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PUBLIC VERSION

BEFORE THE
INTERNATIONAL TRADE ADMINISTRATION OF THE
U.S. DEPARTMENT OF COMMERCE
AND THE
U.S. INTERNATIONAL TRADE COMMISSION

ANTIDUMPING DUTY PETITION
VOLUME X
UNITED ARAB EMIRATES

CARBON AND ALLOY STEEL WIRE ROD FROM BELARUS, ITALY, THE REPUBLIC OF KOREA, THE RUSSIAN FEDERATION, THE REPUBLIC OF SOUTH AFRICA, SPAIN, TURKEY, UKRAINE, UNITED ARAB EMIRATES, AND THE UNITED KINGDOM

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I. INTRODUCTION

The application of the Department of Commerce's ("the Department") standard dumping methodology shows that producers and/or exporters in the United Arab Emirates ("UAE") sold, or offered for sale, carbon and alloy steel wire rod ("CASWR") in the United States at less than normal value ("NV").

Petitioners used export price (hereinafter "EP") as the basis for U.S. price because Emirati producers and/or exporters of subject merchandise typically sell directly to unrelated purchasers in the United States or through unaffiliated trading companies to unrelated purchasers in the United States. Petitioners first computed the ex-factory export price for each transaction or offer ("ex-factory U.S. price" or "ex-factory EP") in U.S. Dollars by deducting from the quoted transaction prices the costs incident to delivering the merchandise to customers in the United States. Specifically, and where applicable, Petitioners deducted transportation charges from the Emirati manufacturing facilities to the UAE ports of exportation, foreign brokerage and handling fees, ocean freight and insurance expenses, U.S. port fees, and U.S. duties and taxes.

For the reasons stated *infra*, Petitioners calculated the NV for Emirati producers based upon constructed value ("CV"), which includes the cost of material, fabrication, overhead expenses, selling, general and administrative expenses, and expected profit levels.[1]

[1] *See* 19 U.S.C. § 1677b (e) (2015). Petitioners note that section 505(a) of Trade Preferences Extension Act of 2015 eliminates the requirement that Petitioners provide information as to whether sales have been made at less than the cost of production. Trade Preferences Extension Act of 2015, Pub. L. No. 114-27, § 505(a), 129 Stat. 362, 385-86, codified at 19 U.S.C. § 1677b(b)(2)(A)(ii). Petitioners request that the Department conduct an investigation to assess whether Emirates Steel Industries PJSC ("Emirates Steel") or any other Emirati producer has made sales at less than the cost of production. *See, e.g., Certain Hot-Rolled Steel Flat Products from Australia, Brazil, Japan, the Republic of Korea, the Netherlands, the Republic of Turkey, and the United Kingdom*, 80 Fed. Reg. 54,261, 54,264 n. 36 (Dep't Commerce Sept. 9, 2015) (initiation of less-than-fair-value investigations).

Petitioners next compared each ex-factory EP with the ex-factory NV for identical or similar merchandise. In making these comparisons, Petitioners converted the UAE producer's NV to U.S. Dollars using the U.S. Dollar–Emirati Dirham exchange rate in effect during the period of investigation (January 1, 2016 through December 31, 2016) (the "POI"). Petitioners then subtracted the U.S. price [SOURCE] from the ex-factory NV and divided the difference by the U.S. price for each observation to determine the dumping margin on a "price to price" basis.

II. EXPORT PRICE ("EP")

UAE producer/exporters of CASWR products typically sell subject merchandise to unrelated original equipment manufacturers ("OEMs"), trading companies, distributors, and/or fabricators. They may sell directly or through U.S. sales affiliates. Domestic manufacturers of CASWR learn of U.S. price offerings by UAE producers and/or exporters either during the course of negotiating sales prices with their U.S. customers, through market intelligence, or through sale offers received directly from UAE producers/exporters themselves.[2] In the CASWR industry, potential U.S. customers typically receive price offerings from UAE producers/exporters directly, independent sales representatives, or trading companies seeking to gain business in the United States. UAE and domestic producers of CASWR compete for the same customers on a daily basis.

