

MESSAGE NO: 5136208 MESSAGE DATE: 05/16/2005
MESSAGE STATUS: Active CATEGORY: Countervailing
TYPE: ORD-Order PUBLIC NON-PUBLIC
SUB-TYPE:

FR CITE: FR FR CITE DATE:

REFERENCE 9250116
MESSAGE #
(s):

CASE #(s): C-351-829

EFFECTIVE DATE: COURT CASE #:

PERIOD OF REVIEW: TO

PERIOD COVERED: 09/26/2004 TO

Notice of Lifting of Suspension Date:

TO: { Directors Of Field Operations, Port Directors }

FROM: { Director AD/CVD & Revenue Policy & Programs }

RE: TERMINATION OF SUSPENSION AGREEMENT AND ISSUANCE OF
COUNTERVAILING DUTY ORDER IN THE INVESTIGATION OF HOT- ROLLED FLAT-ROLLED
CARBON-QUALITY STEEL FROM BRAZIL

MESSAGE NO: 5136208

DATE: 05 16 2005

CATEGORY: CVD

TYPE: ORD

REFERENCE: 9250116

REFERENCE DATE: 09 07 1999

CASES: C - 351 - 829

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- - - -

PERIOD COVERED: 09 26 2004 TO

LIQ SUSPENSION DATE:

TO: DIRECTORS OF FIELD OPERATIONS

PORT DIRECTORS

FROM: DIRECTOR, SPECIAL ENFORCEMENT

RE: TERMINATION OF SUSPENSION AGREEMENT AND ISSUANCE OF
COUNTERVAILING DUTY ORDER IN THE INVESTIGATION OF HOT-
ROLLED FLAT-ROLLED CARBON-QUALITY STEEL FROM BRAZIL

1. THE DEPARTMENT OF COMMERCE PUBLISHED IN THE FEDERAL REGISTER ON JULY 19, 1999 (64 FR 38797) ITS NOTICE OF SUSPENSION OF THE COUNTERVAILING DUTY INVESTIGATION OF HOT-ROLLED FLAT-ROLLED CARBON-QUALITY STEEL ("HOT-ROLLED STEEL") FROM BRAZIL. ON JULY 19, 1999, THE DEPARTMENT OF COMMERCE PUBLISHED IN THE FEDERAL REGISTER THE FINAL DETERMINATION IN THAT CASE (64 FR 38742). ON SEPTEMBER 17, 2004, THE DEPARTMENT OF COMMERCE PUBLISHED IN THE FEDERAL REGISTER ITS NOTICE TERMINATING THE SUSPENSION AGREEMENT,

AND ISSUING A COUNTERVAILING DUTY ORDER IN THE INVESTIGATION OF HOT-ROLLED STEEL FROM BRAZIL (69 FR 56040), EFFECTIVE SEPTEMBER 26, 2004. THE SUSPENSION OF LIQUIDATION ON HOT-ROLLED STEEL FROM BRAZIL IS REINSTATED AND CASH DEPOSITS LISTED IN PARAGRAPH 3 BELOW ARE NOW REQUIRED. ON OCTOBER 12, 2004, THE DEPARTMENT ALSO PUBLISHED IN THE FEDERAL REGISTER A CORRECTION TO THE SEPTEMBER 17, 2004, NOTICE (69 FR 60614). THESE INSTRUCTIONS SUPERCEDE E-MAIL MESSAGE 9250116 SENT SEPTEMBER 7, 1999.

