MOROĞLU ARSEVEN

United States Steel Producers Target Turkish Rivals by Antidumping and Countervailing Duties Again

12 Aug 2015

Another United States trade case involving the Turkish steel industry was filed on 11 August 2015. This time, the product is hot rolled steel flat products. A Petition was filed requesting imposition of antidumping and countervailing duties on certain hot-rolled steel flat products from Turkey, Australia, Brazil, Japan, the Republic of Korea, the Netherlands and the United Kingdom.

The products covered by this Petition are certain hot rolled steel flat products, which is a combination of carbon and iron that is usefully malleable first cast, and in which iron predominates, by weight, over each of the other contained elements and the carbon content is 2% or less, by weight.

The manufacturers make these products using three distinct stages:

- Melting and refining,
- · Casting molten steel into semi-finished forms,
- Hot-rolling semi-finished forms into flat-rolled carbon steel mill products.

This product is ideal for general structural and functional areas where surface finish and weight are not critical, causing it to be mostly used for the manufacture of automotive applications, transportation equipment, nonresidential construction, appliances, heavy machinery, and machine parts.

The scope covers certain hot-rolled, steel flat products, with or without patterns in relief, and which are neither clad, plated, nor coated with metal but whether or not annealed, painted, varnished, or coated with plastics or other nonmetallic substances.

The products covered include:

- Products in coils that have a width of 12.7 mm or greater, regardless of thickness, and regardless of the form of the coil (for example, in successively superimposed layers, spirally oscillating, etc.), and
- Products not in coils (e.g., in straight lengths) of a thickness of less than 4.75 mm and a width that is 12.7 mm or greater that measures at least 10 times the thickness.

The covered products described above may be rectangular, square, circular, or other shapes and include products of either rectangular or nonrectangular cross-section where such cross-section is achieved subsequent to the rolling process, i.e., products which have been "worked after rolling" (for example, products which have been beveled or rounded at the edges.

For purposes of the width and thickness requirements referenced above:

- Where the nominal and actual measurements vary, a product is within the scope if application of either the nominal or actual measurement would place it within the scope based on the definitions set forth above, and
- Where the width and thickness vary for a specific product (for example, the thickness of certain products with non-rectangular cross-section, the width of certain products with non-rectangular shape, etc.), the measurement at its greatest width or thickness applies.

Unless specifically excluded, products are included in this scope regardless of levels of boron and titanium. Steel products included in the scope of these investigations are products in which:

- Iron predominates, by weight, over each of the other contained elements.
- The carbon content is 2% or less, by weight, and
- None of the elements listed below exceeds the quantity, by weight, respectively indicated:
 - 50 percent of manganese, or
 - o 30 percent of silicon, or
 - 50 percent of copper, or
 - 50 percent of aluminum, or
 - o 25 percent of chromium, or
 - o 30 percent of cobalt, or
 - 40 percent of lead, or
 - o 00 percent of nickel, or
 - o 30 percent of tungsten, or
 - o 80 percent of molybdenum, or
 - o 10 percent of niobium, or
 - o to percent of mobility, of
 - o 30 percent of vanadium, or
 - o 30 percent of zirconium.

Unless otherwise specifically excluded, products are included in this scope regardless of levels of boron and titanium.

For example, specifically included within the scope of these investigations are vacuum degassed, fully stabilized (commonly referred to as interstitial-free (IF)) steels, high strength low alloy (HSLA) steels, and the substrate for motor lamination steels. IF steels are recognized as low carbon steels with micro alloying levels of elements such as titanium and/or niobium added to stabilize carbon and nitrogen elements.

HSLA steels are recognized as steels with micro-alloying levels of elements such as chromium, copper, niobium, titanium, vanadium, and molybdenum. The substrate for motor lamination steels contains micro-alloying levels of elements such as silicon and aluminum.

