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DEPARTMENT OF COMMERCE

International Trade Administration

[C-489-502]

Circular Welded Carbon Steel Pipes and Tubes from Turkey: Preliminary Results of Countervailing Duty Administrative Review and Preliminary Intent to Rescind in Part; Calendar Year 2013

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

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review of the countervailing duty (CVD) order on circular welded carbon steel pipes and tubes from Turkey for the period of review (POR) of January 1, 2013, through December 31, 2013. The review covers one producer/exporter of subject merchandise that the Department selected for individual examination: the Borusan Group, Borusan Holding, A.S. (Borusan Holding), Borusan Mannesmann Boru Sanayi ve Ticaret A.S. (Borusan), Borusan Istikbal Ticaret T.A.S. (Istikbal), and Borusan Lojistik Dagitim Pepolama Tasimacilik ve Tic A.S. (Borusan Lojistik) (collectively, the Borusan Companies). Additionally, this review covers three firms that were not individually examined: Toscelik Profil ve Sac Endustrisi A.S. (Toscelik Profil), Toscelik Metal Ticaret AS., and Tosyali Dis Ticaret AS. (Tosyali) (collectively, the Toscelik Companies),¹ Umran Celik Born Sanayii A.S. (also known as Umran Steel Pipe Inc.) (Umran), and Guven Steel Pipe (also known as Guven Celik Born San. Ve Tic. Ltd.) (Guvén). We preliminarily determine that the Borusan Companies received countervailable subsidies

¹ See *Turkey Pipe 2012 Preliminary Results and accompanied Preliminary Issues and Decision Memorandum at 5 unchanged in Turkey Pipe 2012 Final Results and accompanying Issues and Decision Memorandum at 2*, in which we found the Toscelik Companies to be cross-owned entities.

during the POR. For purposes of these preliminary results, we assigned the Toscelik Companies, Umran and Guven, the non-selected respondents, the same net subsidy rate calculated for the Borusan Companies. Additionally, we preliminarily determine to rescind the administrative reviews on Erbosan Erciyas Boru Sanayi ve Ticaret A.S. (Erbosan AS) and Erbosan Erciyas Pipe Industry and Trade Co. Kayseri Free Zone Branch (Erbosan FZB), (collectively Erbosan) and the Yucel Group and all affiliates including Yucel Boru ye Profil Endustrisi A.S, Yucelboru Ihracat Ithalat ye Pazarlama A.S, and Cayirova Born Sanayi ye Ticaret A.S.) (collectively, the Yucel Companies).²

EFFECTIVE DATE: (INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*)

FOR FURTHER INFORMATION: John Conniff or Jolanta Lawska, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: 202-482-1009 and 202-482-8362, respectively.

Intent to Rescind the 2013 Administrative Review, in Part

Erbosan and the Yucel Companies submitted letters to the Department on May 5, 2014, June 27, 2014, respectively, timely certifying that they had no sales, shipments, or entries, directly or indirectly, of subject merchandise to the United States during the POR.³ Petitioners did not comment on Erbosan's and Yucel's claims of no sales, shipments, or entries. On May 19 and July 14, 2014, we transmitted "No-Shipment Inquiries" to U.S. Customs and Border Protection (CBP) regarding these companies. We did not receive any information from CBP

² See *Circular Welded Carbon Steel Pipes and Tubes From Turkey: Final Results of Countervailing Duty Administrative Review; Calendar Year 2011*, 78 FR 64916 (October 30, 2013), in which we found the Erbosan Companies to be cross-owned; see also *Certain Welded Carbon Steel Pipes and Tubes and Welded Carbon Steel Line Pipe from Turkey; Final Results of Countervailing Duty Administrative Reviews*, 64 FR 44496 (August 16, 1999), in which we found the Yucel Companies to be cross-owned.

³ See the Erbosan Companies' May 5, 2014, submission; see also the Yucel Companies June 27, 2014, submission.

contrary to Erbosan's and Yucel's claims of no sales, shipments, or entries of subject merchandise to the United States during the POR. Accordingly, based on the record evidence, we preliminarily determine that Erbosan and Yucel, did not ship subject merchandise to the United States during the POR. Therefore, in accordance with 19 CFR 351.213(d)(3), and consistent with our practice,⁴ we preliminarily determine to rescind the review for Erbosan and Yucel.

Scope of the Order

The products covered by this order are certain welded carbon steel pipe and tube with an outside diameter of 0.375 inch or more, but not over 16 inches, of any wall thickness (pipe and tube) from Turkey. These products are currently provided for under the Harmonized Tariff Schedule of the United States (HTSUS) as item numbers 7306.30.10, 7306.30.50, and 7306.90.10. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise is dispositive.

