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DEPARTMENT OF COMMERCE

International Trade Administration

(C-535-904)

Circular Welded Carbon-Quality Steel Pipe from Pakistan: Initiation of Countervailing Duty Investigation

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

DATES: Effective Date: November 17, 2015.

FOR FURTHER INFORMATION CONTACT: Kaitlin Wojnar at (202) 482-3857, Office VII, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION

The Petition

On October 28, 2015, the Department of Commerce (the Department) received a countervailing duty (CVD) petition concerning imports of circular welded carbon-quality steel pipe (circular welded pipe) from Pakistan, filed in proper form on behalf of Bull Moose Tube Company, EXLTUBE, Wheatland Tube Company, and Western Tube and Conduit (collectively, Petitioners).¹ The CVD petition was accompanied by an antidumping duty (AD) petition concerning imports of circular welded pipe from Pakistan.² Petitioners are domestic producers of circular welded pipe.³

¹ See Letter from Petitioners, "Petitions for the Imposition of Antidumping and Countervailing Duties: Circular Welded Carbon-Quality Steel Pipe from the Sultanate of Oman, Pakistan, the Philippines, the United Arab Emirates, and the Socialist Republic of Vietnam," October 28, 2015 (the Petition), Volumes I and IV.

² *Id.*, Volume II. Petitioners also filed AD petitions regarding the Sultanate of Oman, the Republic of the Philippines, the United Arab Emirates, and the Socialist Republic of Vietnam.

³ *Id.*, Volume I at 2.

On November 2, 2015, the Department requested supplemental information pertaining to certain areas of the Petition.⁴ Petitioners filed responses to these requests on November 4, 2015.⁵ Petitioners submitted additional supplemental information on November 9, 2015,⁶ and November 10, 2015.⁷

In accordance with section 702(b)(1) of the Tariff Act of 1930, as amended (the Act), Petitioners allege that the Government of Pakistan (GOP) is providing countervailable subsidies, within the meaning of sections 701 and 771(5) of the Act, to imports of circular welded pipe from Pakistan and that such imports are materially injuring, or threatening material injury to, an industry in the United States. Also, consistent with section 702(b)(1) of the Act, for those alleged programs in Pakistan on which we have initiated a CVD investigation, the Petition is accompanied by information reasonably available to Petitioners supporting their allegations.

The Department finds that Petitioners filed the Petition on behalf of the domestic industry because Petitioners are interested parties as defined in section 771(9)(C) of the Act. The

⁴ See Letter from the Department, “Petitions for the Imposition of Antidumping and Countervailing Duties on Imports of Circular Welded Pipe from Pakistan: Supplemental Questions,” November 2, 2015 (General Issues Supplemental Questionnaire); Letter from the Department, “Petition for the Imposition of Countervailing Duties on Imports of Circular Welded Pipe from Pakistan: Supplemental Questions,” November 2, 2015.

⁵ See Letter from Petitioners, “Response to Supplemental Questions Regarding Petitions for the Imposition of Antidumping Duties on Imports of Circular Welded Carbon-Quality Steel Pipe from the Sultanate of Oman, Pakistan, the Republic of the Philippines, the United Arab Emirates, and the Socialist Republic of Vietnam and Countervailing Duties on Imports of Circular Welded Carbon-Quality Steel Pipe from Pakistan,” November 4, 2015 (General Issues Supplement); see also Letter from Petitioners, “*Circular Welded Carbon-Quality Steel Pipe from Pakistan*: Response to the Department’s November 2, 2015 Questionnaire Regarding Volume IV of the Petitions for the Imposition of Antidumping and Countervailing Duties,” November 4, 2015.

⁶ See Letter from Petitioners, “Petitions for the Imposition of Antidumping Duties on Imports of Circular Welded Carbon-Quality Steel Pipe from the Sultanate of Oman, Pakistan, the Republic of the Philippines, the United Arab Emirates, and the Socialist Republic of Vietnam and Countervailing Duties on Imports of Circular Welded Carbon Quality-Steel Pipe from Pakistan: Response to Issues Identified in the November 6, 2015 Phone Call,” November 9, 2015 (Second General Issues Supplement).