The scope does not include:

- Universal mill plates (i.e., hot-rolled, fiat-rolled products not in coils that have been rolled on four faces or in a closed box pass, of a width exceeding 150 mm but not exceeding 1250 mm, of a thickness not less than 4.0 mm, and without patterns in relief);
- Products that have been cold-rolled (cold-reduced) after hot-rolling;
- Ball bearing steels, as defined in the HTSUS.
- Tool steels, as defined in the HTSUS.
- Silico-manganese (as defined in the HTSUS) or silicon electrical steel with a silicon level exceeding 3.30 percent.
- USS abrasion-resistant steels (USS AR 400, USS AR 500).
- Non-rectangular shapes, not in coils, which are the result of having been processed by cutting or stamping and which have assumed the character of articles or products classified outside chapter 72 of the HTSUS."

Tariff Classification

The product is classified under the following HTS subheadings:

7208.10.15.00, 7208.10.30.00, 7208.10.60.00, 7208.25.30.00, 7208.25.60.00, 7208.26.00.30, 7208.26.00.60, 7208.27.00.30, 7208.27.00. 60, 7208.36.00.30, 7208.36.00.60, 7208.37.00.30, 7208.37.00. 60, 7208.38.00.15,

7208.38.00.30, 7208.38.00.90, 7208.39.00. 15, 7208.39.00.30, 7208.39.00.90, 7208.40.60.30, 7208.40.60.60, 7208.53.00.00, 7208.54.00.00, 7208.90.00.00, 7210.70.30.00, 7211.14.00.30, 7211.14.00.90, 7211.19.15.00, 7211.19.20.00, 7211.19.30.00, 7211.19.45.00, 7211.19.60.00, 7211.19.75.30, 7211.19.75.60, 7211.19.75.90, and 7211.90.00.00.

Certain hot-rolled steel flat products covered by these investigations also enter under the following tariff numbers:

7225.11.00. 00, 7225.19.00.00, 7225.30.30.50, 7225.30.70.00, 7225.40.70.00, 7225.99.00.90, 7226.11.10.00, 7226.11.90.30, 7226.11.90.60, 7226.19.10.00, 7226.19.90.00, 7226.91.50.00, 7226.91.70.00, and 7226.91.80.00. Subject merchandise may also enter under 7210.90.90.00, 7212.40.10.00, 7212.40.50.00, 7212.50.00. 00, and 7226.99.01.80.

Although the HTSUS subheadings are provided for convenience and U.S. customs purposes, the written description of the merchandise under investigation is dispositive."

Alleged Dumping Margin

Turkey: 96.77-105.11%

Petitioners

- AK Steel Corporation
- ArcelorMittal USA LLC
- Nucor Corporation
- SSAB Enterprises, LLC
- Steel Dynamics, Inc.
- United States Steel Corporation

Volume and Value of Subject Imports

Volume of Subject Imports between 2012-2015 (in short tons) from Turkey

- 2012: 15,044
- 2013: 47,807
- 2014: 403,899
- 2014: 124,419 (Jan-May)
- 2015: 271,839 (Jan-May)

Value of Subject Import under between 2012-2015 from Turkey:

- 2012: 9,523,341
- 2013: 25,015,449
- 2014: 218,390,823
- 2014: 65,882,903 (Jan-May)
- 2015: 138,651,839 (Jan-May)

AUV of Subject Imports (in USD/short tons) from Turkey

- 2012: 03
- 2013: 523.26
- 2014: 540.71

2014: 529.53 (Jan-May)2015: 510.05 (Jan-May)

Turkish Producers/Exporters of Hot-Rolled Steel named in the Petition

- Colakoglu Metalurii. A.S.
- Eregli Demir ve Celik Fabrikalari T.A.S. (Erdemir Group')
- Elabas Sinai ve Tibbi Gazlar Istihsal Endustrisi (Habas Group)
- Iskenderun Iron & Steel Works Co. (Isdemir)
- MMK Atakas Metalurji
- Toscelik Profile and Sheet Ind. Co. (Tosvali Holding)

Related Practices

- International Trade Regulation
- Tax, Fiscal and Public Debts
- Industrial Designs

Moroglu Arseven | www.morogluarseven.com