



DEPARTMENT OF COMMERCE

International Trade Administration

[C-489-843]

Prestressed Concrete Steel Wire Strand from the Republic of Turkey: Final Affirmative Countervailing Duty Determination and Final Negative Critical Circumstances Determination

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

SUMMARY: The Department of Commerce (Commerce) determines that countervailable subsidies are being provided to producers and exporters of prestressed concrete steel wire strand (PC strand) from the Republic of Turkey (Turkey).

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

FOR FURTHER INFORMATION CONTACT: Whitley Herndon or Jacob Garten, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-6274, or (202) 482-3342, respectively.

SUPPLEMENTARY INFORMATION:

Background

The petitioners in this investigation are Insteel Wire Products, Sumiden Wire Products Corporation, and Wire Mesh Corporation. In addition to the Government of Turkey, the mandatory respondents in this investigation are Celik Halat ve Tel San A.S. (Celik Halat) and Guney Celik Hasir ve Demir (Guney Celik).

A summary of the events that occurred since Commerce published the *Preliminary Determination*,¹ as well as a full discussion of the issues raised by parties for this final determination, are discussed in the Issues and Decision Memorandum, which is hereby adopted

¹ See *Prestressed Concrete Steel Wire from the Republic of Turkey: Preliminary Affirmative Countervailing Duty Determination, Preliminary Affirmative Critical Circumstances Determination, in Part*, 85 FR 59287 (September 21, 2020) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum (PDM).

by this notice.² The Issues and Decision Memorandum is a public document and 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>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

Period of Investigation

The period of investigation is January 1, 2019 through December 31, 2019.

Scope of the Investigation

The scope of the investigation is PC strand from Turkey. For a complete description of the scope of this investigation, *see* Appendix I.

Analysis of Subsidy Programs and Comments Received

The subsidy programs under investigation and the issues raised in the case and rebuttal briefs by parties in this investigation are discussed in the Issues and Decision Memorandum. A list of the issues that parties raised, and to which we responded in the Issues and Decision Memorandum, is included as Appendix II.

Methodology

Commerce conducted this investigation in accordance with section 701 of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, Commerce determines that there is a subsidy, *i.e.*, a financial contribution by an "authority" that gives rise to a benefit to the recipient and that the subsidy is specific.³ For a full description of the methodology underlying our final determination, *see* the Issues and Decision Memorandum.

Verification

² *See* Memorandum, "Decision Memorandum for the Final Determination of the Countervailing Duty Investigation of Prestressed Concrete Steel Wire Strand from the Republic of Turkey," dated concurrently with this determination (Issues and Decision Memorandum).

³ *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.

Commerce was unable to conduct on-site verification of the information relied upon in making its final determination in this investigation, pursuant to section 782(i) of the Act. Accordingly, we took additional steps in lieu of on-site verification and requested additional documentation and information.⁴ Consistent with section 776(a)(2)(D) of the Act, Commerce relied on the information submitted on the record as facts available in making our final determination.

Changes Since the *Preliminary Determination*

Based on our review and analysis of the information received in lieu of on-site verification and comments received from parties, we made certain changes to the respondents' subsidy rate calculations since the *Preliminary Determination* and the Post-Preliminary Analysis Memorandum.⁵ As a result of these changes, Commerce has also revised the all-others rate. For a discussion of these changes, *see* the Issues and Decision Memorandum and the Final Analysis Memoranda.⁶

Final Negative Determination of Critical Circumstances

Pursuant to section 705(a)(2) of the Act, Commerce determines that critical circumstances do not exist for imports of PC strand from Turkey. For full description of the methodology and results of Commerce's critical circumstances analysis, *see* the Issues and Decision Memorandum.

All-Others Rate

In accordance with section 705(c)(1)(B)(i)(I) of the Act, we calculated countervailable subsidy rates for Celik Halat and Guney Celik. Section 705(c)(5)(A)(i) of the Act states that, for

⁴ *See* Commerce's Letter, dated October 26, 2020; and Guney Celik's Letter, "Prestressed Concrete Steel Wire Strand from Turkey; In Lieu of Verification Questionnaire Response," dated November 3, 2020.

⁵ *See* Memorandum, "Countervailing Duty Investigation of Prestressed Concrete Steel Wire Strand from the Republic of Turkey: Post-Preliminary Analysis," dated November 19, 2020 (Post-Preliminary Analysis Memorandum).

⁶ *See* Memoranda, "Countervailing Duty Investigation of Prestressed Concrete Steel Wire Strand from the Republic of Turkey: Final Determination Calculation Memorandum for Celik Halat ve Tel San A.S." and "Countervailing Duty Investigation of Prestressed Concrete Steel Wire Strand from the Republic of Turkey: Final Determination Calculation Memorandum for Guney Celik Hasir ve Demir," both dated concurrently with this notice (collectively, Final Analysis Memoranda).

all exporters and producers not individually investigated, we will determine an all-others rate equal to the weighted-average countervailable subsidy rates established for exporters and producers individually investigated, excluding any zero and *de minimis* countervailable subsidy rates, and any rates determined entirely under section 776 of the Act.