⁷ See Letter from Petitioners, “Petitions for the Imposition of Antidumping Duties on Imports of Circular Welded Carbon-Quality Steel Pipe from the Sultanate of Oman, Pakistan, the Republic of the Philippines, the United Arab Emirates, and the Socialist Republic of Vietnam and Countervailing Duties on Imports of Circular Welded Carbon Quality-Steel Pipe from Pakistan: Second Response to Issues Identified in the November 6, 2015 Phone Call,” November 10, 2015 (Third General Issues Supplement).

Department also finds that Petitioners demonstrated sufficient industry support with respect to the initiation of the CVD investigation that Petitioners are requesting.⁸

Period of Investigation

The period of investigation is January 1, 2014, through December 31, 2014.⁹

Scope of the Investigation

The product covered by this investigation is circular welded carbon-quality steel pipe from Pakistan. For a full description of the scope of this investigation, *see* Appendix I of this notice.

Comments on Scope of the Investigation

During our review of the Petition, the Department issued questions to and received responses from Petitioners pertaining to the proposed scope to ensure that the scope language in the Petition would be an accurate reflection of the products for which the domestic industry is seeking relief.¹⁰ As discussed in the preamble to the Department's regulations,¹¹ we are setting aside a period for interested parties to raise issues regarding product coverage (*i.e.*, scope). The Department will consider all comments received from interested parties and, if necessary, will consult with the interested parties prior to the issuance of the preliminary determination. If scope comments include factual information,¹² all such factual information should be limited to public information. In order to facilitate preparation of its questionnaire, the Department requests all interested parties to submit such comments by 5:00 PM Eastern Time (ET) on Monday, December 7, 2015, which is 20 calendar days from the signature date of this notice. Any rebuttal

⁸ *See* "Determination of Industry Support for the Petition" section, below.

⁹ *See* 19 CFR 351.204(b)(2).

¹⁰ *See* General Issues Supplemental Questionnaire; *see also* General Issues Supplement; Second General Issues Supplement.

¹¹ *See Antidumping Duties; Countervailing Duties; Final Rule*, 62 FR 27296, 27323 (May 19, 1997).

¹² *See* 19 CFR 351.102(b)(21).

comments, which may include factual information, must be filed by 5:00 PM ET on Thursday, December 17, 2015, which is 10 calendar days after the initial comments deadline.

The Department requests that any factual information the parties consider relevant to the scope of the investigation be submitted during this time period. However, if a party subsequently finds that additional factual information pertaining to the scope of the investigation may be relevant, the party may contact the Department and request permission to submit the additional information. All such comments must be filed on the record of the concurrent AD investigation, as well as the AD investigations of circular welded pipe from the Sultanate of Oman, the Republic of the Philippines, the United Arab Emirates, and the Socialist Republic of Vietnam.

Filing Requirements

All submissions to the Department must be filed electronically using Enforcement and Compliance's Antidumping Duty and Countervailing Duty Centralized Electronic Service System (ACCESS).¹³ An electronically-filed document must be received successfully in its entirety by the time and date it is due. Documents excepted from the electronic submission requirements must be filed manually (*i.e.*, in paper form) with Enforcement and Compliance's APO/Dockets Unit, Room 18022, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230, and stamped with the date and time of receipt by the applicable deadlines.

¹³ See 19 CFR 351.303 (for general filing requirements); *see also Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures*, 76 FR 39263 (July 6, 2011), for details of the Department's electronic filing requirements, which went into effect on August 5, 2011. Information on help using ACCESS can be found at <https://access.trade.gov/help.aspx>, and a handbook can be found at <https://access.trade.gov/help/Handbook%20on%20Electronic%20Filing%20Procedures.pdf>.

Consultations

Pursuant to section 702(b)(4)(A)(i) of the Act, the Department notified representatives of the GOP of the receipt of the Petition. Also, in accordance with section 702(b)(4)(A)(ii) of the Act, the Department provided representatives of the GOP the opportunity for consultations with respect to the CVD allegations.¹⁴ Such consultations were held at the Department's main building on November 9, 2015.¹⁵

Determination of Industry Support for the Petition

Section 702(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 702(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) at least 25 percent of the total production of the domestic like product, and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 702(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, the Department shall: (i) poll the industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A), or (ii) determine industry support using a statistically valid sampling method to poll the "industry."