2. SCOPE LANGUAGE

FOR PURPOSES OF THIS INVESTIGATION, THE PRODUCTS COVERED ARE CERTAIN HOT-ROLLED FLAT-ROLLED CARBON-QUALITY STEEL PRODUCTS OF A RECTANGULAR SHAPE, OF A WIDTH OF 0.5 INCH OR GREATER, NEITHER CLAD, PLATED, NOR COATED WITH METAL AND WHETHER OR NOT PAINTED, VARNISHED, OR COATED WITH PLASTICS OR OTHER NON-METALLIC SUBSTANCES, IN COILS (WHETHER OR NOT IN SUCCESSIVELY SUPERIMPOSED LAYERS) REGARDLESS OF THICKNESS, AND IN STRAIGHT LENGTHS, OF A THICKNESS LESS THAN 4.75 MM AND OF A WIDTH MEASURING AT LEAST 10 TIMES THE THICKNESS. UNIVERSAL MILL PLATE (I.E., FLAT-ROLLED PRODUCTS ROLLED ON FOUR FACES OR IN A CLOSED BOX PASS, OF A WIDTH EXCEEDING 150 MM, BUT NOT EXCEEDING 1250 MM AND OF A THICKNESS OF NOT LESS THAN 4 MM, NOT IN COILS AND WITHOUT PATTERNS IN RELIEF) OF A THICKNESS NOT LESS THAN 4.0 MM IS NOT INCLUDED WITHIN THE SCOPE OF THESE INVESTIGATIONS.

SPECIFICALLY INCLUDED IN THIS SCOPE 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. STEEL PRODUCTS TO BE INCLUDED IN THE SCOPE OF THIS INVESTIGATION, REGARDLESS OF HTSUS

DEFINITIONS, ARE PRODUCTS IN WHICH: (1) IRON PREDOMINATES, BY WEIGHT, OVER EACH OF THE OTHER CONTAINED ELEMENTS; (2) THE CARBON CONTENT IS 2 PERCENT OR LESS, BY WEIGHT; AND (3) NONE OF THE ELEMENTS LISTED BELOW EXCEEDS THE QUANTITY, BY WEIGHT, RESPECTIVELY INDICATED:

1.80 PERCENT OF MANGANESE, OR
1.50 PERCENT OF SILICON, OR
1.00 PERCENT OF COPPER, OR
0.50 PERCENT OF ALUMINUM, OR
1.25 PERCENT OF CHROMIUM, OR
0.30 PERCENT OF COBALT, OR
0.40 PERCENT OF LEAD, OR
1.25 PERCENT OF NICKEL, OR
0.30 PERCENT OF TUNGSTEN, OR
0.012 PERCENT OF BORON, OR
0.10 PERCENT OF MOLYBDENUM, OR
0.10 PERCENT OF NIOBIUM, OR
0.41 PERCENT OF TITANIUM, OR
0.15 PERCENT OF VANADIUM, OR
0.15 PERCENT OF ZIRCONIUM.

ALL PRODUCTS THAT MEET THE PHYSICAL AND CHEMICAL DESCRIPTION PROVIDED ABOVE ARE WITHIN THE SCOPE OF THIS AGREEMENT UNLESS OTHERWISE EXCLUDED. THE FOLLOWING PRODUCTS, BY WAY OF EXAMPLE, ARE OUTSIDE AND/OR SPECIFICALLY EXCLUDED FROM THE SCOPE OF THIS AGREEMENT:

ALLOY HOT-ROLLED STEEL PRODUCTS IN WHICH AT LEAST ONE OF THE CHEMICAL ELEMENTS EXCEEDS THOSE LISTED ABOVE (INCLUDING E.G., ASTM SPECIFICATIONS A543, A387, A514, A517, AND A506). SAE/AISI GRADES OF SERIES 2300 AND HIGHER. 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 1.50 PERCENT. ASTM SPECIFICATIONS A710 AND A736. USS ABRASION-RESISTANT STEELS (USS AR 400, USS AR 500). HOT-ROLLED STEEL COIL WHICH MEETS THE

FOLLOWING CHEMICAL, PHYSICAL AND MECHANICAL SPECIFICATIONS:

C 0.10 - 0.14%

MN 0.90% MAX

P 0.025% MAX

S 0.005% MAX

SI 0.30 - 0.50%

CR 0.30 - 0.50%

CU 0.20 - 0.40%

NI 0.20% MAX

WIDTH= 44.80 INCHES MAXIMUM; THICKNESS= 0.063- 0.198 INCHES;
YIELD STRENGTH= 50,000 KSI MINIMUM; TENSILE STRENGTH= 70,000 -
88,000 PSI.

