



FACT SHEET

Commerce Initiates Antidumping Duty and Countervailing Duty Investigations of Imports of Fabricated Structural Steel from Canada, China, and Mexico

- On February 26, 2019, the Department of Commerce (Commerce) announced the initiation of antidumping duty (AD) and countervailing duty (CVD) investigations of imports of fabricated structural steel from Canada, China, and Mexico.
- The AD and CVD laws provide 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 and unfair subsidization 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 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 a foreign government 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.
- The petitioner is the American Institute of Steel Construction Full Member Subgroup (Chicago, IL).
- The merchandise covered by these investigations is carbon and alloy fabricated structural steel. Fabricated structural steel is made from steel in which: (1) iron predominates, by weight, over each of the other contained elements; and (2) the carbon content is two percent or less by weight. Fabricated structural steel products are steel products that have been fabricated for erection or assembly into structures, including, but not limited to, buildings (commercial, office, institutional, and multi-family residential); industrial and utility projects; parking decks; arenas and convention centers; medical facilities; and ports, transportation and infrastructure facilities. Fabricated structural steel is manufactured from carbon and alloy (including stainless) steel products such as angles, columns, beams, girders, plates, flange shapes (including manufactured structural shapes utilizing welded plates as a substitute for rolled wide flange sections), channels, hollow structural section (HSS) shapes, base plates, and plate-work components. Fabrication includes, but is not limited to cutting, drilling, welding, joining, bolting, bending, punching, pressure fitting, molding, grooving, adhesion, beveling, and riveting and may include items such as fasteners, nuts, bolts, rivets, screws, hinges, or joints.

The inclusion, attachment, joining, or assembly of non-steel components with fabricated structural steel does not remove the fabricated structural steel from the scope.

Fabricated structural steel is covered by the scope of the investigations regardless of whether it is painted, varnished, or coated with plastics or other metallic or non-metallic substances and regardless of whether it is assembled or partially assembled, such as into modules, modularized construction units, or sub-assemblies of fabricated structural steel.

Subject merchandise includes fabricated structural steel that has been assembled or further processed in the subject country or a third country, including but not limited to painting, varnishing, trimming, cutting, drilling, welding, joining, bolting, punching, bending, beveling,

riveting, galvanizing, coating, and/or slitting 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 fabricated structural steel.

Specifically excluded from the scope of these investigations are:

1. Fabricated steel concrete reinforcing bar (rebar) if: (i) it is a unitary piece of fabricated rebar, not joined, welded, or otherwise connected with any other steel product or part; or (ii) it is joined, welded, or otherwise connected only to other rebar.
2. Fabricated structural steel for bridges and bridge sections that meets American Association of State and Highway and Transportation Officials (AASHTO) bridge construction requirements or any state or local derivatives of the AASHTO bridge construction requirements.
3. Pre-engineered metal building systems, which are defined as complete metal buildings that integrate steel framing, roofing and walls to form one, pre-engineered building system, that meet Metal Building Manufacturers Association guide specifications. Pre-engineered metal building systems are typically limited in height to no more than 60 feet or two stories.
4. Steel roof and floor decking systems that meet Steel Deck Institute standards.
5. Open web steel bar joists and joist girders that meet Steel Joist Institute specifications.

The products subject to the investigations are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings: 7308.90.3000, 7308.90.6000, and 7308.90.9590.

The products subject to the investigations may also enter under the following HTSUS subheadings: 7216.91.0010, 7216.91.0090, 7216.99.0010, 7216.99.0090, 7222.40.6000, 7228.70.6000, 7301.10.0000, 7301.20.1000, 7301.20.5000, 7308.40.0000, 7308.90.9530, and 9406.90.0030.

- In 2017, imports of fabricated structural steel from Canada, China, and Mexico were valued at an estimated \$658.3 million, \$841.7 million, and \$406.6 million, respectively.
- The Initiation Decision Checklists are on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and to all parties in the Central Records Unit, Room B8024 of the main Department of Commerce building. Please refer to case numbers A-122-864 for AD Canada, C-122-865 for CVD Canada, A-570-102 for AD China, C-570-103 for CVD China, A-201-850 for AD Mexico, and C-201-851 for CVD Mexico.

NEXT STEPS

- The U.S. International Trade Commission (ITC) is scheduled to make its preliminary injury determinations on or before March 21, 2019.

- If the ITC determines that there is a reasonable indication that imports of fabricated structural steel from Canada, China, and/or Mexico materially injure, or threaten material injury to, the domestic industry in the United States, the investigations will continue, and Commerce will be scheduled to announce its preliminary CVD determinations on May 2, 2019, and its preliminary AD determinations on July 16, 2019, although these dates may be extended. If the ITC’s determinations are negative, the investigations will be terminated.

ALLEGED DUMPING MARGINS:

COUNTRY	DUMPING MARGINS
Canada	30.41 percent
China	222.35 percent
Mexico	30.58 percent

ESTIMATED SUBSIDY RATE:

COUNTRY	SUBSIDY RATE
Canada	Above <i>de minimis</i> *
China	Above <i>de minimis</i> *
Mexico	Above <i>de minimis</i> *

* *de minimis* = less than 1% for developed countries, less than 2% for developing countries.

CASE CALENDAR:

EVENT	CVD INVESTIGATION	AD INVESTIGATION
Petitions Filed	February 4, 2019	February 4, 2019
DOC Initiation Date	February 25, 2019†	February 25, 2019†
ITC Preliminary Determinations*	March 21, 2019	March 21, 2019
DOC Preliminary Determinations	May 1, 2019	July 15, 2019
DOC Final Determinations	July 15, 2019	September 30, 2019
ITC Final Determinations**	August 29, 2019	November 14, 2019
Issuance of Orders***	September 5, 2019	November 21, 2019

NOTE: Commerce’s preliminary and final determination deadlines are governed by statute. For CVD investigations, the deadlines are set forth in sections 703(b) and 705(a)(1) of the Tariff Act of 1930, as amended (the Act). For AD investigations, the deadlines are set forth in sections 733(b) and 735(a) of the Act. These deadlines may be extended under certain circumstances.

* If the ITC makes a negative preliminary determination of injury, the investigations are terminated.

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

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

†Where the deadline falls on a weekend/holiday, the appropriate date is the next business day.

IMPORT STATISTICS:

CANADA	2015	2016	2017	Jan-Oct 2017	Jan-Oct 2018
Quantity (short tons)	168,828	227,763	235,997	193,412	213,279
Customs Value (USD)	466,170,593	627,856,076	658,252,574	540,886,036	596,663,779
CHINA	2015	2016	2017	Jan-Oct 2017	Jan-Oct 2018
Quantity (short tons)	368,637	476,814	492,833	430,899	419,948
Customs Value (USD)	711,970,762	827,492,335	841,679,628	728,692,089	808,226,490
MEXICO	2015	2016	2017	Jan-Oct 2017	Jan-Oct 2018
Quantity (short tons)	246,176	224,420	220,748	185,770	265,700
Customs Value (USD)	512,004,630	401,294,571	406,616,401	335,903,850	518,912,518

Source: U.S. International Trade Commission (ITC) Dataweb, available at <http://dataweb.usitc.gov/>. The petitioner reported the volume (converted from kilograms to short tons) and customs value for imports of fabricated structural steel using the Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7308.90.3000, 7308.90.6000, 7308.90.9590.