Section 771(4)(A) of the Act defines the "industry" as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs the Department to look to producers and workers who produce the domestic

¹⁴ See Letter from the Department, "Petitions for Countervailing Duties on Circular Welded Carbon-Quality Steel Pipe from Pakistan," October 28, 2015.

¹⁵ See Department Memorandum, "Countervailing Duty Petition on Circular Welded Carbon-Quality Steel Pipe from Pakistan: Consultations with the Government of Pakistan," November 9, 2015.

like product. The U.S. International Trade Commission (ITC), which is responsible for determining whether “the domestic industry” has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both the Department and the ITC must apply the same statutory definition regarding the domestic like product,¹⁶ they do so for different purposes and pursuant to a separate and distinct authority. In addition, the Department’s determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to law.¹⁷

Section 771(10) of the Act defines the domestic like product as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title.” Thus, the reference point from which the domestic like product analysis begins is “the article subject to an investigation” (*i.e.*, the class or kind of merchandise to be investigated, which normally will be the scope as defined in the Petitions).

With regard to the domestic like product, Petitioners do not offer a definition of the domestic like product distinct from the scope of the investigation. Based on our analysis of the information submitted on the record, we have determined that circular welded pipe constitutes a single domestic like product and we have analyzed industry support in terms of that domestic like product.¹⁸

In determining whether Petitioners have standing under section 702(c)(4)(A) of the Act, we considered the industry support data contained in the Petition with reference to the domestic

¹⁶ See section 771(10) of the Act.

¹⁷ See *USEC, Inc. v. United States*, 132 F. Supp. 2d 1, 8 (CIT 2001) (citing *Algoma Steel Corp., Ltd. v. United States*, 688 F. Supp. 639, 644 (CIT 1988), *aff’d* 865 F.2d 240 (Fed. Cir. 1989)).

¹⁸ For a discussion of the domestic like product analysis in this case, see Countervailing Duty Investigation Initiation Checklist: Circular Welded Carbon-Quality Steel Pipe from Pakistan (Pakistan CVD Initiation Checklist), at Attachment II – Analysis of Industry Support (Attachment II). This checklist is dated concurrently with this notice and on file electronically via ACCESS. Access to documents filed via ACCESS is also available in the Central Records Unit, Room B8024 of the Department’s main building.

like product as defined in the “Scope of the Investigation,” at Appendix I of this notice. To establish industry support, Petitioners provided their shipments of the domestic like product in 2014, then compared their shipments to the estimated total shipments domestic like product for the entire domestic industry.¹⁹ Because total industry production data for the domestic like product for 2014 is not reasonably available and Petitioners have established that shipments are a reasonable proxy for production data,²⁰ we have relied upon the shipment data provided by Petitioners for purposes of measuring industry support.²¹

Our review of the data provided in the Petition, General Issues Supplement, Second General Issues Supplement, Third General Issues Supplement, and other information readily available to the Department indicates that Petitioners have established industry support.²² First, the Petition establishes support from domestic producers (or workers) accounting for more than 50 percent of the total shipments²³ of the domestic like product and, as such, the Department is not required to take further action in order to evaluate industry support (*e.g.*, polling).²⁴ Second, the domestic producers (or workers) have met the statutory criteria for industry support under section 702(c)(4)(A)(i) of the Act because the domestic producers (or workers) who support the Petition account for at least 25 percent of the total shipments of the domestic like product.²⁵ Finally, the domestic producers (or workers) have met the statutory criteria for industry support under section 702(c)(4)(A)(ii) of the Act because the domestic producers (or workers) who

¹⁹ See General Issues Supplement at 3-6, Exhibit I-13, and Exhibit I-14; *see also* Second General Issues Supplement at 1, Exhibits I-17 through I-19; Third General Issues Supplement at Exhibit I-21.

²⁰ See Petition, Volume I at 3 and Exhibit I-2; *see also* General Issues Supplement at 3-4, Exhibits I-13, and Exhibit I-14.

