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DEPARTMENT OF COMMERCE

International Trade Administration

(C-533-858)

Certain Oil Country Tubular Goods from India: Final Results of Countervailing Duty Administrative Review; 2013-2014

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

SUMMARY: The Department is conducting this administrative review of the countervailing duty order on certain oil country tubular goods from India pursuant to a request for review by Jindal SAW Ltd. (Jindal SAW). The period of review (POR) is December 23, 2013, through December 31, 2014. On October 14, 2016, the Department published the preliminary results of the administrative review. Based on an analysis of the comments received after the preliminary results, the Department has made changes to the subsidy rate determined for Jindal SAW. The final subsidy rate is listed in the “Final Results of Administrative Review” section below.

DATE: Effective (Insert Date of Publication in the *Federal Register*.)

FOR FURTHER INFORMATION CONTACT: Elfi Blum, AD/CVD Operations, Office VII, Enforcement and Compliance, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0197.

SUPPLEMENTARY INFORMATION:

Scope of the Order

The merchandise covered by the order is certain oil country tubular goods (OCTG), which are hollow steel products of circular cross-section, including oil well casing and tubing, of iron (other than cast iron) or steel (both carbon and alloy), whether seamless or welded, regardless of end finish (*e.g.*, whether or not plain end, threaded, or threaded and coupled)

whether or not conforming to American Petroleum Institute (API) or non-API specifications, whether finished (including limited service OCTG products) or unfinished (including green tubes and limited service OCTG products), whether or not thread protectors are attached. The scope of the order also covers OCTG coupling stock. For a complete description of the scope of the order, *see* Appendix II to this notice.

Analysis of Comments Received

The issues raised by Jindal SAW and the Government of India (GOI) in their case briefs, and by Domestic Interested Parties¹ in their rebuttal brief, are addressed in the Issues and Decision Memorandum.² The issues are identified in the Appendix I to this notice. The Issues and 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 <http://access.trade.gov> and in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the Internet at <http://trade.gov/enforcement/frn/index.html>. The signed Issues and Decision Memorandum and electronic versions of the Issues and Decision Memorandum are identical in content.

Changes Since the Preliminary Results

The Department published the preliminary results of this administrative review on

¹ Energex Tube, TMK IPSCO, Vallourec Star L.P., and Welded Tube USA (collectively, Domestic Interested Parties).

² *See* Memorandum from Gary Taverman, Associate Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Ronald K. Lorentzen, Deputy Assistant Secretary for Enforcement and Compliance, "Issues and Decision Memorandum for the Final Results of Countervailing Duty Administrative Review: Oil Country Tubular Goods from India; 2013-2014," dated concurrently with this notice and herein incorporated by reference (Issues and Decision Memorandum).

October 14, 2016.³ Based on comments received from Jindal SAW, we made changes to the benchmark and benefit calculations for the Provision of Mining Rights of Iron Ore program and corrected our benefit calculations for the Duty Drawback scheme (DDB) by excluding Jindal SAW’s 2013 benefits earned under the DDB from the numerator in our calculations. For a discussion of these issues, *see* the Issues and Decision Memorandum and Memorandum to the File from Elfi Blum, International Trade Compliance Analyst, titled “Final Results of 2013-2014 Countervailing Duty Administrative Review: Certain Oil Country Tubular Goods from India - Jindal SAW Ltd.,” each dated concurrently with these final results.

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 find that there is a subsidy, *i.e.*, a government-provided financial contribution that gives rise to a benefit to the recipient, and that the subsidy is specific.⁴ For a description of the methodology underlying all of the Department’s conclusions, see the Issues and Decision Memorandum.

Final Results of Administrative Review

In accordance with section 751(a)(1) of the Act and 19 CFR 351.221(b)(5), we determine the total net countervailable subsidy rate for the period December 23, 2013, through December 31, 2014 to be:

Manufacturer/Exporter	Subsidy Rate (percent <i>ad valorem</i>)
Jindal SAW Ltd.	14.41

³ See *Certain Oil Country Tubular Goods From India: Preliminary Results and Partial Rescission of Countervailing Duty Administrative Review*, 81 FR 71059 (October 14, 2016) (*Preliminary Results 2013-2014*).

⁴ 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.

Assessment and Cash Deposit Requirements

In accordance with 19 CFR 351.212(b)(2), the Department intends to issue appropriate instructions to U.S. Customs and Border Protection (CBP) 15 days after publication of the final results of this review. The Department will instruct CBP to liquidate shipments of subject merchandise produced and/or exported by the companies listed above, entered or withdrawn from warehouse, for consumption from December 23, 2013, through December 31, 2014, at the percentage rate, as listed above, of the entered value.

The Department also intends to instruct CBP to collect cash deposits of estimated countervailing duties, in the amount shown above, on 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 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.