Domestic and UAE manufacturers/exporters of CASWR products typically price their merchandise on a price per net ton (or metric ton), a price per hundredweight ("cwt") basis, or a price per pound basis. The ultimate price for CASWR is based on a few factors, including the

[2] *See* Declaration of [NAME], attached as **Exhibit AD-AE-1**.

grade of the particular CASWR product offered for sale and the thickness or diameter of the rod.[3]

A. U.S. Price

Petitioners obtained the following quoted sales offers for CASWR produced in and exported from the UAE by Emirates Steel Industries PJSC ("Emirates Steel") and offered for sale to customers in the United States.[4] Based upon information that is available to Petitioners, Emirates Steel sold subject merchandise to the United States during the POI and was among the primary exporters during the POI.[5] Consequently, Petitioners believe that the pricing provided herein is indicative of the pricing at which UAE producers/exporters sell or offer for sale subject merchandise.

OBS	HTSUS Code	Product/Grade	Diameter	Quantity (MT)	Entered Price
US-UAE-X01	[	SPECIFICATION			265]

Petitioners derived the prices found in OBS **US-UAE-X01** from official U.S. import statistics [SOURCE]. Specifically, as shown in **Exhibit AD-AE-2**, official import statistics indicate that Emirates Steel entered [ ] kilograms of CASWR classifiable under Harmonized Tariff Schedule of the United States ("HTSUS") number [ ] during the month of [DATE].[6] HTSUS numbers are provided for in HTSUS, Chapter 72, attached as **Exhibit AD-AE-12**. [SENTENCE

3 *See id*.

4 *See* Official U.S. Import Statistics, attached as **Exhibit AD-AE-2**.

5 *See* [ ], attached as **Exhibit AD-AE-3**.

6 *See* HTSUS, Chapter 72, excerpts attached as **Exhibit AD-AE-5**.

].[7]

Given that this quantity was [ ] CASWR entry into the [CITY CITY CITY][8] [DATE COMPANY SENTENCE]. As such, the entered Customs values as shown in **Exhibit AD-AE-2** and *supra* represent the price at which Emirates Steel sold CASWR to the United States during [TIME PERIOD] to customers in the [CITY].

The quoted transaction appears to involve goods that have been sold to unrelated U.S. customers. As such, Petitioners believe that EP is the appropriate basis for U.S. price because the first transaction relating to the entry of goods into the United States was to a U.S. customer that does not appear to be affiliated with Emirates Steel.[9] Petitioners calculated the EP using the quoted transaction/offer and the calculated price as the best information reasonably available.

B. Movement and Related Expenses

Petitioners used the FOB foreign port price, which already excludes the costs associated with exporting and delivering the product to customers in the United States from the quoted transaction price. These costs normally consist of inland and ocean freight charges from Emirati manufacturing facilities to U.S. ports, Emirati and U.S. port, wharfage, and/or handling fees, foreign brokerage and handling fees, customs duties paid upon entry of the subject merchandise into the United States, U.S. brokerage and handling fees, and U.S. inland freight expenses, where

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7 *See* [SOURCE], attached as **Exhibit AD-AE-3**.

8 *See* Listing of U.S. Customs and Border Protection agency port codes, **Exhibit AD-AE-4**.

9 *See* 19 U.S.C. § 1677a(a) (2015).

applicable. The following sections describe the calculations performed to derive the ex-factory U.S. price. Petitioners' calculation of the ex-factory U.S. price is provided at **Exhibit AD-AE-6**.

UAE imports of CASWR are typically transported by truck or rail from the manufacturing facilities to the port of export; transported by ocean vessel to the United States either in shipping containers or in break-bulk form; and shipped by truck, barge, or rail to the location of the U.S. customer(s). The exact method of transportation depends on the proximity of the UAE production factory to the port of exportation, the availability of rail or road lines in conjunction with the factory's location, and the location of the U.S. customer's designated delivery location.

1. Country of Manufacture Expenses

a. Foreign Inland Freight and Warehousing

Under normal circumstances, Petitioners would deduct country of manufacture movement expenses such as foreign inland freight (truck or rail or barge), distribution warehouse expenses, brokerage and handling expenses, and port expenses from the quoted transaction price. However, owing to the fact that Emirates Steel's facilities are located near and directly across from the Mina Zayed sea port at Abu Dhabi Industrial City,[10] Petitioners believe that Emirates Steel incurs very little inland freight and warehousing expenses. As a conservative measure, Petitioners have omitted inland freight and warehousing expenses deductions from the calculation of the ex-factory export price.

