



A-856-001
Administrative Review
POR: 10/15/2020 – 03/31/2022
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June 29, 2023

MEMORANDUM TO: Lisa W. Wang
Assistant Secretary
for Enforcement and Compliance

FROM: James Maeder
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations

SUBJECT: Issues and Decision Memorandum for the Final Results in the
2020-2022 Administrative Review of the Antidumping Duty Order
on Common Alloy Aluminum Sheet from Slovenia

I. SUMMARY

On March 2, 2023, the U.S. Department of Commerce (Commerce) published the preliminary results in the 2020-2022 administrative review of the antidumping duty (AD) on common alloy aluminum sheet (CAAS) from Slovenia.¹ The period of review (POR) is October 15, 2020, through March 31, 2022. This administrative review covers one mandatory respondent, Impol d.o.o. and Impol FT, d.o.o. (collectively, Impol). We analyzed the case brief that Impol submitted on the record, which raised only one issue. The petitioner² did not submit a case or rebuttal brief. We recommend that you approve the position described in the “Discussion of the Issue” section of this memorandum. Below is the sole issue in this administrative review for which we received a comment from an interested party.

Comment: Whether Commerce Appropriately Limited Its Comparison Market Analysis

¹ See *Common Alloy Aluminum Sheet from Slovenia: Preliminary Results of Antidumping Duty Administrative Review; 2020–2022*, 88 FR 13090 (March 2, 2023) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum (PDM).

² The petitioner is the Aluminum Association Common Alloy Aluminum Sheet Trade Enforcement Working Group and its individual members, Aleris Rolled Products, Inc., Arconic Corporation, Commonwealth Rolled Products, Constellium Rolled Products Ravenswood, LLC, JW Aluminum Company, Novelis Corporation, and Texarkana Aluminum, Inc.



II. BACKGROUND

On March 2, 2023, Commerce published the *Preliminary Results*.³ We invited parties to comment on the *Preliminary Results*. On April 3, 2023, Impol filed a case brief.⁴ No other party filed a case or rebuttal brief. The final results of this review are due no later than June 30, 2023.

III. SCOPE OF THE ORDER⁵

The products covered by this *Order* are common alloy aluminum sheet, which is a flat rolled aluminum product having a thickness of 6.3 mm or less, but greater than 0.2 mm, in coils or cut-to-length, regardless of width. Common alloy sheet within the scope of the *Order* includes both not clad aluminum sheet, as well as multi-alloy, clad aluminum sheet. With respect to not clad aluminum sheet, common alloy sheet is manufactured from a 1XXX-, 3XXX-, or 5XXX-series alloy as designated by the Aluminum Association. With respect to multi-alloy, clad aluminum sheet, common alloy sheet is produced from a 3XXX-series core, to which cladding layers are applied to either one or both sides of the core. The use of a proprietary alloy or non-proprietary alloy that is not specifically registered by the Aluminum Association as a discrete 1XXX-, 3XXX-, or 5XXX-series alloy, but that otherwise has a chemistry that is consistent with these designations, does not remove an otherwise in-scope product from the scope.

Common alloy sheet may be made to ASTM specification B209-14 but can also be made to other specifications. Regardless of specification, however, all common alloy sheet meeting the scope description is included in the scope. Subject merchandise includes common alloy sheet that has been further processed in a third country, including but not limited to annealing, tempering, painting, varnishing, trimming, cutting, punching, and/or slitting, or any other processing that would not otherwise remove the merchandise from the scope of this *Order* if performed in the country of manufacture of the common alloy sheet.

Excluded from the scope of this *Order* is aluminum can stock, which is suitable for use in the manufacture of aluminum beverage cans, lids of such cans, or tabs used to open such cans. Aluminum can stock is produced to gauges that range from 0.200 mm to 0.292 mm, and has an H-19, H-41, H-48, H-39, or H-391 temper. In addition, aluminum can stock has a lubricant applied to the flat surfaces of the can stock to facilitate its movement through machines used in the manufacture of beverage cans. Aluminum can stock is properly classified under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7606.12.3045 and 7606.12.3055.

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 for the above.

³ See *Preliminary Results*.

