



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[C-489-830]

Steel Concrete Reinforcing Bar from the Republic of Turkey: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Countervailing Duty Determination with Final Antidumping Duty Determination

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

SUMMARY: The Department of Commerce (the Department) preliminarily determines that countervailable subsidies are being provided to producers and exporters of steel concrete reinforcing bar (rebar) from the Republic of Turkey (Turkey). The period of investigation is January 1, 2015, through December 31, 2015.

DATES: Effective [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Kaitlin Wojnar, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3857.

SUPPLEMENTARY INFORMATION:

Background

This preliminary determination is issued in accordance with section 703(b) of the Tariff Act of 1930, as amended (the Act). The Department published the notice of initiation of this investigation on October 18, 2016.¹ On December 1, 2016, the Department postponed the

¹ See *Steel Concrete Reinforcing Bar from the Republic of Turkey: Initiation of Countervailing Duty Investigation*, 81 FR 71705 (October 18, 2016) (*Initiation Notice*).

preliminary determination of this investigation until February 21, 2017.² For a complete description of the events that followed the initiation of this investigation, *see* the Preliminary Decision Memorandum.³ A list of topics discussed in the Preliminary Decision Memorandum is included as Appendix II to 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). ACCESS is available to registered users at <https://access.trade.gov>, and is available to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed and electronic versions of the Preliminary Decision Memorandum are identical in content.

Scope of the Investigation

The product covered by this investigation is rebar from Turkey. For a complete description of the scope of the investigation, *see* Appendix I to this notice.

Scope Comments

In accordance with the *Preamble* to the Department's regulations,⁴ the *Initiation Notice* set aside a period of time for parties to raise issues regarding product coverage (*i.e.*, scope).⁵ No interested party commented on the scope of the investigation as it appeared in the *Initiation Notice*.

² *See Steel Concrete Reinforcing Bar from the Republic of Turkey: Postponement of Preliminary Determination in Countervailing Duty Investigation*, 81 FR 86701 (December 1, 2016).

³ *See* Department Memorandum, "Decision Memorandum for the Preliminary Determination in the Countervailing Duty Investigation of Steel Concrete Reinforcing Bar from the Republic of Turkey," dated concurrently with and hereby adopted by this notice (Preliminary Decision Memorandum).

⁴ *See Antidumping Duties; Countervailing Duties: Final Rule*, 62 FR 27296, 27323 (May 19, 1997) (*Preamble*).

⁵ *See Initiation Notice*, 81 FR at 71706.

Methodology

The Department is conducting this investigation in accordance with section 701 of the Act. For each of the subsidy programs found countervailable, the Department preliminarily determines that there is a subsidy, *i.e.*, a financial contribution by an “authority” that gives rise to a benefit to the recipient, and that the subsidy is specific.⁶

Alignment

As noted in the Preliminary Decision Memorandum, in accordance with section 705(a)(1) of the Act and 19 CFR 351.210(b)(4), the Department is aligning the final determination in this countervailing duty (CVD) investigation with the final determination in the companion antidumping duty (AD) investigation of rebar from Turkey based on a request made by the petitioner.⁷ Consequently, the final CVD determination will be issued on the same date as the final AD determination, which is currently scheduled to be issued no later than May 15, 2017, unless postponed.

All-Others Rate

Sections 703(d) and 705(c)(5)(A) of the Act provide that, in the preliminary determination, the Department shall determine an estimated all-others rate for companies not individually examined. This rate shall be an amount equal to the weighted average of the estimated subsidy rates established for those companies individually examined, excluding any zero and *de minimis* rates and any rates based entirely on facts otherwise available under section 776 of the Act.

⁶ See sections 771(5)(B) and (D) of the Act (regarding financial contribution); *see also* section 771(5)(E) of the Act (regarding benefit); section 771(5A) of the Act (regarding specificity).

⁷ See Letter from the Rebar Trade Action Coalition and its individual members, “Steel Concrete Reinforcing Bar from Turkey: Request to Align Countervailing Duty Final Determination with Antidumping Duty Final Determination,” February 1, 2017.

The Department calculated an individual estimated countervailable subsidy rate for Habaş Sinai ve Tibbi Gazlar Istihsal Endüstrisi A.Ş. (Habas), the only individually examined exporter/producer in this investigation. Because the only individually calculated rate is not zero, *de minimis*, or based entirely on facts otherwise available, the individual estimated rate calculated for Habas is the rate assigned to all other producers and exporters, pursuant to section 705(c)(5)(A)(i) of the Act.

Preliminary Determination

The Department preliminarily determines that the following estimated countervailable subsidy rates exist:

Company	Subsidy Rate
Habaş Sinai ve Tibbi Gazlar Istihsal Endüstrisi A.Ş. ⁸	3.47 percent
All-Others	3.47 percent

The scope of this countervailing duty investigation covers only rebar produced and/or exported by companies excluded from the existing 2014 Turkey CVD Order. Currently, only Habas is excluded from the existing order and, therefore, no companies will be subject to the all-others rate indicated above at this time, and cash deposits discussed below will apply solely to rebar produced and/or exported by Habas.