[10] *See* Google Maps, Port of Mina Zayed and Distance Calculation from Emirates Steel to Port of Mina Zayed, attached as **Exhibit AD-AE-7**.

b. Brokerage and Handling

Petitioners calculated the country of manufacture brokerage and handling expenses that Emirates Steel would incur in shipping subject merchandise to the United States. Specifically, according to the World Bank publication *Doing Business in UAE 2015* ("*DBS 2015*") and inflated to 2016 rates, exporters in Organization for Economic Cooperation and Development ("OECD") high income countries are likely to incur up to approximately US$ 475.56 in brokerage and handling fees.[11] This rate was converted to a price per metric ton (and then price per pound) by dividing the brokerage and handling fee rate by the standard container load as specified by the methodology outlined in *DBS 2015* – the 15 metric tons per container and then converting to metric ton.[12] The cost per metric ton was then subtracted from the offered U.S. prices.[13]

2. International Movement Expenses

a. Ocean Freight and Insurance

With respect to ocean freight and relevant marine insurance expenses, Petitioners note that since the U.S. offer/transaction pricing is based on official U.S. import statistics (customs data), the pricing already reflects values that are exclusive of these expenses.[14] Consequently, no adjustment is required.

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11 *See* World Bank, *Doing Business in UAE – 2015*, attached as **Exhibit AD-AE-8**.

12 *See* Calculation of brokerage and handling attached as **Exhibit AD-AE-9**.

13 *See* Calculation of Ex-Factory U.S. Price, attached as **Exhibit AD-AE-6**.

14 *See* Official U.S. Import Statistics, attached as **Exhibit AD-AE-2**.

C. Computation of Ex-Factory U.S. Price

Petitioners subtracted the calculated brokerage and handling expenses from the reported U.S. prices to obtain the following ex-factory U.S. prices for CASWR products exported from the UAE by Emirates Steel, and offered for sale in [TIME PERIOD] in the United States:

OBS	HTSUS Code	Product/Grade	Diameter	Quantity (MT)	Ex-Factory Export Price
US-UAE-X01	[	SPECIFICATION			240]

Detailed calculations of the ex-factory U.S. prices for imports of CASWR from UAE are provided in **Exhibit AD-AE-6**.

III. NORMAL VALUE

The preferred method for determining the NV of imported products is to examine sales or offers of sales of identical or similar product in the home market of the exporting country. However, for purposes of this petition, Petitioners have relied upon constructed value [

SENTENCE

SOURCE

SENTENCE

]. As a result, constructed value is the only reasonable alternative.

A. Cost of Production and Constructed Value

Given the unavailability of home market pricing to calculate NV, Petitioners have relied upon CV to estimate NV.

Petitioners used the Department's standard methodology to calculate the cost of production ("COP") for the subject merchandise produced by Emirates Steel in the UAE. Because the volume of inputs consumed by Emirates Steel and the company's actual production

costs are not reasonably available, Petitioners used the product-specific production costs and/or consumption rates of [COMPANY], as the "UAE Surrogate."[15]

Petitioners used [COMPANY] data for the [TIME PERIOD] because it represents the period of time for which [COMPANY] the Emirati respondent, [ ], and represents a period in [ ]. As with Emirates Steel and other Emirati respondents, [COMPANY] of CASWR. [COMPANY SENTENCE] CASWR products.[16] Finally, Petitioners note that Emirates Steel produces its CASWR utilizing the mini-mill (*i.e.*, electric arc furnace) steel production method.[17] Like Emirates Steel, [COMPANY SENTENCE].[18]

1. The Production Process for Subject Merchandise

The manufacturing process for CASWR involves three main steps: 1) liquid steel production, 2) semi-finished billet production, and 3) hot-rolling of the steel CASWR as a finished good. These production steps are described below. Other additional finishing steps may be included for products that are processed or treated.

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15 *See* Declaration of [NAME], attached as **Exhibit AD-AE-10**.