²¹ For further discussion, *see* Pakistan CVD Initiation Checklist at Attachment II.

²² *Id.*

²³ As mentioned above, Petitioners have established that shipments are a reasonable proxy for production data. Section 351.203(e)(1) of the Department’s regulations states “production levels may be established by reference to alternative data that the Secretary determines to be indicative of production levels.”

²⁴ See section 702(c)(4)(D) of the Act; *see also* Pakistan CVD Initiation Checklist at Attachment II.

²⁵ See Pakistan CVD Initiation Checklist at Attachment II.

support the Petition account for more than 50 percent of the shipments of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the Petition.²⁶ Accordingly, the Department determines that the Petition was filed on behalf of the domestic industry within the meaning of section 702(b)(1) of the Act.

The Department finds that Petitioners filed the Petition on behalf of the domestic industry because they are interested parties as defined in section 771(9)(C) of the Act and they have demonstrated sufficient industry support with respect to the CVD investigation that they are requesting the Department initiate.²⁷

Injury Test

Because Pakistan is a “Subsidies Agreement Country,” within the meaning of section 701(b) of the Act, section 701(a)(2) of the Act applies to this investigation. Accordingly, the ITC must determine whether imports of the subject merchandise from Pakistan materially injures, or threatens material injury to, a U.S. industry.

Allegations and Evidence of Material Injury and Causation

Petitioners allege that imports of the subject merchandise are benefitting from countervailable subsidies and that such imports are causing, or threaten to cause, material injury to the U.S. industry producing the domestic like product. Petitioners allege that subject imports from Pakistan exceed the negligibility threshold provided for under the Act.²⁸ In CVD investigations, section 771(24)(B) of the Act provides that imports of subject merchandise must exceed a negligibility threshold of three percent. Section 771(24)(B) of the Act, however, provides that imports of subject merchandise from developing and least-developed countries

²⁶ *Id.*

²⁷ *Id.*

²⁸ *See* Petition, Volume I at 17-18, Exhibit I-7, and Exhibit I-8; *see also* General Issues Supplement at 8-10 and Exhibit I-11.

must exceed a negligibility threshold of four percent.²⁹ Petitioners demonstrate that subject imports from Pakistan, which has been designated as a least-developed country under section 771(36)(B) of the Act, exceed the four percent negligibility threshold provided for under section 771(24)(B) of the Act.³⁰

Petitioners contend that the industry's injured condition is illustrated by reduced market share, underselling and price suppression or depression, lost sales and revenues, reduced shipments and a plant closure leading to job losses, increased inventories and inventory overhang in the U.S. market, and decline in profitability.³¹ We have assessed the allegations and supporting evidence regarding material injury, threat of material injury, and causation, and we have determined that these allegations are properly supported by adequate evidence and meet the statutory requirements for initiation.³²

Initiation of CVD Investigation

Section 702(b)(1) of the Act requires the Department to initiate a CVD investigation whenever an interested party files a CVD petition on behalf of an industry that (1) alleges the elements necessary for an imposition of a duty under section 701(a) of the Act and (2) is accompanied by information reasonably available to Petitioners supporting the allegations.

Petitioners allege that producers/exporters of circular welded pipe in Pakistan benefit from countervailable subsidies bestowed by the GOP. The Department examined the Petition and finds that it complies with the requirements of section 702(b)(1) of the Act. Therefore, in accordance with section 702(b)(1) of the Act, we are initiating a CVD investigation to determine

²⁹ See Pakistan CVD Initiation Checklist at Attachment III.

³⁰ *Id.*

³¹ See Petition, Volume I at 15-23, Exhibits I-6 through I-9; see also General Issues Supplement at 6-10, Exhibit I-11, Exhibit I-13, and Exhibit I-15.

³² See Pakistan CVD Initiation Checklist at Attachment III.

whether manufacturers, producers, and/or exporters of circular welded pipe from Pakistan receive countervailable subsidies from the GOP.

