DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[S–43–2018]

Approval of Subzone Status; Manuel Freije Arce, Inc.; Cataño, Puerto Rico

On March 6, 2018, the Executive Secretary of the Foreign-Trade Zones (FTZ) Board docketed an application submitted by the Puerto Rico Trade and Export Company, grantee of FTZ 61, requesting subzone status subject to the existing activation limit of FTZ 61, on behalf of Manuel Freije Arce, Inc., in Cataño, Puerto Rico.

The application was processed in accordance with the FTZ Act and Regulations, including notice in the Federal Register inviting public comment (83 FR 10658, March 12, 2018). The FTZ staff examiner reviewed the application and determined that it meets the criteria for approval.

Pursuant to the authority delegated to the FTZ Board’s Executive Secretary (15 CFR Sec. 400.36(f)), the application to establish Subzone 61U was approved on May 9, 2018, subject to the FTZ Act and the Board’s regulations, including Section 400.13, and further subject to FTZ 61’s 1,821.07-acre activation limit.

Dated: May 9, 2018.

Andrew McGilvray,
Executive Secretary.

DEPARTMENT OF COMMERCE

International Trade Administration

[263–523–808]


AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that certain steel nails (nails) from the Sultanate of Oman (Oman) are being, or are likely to be, sold in the United States at less than normal value during the period of review (POR) of July 1, 2016, through June 30, 2017. Additionally, we are rescinding the review with respect to ten companies.


FOR FURTHER INFORMATION CONTACT: Joseph Traw or Thomas Martin, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482–6079 or (202) 482–3936, respectively.

SUPPLEMENTARY INFORMATION: On July 13, 2015, Commerce published in the Federal Register an antidumping (AD) order on nails from Oman.1 On July 3, 2017, Commerce notified interested parties of the opportunity to request an administrative review of orders, findings, or suspended investigations with anniversaries in July 2017, including the AD Order on nails from Oman. Commerce received timely requests from Oman Fasteners LLC (Oman Fasteners) and Mid Continent Steel & Wire, Inc. (the petitioner) to conduct an administrative review of certain exporters covering the POR. On September 13, 2017, Commerce published a notice initiating an AD administrative review of nails from Oman covering 13 companies for the POR.2

In the Initiation Notice, Commerce indicated that, in the event that we would limit the respondents selected for individual examination based upon U.S. Customers and Border Protection (CBP) entry data, we would select mandatory respondents for individual examination based upon U.S. Customers and Border Protection (CBP) entry data. On September 22, 2017, Commerce extended the preliminary results in this review to no later than May 7, 2018.3 Commerce received comments for the preliminary determination from the petitioner and Oman Fasteners on April 18, 2018.4

Partial Rescission of Administrative Review

Commerce received timely requests to conduct an administrative review of certain exporters covering the POR. Because the petitioner timely withdrew its request for review of all of the companies listed in the Initiation Notice, with the exception of Oman Fasteners and OISI/ODS, we are

1 See Initiation Notice, 82 FR at 42974.
3 Commerce exercised its discretion to toll all deadlines affected by the closure of the Federal Government from January 20 through 22, 2018. Accordingly, the revised deadline for the preliminary determination of this investigation became April 7, 2018.4 On March 14, 2018, Commerce extended the preliminary results in this review to no later than May 7, 2018.
4 Commerce received comments for the preliminary determination from the petitioner and Oman Fasteners on April 18, 2018.

6 See Memorandum, “Deadlines Affected by the Shutdown of the Federal Government,” dated January 23, 2018. All deadlines in this segment of the proceeding have been extended by 3 days.
rescinding the administrative review with respect to those 10 companies, pursuant to 19 CFR 351.213(d)(1). Accordingly, the remaining companies subject to the instant review are Oman Fasteners and OISI/ODS.

Scope of the Order

The merchandise covered by this Order is nails having a nominal shaft length not exceeding 12 inches.12 Merchandise covered by the Order is currently classified under the Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7317.00.55.02, 7317.00.55.03, 7317.00.55.05, 7317.00.55.07, 7317.00.55.08, 7317.00.55.11, 7317.00.55.18, 7317.00.55.19, 7317.00.55.20, 7317.00.55.30, 7317.00.55.40, 7317.00.55.50, 7317.00.55.50, 7317.00.55.60, 7317.00.55.70, 7317.00.55.80, 7317.00.55.90, 7317.00.55.08, 7317.00.55.11, 7317.00.55.05, 7317.00.55.07, 7317.00.55.02, 7317.00.55.03, 7317.00.55.01, and 7317.00.55.06. Nails subject to this Order also may be classified under HTSUS subheadings 7907.00.60.00, 8206.00.00.00 or other HTSUS subheadings. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this Order is dispositive. For a complete description of the scope of the Order, see the Preliminary Decision Memorandum.13

The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance’s Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at http://access.trade.gov and available to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly on the internet at http://enforcement.trade.gov/frn/. The signed and electronic versions of the Preliminary Decision Memorandum are identical in content.