16 *Id.*

17 *See* Metal Bulletin, *Iron & Steel Works of the World 2015* (22nd ed. 2015), at 485, attached as **Exhibit AD-AE-11**.

18 *See* Declaration of [NAME], attached as **Exhibit AD-AE-1**.

a. Liquid Steel Production

The liquid steel that is eventually manufactured into subject merchandise is typically produced in one of two ways, through the integrated steel method or the "mini-mill" method. In the integrated steel method, iron ore, pig iron, and other primary ferrous goods are melted in a blast furnace. In this stage, metallurgical coke is introduced to generate additional heat. Refractories and fluxes such as limestone are introduced to remove away impurities in the form of slag. Once the iron is melted, it is transferred to a basic oxygen furnace ("BOF") where additional heating and melting takes place. Certain quantities of ferrous scrap are then introduced to supplement the iron content of the liquid iron. After complete melting in the BOF, the liquid steel is typically tapped and poured into a ladle metallurgical furnace ("LMF"), where the chemistry of the liquid steel is adjusted to the proper standard utilizing ferroalloys or other metals, including aluminum, vanadium, boron, or chromium.

In the mini-mill method (the method employed by [COMPANY]), the primary input is ferrous scrap and/or iron units (direct reduced iron or pig iron). Here, the blast furnace stage (utilizing coke) is eliminated. Energy and heat is created through graphite electrodes that conduct tremendous amounts of heat and melt the ferrous goods in an electric arc furnace ("EAF"). The heat generated by the EAF reduces the solid ferrous material into molten, liquid state. As with the integrated method, the EAF is tapped and poured into a LMF for chemistry adjustment.

b. Billet/Bloom Casting

The molten steel that has been modified to the desired chemistry is converted into semifinished steel products ("semis") in the form of a steel billet or bloom in a billet/bloom

caster. Here, molten steel is poured down a copper or other lined caster.[19] Using gravity and the assistance of cooling mechanisms (water spray most commonly), the molten steel transforms from liquid to solid rectangular or round billet or bloom. The billet or bloom can be transferred immediately to a rolling mill (often using a tunnel or reheat furnace to maintain temperature) for conversion into CASWR or is placed into inventory before eventually being reheated and rolled into finished CASWR products.

c. Rod Rolling

In the rolling stage, a billet or bloom is first heated to a high temperature (well in excess of 2000 degrees Fahrenheit) in a reheat or tunnel furnace.[20] The heated billet or bloom is then moved through a series of strong metal (often chromium) mechanical rolls (known as roughing stands and finishing stands) that work to 1) reduce the diameter of the billet or bloom into a bar and to 2) lengthen the bar in overall size. The rolled and elongated bar is then fed into a "coiling tub" which allows the CASWR to accumulate in a finished steel coil. Alternatively, CASWR may be cooled on a "Stelmor" cooling deck where loops of overlapping CASWR are cooled along a moving set of rollers or belts. The cooled loops are then coiled together in a coiler box.

2. The UAE Surrogate

All of the aforementioned production processes are [ ]. The production process for CASWR is very similar regardless of whether the product is produced in the United States or in UAE. [COMPANY

CITY, STATE CITY, STATE

[19] Some products of large diameter are produced through an ingot production process where molten steel is poured into a mould which is allowed to cool into an ingot form.

[20] In some situations, a bloom or billet can be transferred directly from the melt shop and no reheating (or only minimal reheating is required).

CITY, STATE SENTENCE

CITY, STATE].[21]

3. Calculation of Normal Value

To calculate NV, Petitioners first calculated the amount (*i.e.*, consumption rate) of each production input that the UAE Surrogate used to produce one net ton of finished CASWR that is similar or identical to the merchandise offered for sale by Emirates Steel in the United States during the POI. Petitioners used the UAE Surrogate's actual consumption rates for all direct material inputs (*e.g.*, steel scrap, graphite electrodes, ferroalloys, and refractories).[22] Petitioners determined the average cost for most of these inputs in the UAE using publicly available information that is most contemporaneous with the POI. Similarly, [

SENTENCE], Petitioners determined the average cost for these inputs in the UAE from publicly available information that is most contemporaneous with the POI. Based on this information, Petitioners calculated the Emirati respondent's normal values.

