Antidumping and Countervailing Duty Investigations of Carbon and Alloy Steel Wire Rod: from Belarus, Italy, Korea, Russia, South Africa, Spain, Turkey, Ukraine, the United Arab Emirates, and the United Kingdom

Prepared by
Frederick P. Waite and Kimberly R. Young of Vorys, Sater, Seymour and Pease LLP (DC) and Counsel to AWPA
AD and CVD Proceedings on Imports of Steel Wire Rod

Petitions were filed on March 28, 2017, by four domestic wire rod producers:

- Charter Steel,
- Gerdau Ameristeel US Inc.,
- Keystone Consolidated Industries, Inc., and
- Nucor Corporation.

Antidumping petitions cover imports from Belarus, Italy, Korea, Russia, South Africa, Spain, Turkey, Ukraine, United Arab Emirates, and United Kingdom.

Countervailing duty petitions cover imports from Italy and Turkey.
Scope of Petitions

Carbon and alloy steel wire rod less than 19-mm in diameter.

- Specifically excluded from these investigations are steel products 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).

Unlike some previous investigations of wire rod, tire cord and tire bead quality wire rod is included in the scope of the current investigations.
The ITC staff held a conference or hearing on April 18, 2017.

Witnesses from the U.S. industry, foreign producers, and AWPA members participated.

AWPA members:

- John T Johnson of Mid South Wire,
- Chris Stauffer of Insteel Industries,
- Bob Moffitt of Heico Wire Group,
- Terry Hughes of Bekaert, and
- Kimberly Korbel, Executive Director.

Foreign producers represented: Italy, Korea, South Africa, Spain, Turkey, Ukraine, and United Kingdom.

On May 11, 2017, the ITC voted to continue these investigations because it found “a reasonable indication” that the U.S. industry is materially injured by reason of imports of wire rod from the ten countries involved.
Preliminary Countervailing Duty (CVD) Investigations by the U.S. Department of Commerce (DOC)—Italy and Turkey

The DOC calculated the following preliminary CVD margins:

(1) **ITALY**
   - (a) Ferriere Nord S.p.A. 1.70%
   - (b) Ferriera Valsider S.P.A. 44.18%
   - (c) All Others 1.70%

(2) **TURKEY**
   - (a) ICDAS 0.00% (*de minimis*)
   - (b) Habas 2.27%
   - (c) All Others 2.27%

The effective date for CVD duties on imports of wire rod from all Italian producers/exporters and from Habas and ICDAS is September 5, 2017.

Because the DOC made an affirmative determination of critical circumstances with respect to “All Others” in Turkey, the effective date for imports from “All Others” in Turkey is June 7, 2017.
Preliminary Antidumping (AD) Investigations by the U.S. Department of Commerce (DOC) – Belarus, Russia, and United Arab Emirates (UAE)

The DOC has assigned the following preliminary AD margins:

(1)** Belarus**
- (a) Byelorussian Steel Works (BMZ) 280.02%
- (b) All Others 280.02%

(2) **Russia**
- (a) Abinsk Electric Steel Works Ltd. 756.93%
- (b) JSC NLMK Ural 756.93%
- (c) All Others 436.80%

(3) **United Arab Emirates (UAE)**
- (a) Emirates Steel Industries PJSC 84.10%
- (b) All Others 84.10%
The DOC found that the foreign producers in Belarus, Russia, and the UAE failed to cooperate in the investigations.

Accordingly, the DOC assigned dumping margins on the basis of “adverse facts available” (AFA), which are generally the dumping margins alleged in the petitions and corroborated by the DOC.

The effective date for AD duties on imports of wire rod from Belarus and the UAE is September 12, 2017.

Because the DOC made an affirmative determination of critical circumstances with respect to Russia, the effective date for imports from Russia is June 14, 2017.

Because the DOC applied AFA margins to Belarus, Russia, and the UAE, these three preliminary determinations were announced earlier than the AD investigations of the seven other countries.
Preliminary Antidumping (AD) Investigations by the U.S. Department of Commerce (DOC) — Remaining Seven Countries

The DOC is scheduled to make its preliminary determinations in the AD investigations of wire rod from Italy, Korea, South Africa, Spain, Turkey, Ukraine, and the United Kingdom by October 24, 2017.

Any preliminary dumping margins will become effective for imports which are entered on or after the date on which the DOC’s preliminary determinations are published in the Federal Register.

However, there also are allegations of critical circumstances against imports from Korea, South Africa, Spain, Turkey, and the United Kingdom.

If the DOC makes affirmative determinations of critical circumstances, the preliminary AD margins will apply to imports which were entered during the 90-day period preceding the publication date of the DOC’s preliminary determinations.
Final Antidumping (AD) and Countervailing Duty (CVD) Investigations by the U.S. Department of Commerce (DOC)

The DOC is scheduled to conclude its investigations and issue its final determinations in the AD investigations of Belarus, Russia, and United Arab Emirates (UAE) by November 27, 2017.

The DOC is currently scheduled to complete its AD investigations of the remaining seven countries and its CVD investigations of Italy and Turkey by January 8, 2018, although that date could be postponed to March 8, 2018.
Final Injury Investigation
by the U.S. International Trade Commission (ITC)

As a result of the accelerated schedule of the investigations of Belarus, Russia, and the UAE at the DOC with those final determinations due November 27, the ITC is beginning the final phase of its injury investigation now.

While the ITC’s investigation will cover all ten countries, the ITC will vote only with respect to Belarus, Russia, and the UAE on December 20, 2017.

The ITC will vote on the remaining seven countries after the DOC completes its AD and CVD investigations of those countries.
## Schedule of Final Injury Investigation by the U.S. International Trade Commission (ITC)

<table>
<thead>
<tr>
<th></th>
<th>Event Description</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>Questionnaires Sent to U.S. and Foreign Producers, U.S. Importers, and U.S. Purchasers</td>
<td>September 18, 2017</td>
</tr>
<tr>
<td>(2)</td>
<td>Responses to Questionnaires due</td>
<td>October 13, 2017</td>
</tr>
<tr>
<td>(3)</td>
<td>ITC Prehearing Report due</td>
<td>November 2, 2017</td>
</tr>
<tr>
<td>(4)</td>
<td>Prehearing Briefs due</td>
<td>November 9, 2017</td>
</tr>
<tr>
<td>(5)</td>
<td>Public Hearing</td>
<td>November 16, 2017  (starting at 9:30 a.m.)</td>
</tr>
<tr>
<td>(6)</td>
<td>Posthearing Briefs due</td>
<td>November 27, 2017</td>
</tr>
<tr>
<td>(7)</td>
<td>Final Comments due</td>
<td>December 15, 2017</td>
</tr>
<tr>
<td>(8)</td>
<td>ITC Vote (proposed date)</td>
<td>December 20, 2017</td>
</tr>
</tbody>
</table>