Methodology

Commerce is conducting this review in accordance with section 751(a) of the Act. Export price and constructed export price are calculated in accordance with section 772 of the Act. Normal value is calculated in accordance with section 773 of the Act. For a full description of the methodology underlying our conclusions, see the Preliminary Decision Memorandum.14 A list of topics included in the Preliminary Decision Memorandum is included as an Appendix to this notice.

Adverse Facts Available

Section 776(a) of the Act provides that Commerce shall, subject to section 782(d) of the Act, use “facts otherwise available” if (1) Necessary information is not on the record; or (2) an interested party or any other person: (A) Withholds information that has been requested; (B) fails to provide information within the deadlines established, or in the form and manner requested by Commerce, subject to subsections (c)(1) and (e) of section 782 of the Act; (C) significantly impedes a proceeding; or (D) provides information that cannot be verified as provided by section 782(l) of the Act.

Section 776(b) of the Act provides that Commerce may use an adverse inference in applying the facts otherwise available when a party fails to cooperate by not acting to the best of its ability to comply with a request for information (i.e., adverse facts available, or AFA). In so doing, and under the Trade Preferences Extension Act of 2015 (TPEA), Commerce is not required to determine, or make any adjustments to, a weighted-average dumping margin based on any assumptions about information an interested party would have provided if the interested party had complied with the request for information. Further, section 776(b)(2) of the Act states that an adverse inference may include reliance on information derived from the petition, the final determination from the less than fair value investigation, a previous administrative review, or other information placed on the record.

Section 776(c) of the Act provides that, in general, when Commerce relies on secondary information rather than on information obtained in the course of an investigation, it shall, to the extent practicable, corroborate that information from independent sources that are reasonably at its disposal. Secondary information is defined as information derived from the petition that gave rise to the investigation, the final determination concerning the subject merchandise, or any previous review under section 751 of the Act concerning the subject merchandise. However, Commerce is not required to corroborate any dumping margin applied in a separate segment of the same proceeding.

Under section 776(d) of the Act, Commerce may use any dumping margin from any segment of a proceeding under an AD order when applying an adverse inference, including the highest of such margins. The TPEA also makes clear that when selecting an AFA margin, Commerce is not required to estimate what the dumping margin would have been if the interested party failing to cooperate had cooperated or to demonstrate that the dumping margin reflects an “alleged commercial reality” of the interested party.

In accordance with section 776 of the Act, Commerce preliminarily determines that the application of facts available is warranted for the collapsed entity OISI/ODS because OISI/ODS did not respond to the antidumping questionnaire and, thus, has not provided the necessary information on the record, pursuant to section 776(a)(1) of the Act. Specifically, OISI/ODS has withheld requested information, failed to provide such information in the form and manner required, and impeded this review, thus, the use of facts available for the preliminary results is warranted, pursuant to sections 776(a)(2)(A), (B), and (C) of the Act. For a full discussion, see the Preliminary Decision Memorandum.

Furthermore, by withholding requested information, failing to provide such information in the manner and form required, and impeding this review, OISI/ODS failed to cooperate with Commerce by not acting to the best of its ability to comply with a request for information by Commerce, pursuant to section 776(b)(1) of the Act. Accordingly, we preliminarily determine to apply AFA to OISI/ODS, in accordance with sections 776(a) and (b) of the Act and 19 CFR 351.308. Furthermore, as we do not have information on the record to calculate a margin for OISI/ODS, we have calculated its margin based on total AFA. Specifically, we are applying as AFA, a margin of 154.33 percent, which was alleged by the petitioner in the

12 See Memorandum, “Decision Memorandum for Preliminary Results of the 2014–2016 Antidumping Duty Administrative Review of Certain Steel Nails from the Sultanate of Oman,” dated concurrently with, and hereby adopted by this notice (Preliminary Decision Memorandum).

13 See Memorandum, “Decision Memorandum for Preliminary Results of the 2014–2016 Antidumping Duty Administrative Review of Certain Steel Nails from the Sultanate of Oman,” dated concurrently with, and hereby adopted by this notice (Preliminary Decision Memorandum).
petition filed in the investigation, and which we applied to OISI/ODS in the first administrative review in this proceeding. Because we applied this margin to OISI/ODS in the prior review, it is unnecessary to corroborate this margin pursuant to section 776(c)(2) of the Act. For further discussion, see the Preliminary Decision Memorandum.