Administrative Protective Order

This notice also serves as a final reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of proceeding. Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

These final results are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Ronald K Lorentzen
Deputy Assistant Secretary
for Enforcement and Compliance

Dated: April 12, 2017

APPENDIX I

Issues and Decision Memorandum

- I. Summary
- II. Scope of the Order
- III. Period of Review
- IV. Subsidies Valuation Information
 - A. Allocation Period
 - B. Attribution of Subsidies
 - C. Benchmarks Interest Rates
 - D. Denominator
- V. Analysis of Programs
 - A. Programs Determined To Be Countervailable
 - B. Programs Determined To Be Not Used or to Provide No Benefit During the POR
 - C. Programs Determined To Be Terminated
- VI. Final Results of Review
- VII. Analysis of Comments

- Comment 1: Whether Jindal SAW's mining rights of iron ore are a countervailable subsidy.
- Comment 2: Whether the Department relied upon an incorrect benchmark for both iron ore and freight in its preliminary results.
- Comment 3: Whether the Department incorrectly countervailed licenses attributable to non-subject merchandise under the advance authorization program (AAP).
- Comment 4: Whether the Department incorrectly countervailed licenses attributable to non-subject merchandise under the Export Promotion Capital Goods Scheme (EPCGS).
- Comment 5: Whether the Department should deduct an amount for CENVAT from the benefit calculation under the EPCGS.
- Comment 6: Whether the Department conducted a selective/incomplete analysis of elements in determining a countervailable subsidy in the context of Article 1.1 of the Agreement on Subsidies and Countervailing Duty Measures (ASCM), the Tariff Act of 1930, as amended (the Act), and the Department's regulations, by mechanically relying on past decisions.
- Comment 7: Whether the Department should consider other factors adversely impacting the domestic industry during the POR.
- Comment 8: Whether the Department erred in countervailing certain exemptions, remissions, and drawbacks of indirect taxes in the context of Article 12, Article 27, Annex II, and Annex VII of the ASCM.

Comment 9: Whether the Department's analysis of certain programs is inconsistent with the ASCM, the Act, and the Department's regulations, as they do not involve a financial contribution and do not confer a benefit

Comment 10: Whether the Department made a calculation error in the benefit calculation of duty drawback (DDB).

Appendix II Scope of the Order

The merchandise covered by the order is certain oil country tubular goods (“OCTG”), which are hollow steel products of circular cross-section, including oil well casing and tubing, of iron (other than cast iron) or steel (both carbon and alloy), whether seamless or welded, regardless of end finish (*e.g.*, whether or not plain end, threaded, or threaded and coupled) whether or not conforming to American Petroleum Institute (“API”) or non-API specifications, whether finished (including limited service OCTG products) or unfinished (including green tubes and limited service OCTG products), whether or not thread protectors are attached. The scope of the order also covers OCTG coupling stock.

Excluded from the scope of the order are: casing or tubing containing 10.5 percent or more by weight of chromium; drill pipe; unattached couplings; and unattached thread protectors.

The merchandise subject to the order is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers: 7304.29.10.10, 7304.29.10.20, 7304.29.10.30, 7304.29.10.40, 7304.29.10.50, 7304.29.10.60, 7304.29.10.80, 7304.29.20.10, 7304.29.20.20, 7304.29.20.30, 7304.29.20.40, 7304.29.20.50, 7304.29.20.60, 7304.29.20.80, 7304.29.31.10, 7304.29.31.20, 7304.29.31.30, 7304.29.31.40, 7304.29.31.50, 7304.29.31.60, 7304.29.31.80, 7304.29.41.10, 7304.29.41.20, 7304.29.41.30, 7304.29.41.40, 7304.29.41.50, 7304.29.41.60, 7304.29.41.80, 7304.29.50.15, 7304.29.50.30, 7304.29.50.45, 7304.29.50.60, 7304.29.50.75, 7304.29.61.15, 7304.29.61.30, 7304.29.61.45, 7304.29.61.60, 7304.29.61.75, 7305.20.20.00, 7305.20.40.00, 7305.20.60.00, 7305.20.80.00, 7306.29.10.30, 7306.29.10.90, 7306.29.20.00, 7306.29.31.00, 7306.29.41.00, 7306.29.60.10, 7306.29.60.50, 7306.29.81.10, and 7306.29.81.50.

The merchandise subject to the order may also enter under the following HTSUS item numbers: 7304.39.00.24, 7304.39.00.28, 7304.39.00.32, 7304.39.00.36, 7304.39.00.40, 7304.39.00.44, 7304.39.00.48, 7304.39.00.52, 7304.39.00.56, 7304.39.00.62, 7304.39.00.68, 7304.39.00.72, 7304.39.00.76, 7304.39.00.80, 7304.59.60.00, 7304.59.80.15, 7304.59.80.20, 7304.59.80.25, 7304.59.80.30, 7304.59.80.35, 7304.59.80.40, 7304.59.80.45, 7304.59.80.50, 7304.59.80.55, 7304.59.80.60, 7304.59.80.65, 7304.59.80.70, 7304.59.80.80, 7305.31.40.00, 7305.31.60.90, 7306.30.50.55, 7306.30.50.90, 7306.50.50.50, and 7306.50.50.70.

The HTSUS subheadings above are provided for convenience and customs purposes only. The written description of the scope of the order is dispositive.

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