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DEPARTMENT OF COMMERCE

International Trade Administration

C-489-819

Steel Concrete Reinforcing Bar from the Republic of Turkey: Preliminary Results of Countervailing Duty Administrative Review and Intent to Rescind the Review in Part; 2016

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

SUMMARY: The Department of Commerce (Commerce) preliminary determines that producers/exporters of steel concrete reinforcing bar (rebar) from the Republic of Turkey (Turkey) received countervailable subsidies during the period of review (POR) January 1 through December 31, 2016. Interested parties are invited to comment on these preliminary results.

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

FOR FURTHER INFORMATION CONTACT: Caitlin Monks, 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) 482-2670.

SUPPLEMENTARY INFORMATION

Background

On January 11, 2018, Commerce published a notice of initiation of an administrative review of the CVD order on rebar from Turkey.<sup>1</sup> On July 10, 2018, Commerce extended the

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<sup>1</sup> See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 83 FR 1329, 1334 (January 11, 2018); see also *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 83 FR 8058, 8067 n.6 (February 23, 2018).

deadline for the preliminary results to December 3, 2018.<sup>2</sup> Commerce preliminarily determines that the mandatory respondents: Colakoglu Dis Ticaret A.S. (COTAS) and Colakoglu Metalurji A.S. (Colakoglu Metalurji) (collectively, Colakoglu), Icdas Celik Enerji Tersane ve Ulasim Sanayi A.S. (Icdas), and Kaptan Demir Celik Endustrisi ve Ticaret A.S. (Kaptan Demir) and Kaptan Metal Dis Ticaret Ve Nakliyat A.S. (Kaptan Metal) (collectively, Kaptan) each received countervailable subsidies during the POR. For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.<sup>3</sup> A list of topics discussed in the Preliminary Decision Memorandum is included at the Appendix 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 <http://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 Order

The merchandise covered by the order is steel concrete reinforcing bar (rebar) imported in either straight length or coil form regardless of metallurgy, length, diameter, or grade. For a complete description of the scope, *see* the Preliminary Decision Memorandum.

### Methodology

Commerce is conducting this administrative review in accordance with section

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<sup>2</sup> *See* Memorandum, "Steel Concrete Reinforcing Bar from the Republic of Turkey: Extension of Deadline for Preliminary Results in 2016 Countervailing Duty Administrative Review," dated July 10, 2018.

<sup>3</sup> *See* Memorandum, "Decision Memorandum for the Preliminary Results of Countervailing Duty Administrative Review of and the Preliminary Intent to Rescind, in Part: Steel Concrete Reinforcing Bar from the Republic of Turkey; 2016," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each subsidy program found countervailable, we preliminarily 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.<sup>4</sup> For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum.

#### Intent to Rescind Administrative Review, in Part

DufEnergy Trading SA (DufEnergy), Duferco Celik Ticaret Limited (Duferco), and Ekinciler Demir ve Celik Sanayi A.S. (Ekinciler) timely filed no-shipments certifications.<sup>5</sup> Because there is no evidence on the record to indicate that DufEnergy, Duferco, or Ekinciler had entries, exports, or sales of subject merchandise to the United States during the POR, pursuant to 19 CFR 351.213(d)(3), we intend to rescind the review with respect to these companies.

Entries of merchandise produced and exported by Habas Sinai ve Tibbi Gazlar Istihsal Endustrisi A.S. (Habas) are not subject to countervailing duties under this *Order* because the Commerce's final determination with respect to this producer/exporter combination was negative.<sup>6</sup> However, any entries of merchandise produced by any other entity and exported by Habas or produced by Habas and exported by another entity are subject to this *Order*.

Because there is no evidence on the record of entries of merchandise produced by another entity and exported by Habas, or entries of merchandise produced by Habas and exported by another entity, we preliminarily determine that Habas is not subject to this administrative review.

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<sup>4</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>5</sup> *See* DufEnergy's letter, "*Steel Concrete Reinforcing Bar from Turkey; No Shipments Letter for DufEnergy Trading SA (formerly known as Duferco Investment Services SA)*," dated January 29, 2018; Duferco's letter, "*Steel Concrete Reinforcing Bar from Turkey; No Shipments Letter for Duferco Celik Ticaret Limited*," dated January 29, 2018; and Ekinciler's letter, "*Hot-Rolled Steel Products from Turkey (C-489-819): Countervailing Duty Administrative Review (01/01/16 – 12/31/16)*," dated January 24, 2018.

<sup>6</sup> *See Steel Concrete Reinforcing Bar from the Republic of Turkey: Final Affirmative Countervailing Duty Determination and Final Affirmative Critical Circumstances Determination*, 79 FR 54963, 54964 (September 15, 2014).

Therefore, pursuant to 19 CFR 351.213(d)(3), we intend to rescind the review with respect to Habas. A final decision on whether to rescind the review of DufEnergy, Duferco, Ekinciler, and Habas will be made in the final results of this administrative review.