HOT-ROLLED STEEL COIL WHICH MEETS THE FOLLOWING CHEMICAL,
PHYSICAL AND MECHANICAL SPECIFICATIONS:

C 0.10 - 0.16%

MN 0.70 - 0.90%

P 0.025% MAX

S 0.006% MAX

SI 0.30 - 0.50%

CR 0.30 - 0.50%

CU 0.25% MAX

NI 0.20% MAX

MO 0.21% MAX

WIDTH= 44.80 INCHES MAXIMUM; THICKNESS= 0.350 INCHES MAXIMUM;
YIELD STRENGTH= 80,000 KSI MINIMUM; TENSILE STRENGTH= 105,000
PSI AIM.

HOT-ROLLED STEEL COIL WHICH MEETS THE FOLLOWING CHEMICAL,
PHYSICAL AND MECHANICAL SPECIFICATIONS:

C 0.10 - 0.14%

MN 1.30 - 1.80%

P 0.025% MAX

S 0.005% MAX

SI 0.30-0.50%
CR 0.50 - 0.70%
CU 0.20 - 0.40%

NI 0.20% MAX
V(WT.) 0.10% MAX
CB 0.08% MAX

WIDTH= 44.80 INCHES MAXIMUM; THICKNESS= 0.350 INCHES MAXIMUM;
YIELD STRENGTH= 80,000 KSI MINIMUM; TENSILE STRENGTH= 105,000
PSI AIM.

HOT-ROLLED STEEL COIL WHICH MEETS THE FOLLOWING CHEMICAL,
PHYSICAL AND MECHANICAL SPECIFICATIONS:

C 0.15% MAX
MN 1.40% MAX
P 0.025% MAX
S 0.010% MAX
SI 0.50% MAX
CR 1.00% MAX
CU 0.50% MAX
NI 0.20% MAX
NB 0.005% MIN
CA TREATED
AL 0.01 - 0.07%

WIDTH= 39.37 INCHES; THICKNESS= 0.181 INCHES MAXIMUM; YIELD
STRENGTH= 70,000 PSI MINIMUM FOR THICKNESSES 0.148 INCHES AND
65,000 PSI MINIMUM FOR THICKNESSES > 0.148 INCHES; TENSILE
STRENGTH= 80,000 PSI MINIMUM.

HOT-ROLLED DUAL PHASE STEEL, PHASE-HARDENED, PRIMARILY WITH A
FERRITIC-MARTENSITIC MICROSTRUCTURE, CONTAINS 0.9 PERCENT UP TO
AND INCLUDING 1.5 PERCENT SILICON BY WEIGHT, FURTHER
CHARACTERIZED BY EITHER (I) TENSILE STRENGTH BETWEEN 540 N/MM²
AND 640 N/MM² AND AN ELONGATION PERCENTAGE 26 PERCENT FOR
THICKNESSES OF 2 MM AND ABOVE, OR (II) A TENSILE STRENGTH BETWEEN
590 N/MM² AND 690 N/MM² AND AN ELONGATION PERCENTAGE 25 PERCENT
FOR THICKNESSES OF 2 MM AND ABOVE.

HOT-ROLLED BEARING QUALITY STEEL, SAE GRADE 1050, IN COILS, WITH AN INCLUSION RATING OF 1.0 MAXIMUM PER ASTM E 45, METHOD A, WITH EXCELLENT SURFACE QUALITY AND CHEMISTRY RESTRICTIONS AS FOLLOWS: 0.012 PERCENT MAXIMUM PHOSPHORUS, 0.015 PERCENT MAXIMUM SULFUR, AND 0.20 PERCENT MAXIMUM RESIDUALS INCLUDING 0.15 PERCENT MAXIMUM CHROMIUM.