4. Adjustments for Inflation and Exchange Rates

Petitioners obtained 2015 cost figures in U.S. Dollars from UN Comtrade and inflated those amounts for the period for which Petitioners have provided input consumption data from the POI for certain inputs.[23] Where an input came from a period preceding the POI, the period for which Petitioners have cost data, Petitioners made adjustments for inflation using the

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21 Declaration of [NAME], attached as **Exhibit AD-AE-1**.

22 *See* Cost of Production Calculation, attached as **Exhibit AD-AE-13**.

23 *See* UAE Consumer Price Index, attached as **Exhibit AD-AE-14**.

consumer price index for UAE.[24] Specifically, Petitioners simply applied the CPI inflation rate from 2015 to 2016 as obtained by the index for the proposed POI (calendar year 2016).

Petitioners calculated the entire cost of production in U.S. Dollars as the majority of the inputs were valued using UN Comtrade provided in U.S. Dollars. For input prices denominated in AED, Petitioners converted the price into U.S. Dollars using the POI exchange rate for the POI as reported by Federal Reserve.[25]

5. Production Costs – Direct

Using the methodology described above, Petitioners estimated the cost of production for merchandise produced and exported by the Emirati respondents.[26]

a. Raw Materials

Petitioners valued all direct material inputs used to produce CASWR products using UAE statistics. Petitioners obtained UAE import data from the UN Comtrade database for the calendar year 2015 (most recently available).

Because all of the material inputs are reported on a U.S. Dollars per kilogram basis, Petitioners converted the data to a price per pound by dividing the per kilogram weight by 2.2046. A summary of all surrogate values pertaining to material inputs appears at **Exhibit AD-AE-16**, while the source data pertaining to these production costs appear at **Exhibits AD-AE-17, AD-AE-18**, **AD-AE-19**, **AD-AE-20**, and **AD-AE-21**. Consistent with the Department's standard methodology, Petitioners deleted from the calculation of surrogate values any import pricing that was sourced from non-market economies (*e.g.*, People's Republic of China, Vietnam, etc.),

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24 *See id.*

25 *See* U.S. Dollar – Emirati Dirham Currency Exchange Rates, attached as **Exhibit AD-AE-15**.

26 *See* Cost of Production Calculation, attached as **Exhibit AD-AE-13**.

countries that have been found to provide generally available export subsidies (*e.g.*, India, Indonesia, etc.), and countries that are unidentifiable (*e.g.*, "Other countries, NES").

b. Energy, Water, and Natural Gas

To value electricity, Petitioners used the UAE electricity rates in effect during the second half of 2016 as reported by the Dubai Electricity & Water Authority ("DEWA").[27]

To value water, Petitioners obtained the information from the same source as above, DEWA.[28] Petitioners also converted the "thousand liters" to a rate per gallon (as 264.172 gallons equals 1000 liters of water). Finally, Petitioners multiplied the average UAE water cost by the average amount of water the UAE Surrogate needs to produce one pound of finished CASWR in the rolling mill.[29] These are the best facts reasonably available to Petitioners.

To value natural gas, Petitioners obtained publicly available pricing from the UAE Dirham Monthly Natural Gas ("Dirham") prices per Million Metric British Thermal Unit ("mmBTU").[30] The price, reported in AED per Million Metric British Thermal Unit [

SENTENCE

].[31]

The prices provided were for each month of the POI and an average POI amount was used in the price calculation. Petitioners then multiplied the POI price by the UAE Surrogate's natural gas consumption rate.[32]

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27 *See* UAE Electricity Rates Calculation, attached as **Exhibit AD-AE-18**.

28 *Id.*

29 *See* UAE Water Calculation, attached as **Exhibit AD-AE-19**.

30 *See* UAE Natural Gas Calculation, attached as **Exhibit AD-AE-20**.