On June 29, 2015, the President of the United States signed into law the Trade Preferences Extension Act of 2015, which made numerous amendments to the AD and CVD law.³³ The 2015 law does not specify dates of application for those amendments. On August 6, 2015, the Department published an interpretative rule, in which it announced the applicability dates for each amendment to the Act, except for amendments contained in section 771(7) of the Act, which relate to determinations of material injury by the ITC.³⁴ The amendments to sections 776 and 782 of the Act are applicable to all determinations made on or after August 6, 2015, and, therefore, apply to this CVD investigation.³⁵

Based on our review of the petition, we find that there is sufficient information to initiate a CVD investigation on all of the 14 alleged programs in Pakistan. For a full discussion of the basis for our decision to initiate on each program, *see* the CVD Initiation Checklist. A public version of the initiation checklist for this investigation is available on ACCESS.

In accordance with section 703(b)(1) of the Act and 19 CFR 351.205(b)(1), unless postponed, we will make our preliminary determination no later than 65 days after the date of this initiation.

Respondent Selection

Petitioners named six companies as producers/exporters of circular welded pipe in Pakistan.³⁶ Following standard practice in CVD investigations, the Department will, where

³³ See Trade Preferences Extension Act of 2015, Pub. L. No. 114-27, 129 Stat. 362 (2015).

³⁴ See *Dates of Application of Amendments to the Antidumping and Countervailing Duty Laws Made by the Trade Preferences Extension Act of 2015*, 80 FR 46793 (August 6, 2015) (*Applicability Notice*). The 2015 amendments may be found at <https://www.congress.gov/bill/114th-congress/house-bill/1295/text/pl>.

³⁵ See *Applicability Notice*, 80 FR at 46794-95.

³⁶ See Petition, Volume I at Exhibit I-4.

appropriate, select respondents based on U.S. Customs and Border Protection (CBP) data for U.S. imports of circular welded pipe during the POI under the following Harmonized Tariff Schedule of the United States numbers: 7306.30.1000, 7306.30.5025, 7306.30.5032, 7306.30.5040, 7306.30.5055, 7306.30.5085, and 7306.30.5090. We intend to release CBP data under Administrative Protective Order (APO) to all parties with access to information protected by APO within five business days of publication of this *Federal Register* notice. Comments regarding the CBP data and respondent selection should be submitted seven calendar days after the placement of the CBP data on the record of this investigation. Parties wishing to submit rebuttal comments should submit those comments five calendar days after the deadline for initial comments.

Comments must be filed electronically using ACCESS. An electronically-filed document must be received successfully, in its entirety, by ACCESS no later than 5:00 PM ET on the date noted above. We intend to make our decision regarding respondent selection within 20 days of publication of this notice. Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305(b). Instructions for filing such applications may be found on the Department's Web site at <http://enforcement.trade.gov/apo>.

Distribution of Copies of the Petition

In accordance with section 702(b)(4)(A)(i) of the Act and 19 CFR 351.202(f), a copy of the public version of the Petition has been provided to the GOP *via* ACCESS. To the extent practicable, we will attempt to provide a copy of the public version of the Petition to each known exporter (as named in the Petition), consistent with 19 CFR 351.203(c)(2).

ITC Notification

We will notify the ITC of our initiation, as required by section 702(d) of the Act.

Preliminary Determinations by the ITC

The ITC will preliminarily determine, within 45 days after the date on which the Petition was filed, whether there is a reasonable indication that imports of circular welded pipe from Pakistan are materially injuring, or threatening material injury to, a U.S. industry.³⁷ A negative ITC determination will result in the investigation being terminated.³⁸ Otherwise, this investigation will proceed according to statutory and regulatory time limits.

Submission of Factual Information

Factual information is defined in 19 CFR 351.102(b)(21) as: (i) evidence submitted in response to questionnaires; (ii) evidence submitted in support of allegations; (iii) publicly available information to value factors under 19 CFR 351.408(c) or to measure the adequacy of remuneration under 19 CFR 351.511(a)(2); (iv) evidence placed on the record by the Department; and (v) evidence other than factual information described in (i)–(iv). 19 CFR 351.301(b) requires any party, when submitting factual information, to specify under which subsection of 19 CFR 351.102(b)(21) the information is being submitted and, if the information is submitted to rebut, clarify, or correct factual information already on the record, to provide an explanation identifying the information already on the record that the factual information seeks to rebut, clarify, or correct. Time limits for the submission of factual information are addressed in 19 CFR 351.301, which provides specific time limits based on the type of factual information being submitted. Parties should review the regulations prior to submitting factual information in this investigation.

