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DEPARTMENT OF COMMERCE

International Trade Administration

[C-489-502]

Circular Welded Carbon Steel Pipes and Tubes from Turkey: Final Results of Expedited Fourth Sunset Review of Countervailing Duty Order

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

SUMMARY: On June 1, 2017, the Department of Commerce (the Department) initiated a sunset review of the countervailing duty (CVD) order on circular welded carbon steel pipes and tubes (steel pipes and tubes) from Turkey pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act). The Department has conducted an expedited sunset review of this order pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2). As a result of this sunset review, the Department finds that revocation of the CVD order is likely to lead to continuation or recurrence of a countervailable subsidy at the levels indicated in the “Final Results of Review” section of this notice.

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

FOR FURTHER INFORMATION CONTACT: 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) 482-8362.

SUPPLEMENTAL INFORMATION

Background

The CVD order on steel pipes and tubes from Turkey was published in the *Federal Register* on March 7, 1986.¹ On June 2, 2017, the Department initiated the fourth sunset review of this CVD order pursuant to section 751(c) of the Act.² On June 15, 2017, we received a notice of intent to participate on behalf of the following domestic interested parties: Bull Moose, Exltube, TMK IPSCO, and Zekelman Industries (hereinafter referred to as the domestic interested parties).³ The domestic interested parties claimed interested party status under section 771(9)(C) of the Act, as manufacturers, producers, or wholesalers in the United States of a domestic like product.⁴ On June 30, 2017, the domestic interested parties submitted their substantive response.⁵ On July 3, 2017, the Government of Turkey (GOT) submitted its substantive response in which it expressed its intent to participate in this review as the government of the country in which subject merchandise is produced and exported.⁶ On July 10, 2017, the domestic interested parties submitted rebuttal comments to the GOT Substantive Response.⁷

¹ See *Countervailing Duty Order: Certain Welded Carbon Steel Pipe and Tube Products from Turkey*, 51 FR 7984 (March 7, 1986).

² See *Initiation of Five-Year Sunset Reviews*, 82 FR 25599 (June 2, 2017); see also *Initiation of Five-Year (Sunset) Review; Correction*, 82 FR 27690 (June 16, 2017).

³ See Letter from Domestic Interested Party, “Fourth Five-Year (“Sunset”) Review of Countervailing Duty Order on Circular Welded Carbon Steel Pipes and Tubes from Turkey: Domestic Industry Notice of Intent to Participate in Sunset Review,” dated June 15, 2017.

⁴ *Id.*

⁵ See Letter from Domestic Interested Parties, “Fourth Five Year (“Sunset”) Review of Countervailing Duty Order on Certain Circular Welded Carbon Steel Pipes and Tubes from Turkey: Domestic Industry’s Substantive Response,” (Domestic Interested Parties Substantive Response), dated June 30, 2017.

⁶ See Letter from GOT, “Response of the Government of Turkey in the Countervailing Duty 4th Sunset Review Involving Certain Welded Carbon Steel Pipe and Tube from Turkey,” (GOT Substantive Response), dated July 3, 2017.

⁷ See letter from the Domestic Interested Parties, “Five-Year (“Sunset”) Review of Countervailing Duty Order on Certain Circulate Welded Carbon Steel Pipes and Tubes from Turkey: Domestic Industry’s Rebuttal to the Government of Turkey’s Substantive Response,” dated July 10, 2017 (Domestic Parties Rebuttal Submission).

The Department did not receive any substantive responses from Turkish producers or exporters of the merchandise covered by this order. A government's response alone, normally, is not sufficient for the Department to conduct a full sunset review, unless the investigation was conducted on an aggregate basis.⁸ Because this investigation was conducted on a company-specific, rather than an aggregate, basis,⁹ we determined that no company respondent interested party submitted a substantive response, and thus, conducted an expedited (120-day) sunset review of this order.¹⁰

Scope of the Order

The products covered by the order are certain welded carbon steel pipes and tubes with an outside diameter of 0.375 inch or more, but not over 16 inches, of any wall thickness (pipes and tubes) 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.

Analysis of Comments Received

All issues raised in this review are addressed in the Issues and Decision Memorandum, which is dated concurrently with and adopted by this notice.¹¹ The issues discussed in the Issues and Decision Memorandum include the likelihood of continuation or recurrence of a

⁸ See, e.g., *Certain Pasta from Turkey: Final Results of Expedited Five-Year ("Sunset") Review of the Countervailing Duty Order*, 72 FR 5269 (February 5, 2007), and *Certain Carbon Steel Products from Sweden: Final Results of Expedited Sunset Review of Countervailing Duty Order*, 65 FR 18304 (April 7, 2000).

⁹ See *Final Affirmative Countervailing Duty Determinations; Certain Welded Carbon Steel Pipe and Tube Products From Turkey*, 51 FR 1268 (January 10, 1986).

¹⁰ See section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2).

¹¹ See Memorandum regarding: "Issues and Decision Memorandum for the Final Results of Expedited Fourth Sunset Review of the Countervailing Duty Order on Circular Welded Carbon Steel Pipes and Tubes from Turkey," dated concurrently with this notice.

countervailable subsidy and the net countervailable subsidy likely to prevail if the *Order* were revoked. Parties can find a complete discussion of all issues raised in this expedited sunset review and the corresponding recommendations in this public memorandum, which is on file electronically *via* the Enforcement and Compliance Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov> and to all parties 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://enforcement.trade.gov/frn/index.html>. The signed Issues and Decision Memorandum and the electronic versions of the Issues and Decision Memorandum are identical in content.

Final Results of Review

As a result of this review, the Department determines that revocation of the CVD order would likely lead to continuation or recurrence of a countervailable subsidy at the rates listed below:

Producer/Exporter	Net Countervailable Subsidy Rate (percent)
Bant Boru Sanayi ve Ticaret A.S. (Bant Boru)	3.63
Borusan Group ¹²	1.41
Erbosan ¹³	3.63
Yucel Boru Group ¹⁴	1.57
All Others	3.63

Notification Regarding Administrative Protective Order

This notice also serves as the only reminder to parties subject to 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. Timely notification of the return or 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 sanctionable violation.

¹² The Borusan Group includes the following entities: Borusan Group, Borusan Holding, A.S., Borusan Mannesmann Boru Sanayi ve Ticaret A.S., Borusan Istikbal Ticaret, A.S., and Borusan Lojistik Dagitim Pepolama Tasimacilik ve Tic A.S.

¹³ Erbosan includes Erbosan Erciyas Boru Sanayi ve Ticaret A.S. (Erbosan AS) and Erbosan Erciyas Pipe Industry and Trade Co. Kayseri Free Zone Branch (Erbosan FZB).

¹⁴ The Yucel Boru Group includes Yucel Boru ye Profil Endustrisi A.S, Yucelboru Ihracat Ithalat ye Pazarlama A.S, and Cayirova Bom Sanayi ye Ticaret A.S.

We are issuing and publishing the final results of this review in accordance with sections 751(c), 752, and 777(i) of the Act.

/S/ Gary Taverman

Gary Taverman
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations
performing the non-exclusive functions and duties of the
Assistant Secretary for Enforcement and Compliance

October 2, 2017

(Date)
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