the Antidumping Duty Orders, 75 FR 62104 (October 7, 2010), and accompanying Issues and Decision Memorandum at Comment 2; and Wooden Bedroom Furniture From the People's Republic of China: Final Results of Expedited Sunset Review of Antidumping Duty Order, 75 FR 19364 (April 14, 2010), and accompanying Issues and Decision Memorandum at Comment 2. Therefore, the Department has no reason to depart from its normal practice of reporting the rates from the original investigation for all companies. Thus, with respect to the AD order on CTL Plate from Italy, the Department will report to the ITC the rates from the final determination of the LTFV investigation, as amended by the Section 129 Determination for Italy.

These factors, in conjunction with our analysis of declining import volumes, as detailed above, provide the Department with the basis for finding that dumping would likely continue or recur in the absence of the orders. Therefore, the Department finds that it is appropriate to provide the ITC with the rates from the investigations because these are the only calculated rates that reflect the behavior of manufacturers, producers, and exporters without the discipline of orders in place. In the case of CTL Plate from India, Italy and Japan, the Department will report to the ITC the investigation rates as revised in accordance with the Section 129 Determination for India, Section 129 Determination for Italy, and Section 129 Determination for Japan, respectively, as discussed above. The margins the Department will report to the ITC are listed in the "Final Results of Reviews" section below.

Final Results of Reviews

For the reasons stated above, we determine that revocation of the AD orders on CTL Plate from India, Indonesia, Italy, Japan, and Korea would likely lead to continuation or recurrence of dumping at the following weighted-average percentage margins:

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Manufacturers/Exporters/Producers	Weighted-Average Margin (percent)
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India

Steel Authority of India, Ltd.	42.39 percent
All Others	42.39 percent

Indonesia

PT Gunawan Dianjaya/PT Jaya Pari Steel Corp.	50.80 percent
PT Krakatau Steel	52.42 percent
All Others	50.80 percent

Italy

Palini and Bertoli S.p.A.	7.64 percent
All Others	7.64 percent

Japan

Kawasaki Steel Corporation	9.46 percent
Kobe Steel, Ltd.	59.12 percent
Nippon Steel Corporation	59.12 percent
NKK Corporation	59.12 percent
Sumitomo Metal Industries, Ltd.	59.12 percent
All Others	9.46 percent

Republic of Korea

Dongkuk Steel Mill Co., Ltd.	2.98 percent
All Others	2.98 percent

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Recommendation

Based on our analysis of the responses received, we recommend adopting all of the above positions. If these recommendations are accepted, we will publish these final results of sunset reviews in the Federal Register and notify the ITC of our determination.

Agree\_\_\_\_\_

Disagree\_\_\_\_\_

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Ronald K. Lorentzen  
Deputy Assistant Secretary  
for Import Administration

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Date

ATTACHMENT

**U.S. Import Volume of CTL Plate (Kilograms)**

Country	1998	2004	2005	2006	2007	2008	2009
	<i>Pre- order import levels</i>	<i>In Actual Units of Quantity</i>					
		First Unit of Quantity where quantities are collected in <b>kilograms</b>					
<b>India</b>	124,951,085	1,438,086	3,498,479	5,958,899	1,147,340	322,439	169,541
<b>Indonesia</b>	150,121,831	586,361	2,499,914	36,938	1,507,029	88,080	0
<b>Italy</b>	80,388,358	26,885,709	8,657,507	1,101,718	3,472,377	362,514	4,476,963
<b>Japan</b>	224,686,971	40,932,011	48,775,946	65,296,398	52,173,398	65,300,201	44,727,538
<b>Korea</b>	316,955,819	43,065,679	102,216,744	245,616,302	115,878,977	68,307,203	38,717,971

Sources: Data on this site have been compiled from tariff and trade data from the U.S. Department of Commerce and the U.S. International Trade Commission.

**U.S. Import Volume of CTL Plate (Short Tons)**

Country	1998	2004	2005	2006	2007	2008	2009
	<i>Pre- order import levels</i>	<i>In Actual Units of Quantity</i>					
		First Unit of Quantity where quantities are collected in <b>Short Tons*</b>					
<b>India</b>	137,735	1,585	3,856	6,569	1,265	355	187
<b>Indonesia</b>	165,481	646	2,756	41	1,661	97	0
<b>Italy</b>	88,613	29,636	9,543	1,214	3,828	400	4,935
<b>Japan</b>	247,675	45,120	53,766	71,977	57,511	71,981	49,304
<b>Korea</b>	349,384	47,472	112,675	270,746	127,735	75,296	42,679

\* We used the following formula to convert kilograms to short tons: Short Ton = Kilograms/907.1847