³⁷ See section 703(a)(2) of the Act.

³⁸ See section 703(a)(1) of the Act.

Extension of Time Limits Regulation

Parties may request an extension of time limits before the expiration of a time limit established under 19 CFR 351.301, or as otherwise specified by the Secretary. In general, an extension request will be considered untimely if it is filed after the expiration of the time limit established under 19 CFR 351.301 expires. For submissions that are due from multiple parties simultaneously, an extension request will be considered untimely if it is filed after 10:00 AM on the due date. Under certain circumstances, we may elect to specify a different time limit by which extension requests will be considered untimely for submissions which are due from multiple parties simultaneously. In such a case, we will inform parties in the letter or memorandum setting forth the deadline (including a specified time) by which extension requests must be filed to be considered timely. An extension request must be made in a separate, stand-alone submission; under limited circumstances we will grant untimely-filed requests for the extension of time limits. Review *Extension of Time Limits; Final Rule*, 78 FR 57790 (September 20, 2013), available at <http://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm>, prior to submitting factual information in this investigation.

Certification Requirements

Any party submitting factual information in an AD or CVD proceeding must certify to the accuracy and completeness of that information.³⁹ Parties are hereby reminded that revised certification requirements are in effect for company/government officials, as well as their representatives. Investigations initiated on the basis of petitions filed on or after August 16, 2013, and other segments of any AD or CVD proceedings initiated on or after August 16, 2013,

³⁹ See section 782(b) of the Act.

should use the formats for the revised certifications provided at the end of the *Final Rule*.⁴⁰ The Department intends to reject factual submissions if the submitting party does not comply with the applicable revised certification requirements.

Notification to Interested Parties

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305. On January 22, 2008, the Department published *Antidumping and Countervailing Duty Proceedings: Documents Submission Procedures; APO Procedures*, 73 FR 3634 (January 22, 2008). Parties wishing to participate in this investigation should ensure that they meet the requirements of these procedures (*e.g.*, the filing of letters of appearance as discussed at 19 CFR 351.103(d)).

This notice is issued and published pursuant to sections 702 and 777(i) of the Act.

Dated: November 17, 2015.

Paul Piquado
Assistant Secretary
for Enforcement and Compliance

⁴⁰ See *Certification of Factual Information To Import Administration During Antidumping and Countervailing Duty Proceedings*, 78 FR 42678 (July 17, 2013) (“*Final Rule*”); see also frequently asked questions regarding the *Final Rule*, available at http://enforcement.trade.gov/tlei/notices/factual_info_final_rule_FAQ_07172013.pdf.

Appendix I

Scope of the Investigation

This investigation covers welded carbon-quality steel pipes and tube, of circular cross-section, with an outside diameter (O.D.) not more than nominal 16 inches (406.4 mm), regardless of wall thickness, surface finish (*e.g.*, black, galvanized, or painted), end finish (plain-end, beveled-end, grooved, threaded, or threaded and coupled), or industry specification (*e.g.*, American Society for Testing and Materials International (ASTM), proprietary, or other), generally known as standard pipe, fence pipe and tube, sprinkler pipe, and structural pipe (although subject product may also be referred to as mechanical tubing). Specifically, the term “carbon-quality” includes products in which:

- (a) iron predominates, by weight, over each of the other contained elements;
- (b) the carbon content is 2 percent or less, by weight; and
- (c) none of the elements listed below exceeds the quantity, by weight, as indicated:
 - (i) 1.80 percent of manganese;
 - (ii) 2.25 percent of silicon;
 - (iii) 1.00 percent of copper;
 - (iv) 0.50 percent of aluminum;
 - (v) 1.25 percent of chromium;
 - (vi) 0.30 percent of cobalt;
 - (vii) 0.40 percent of lead;
 - (viii) 1.25 percent of nickel;
 - (ix) 0.30 percent of tungsten;
 - (x) 0.15 percent of molybdenum;
 - (xi) 0.10 percent of niobium;
 - (xii) 0.41 percent of titanium;
 - (xiii) 0.15 percent of vanadium; or
 - (xiv) 0.15 percent of zirconium.