Suspension of Liquidation

In accordance with sections 703(d)(1)(B) and (d)(2) of the Act, the Department will direct U.S. Customs and Border Protection (CBP) to suspend liquidation of entries of subject merchandise, as described in the “Scope of the Investigation” section, entered, or withdrawn

⁸ As discussed in the Preliminary Decision Memorandum, the Department has found the following companies to be cross-owned with Habas: Habaş Elektrik Üretim A.Ş., Habaş Endüstri Tesisleri A.Ş., Habaş Petrol A.Ş., and Mertaş Turizm Nakliyat ve Ticaret A.Ş.

from warehouse, for consumption on or after the date of publication of this notice in the *Federal Register*. Furthermore, pursuant to 19 CFR 351.205(d), the Department will instruct CBP to require a cash deposit equal to the rate indicated above for Habaş.

Disclosure

The Department intends to disclose the calculations and analysis performed in this preliminary determination to interested parties within five days of its public announcement or, if there is no public announcement, within five days of the date of this notice in accordance with 19 CFR 351.224(b).

Verification

As provided in section 782(i)(1) of the Act, the Department intends to verify the information relied upon in making its final determination.

Public Comment

For reasons discussed in the Preliminary Determination Memorandum, the Department invites interested parties to submit *monthly* natural gas price data to the Assistant Secretary for Enforcement and Compliance via ACCESS for purposes of valuing the provision of natural gas for less than adequate remuneration and/or comment on the natural gas price data that is currently on the record within 10 days of the publication of this notice.⁹ Rebuttal comments may be submitted within five days after the deadline for new monthly price data and initial comments.

Case briefs or other written comments may also be submitted to the Assistant Secretary for Enforcement and Compliance via ACCESS no later than seven days after the date on which the last verification report is issued in this investigation. Rebuttal briefs, limited to issues raised

⁹ See Preliminary Determination Memorandum at 11-12.

in case briefs, may be submitted no later than five days after the deadline for case briefs.¹⁰

Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in this investigation are encouraged to submit the following with each argument: (1) a statement of the issue, (2) a brief summary of the argument, and (3) a table of authorities.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in case and rebuttal briefs, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the publication of this notice. Requests should contain the party's name, address, and telephone number, the number of participants, whether any participant is a foreign national, and a list of the issues to be discussed. If a request for a hearing is made, the Department intends to hold the hearing at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230, at a date and time to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

International Trade Commission Notification

In accordance with section 703(f) of the Act, the Department will notify the International Trade Commission (ITC) of its determination. If the determination is affirmative, the ITC will make its final determination before the later of 120 days after the date of this preliminary determination or 45 days after the final determination.

Notification to Interested Parties

¹⁰ See 19 CFR 351.309; *see also* 19 CFR 351.303 for general filing requirements.

This determination is issued and published pursuant to sections 703(f) and 777(i) of the Act and 19 CFR 351.205(c).

Dated: February 21, 2017

Carole Showers
Executive Director, Office of Policy
Policy & Negotiations

Appendix I

Scope of the Investigation

The merchandise subject to this investigation is steel concrete reinforcing bar imported in either straight length or coil form (rebar) regardless of metallurgy, length, diameter, or grade or lack thereof. Subject merchandise includes deformed steel wire with bar markings (*e.g.*, mill mark, size, or grade) and which has been subjected to an elongation test.

The subject merchandise includes rebar that has been further processed in the subject country or a third country, including but not limited to cutting, grinding, galvanizing, painting, coating, or any other processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the rebar.

Specifically excluded are plain rounds (*i.e.*, nondeformed or smooth rebar). Also excluded from the scope is deformed steel wire meeting ASTM A1064/A1064M with no bar markings (*e.g.*, mill mark, size, or grade) and without being subject to an elongation test.

At the time of the filing of the petition, there was an existing countervailing duty order on steel reinforcing bar from the Republic of Turkey. *Steel Concrete Reinforcing Bar From the Republic of Turkey*, 79 Fed. Reg. 65,926 (Dep't Commerce Nov. 6, 2014) (2014 Turkey CVD Order). The scope of this countervailing duty investigation with regard to rebar from Turkey covers only rebar produced and/or exported by those companies that are excluded from the 2014 Turkey CVD Order. At the time of the issuance of the 2014 Turkey CVD Order, Habas Sinai ve Tibbi Gazlar Istihsal Endustrisi A.S. was the only excluded Turkish rebar producer or exporter.

The subject merchandise is classifiable in the Harmonized Tariff Schedule of the United States (HTSUS) primarily under item numbers 7213.10.0000, 7214.20.0000, and 7228.30.8010. The subject merchandise may also enter under other HTSUS numbers including 7215.90.1000, 7215.90.5000, 7221.00.0017, 7221.00.0018, 7221.00.0030, 7221.00.0045, 7222.11.0001, 7222.11.0057, 7222.11.0059, 7222.30.0001, 7227.20.0080, 7227.90.6030, 7227.90.6035, 7227.90.6040, 7228.20.1000, and 7228.60.6000.

HTSUS numbers are provided for convenience and customs purposes; however, the written description of the scope remains dispositive.

Appendix II

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope Comments
- IV. Scope of the Investigation
- V. Alignment
- VI. Respondent Selection
- VII. Injury Test
- VIII. Subsidies Valuation
- IX. Analysis of Programs
- X. Conclusion

[FR Doc. 2017-03958 Filed: 2/28/2017 8:45 am; Publication Date: 3/1/2017]