31 *Id.*

32 *Id.*

c. Labor

The labor expense incurred in producing finished CASWR unit includes both the labor expended in actually processing the finished merchandise as well as the labor time required to prepare the machining equipment to produce a "run" of CASWR products. To value labor, Petitioners used data from *UAE Salary Range & Pay Scale 2016* report pertaining to monthly gross wages paid to workers in the UAE during the year 2016.[33]

To calculate a labor rate, Petitioners first calculated the annual average monthly wage paid during 2016. The wages were divided into direct wages and indirect wages, semi-skilled and skilled averages for direct labor costs and identifying indirect labor titles to calculate a separate indirect labor rate per month.[34] Petitioners then converted the monthly wages to an hourly wage rate by dividing the monthly wages by the average number of worked labor hours in the UAE in a typical month – 192 hours for direct workers and 240 hours for indirect workers.[35] Petitioners then multiplied the calculated hourly wage rate by the UAE Surrogate's consumption rate for labor and converted to U.S. Dollars using the POI exchange rate.[36]

d. Other Operating Costs

For certain other [SENTENCE], Petitioners have used [ ] to calculate the cost of production at this stage. This stage includes [SENTENCE SENTENCE]. Because

[33] *See* Labor Calculation, attached as **Exhibit AD-AE-21**.

[34] *See id.*

[35] *See id.*

[36] *See id.*

these costs are not captured elsewhere in the calculation of normal value (*i.e.*, they are not fixed overhead items), Petitioners have included these items at [SENTENCE].[37]

6. Production Costs – Other Expenses

Petitioners added all of the total direct manufacturing costs (materials, labor, and energy) to calculate the total cost of goods sold ("COGS") net of depreciation for CASWR products.[38] Pursuant to the Tariff Act and the Department's regulations, Petitioners added additional expenses relating to overhead, selling, general and administrative expenses, interest expense, and profit to calculate a final NV.

Petitioners have attempted to obtain publicly available financial statements for Emirates Steel – without success. Petitioners have researched the Internet extensively – including searches company's Internet website, stock market company listings, financial assessment firm websites, and other data sources in an attempt to obtain a financial statement for the company. However, because Emirates Steel operates as a subsidiary of Abu Dhabi Basic Industries Corporation, which appears to be a private corporation and does not publish its financial statements, therefore the financial statements cannot be procured. Thus, in order to establish the financial ratios for manufacturing CASWR, Petitioners relied upon the 2015 financial statements of the Sunflag Iron & Steels Company Limited ("Sunflag").[39] Sunflag is an Indian producer of CASWR, steel bars, and other carbon steel products. Additionally, as the financial statement pertains to the financial operations and performance of Sunflag during year ending March 2015,

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[37] *See* Cost of Production Calculation, attached as **Exhibit AD-AE-13**.

[38] *See id*.

[39] *See* Sunflag Iron & Steel Co. Ltd., Twenty Ninth Annual Report, 2014-2015, attached as **Exhibit AD-AE-22** and Sunflag Iron & Steel Company Ltd. Financial Ratios, attached as **Exhibit AD-AE-23**. Petitioners note that, based upon initial research, no other UAE steel company appears to make available to the public their financial statements.

the financial report reflects the operations of the company producing goods during the year prior to the POI. Consequently, the utilization of Sunflag is a reasonable surrogate for Emirates Steel own financial indicia.

a. Overhead

Petitioners multiplied the surrogate's calculated cost of goods sold ("Total Materials, Energy & Labor") by Sunflag's fixed overhead ratio as derived from the company's financial statements to arrive at the fixed overhead expense.[40] Petitioners added this expense to the calculated cost of goods sold to arrive at the total cost of manufacturing ("COM") for Emirates Steel.[41]

b. Selling, General, and Administrative Costs ("SG&A") and Interest Expense

As with overhead, Petitioners are not privy to Emirates Steel's actual SG&A and interest expenses. As an alternative, Petitioners calculated the expected expenses based on the financial experience of Sunflag.[42]

With respect to SG&A, Petitioners multiplied Emirates Steel's calculated total cost of manufacturing by Sunflag's SG&A ratio as derived from the company's financial statements to arrive at the SG&A expense for Emirates Steel.[43] Similarly, Petitioners again multiplied Emirates Steel's calculated total cost of manufacturing by Sunflag's interest expense ratio as derived from the company's financial statements to arrive at the interest expense for Emirates

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40 *See* Sunflag Iron & Steel Company Ltd. Financial Ratios, attached as **Exhibit AD-AE-23**.

41 *See id.*

42 *See id*.

43 *See id*.