⁴ See Impol's Letter, "Case Brief," dated April 3, 2023 (Impol's Case Brief).

⁵ See *Common Alloy Aluminum Sheet From Bahrain, Brazil, Croatia, Egypt, Germany, India, Indonesia, Italy, Oman, Romania, Serbia, Slovenia, South Africa, Spain, Taiwan, and the Republic of Turkey: Antidumping Duty Orders*, 86 FR 22139 (April 27, 2021) (*Order*).

Common alloy sheet is currently classifiable under HTSUS subheadings 7606.11.3060, 7606.11.6000, 7606.12.3096, 7606.12.6000, 7606.91.3095, 7606.91.6095, 7606.92.3035, and 7606.92.6095. Further, merchandise that falls within the scope of the *Order* may also be entered into the United States under HTSUS subheadings 7606.11.3030, 7606.12.3015, 7606.12.3025, 7606.12.3035, 7606.12.3091, 7606.91.3055, 7606.91.6055, 7606.92.3025, 7606.92.6055, 7607.11.9090. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this *Order* is dispositive.

IV. CHANGES SINCE THE *PRELIMINARY RESULTS*

We made no changes as a result of the arguments submitted in the case brief filed by Impol, as discussed in the comment below. However, for the final results of this review, Commerce made the following changes based on further review of the record, since the issuance of the *Preliminary Results*.

1. In the *Preliminary Results*, we incorrectly weight-averaged and matched home market sales prices to U.S. sales prices by quarter instead of by month. In this review, we determined it was appropriate to use quarterly cost methodology in calculating Impol's dumping margin.⁶ When quarterly cost methodology is applied in an administrative review, as in this case, Commerce limits its price-to-price comparisons to monthly sales within the quarter. Therefore, for the final results, we corrected the programming errors in order to weight-average and match home market sales prices to U.S. sales prices on a monthly basis within the quarter of the U.S. sales in accordance with the statute, regulations, and Commerce's practice.⁷ Additionally, we note that we made the same correction to the programming in the concurrent administrative review of the AD order on CAAS from Croatia.⁸
2. In the *Preliminary Results*, there were certain home market sales without production in the POR that were inadvertently excluded from the cost recovery portion of the cost test. Therefore, we corrected the programming to ensure that these home market sales are included in the cost recovery test.⁹ Specifically, for the home market sales made during the POR, but not produced during the POR, for the cost recovery test we used the annual average POR costs of the same surrogate control numbers that were used in the sales-below-cost test, consistent with our normal practice.¹⁰

⁶ See *Preliminary Results* PDM at 15-16.

⁷ See Section 777A(d)(2) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.414(e) and (f); see also, e.g., *Circular Welded Carbon-Quality Steel Pipe from the Sultanate of Oman: Final Results of Antidumping Duty Administrative Reviews; Deferred 2019-2020 Period and Concurrent 2020-2021 Period*, 88 FR 39227 (June 15, 2023) (*CWP from Oman*), and accompanying Issues and Decisions Memorandum (IDM) at Comment 1.

⁸ See Memorandum, "Issues and Decision Memorandum for the Final Results in the 2020-2022 Antidumping Duty Administrative Review of Common Alloy Aluminum Sheet from Croatia," dated concurrently with these final results, at Comment 2; see also Memorandum, "Final Results Margin Calculation for Impol d.o.o./Impol FT d.o.o. for the 2020-2022 Period of Review," dated concurrently with this memorandum (Final Calculation Memorandum), at 1-3.

⁹ See Final Calculation Memorandum at 3-9.

¹⁰ See, e.g., *CWP from Oman* IDM at Comment 2.

V. DISCUSSION OF THE ISSUE

Comment: Whether Commerce Appropriately Limited Its Comparison Market Analysis

*Impol's Case Brief:*¹¹

- In the final results, Commerce should rely on Impol's reported cost of production and comparison market sales for all six reported quarters of the POR as requested by Commerce because Commerce analyzed the significance of cost changes and determined to use an alternative quarterly cost methodology by examining the 18-month POR.¹²
- In the *Preliminary Results*, Commerce improperly excluded home market sales in quarters 5 and 6 from Impol's home market sales database in its analysis.
- Commerce's practice is to analyze the data throughout the entire POR when determining whether to use quarterly costs or whether to use sales to an affiliate in the home market.¹³
- For the final results, Commerce should make corrections to the SAS programming language in order to include all home market sales data from the entire POR.¹⁴

No other interested party commented on this issue.