**Duty Absorption**

On October 10, 2017, the petitioner requested that Commerce conduct a duty absorption review with respect to all producers/exporters subject to this review. We have determined not to examine duty absorption with regard to Oman Fasteners and the ten companies for which we are rescinding the review, but we have found that duty absorption exists with respect to OISI/ODS based on AFA.

**Preliminary Results of Review**

As a result of this review, we preliminarily determine the following weighted-average dumping margins for the period July 1, 2016, through June 30, 2017:

<table>
<thead>
<tr>
<th>Exporter/producer</th>
<th>Weighted-average dumping margins (percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oman Fasteners LLC</td>
<td>0.00</td>
</tr>
<tr>
<td>Overseas International Steel Industry LLC/Overseas Distribution Services Inc.</td>
<td>154.33</td>
</tr>
</tbody>
</table>

**Disclosure and Public Comment**

Commerce intends to disclose the calculations used in our analysis to interested parties in this review within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). Interested parties are invited to comment on the preliminary results of this review. Pursuant to 19 CFR 351.309(c)(1)(ii), interested parties may submit case briefs no later than 30 days after the date of publication of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than five days after the time limit for filing case briefs. Parties who submit case briefs or rebuttal briefs in this proceeding are requested to submit with each brief: (1) A statement of the issue, (2) a brief summary of the argument, and (3) a table of authorities. Executive summaries should be limited to five pages total, including footnotes. Case and rebuttal briefs should be filed using ACCESS.

Pursuant to 19 CFR 351.310(c), any interested party may request a hearing within 30 days of the publication of this notice in the Federal Register. If a hearing is requested, Commerce will notify interested parties of the hearing schedule. Interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS within 30 days after the date of publication of this notice. Requests should contain: (1) The party’s name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case and rebuttal briefs. We intend to issue the final results of this administrative review, including the results of our analysis of issues raised by the parties in the written comments, within 120 days of publication of these preliminary results in the Federal Register, unless otherwise extended.

**Assessment Rates**

Upon completion of the administrative review, Commerce shall determine, and CBP shall assess, antidumping duties on all appropriate entries. Commerce intends to issue assessment instructions to CBP 15 days after the date of publication of the final results of this review.

For any individually examined respondents whose weighted-average dumping margin is above de minimis (i.e., 0.50 percent), we will calculate an importer-specific ad valorem duty assessment rates on the basis of the ratio of the total amount of dumping calculated for an importer’s examined sales and the total entered value of such sales, in accordance with 19 CFR 351.212(b)(1). For entries of subject merchandise during the POR produced by each respondent for which it did not know its merchandise was destined for the United States, we will instruct CBP to liquidate such entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction. Where either the respondent’s weighted-average dumping margin is zero or de minimis, or an importer-specific assessment rate is zero or de minimis, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

For the ten companies for which this review is rescinded, antidumping duties will be assessed at rates equal to the cash deposit of estimated antidumping duties required at the time of entry, or withdrawn from warehouse, for consumption, in accordance with 19 CFR 351.212(c)(1)(i). Commerce intends to issue appropriate assessment instructions directly to CBP 15 days after publication of this notice. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for future deposits of estimated duties, where applicable.

**Cash Deposit Requirement**

The following cash deposit requirements will be effective upon publication of the notice of the final results of administrative review for all shipments of nails from Oman entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this administrative review, as provided by section 751(b)(2)(C) of the Act: (1) The cash deposit rate for the companies under review will be the rate established in the final results of this review (except, if the rate is zero or de minimis, no cash deposit will be required); (2) for merchandise exported by manufacturers or exporters not covered in this review but covered in a prior segment of the proceeding, the cash deposit rate will continue to be the company-specific rate published for the most recently completed segment of this proceeding in which the manufacturer or exporter participated; (3) if the exporter is not a firm covered in this review, a prior review, or the less-than-fair-value investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recently completed segment of the proceeding for the manufacturer of the merchandise; and (4) the cash deposit rate for all other manufacturers or exporters will continue to be 9.10 percent ad valorem, the all-others rate.