Steel.[44] Petitioners added the calculated SG&A expense and the calculated interest expense to the previously calculated total cost of manufacturing to arrive at a total cost of production (excluding profit and packing expenses).[45]

c. Profit

As noted above, because Emirates Steel is a privately held enterprise, its financial statements are not publicly available. Thus, in order to establish the profit ratios for manufacturing CASWR, Petitioners again relied upon the 2015 financial statements of Sunflag.[46] To calculate the profit expense for Emirates Steel, Petitioners multiplied the company's calculated total cost of production (excluding profit and packing expenses) by Sunflag's profit ratio as derived from the company's financial statements to arrive at the profit for Emirates Steel.[47]

7. Packing Expenses

The calculation of NV must take into account the costs associated with packing the merchandise to be exported to the United States. The costs incurred in packing are added to NV after total COP has been calculated. Petitioners' calculation of packing expenses appears at **Exhibit AD-AE-13**

B. Normal Value

The calculations described above result in an FOP-based NV for the following observations:[48]

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44 *See id.*

45 *See* Cost of Production Calculation, attached as **Exhibit AD-AE-13**.

46 *See* Sunflag Iron & Steel Company Ltd. Financial Ratios, attached as **Exhibit AD-AE-23**.

47 *See id.*

48 *See id.*

OBS		Product/Grade	Diameter	Normal Value	
US-UAE-X01	[	SPECIFICATION		510	]

IV. LESS THAN NORMAL VALUE COMPARISON

In order to calculate the margins of dumping, Petitioners matched each U.S. transaction offer to its respective NV. Petitioners subtracted the ex-factory U.S. price from NV and then divided the difference by the EP to determine a dumping margin for each U.S. transaction offer, yielding a transaction-specific dumping margin.[49]

These comparisons demonstrate that UAE producers/exporters sold, or offered for sale, subject merchandise in the United States at prices below NV. The calculated *ad valorem* dumping margin is 69.57%.[50]

V. CONCLUSION

Petitioners request that antidumping duties be imposed on imports of CASWR from the UAE in an amount sufficient to offset the unfair pricing described above.

[49] *See* Calculation of Dumping Margins, attached as **Exhibit AD-AE-24**.

[50] *See id*.

EXHIBIT LIST

Exhibit No.	Description	Status
AD-AE-1	Declaration of [NAME]	BPI
AD-AE-2	Official U.S. Import Statistics - U.S. Consumption Imports of CASWR From UAE, U.S. International Trade Commission	Public
AD-AE-3	[SOURCE]	BPI
AD-AE-4	U.S. Customs and Border Protection Agency Port Codes	BPI
AD-AE-5	Harmonized Tariff Schedule of the United States, Chapter 72 (Excerpts)	Public
AD-AE-6	U.S. Ex-Factory Export Price Calculation	BPI
AD-AE-7	Google Maps, Port of Mina Zayed and Distance Calculation from Emirates Steel to Port of Mina Zayed	Public
AD-AE-8	World Bank, *Doing Business in UAE 2015* (Excerpts)	Public
AD-AE-9	Calculation of Brokerage & Handling	Public
AD-AE-10	Declaration of [NAME]	BPI
AD-AE-11	Metal Bulletin, *Iron & Steel Works of the World 2015* (22nd ed. 2015)	Public
AD-AE-12	Certain HTSUS numbers from HTSUS, Chapter 72	Public
AD-AE-13	Cost of Production Model	BPI
AD-AE-14	UAE Consumer Price Index	Public
AD-AE-15	Currency Exchange Rates	Public
AD-AE-16	Summary of Input Costs Worksheet	Public
AD-AE-17	United Nations COMTRADE Import Data	Public
AD-AE-18	UAE Electricity Costs	Public
AD-AE-19	UAE Water Costs	Public
AD-AE-20	UAE Natural Gas Costs	Public
AD-AE-21	UAE Labor Costs and Estimation of Hours Worked Per Month for UAE Workers	Public

Exhibit No.	Description	Status
AD-AE-22	2014-2015 Annual Report of Sunflag Iron & Steel Co. Ltd.	Public
AD-AE-23	Calculation of Sunflag Iron & Steel Financial Ratios	Public
AD-AE-24	Margin Calculation	BPI