Commerce's Position: We disagree with Impol's argument that Commerce inappropriately limited Impol's home market sales to quarters 1 through 4 in the preliminary results AD margin calculation. In this review, we determined that it was appropriate to use the quarterly cost methodology in calculating Impol's dumping margin.¹⁵ When the quarterly cost methodology is applied in an administrative review, as in this case, Commerce limits its price-to-price comparisons to monthly sales within the quarter.¹⁶ Moreover, Impol reported that it made U.S. sales only during quarters one through four of the 18-month POR.¹⁷ Therefore, it was not necessary for Impol to report all of its home market sales during the POR, because Impol's U.S. sales could only be matched to contemporaneous monthly home market sales during quarters one through four of the 18-month POR.¹⁸ Accordingly, we did not include sales from quarters five and six in the AD margin calculation or the cost test.

Additionally, concerning Impol's reference to *SSP Coils from Belgium* in its brief, Commerce normally includes in its cost test home market sales over an extended period of time.¹⁹

¹¹ See Impol's Case Brief at 1-3.

¹² *Id.* at 2 (citing Memorandum, "Preliminary Results Margin Calculation for Impol d.o.o./Impol FT d.o.o. for the 2020-2022 Period of Review," dated February 23, 2023).

¹³ *Id.* (citing *Stainless-Steel Plate in Coils from Belgium: Final Results of Antidumping Duty Administrative Review*, 73 FR 75398 (December 11, 2008) (*SSP Coils from Belgium*), and accompanying IDM at Comment 4; see also *Antidumping Proceedings: Affiliated Party Sales in the Ordinary Course of Trade*, 67 FR 69186, 69188 (November 15, 2002) (*Affiliated Party Sales Comments*)).

¹⁴ See Impol's Case Brief at 2-3 for suggested programming changes.

¹⁵ See *Preliminary Results PDM* at 15-16.

¹⁶ See, e.g., *CWP from Oman* IDM at Comment 1.

¹⁷ See Impol's Letter, "Sections B, C, and D Response," dated August 24, 2022, at C-2.

¹⁸ See Commerce's Letter, "Request for Information," dated June 27, 2022, at B-1, wherein Commerce only required Impol to report home market sales within the contemporaneity window period. We note that Impol only reported its home market sales through the first month of quarter five.

¹⁹ See *SSP Coils from Belgium* IDM at Comment 4.

Specifically, the application of the term “extended period of time” pertains to the substantial quantities test which is part of the cost test. Furthermore, the statute addresses the term “extended period of time” as a period that is “normally 1 year, but not less than 6 months.”²⁰ In this review, Commerce did include home market sales over an extended period of time of one year (*i.e.*, four quarters) in the substantial quantities test as was done in the *SSP Coils from Belgium* quarterly cost case, pursuant to section 773(b)(2)(B) of the Act.

Regarding Impol’s reference to the *Affiliated Party Sales Comments*, the reference does not relate to whether all home market sales made during the entire POR should be included in the affiliated party test. Instead, the reference relates to whether non-identical merchandise should be included in the affiliated party test, which is irrelevant to the issue at hand.²¹ Therefore, based on the foregoing, we do not find it necessary to make any changes to the SAS programming concerning this issue, as suggested by Impol.

VI. RECOMMENDATION

Based on our analysis of the comments received, we recommend adopting the above position and making the above-noted changes to our *Preliminary Results*. If this recommendation is accepted, we will publish the final results of the review and the final weighted-average dumping margin for Impol in the *Federal Register*.

Agree

Disagree

6/29/2023

X



Signed by: LISA WANG

Lisa W. Wang

Assistant Secretary

for Enforcement and Compliance

²⁰ See section 773(b)(2)(B) of the Act.

²¹ See *Affiliated Party Sales Comments*, 67 FR at 69188.