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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; Calendar Year 2015

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 (pipe and tube) from Turkey for the period of review (POR) of January 1, 2015, through December 31, 2015. Interested parties are invited to comment on these preliminary results.

DATES: Effective [Insert date of publication in the *Federal Register*.]

FOR FURTHER INFORMATION: Patricia Tran or Jolanta Lawska, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: 202-482-1503 and 202-482-8362, respectively.

Background

On May 2, 2016, the Department published a notice of initiation of an administrative review of the countervailing duty order on pipe and tube from Turkey.<sup>1</sup> On October 21, 2016, the Department extended the deadline for the preliminary results to March 31, 2017.<sup>2</sup>

Scope of the Order

The products covered by this order are certain welded carbon steel pipe and tube with an

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<sup>1</sup> See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 81 FR 26203 (May 2, 2016).

<sup>2</sup> See Memorandum to Christian Marsh, "Circular Welded Carbon Steel Pipes and Tubes from Turkey: Extension of Deadline for Preliminary Results of Countervailing Duty Administrative Review," dated October 21, 2016.

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 is conducting 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.<sup>3</sup> For a full description of the methodology underlying our conclusions, see the Preliminary Decision Memorandum.<sup>4</sup> 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 on the Internet at <http://enforcement.trade.gov/frn/>. The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum re identical in content.

### Preliminary Results of Review

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<sup>3</sup> 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.

<sup>4</sup> 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 Memorandum) from Gary Taverman, Associate Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Ronald K. Lorentzen, Acting Assistant Secretary for Enforcement and Compliance, dated concurrently with these results and hereby adopted by this notice.

The Department determines that the following preliminary net subsidy rates exist for the period January 1, 2015, through December 31, 2015:

Company	Net Subsidy Rates (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), (collectively, the Borusan Companies) <sup>5</sup>	0.37 <i>ad valorem</i> ( <i>de minimis</i> )
Erbosan Erciyas Boru Sanayi ve Ticaret A.S. (Erbosan)	8.63 <i>ad valorem</i>
Guyen Steel Pipe (also known as Guven Celik Born San. Ve Tic. Ltd.) (Guyen)	8.63 <i>ad valorem</i>
Toscelik Profil ve Sac Endustrisi A.S. (Toscelik Profil), Tosyali Dis Ticaret AS. (TDT), and Tosyali Holding (Tosyali) (collectively, the Toscelik Companies) <sup>6</sup>	8.63 <i>ad valorem</i>
Umrans Celik Born Sanayii A.S. (also known as Umrans Steel Pipe Inc.) (Umrans)	8.63 <i>ad valorem</i>
Yucel Boru ye Profil Endustrisi A.S, Yucelboru Ihracat Ithalat ye Pazarlama A.S, and Cayirova Boru Sanayi ye Ticaret A.S.) (collectively, the Yucel Companies)	8.63 <i>ad valorem</i>

For the companies for which a review was requested that were not selected as mandatory company respondents, and which we are not finding to be cross-owned with the mandatory company respondents—*i.e.*, Erbosan, Guven, Umrans, and the Yucel Companies—we are preliminarily basing the subsidy rate on the subsidy rate calculated for the Toscelik Companies.

<sup>5</sup> For the Borusan Companies, we initiated on the following: Borusan Birlesik Boru Fabrikalari San ve Tic., Borusan Gemlik Boru Tesisleri A.S., Borusan Ihicat ve Dagitim A.S, Borusan Ihracat Ithalat ve Dagitim A.S., Borusan Istikbal Ticatet T.A.S., Borusan Mannesmann Boru Sanayi ve Ticaret A.S., Tubeco Pipe and Steel Corporation.

<sup>6</sup> For the Toscelik Companies, we initiated on the following: Toscelik Metal Ticaret A.S, Toscelik Profil ve Sac Endustrisi A.S., Tosyali Dis Ticaret A.S.

### Assessment Rates

In accordance with 19 CFR 351.221(b)(4)(i), we assigned a subsidy rate for each producer/exporter subject to this administrative review. Upon issuance of the final results, the Department shall determine, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties 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

Pursuant to section 751(a)(2)(C) of the Act, the Department also intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amounts indicated for each of the 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 non-reviewed firms, we will instruct CBP to continue to collect cash deposits of estimated countervailing duties 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.<sup>7</sup> 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.<sup>8</sup> 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

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<sup>7</sup> See 19 CFR 351.224(b).

<sup>8</sup> See 19 CFR 351.309(c)(1)(ii) and 351.309(d)(1).

submit with the argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.<sup>9</sup> All briefs must be filed electronically using ACCESS.

Interested parties who wish to request a hearing must do so within 30 days of publication of these preliminary results by submitting a written request to the Assistant Secretary for Enforcement and Compliance using Enforcement and Compliance's ACCESS system.<sup>10</sup> 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, 1401 Constitution Avenue NW, Washington, DC 20230, at a time and location to be determined.<sup>11</sup> Issues addressed at the hearing will be limited to those raised in the briefs.<sup>12</sup>

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.

Ronald K. Lorentzen  
Acting Assistant Secretary  
for Enforcement and Compliance

Dated: March 31, 2017.

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<sup>9</sup> See 19 CFR 351.309(c)(2) and 351.309(d)(2).

<sup>10</sup> See 19 CFR 351.310(c).

<sup>11</sup> See 19 CFR 351.310.

<sup>12</sup> See 19 CFR 351.310(c).

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