GRADE ASTM A570-50 HOT-ROLLED STEEL SHEET IN COILS OR CUT LENGTHS, WIDTH OF 74 INCHES (NOMINAL, WITHIN ASTM TOLERANCES), THICKNESS OF 11 GAUGE (0.119 INCH NOMINAL), MILL EDGE AND SKIN PASSED, WITH A MINIMUM COPPER CONTENT OF 0.20%.

THE MERCHANDISE SUBJECT TO THIS AGREEMENT IS CLASSIFIED IN THE HARMONIZED TARIFF SCHEDULE OF THE UNITED STATES (HTSUS) AT

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, 7210.90.90.00, 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, 7212.40.10.00, 7212.40.50.00, 7212.50.00.00.

CERTAIN HOT-ROLLED FLAT-ROLLED CARBON-QUALITY STEEL COVERED BY THIS AGREEMENT, INCLUDING: VACUUM DEGASSED, FULLY STABILIZED; HIGH STRENGTH LOW ALLOY; AND THE SUBSTRATE FOR MOTOR LAMINATION STEEL MAY 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, 7226.91.80.00, AND 7226.99.00.00. ALTHOUGH THE

HTSUS SUBHEADINGS ARE PROVIDED FOR CONVENIENCE AND CUSTOMS PURPOSES, THE WRITTEN DESCRIPTION OF THE MERCHANDISE UNDER THIS AGREEMENT IS DISPOSITIVE.

3. FOR IMPORTS OF HOT-ROLLED STEEL FROM BRAZIL, CBP SHALL

SUSPEND LIQUIDATION OF SUCH SHIPMENTS ENTERED OR WITHDRAWN FROM WAREHOUSE, FOR CONSUMPTION ON OR AFTER SEPTEMBER 26, 2004. EFFECTIVE SEPTEMBER 26, 2004, CBP SHALL REQUIRE A CASH DEPOSIT EQUAL TO THE RATES SHOWN BELOW:

MFR/PRODUCER EXPORTER	CBP ID NUMBER	CASH DEPOSIT RATE (PERCENT)
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COMPANHIA SIDERUGICA NACIONAL ("CSN")	C-351-829-001	6.35
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USINAS SIDERUGICAS DE MINAS GERAIS ("USIMINAS")	C-351-829-002	9.67
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COMPANHIA SIDERURGICA PAULISTA ("COSIPA")	C-351-829-003	9.67
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ALL OTHERS RATE (ALL OTHER C-321-829-000 MANUFACTURERS/PRODUCERS/EXPORTERS)		7.81
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4. EFFECTIVE SEPTEMBER 26, 2004, THE LICENSING REQUIREMENTS SET OUT BY THE AGREEMENT SUSPENDING THE ANTIDUMPING INVESTIGATION ON HOT-ROLLED STEEL FROM BRAZIL SIGNED ON JULY 6, 1999, ARE TERMINATED.

5. IF THERE ARE ANY QUESTIONS REGARDING THIS MATTER BY CBP OFFICERS, THE IMPORTING PUBLIC OR INTERESTED PARTIES, PLEASE CONTACT DAVINA HASHMI OR RON TRENTAM AT OFFICE OF AD/CVD ENFORCEMENT, IMPORT ADMINISTRATION, INTERNATIONAL TRADE ADMINISTRATION, U.S. DEPARTMENT OF COMMERCE, AT (202) 482-0984 OR (202) 482-3577 RESPECTIVELY (GENERATED BY BAU:JEH).

6. THERE ARE NO RESTRICTIONS ON THE RELEASE OF THIS INFORMATION.

CATHY SAUCEDA

Company Details

*Party Indicator Value:

I = Importer, M = Manufacturer, E = Exporter, S = Sold To Party