



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[C-489-817]

Oil Country Tubular Goods from the Republic of Turkey: Final Results of the Expedited First Sunset Review of the Countervailing Duty Order

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

SUMMARY: The Department of Commerce (Commerce) finds that revocation of the countervailing duty (CVD) order would be likely to lead to the continuation or recurrence of a countervailable subsidy at the levels indicated in the “Final Results of Review” section of this notice.

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

FOR FURTHER INFORMATION CONTACT: Aimee Phelan or Mary Kolberg, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2201 or (202) 482-1785, respectively.

SUPPLEMENTARY INFORMATION:

Background

On September 10, 2014, Commerce published in the *Federal Register* the CVD order on oil country tubular goods (OCTG) from the Republic of Turkey (Turkey).<sup>1</sup> Subsequently on October 5, 2017, Commerce published an amended order consistent with the decision of the United States Court of Appeals for the Federal Circuit affirming Commerce’s remand

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<sup>1</sup> See *Certain Oil Country Tubular Goods from India and the Republic of Turkey: Countervailing Duty Orders and Amended Affirmative Final Countervailing Duty Determination for India*, 79 FR 53688 (September 10, 2014).

redetermination.<sup>2</sup> On June 4, 2019, Commerce published the notice of initiation of the first sunset review of the CVD order on OCTG Turkey, pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act).<sup>3</sup> In June 2019, Commerce received a notice of intent to participate from the following domestic interested parties: Benteler Steel/Tube, Boomerang Tube, LLC, IPSCO Tubulars, Inc., Vallourec Star, LP, and Welded Tube USA Inc;<sup>4</sup> Maverick Tube Corporation and Tenaris Bay City, Inc;<sup>5</sup> and United States Steel Corporation. (U.S. Steel Corporation).<sup>6</sup> All notices of intent to participate were timely filed within the deadline specified in 19 CFR 351.218(d)(1)(i). Additionally, each of these companies claimed interested party status under section 771(9)(C) of the Act, as a domestic producer of OCTG.

Commerce received an adequate substantive response to the notice of initiation from the domestic producers within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i).<sup>7</sup> On July 4, 2019, we received a timely substantive response from the government of Turkey (GOT).<sup>8</sup> The domestic interested parties filed a timely rebuttal response to the GOT's submission on July 9, 2019.<sup>9</sup> However, because we did not receive a substantive response from exporters of OCTG

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<sup>2</sup> See *Oil Country Tubular Goods from the Republic of Turkey: Amendment of Countervailing Duty Order*, 82 FR 46483 (October 5, 2017).

<sup>3</sup> See *Initiation of Five-Year (Sunset) Reviews*, 84 FR 25741 (June 4, 2019).

<sup>4</sup> See Benteler Steel/Tube's, Boomerang Tube, LLC's, IPSCO Tubulars, Inc.'s, Vallourec Star, LP's, and Welded Tube USA Inc.'s Letter, "Oil Country Tubular Goods from Turkey: Notice of Intent to Participate," dated June 13, 2019.

<sup>5</sup> See Maverick Tube Corporation's and Tenaris Bay City, Inc.'s Letter, "Notice of Intent to Participate in First Sunset Reviews of the Antidumping and Countervailing Duty Orders on Oil Country Tubular Goods from Turkey," dated June 17, 2019.

<sup>6</sup> See U.S. Steel Corporation's Letter, "Five-Year (Sunset) Review of Antidumping and Countervailing Duty Orders on Oil Country Tubular Goods from Turkey: Notice of Intent to Participate," dated June 19, 2019.

<sup>7</sup> See Domestic Interested Parties' Letter, "Oil Country Tubular Goods from Turkey: Substantive Response of the Domestic Industry to Commerce's Notice of Initiation of Five-Year (Sunset) Review," dated July 3, 2019.

<sup>8</sup> See GOT's Letter, "Response of the Government of Turkey to the Five-Year Review (Sunset Review) of Antidumping and Countervailing Duty Orders on Imports of Certain Oil Country Tubular Goods from the Republic of Turkey," dated July 4, 2019.

<sup>9</sup> See Domestic Interested Parties' Letter, "Oil Country Tubular Goods from Turkey: Rebuttal to the Substantive Response of the Government of Turkey to Commerce's Notice of Initiation of Five-Year (Sunset) Reviews," dated July 9, 2019.

from Turkey, we determined that the substantive response provided by the GOT was not adequate.

On July 29, 2019, Commerce notified the U.S. International Trade Commission that it did not receive an adequate substantive response from respondent interested parties.<sup>10</sup> As a result, pursuant to 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), Commerce conducted an expedited (120-day) sunset review of the CVD order on OCTG from Turkey.

#### Scope of the Order

The merchandise covered by the order is 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,

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<sup>10</sup> See Commerce's Letter, "Sunset Reviews Initiated on June 1, 2019," dated July 29, 2019.

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. Although the HTSUS

subheadings above are provided for convenience and customs purpose, the written description of the scope of the order is dispositive.

#### Analysis of Comments Received

All issues raised in this sunset review are addressed in the Issues and Decision Memorandum,<sup>11</sup> which is hereby adopted by this notice. The issues discussed in the Issues and Decision Memorandum are the likelihood of continuation or recurrence of a countervailable subsidy and the net countervailable subsidy likely to prevail if the order were revoked. 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 to all in the Central Records Unit, Room B8024 of the main Commerce building. A list of

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<sup>11</sup> See Memorandum "Issues and Decision Memorandum for the Expedited Fourth Sunset Review of the Countervailing Duty Order on Certain Pasta from Italy," dated concurrently with this notice (Issues and Decision Memorandum).

the topics discussed in the Issues and Decision Memorandum is attached to this notice as an Appendix. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>.

Final Results of Review

Pursuant to sections 751(c)(1) and 752(b) of the Act, Commerce determines that revocation of the CVD order on OCTG from Turkey would be likely to lead to the continuation or recurrence of a countervailable subsidy at the rates listed below:

Producer/ Exporter	Net Subsidy Rate (percent)
Borusan Mannesmann Boru Sanayi ve Ticaret A.S., and cross-owned affiliates Borusan Istikbal Ticaret, Borusan Mannesmann Boru Yatirim Holding A.S., and Borusan Holding A.S. (collectively, Borusan)	2.71
All Others	2.71

Administrative Protective Order (APO)

This notice also serves as the only reminder to parties subject to an APO of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely written 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.

Notification to Interested Parties

We are issuing and publishing these results in accordance with sections 751(c), 752(b), and 777(i)(1) of the Act and 19 CFR 351.218.

Dated: October 2, 2019.

P. Lee Smith,  
Deputy Assistant Secretary  
for Policy and Negotiations  
Enforcement and Compliance.

## **Appendix**

### **List of Topics Discussed in the Issues and Decision Memorandum**

- I. Summary
- II. Background
- III. Scope of the Order
- IV. History of the Order
- V. Legal Framework
- VI. Discussion of the Issues
- VII. Final Results of Review
- VIII. Recommendation

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