Covered products are generally made to standard O.D. and wall thickness combinations. Pipe multi-stenciled to a standard and/or structural specification and to other specifications, such as American Petroleum Institute (API) API-5L, is also covered by the scope of this investigation when it meets the physical description set forth above. Covered products may also possess one or more of the following characteristics: is 32 feet in length or less; is less than 2.0 inches (50 mm) in nominal O.D.; has a galvanized and/or painted (*e.g.*, polyester coated) surface finish; or has a threaded and/or coupled end finish.

Standard pipe is ordinarily made to ASTM specifications A53, A135, and A795, but can also be made to other specifications. Structural pipe is made primarily to ASTM specifications A252 and A500. Standard and structural pipe may also be produced to proprietary specifications rather than to industry specifications.

Sprinkler pipe is designed for sprinkler fire suppression systems and may be made to industry

specifications such as ASTM A53 or to proprietary specifications.

Fence tubing is included in the scope regardless of certification to a specification listed in the exclusions below, and can also be made to the ASTM A513 specification. Products that meet the physical description set forth above but are made to the following nominal outside diameter and wall thickness combinations, which are recognized by the industry as typical for fence tubing, are included despite being certified to ASTM mechanical tubing specifications:

O.D. in inches (nominal)	Wall thickness in inches (nominal)	Gage
1.315	0.035	20
1.315	0.047	18
1.315	0.055	17
1.315	0.065	16
1.315	0.072	15
1.315	0.083	14
1.315	0.095	13
1.660	0.055	17
1.660	0.065	16
1.660	0.083	14
1.660	0.095	13
1.660	0.109	12
1.900	0.047	18
1.900	0.055	17
1.900	0.065	16
1.900	0.072	15
1.900	0.095	13
1.900	0.109	12
2.375	0.047	18
2.375	0.055	17
2.375	0.065	16
2.375	0.072	15
2.375	0.095	13
2.375	0.109	12
2.375	0.120	11
2.875	0.109	12
2.875	0.165	8
3.500	0.109	12
3.500	0.165	8
4.000	0.148	9
4.000	0.165	8
4.500	0.203	7

The scope of this investigation does not include:

- (a) pipe suitable for use in boilers, superheaters, heat exchangers, refining furnaces and feedwater heaters, whether or not cold drawn, which are defined by standards such as ASTM A178 or ASTM A192;
- (b) finished electrical conduit, *i.e.*, Electrical Rigid Steel Conduit (also known as Electrical Rigid Metal Conduit and Electrical Rigid Metal Steel Conduit), Finished Electrical Metallic Tubing, and Electrical Intermediate Metal Conduit, which are defined by specifications such as American National Standard (ANSI) C80.1-2005, ANSI C80.3-2005, or ANSI C80.6-2005, and Underwriters Laboratories Inc. (UL) UL-6, UL-797, or UL-1242;
- (c) finished scaffolding, *i.e.*, component parts of final, finished scaffolding that enter the United States unassembled as a “kit.” A kit is understood to mean a packaged combination of component parts that contains, at the time of importation, all of the necessary component parts to fully assemble final, finished scaffolding;
- (d) tube and pipe hollows for redrawing;
- (e) oil country tubular goods produced to API specifications;
- (f) line pipe produced to only API specifications, such as API 5L, and not multi-stenciled; and
- (g) mechanical tubing, whether or not cold-drawn, other than what is included in the above paragraphs.

The products subject to this investigation are currently classifiable in Harmonized Tariff Schedule of the United States (HTSUS) statistical reporting numbers 7306.19.1010, 7306.19.1050, 7306.19.5110, 7306.19.5150, 7306.30.1000, 7306.30.5015, 7306.30.5020, 7306.30.5025, 7306.30.5032, 7306.50.5030, 7306.30.5040, 7306.30.5055, 7306.30.5085, 7306.30.5090, 7306.50.1000, 7306.50.5050, and 7306.50.5070. However, the product description, and not the HTSUS classification, is dispositive of whether the merchandise imported into the United States falls within the scope.

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