#### Companies Not Selected for Individual Review

For these preliminary results, Icdas is the sole mandatory respondent with a calculated rate above *de minimis*. Therefore, we are assigning Icdas' net countervailable subsidy rate of 1.37 percent *ad valorem* to the 11 remaining non-selected companies, for which an individual rate was not calculated. This is consistent with our practice,<sup>7</sup> and in accordance with section 705(c)(5)(A) of the Act.

#### Preliminary Results of the Review

We preliminarily find that the net countervailable subsidy rates for the period January 1, 2016, through December 31, 2016, are as follows:

<b>Company</b>	<b>Subsidy Rate <i>Ad Valorem</i></b>
Icdas Celik Enerji Tersane ve Ulasim Sanayi A.S. and its cross-owned affiliates <sup>8</sup>	1.37 percent
Kaptan Demir Celik Endustrisi ve Ticaret A.S. and Kaptan Metal Dis Ticaret ve Nakliyat A.S. and their cross-owned affiliates <sup>9</sup>	0.22 percent ( <i>de minimis</i> )
Colakoglu Dis Ticaret A.S. and Colakoglu Metalurji A.S. and their cross-owned affiliates <sup>10</sup>	0.04 percent ( <i>de minimis</i> )
Acemar International Limited	1.37 percent
Agir Haddecilik A.S.	1.37 percent
As Gaz Sinai ve Tibbi Gazlar A.S.	1.37 percent
Asil Celik Sanayi ve Ticaret A.S.	1.37 percent

<sup>7</sup> See, e.g., *Certain Pasta from Italy: Final Results of the 2008 Countervailable Review*, 75 FR 37386, 37387 (June 29, 2010).

<sup>8</sup> Commerce preliminarily finds the following companies to be cross-owned with Icdas: Mardas Marmara Deniz Isletmeciligi A.S., Oraysan Insaat Sanayi ve Ticaret A.S., Artmak Denizcilik Ticaret ve Sanayi A.S., and Icdas Elektrik Enerjisi Uretim ve Yatirim A.S.

<sup>9</sup> Commerce preliminarily finds the following companies to be cross-owned with Kaptan: Martas Marmara Ereglisi Liman Tesisleri A.S., Aset Madencilik A.S., and Kaptan Is Makinalari Hurda Alim Satim Ltd. Sti.

<sup>10</sup> Commerce preliminarily finds the following companies to be cross-owned with Colakoglu: Demirsan Haddecilik San. Ve Tic. A.S.

Ege Celik Endustrisi Sanayi ve Ticaret A.S.	1.37 percent
Izmir Demir Celik Sanayi A.S.	1.37 percent
Kocaer Haddecilik Sanayi Ve Ticar L	1.37 percent
Mettech Metalurji Madencilik Muhendislik Uretim Danismanlik ve Ticaret Limited Sirketi	1.37 percent
MMZ Onur Boru Profil A.S.	1.37 percent
Ozkan Demir Celik Sanayi A.S.	1.37 percent
Wilmar Europe Trading BV	1.37 percent

#### Assessment Rates

Consistent with section 751(a)(2)(C) of the Act, upon issuance of the final results, Commerce 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 Requirements

Pursuant to section 751(a)(1) of the Act, Commerce intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amount indicated above for the reviewed companies, 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 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.

#### Disclosure and Public Comment

We will disclose to the parties in this proceeding the calculations performed in reaching the preliminary results within five days of the date of publication of this notice.<sup>11</sup> Interested parties may submit written arguments (case briefs) on the preliminary results within 30 days of

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<sup>11</sup> See 19 CFR 351.224(b).

publication of the preliminary results, and rebuttal comments (rebuttal briefs) within five days after the time limit for filing case briefs.<sup>12</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 submit with the argument: (1) statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.<sup>13</sup>

Interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request within 30 days after the date of publication of this notice.<sup>14</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 Commerce receives a request for a hearing, we will inform parties of the scheduled date for the hearing, which will be held at the main Department of Commerce building at a time and location to be determined.<sup>15</sup> Parties should confirm by telephone the date, time, and location of the hearing.

Parties are reminded that briefs and hearing requests are to be filed electronically using ACCESS and received successfully in their entirety by 5:00 p.m. Eastern Time on the due date.

Unless the deadline is extended pursuant to section 751(a)(3)(A) of the Act, Commerce intends to issue the final results of this administrative review, including the results of our analysis of the issues raised by parties in their comments, within 120 days after publication of these preliminary results.

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<sup>12</sup> See 19 CFR 351.309(c)(1)(ii); 351.309(d)(1); and 19 CFR 351.303 (for general filing requirements).

<sup>13</sup> See 19 CFR 351.309(c)(2) and 351.309(d)(2).

<sup>14</sup> See 19 CFR 351.310(c).

<sup>15</sup> See 19 CFR 351.310.

Notification to Interested Parties

These preliminary results of review are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213 and 351.221(b)(4).

Dated: December 3, 2018

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

## APPENDIX

### List of Topics Discussed in the Preliminary Decision Memorandum

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VIII. Conclusion

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