



## FACT SHEET

### **Commerce Preliminarily Finds Dumping of Imports of Carbon and Alloy Steel Wire Rod from Belarus, the Russian Federation and the United Arab Emirates**

- On September 6, 2017, the Department of Commerce (Commerce) announced its affirmative preliminary determinations in the antidumping duty (AD) investigations of imports of carbon and alloy steel wire rod from Belarus, the Russian Federation (Russia) and the United Arab Emirates (UAE).
- 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.
- For the purpose of AD investigations, dumping occurs when a foreign company sells an imported product in the United States at less than fair value.
- In the Belarus investigation, Commerce preliminarily found that the sole mandatory respondent, Byelorussian Steel Works (BSW) is not entitled to a separate rate, and assigned the Belarus-wide entity a preliminary dumping margin of 280.02 percent based on adverse facts available due to BSW's failure to respond to certain sections of Commerce's questionnaire.
- In the Russia investigation, Commerce preliminarily found that the mandatory respondents, Abinsk Electric Steel Works Ltd. and JSC NLMK-Ural, were dumping at preliminary dumping margins of 756.93 percent, based on adverse facts available, because the respondents failed to provide responses to questionnaires issued by Commerce. Commerce established a preliminary dumping margin of 436.80 percent for all other producers and exporters of carbon and alloy steel wire rod from Russia.
- In the UAE investigation, Commerce preliminarily found that mandatory respondent Emirates Steel Industries PJSC was dumping at a preliminary dumping margin of 84.10 percent based on adverse facts available due to the respondent's failure to provide responses to the questionnaire issued by Commerce. Commerce established a preliminary dumping margin of 84.10 percent for all other producers and exporters of carbon and alloy steel wire rod from the UAE.
- As a result of the preliminary affirmative determinations, Commerce will instruct U.S. Customs and Border Protection (CBP) to require cash deposits based on these preliminary rates. Since Commerce also found that critical circumstances exist in the Russia investigation with respect to all exporters/producers, Commerce will instruct CBP to impose the required cash deposit rates retroactively on all entries of carbon and alloy steel wire rod from Russia effective 90 days prior to publication of the preliminary determination in the Federal Register.
- The petitioners are Gerdau Ameristeel US Inc. (FL), Nucor Corporation (NC), Keystone Consolidated Industries (TX), and Charter Steel (WI).
- The merchandise covered by these investigations is certain hot-rolled products of carbon steel and alloy steel, in coils, of approximately round cross section, less than 19.00 mm in actual solid cross-sectional

diameter. Specifically excluded are steel products possessing the above-noted physical characteristics and meeting the Harmonized Tariff Schedule of the United States (HTSUS) definitions for (a) stainless steel; (b) tool steel; (c) high-nickel steel; (d) ball bearing steel; or (e) concrete reinforcing bars and rods. Also excluded are free cutting steel (also known as free machining steel) products (*i.e.*, products that contain by weight one or more of the following elements: 0.1 percent or more of lead, 0.05 percent or more of bismuth, 0.08 percent or more of sulfur, more than 0.04 percent of phosphorous, more than 0.05 percent of selenium, or more than 0.01 percent of tellurium). All products meeting the physical description of subject merchandise that are not specifically excluded are included in this scope.

- The products under investigation are currently classifiable under subheadings 7213.91.3011, 7213.91.3015, 7213.91.3020, 7213.91.3093, 7213.91.4500, 7213.91.6000, 7213.99.0030, 7227.20.0030, 7227.20.0080, 7227.90.6010, 7227.90.6020, 7227.90.6030, and 7227.90.6035 of the Harmonized Tariff Schedule of the United States (HTSUS). Products entered under subheadings 7213.99.0090 and 7227.90.6090 of the HTSUS also may be included in this scope if they meet the physical description of subject merchandise. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope is dispositive.
- In 2016, imports of carbon and alloy steel wire rod from Belarus, Russia and the UAE were valued at an estimated \$10.4 million, \$32.3 million and \$7 million, respectively.

**NEXT STEPS**

- Commerce is scheduled to announce its final determinations on November 21, 2017, unless the statutory deadline is extended.
- If Commerce makes affirmative final determinations, and the U.S. International Trade Commission (ITC) makes affirmative final determinations that imports of carbon and alloy steel wire rod from Belarus, Russia and/or the UAE materially injure, or threaten material injury to, the domestic industry, Commerce will issue AD orders. If either Commerce’s or the ITC’s final determinations are negative, no AD orders will be issued. The ITC is scheduled to make its final injury determinations approximately 45 days after Commerce issues its final determinations, if affirmative.

**PRELIMINARY DUMPING MARGINS:**

<b>COUNTRY</b>	<b>EXPORTER/PRODUCER</b>	<b>DUMPING MARGIN</b>
<b>Belarus</b>	<b>BELARUS-WIDE ENTITY</b>	<b>280.02%</b>

<b>COUNTRY</b>	<b>EXPORTER/PRODUCER</b>	<b>DUMPING MARGIN</b>
<b>Russia</b>	<b>Abinsk Electric Steel Works Ltd.</b>	<b>756.93%</b>
	<b>JSC NLMK-Ural</b>	<b>756.93%</b>
	<b>All Others</b>	<b>436.80%</b>

<b>COUNTRY</b>	<b>EXPORTER/PRODUCER</b>	<b>DUMPING MARGIN</b>
<b>UAE</b>	<b>Emirates Steel Industries PJSC</b>	<b>84.10%</b>
	<b>All others</b>	<b>84.10%</b>

**CASE CALENDAR:**

<b>EVENT</b>	<b>DATE</b>
<b>Petitions Filed</b>	<b>March 28, 2017</b>
<b>DOC Initiation Date</b>	<b>April 17, 2017</b>
<b>ITC Preliminary Determinations</b>	<b>May 12, 2017</b>
<b>DOC Preliminary Determinations</b>	<b>September 5, 2017</b>
<b>DOC Final Determinations</b>	<b>November 20, 2017</b>
<b>ITC Final Determinations*</b>	<b>January 5, 2018</b>
<b>Issuance of Orders**</b>	<b>January 12, 2018</b>

NOTE: Commerce preliminary and final determination deadlines are governed by statute. For AD investigations, the deadlines are set forth in sections 733(b) and 735(a)(1) of the Tariff Act of 1930, as amended. These deadlines may be extended under certain circumstances.

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

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

## IMPORT STATISTICS:

<b>BELARUS</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Volume (metric tons)	0	8,218	32,098
Value (USD)	0	2,891,618	10,447,009
<b>RUSSIA</b>			
<b>RUSSIA</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Volume (metric tons)	11,185	6,221	93,732
Value (USD)	6,767,392	1,990,581	32,345,643
<b>UNITED ARAB EMIRATES</b>			
<b>UNITED ARAB EMIRATES</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Volume (metric tons)	25	16,032	20,102
Value (USD)	16,922	5,938,202	6,995,365

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 7213.91.3011, 7213.91.3015, 7213.91.3020, 7213.91.3093, 7213.91.4500, 7213.91.6000, 7213.99.0030, 7227.20.0030, 7227.20.0080, 7227.90.6010, 7227.90.6020, 7227.90.6030, and 7227.90.6035.)