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15 See Certain Steel Nails from India, the Republic of Korea, Malaysia, the Sultanate of Oman, Taiwan, the Republic of Turkey, and the Socialist Republic of Vietnam: Initiation of Less-Than-Fair-Value Investigations, 79 FR 36019, 36023–36024 (June 25, 2014).
17 See Preliminary Decision Memorandum at 17.
18 See 19 CFR 351.309(d)(1).
19 See 19 CFR 351.309(c)(2) and (d)(2).
20 Id.
21 See 19 CFR 351.303.
23 In these preliminary results, Commerce applied the assessment rate calculation methodology adopted in Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification, 77 FR 8101 [February 14, 2012].
established in the less-than-fair value investigation.25

Notification to Importers
This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in Commerce’s presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Notification to Interested Parties
These preliminary results and partial rescission of administrative review are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213(h)(1).

Dated: May 7, 2018.
Gary Taverman,
Deputy Assistant Secretary for Anti-dumping and Countervailing Duty Operations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.

Appendix—List of Topics Discussed in the Preliminary Decision Memorandum
I. Summary
II. Background
III. Scope of the Order
IV. Affiliation
V. Use of Facts Otherwise Available and Adverse Interferences
VI. Discussion of the Methodology
VII. Duty Absorption
VIII. Recommendation

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BILLING CODE 3510–05–P

DEPARTMENT OF COMMERCE
International Trade Administration
[C–122–854]

Supercalendered Paper From Canada: Initiation of Changed Circumstances Review

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.
SUMMARY: Based upon a request from Verso Corporation [Verso] (i.e., the petitioner), the Department of Commerce (Commerce) is initiating a changed circumstances review (CCR) to consider the possible revocation of the countervailing duty (CVD) order on supercalendered paper (SC paper) from Canada.

DATES: May 14, 2018.

FOR FURTHER INFORMATION CONTACT: Emily Halle or Nicholas Czajkowski, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone (202) 482–0176 or (202) 482–1395, respectively.

SUPPLEMENTARY INFORMATION:
Background
On December 10, 2015, Commerce published the CVD Order on SC paper from Canada.1 On March 21, 2018, Verso requested that Commerce conduct a CCR, pursuant to section 782(h)(2) of the Tariff Act of 1930, as amended (the Act) and 19 CFR 351.222(g)(1)(i). Verso expressed a lack of interest in the enforcement or existence of the CVD Order, and requested the retroactive revocation of the CVD Order, effective August 3, 2015.2

Scope of the Order
The product covered by the order is SC paper. SC paper is uncoated paper that has undergone a calendering process in which the base sheet, made of pulp and filler (typically, but not limited to, clay, talc, or other mineral additive), is processed through a set of supercalenders, a supercalender, or a soft nip calender operation.3

The scope of this order covers all SC paper regardless of basis weight, brightness, opacity, smoothness, or grade, and whether in rolls or in sheets. Further, the scope covers all SC paper that meets the scope definition regardless of the type of pulp fiber or filler material used to produce the paper.

Specifically excluded from the scope are imports of paper printed with final content of printed text or graphics. Subject merchandise primarily enters under Harmonized Tariff Schedule of the United States (HTSUS) subheading 4802.61.3035, but may also enter under subheadings 4802.61.3010, 4802.62.3000, 4802.62.6020, and 4802.69.3000. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the order is dispositive.

Initiation of CCR
Section 782(h)(2) of the Act and 19 CFR 351.222(g)(1)(i) provide that Commerce may revoke an order (in whole or in part) if it determines that producers accounting for substantially all of the production of the domestic like product have no further interest in the order, in whole or in part. Section 351.222(g) of Commerce’s regulations provides that Commerce will conduct a CCR under 19 CFR 351.216, and may revoke an order in whole or in part, if it determines that the producers accounting for substantially all of the production of the domestic like product have expressed a lack of interest in the order, in whole or in part.4 Section 351.216(d) of Commerce’s regulations provides that if Commerce determines that changed circumstances sufficient to warrant a review exist, it will conduct a CCR, in accordance with 19 CFR 351.221.

Based on the information Verso provided in its request, Commerce has determined that changed circumstances sufficient to warrant the review exist.5 Both the Act and Commerce’s regulations require that “substantially all” domestic producers express a lack of interest in the CVD Order for Commerce to revoke the CVD Order.6 Commerce has interpreted “substantially all” to represent producers accounting for at least 85 percent of U.S. production of the domestic like product.7 The data provided in Verso’s request indicated that it accounts for at least 85 percent of domestic production.

In accordance with section 751(b) of the Act and 19 CFR 351.221 and 351.222, based on an affirmative statement of no interest by the domestic parties in continuing the CVD Order, we are initiating this CCR.

4 See section 782(h) of the Act and 19 CFR 351.222(g)(1)(i).
5 See 19 CFR 351.216(d).
6 See section 782(h) of the Act and 19 CFR 351.222(g).