Methodology

The Department conducted this review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, we preliminarily determine that there is a subsidy, *i.e.*, a government financial contribution that gives rise to a benefit to the recipient, and that the subsidy is specific.⁵ For a full description of the methodology underlying our conclusions, *see* the accompanying Decision Memorandum for Preliminary Results of Countervailing Duty (CVD) Administrative Review: Circular Welded Carbon Steel Pipes and Tubes Products from Turkey (Preliminary Decision

⁴ *See, e.g., Aluminum Extrusions from the People's Republic of China: Notice of Partial Rescission of Countervailing Duty Administrative Review*, 79 FR 2635 (January 15, 2014).

⁵ *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and, section 771(5A) of the Act regarding specificity.

Memorandum) from Gary Taverman, Associate Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance, dated concurrently with these results and hereby adopted by this notice. 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).⁶ ACCESS is available to registered users at <http://access.trade.gov> and in the Central Records Unit (CRU), Room 7046 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 Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

⁶ On November 24, 2014, Enforcement and Compliance changed the name of the Enforcement and Compliance's AD and CVD Centralized Electronic Service System (IA ACCESS) to AD and CVD Centralized Electronic Service System (ACCESS). The website location was changed from <http://iaaccess.trade.gov> to <http://access.trade.gov>. The final rule changing the references in the Department's regulations can be found at 79 FR 69046 (November 20, 2014).

Preliminary Results of Review

The Department determined that the following preliminary net subsidy rates exist for the period January 1, 2013, through December 31, 2013:

Company	Net Subsidy Rate (percent)
Borusan Group, Borusan Holding, A.S. (Borusan Holding), Borusan Mannesmann Boru Sanayi ve Ticaret A.S. (Borusan), Borusan Istikbal Ticaret T.A.S. (Istikbal), and Borusan Lojistik Dagitim Pepolama Tasimacilik ve Tic A.S. (Borusan Lojistik) (collectively, the Borusan Companies)	4.18 <i>ad valorem</i>
Umran Celik Born Sanayii A.S. (also known as Umran Steel Pipe Inc.) (Umran)	4.18 <i>ad valorem</i>
Guyen Steel Pipe (also known as Guven Celik Born San. Ve Tic. Ltd.) (Guyen)	4.18 <i>ad valorem</i>
Toscelik Profil ve Sac Endustrisi A.S. (Toscelik Profil), Toscelik Metal Ticaret AS., and Tosyali Dis Ticaret AS. (Tosyali) (collectively, the Toscelik Companies)	4.18 <i>ad valorem</i>

Assessment Rates

Upon issuance of the final results, the Department shall determine, and U.S. Customs and Border Protection (CBP) shall assess, CVDs on all appropriate entries covered by this review. We intend to issue instructions to CBP 15 days after publication of the final results of this review.

Cash Deposit Rates

The Department also intends to instruct CBP to collect cash deposits of estimated CVDs in the amounts indicated for each of the four companies listed above with regard to shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review. For all other non-reviewed firms, we will instruct CBP to collect cash deposits of estimated CVDs at the most recent company-specific or

all-others rate applicable to the company, as appropriate. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Disclosure and Public Comment

The Department will disclose to parties to this proceeding the calculations performed in reaching the preliminary results within five days of the date of publication of these preliminary results.⁷ Interested parties may submit written comments (case briefs) within 30 days of publication of the preliminary results and rebuttal comments (rebuttal briefs) within five days after the time limit for filing case briefs.⁸ Pursuant to 19 CFR 351.309(d)(2), rebuttal briefs must be limited to issues raised in the case briefs. Parties who submit arguments are requested to submit with the argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.⁹ All briefs must be filed electronically using ACCESS.

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 using ACCESS. An electronically filed document must be received successfully in its entirety by the Department's electronic records system, ACCESS, by 5 p.m. Eastern Time within 30 days after the date of publication of this notice.¹⁰ Requests should contain the party's name, address, and telephone number, the number of participants, and a list of the issues to be discussed. If a request for a hearing is made, we will inform parties of the scheduled date for the hearing which will be held at the U.S. Department of Commerce, 14th Street and Constitution Avenue NW, Washington, DC 20230, at a time and location to be determined.¹¹

⁷ See 19 CFR 351.224(b).

⁸ See 19 CFR 351.309(c)(1)(ii) and 351.309(d)(1).

⁹ See 19 CFR 351.309(c)(2) and 351.309(d)(2).

¹⁰ See 19 CFR 351.310(c).

¹¹ See 19 CFR 351.310.

Unless the deadline is extended pursuant to section 751(a)(3)(A) of the Act, the Department intends to issue the final results of this administrative review, including the results of our analysis of the issues raised by the parties in their comments, within 120 days after issuance of these preliminary results.

This administrative review and notice are in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213.

Dated: March 31, 2015.

Paul Piquado,
Assistant Secretary
for Enforcement and Compliance.

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