Notwithstanding the language of section 705(c)(5)(A)(i) of the Act, we have not calculated the all-others rate by weight averaging the rates of Celik Halat and Guney Celik because doing so risks disclosure of business proprietary information. Rather, we used a simple average to calculate the all-others rate.⁷

Final Determination

Commerce determines the total estimated net countervailable subsidy rates to be:

| Company | Subsidy Rate |
|--|---------------------|
| Celik Halat ve Tel San A.S. ⁸ | 158.44 percent |
| Guney Celik Hasir ve Demir | 30.78 percent |
| All Others | 94.61 percent |

In accordance with section 705(c)(1)(B)(i) of the Act, we calculated a rate for each company respondent. Section 705(c)(5)(A)(i) of the Act states that, for companies not individually investigated, we will determine an “all others” rate equal to the weighted-average countervailable subsidy rates established for exporters and producers individually investigated, excluding any zero and *de minimis* countervailable subsidy rates, and any rates determined entirely under section 776 of the Act. Notwithstanding the language of section 705(c)(5)(A)(i) of the Act, we have not calculated the “all others” rate by weight averaging the rates of Celik

⁷ We have calculated the simple average of the two responding firm’s rates for the all-others rate using the following calculation: $(158.44 \text{ (Celik Halat's calculated rate)} + 30.78 \text{ (Guney Celik's calculated rate)})/2 = 94.61$ (the all-others rate).

⁸ Commerce found the following companies to be cross-owned with Celik Halat: Dogan Sirketler Grubu Holding A.S. and Adilbey Holding A.S. See *Preliminary Determination* PDM at “Attribution of Subsidies.”

Halat and Guney Celik because doing so risks disclosure of proprietary information. Therefore, we calculated a simple average of Celik Halat and Guney Celik's rates.

Disclosure

Commerce will disclose the calculations performed in connection with this final determination within five days of the date of publication of this notice to parties in this proceeding in accordance with 19 CFR 351.224(b).

Continuation of Suspension of Liquidation

As a result of our *Preliminary Determination* and pursuant to section 703(d)(1)(B) and (d)(2) of the Act, Commerce instructed U.S. Customs and Border Protection (CBP) to suspend liquidation of entries of subject merchandise as described in the scope of the investigation section, that was entered or withdrawn from warehouse for consumption on or after the date of publication of the *Preliminary Determination* in the *Federal Register*.

Because we find critical circumstances do not exist for Celik Halat, we will direct CBP to terminate the retroactive suspension of liquidation ordered at the *Preliminary Determination* and release any cash deposits that were required prior to September 21, 2020, the date of publication of the *Preliminary Determination* in the *Federal Register*, consistent with section 705(c)(3) of the Act.

If the U.S. International Trade Commission (ITC) issues a final affirmative injury determination, we will issue a countervailing duty order and require a cash deposit of estimated countervailing duties for such entries of subject merchandise in the amounts indicated above. If the ITC determines that material injury, or threat of material injury, does not exist, this proceeding will be terminated and all estimated duties deposited or securities posted as a result of the suspension of liquidation will be refunded or canceled.

ITC Notification

In accordance with section 705(d) of the Act, we will notify the ITC of our determination. In addition, we are making available to the ITC all non-privileged and non-

proprietary information related to this investigation. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under an administrative protective order (APO), without the written consent of the Assistant Secretary for Enforcement and Compliance.

Because the final determination in this proceeding is affirmative, in accordance with section 705(b) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports of welded pipe from Turkey no later than 45 days after our final determination. If the ITC determines that material injury or threat of material injury does not exist, this proceeding will be terminated and all cash deposits will be refunded. If the ITC determines that such injury does exist, Commerce will issue a countervailing duty order directing CBP to assess, upon further instruction by Commerce, countervailing duties on all imports of the subject merchandise that are entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation, as discussed above in the “Continuation of Suspension of Liquidation” section.

Notification Regarding APO

In the event that the ITC issues a final negative injury determination, this notice will serve as the only reminder to parties subject to the APO of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). 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.

This determination is issued and published pursuant to sections 705(d) and 777(i) of the Act.

Dated: December 7, 2020.

Jeffrey I. Kessler,
Assistant Secretary
for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The merchandise covered by this investigation is prestressed concrete steel wire strand (PC strand), produced from wire of non-stainless, non-galvanized steel, which is suitable for use in prestressed concrete (both pretensioned and post-tensioned) applications. The product definition encompasses covered and uncovered strand and all types, grades, and diameters of PC strand. PC strand is normally sold in the United States in sizes ranging from 0.25 inches to 0.70 inches in diameter. PC strand made from galvanized wire is only excluded from the scope if the zinc and/or zinc oxide coating meets or exceeds the 0.40 oz./ft² standard set forth in ASTM-A-475.

The PC strand subject to this investigation is currently classifiable under subheadings 7312.10.3010 and 7312.10.3012 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
 - II. Background
 - III. Final Determination of Critical Circumstances
 - IV. Use of Adverse Facts Available
 - V. Subsidies Valuation Information
 - VI. Analysis of Programs
 - VII. Analysis of Comments
 - Comment 1: Application of Total Adverse Facts Available (AFA) to Guney Celik Hasir ve Demir (Guney Celik)
 - Comment 2: Application of AFA to Certain Guney Celik Programs
 - Comment 3: Correct Numerator for the Tax Reduction RIIS Regional Investment Incentive Scheme (RIIS) Program
 - Comment 4: Allocation or Expense of Certain Grant Program Benefits for Guney Celik
 - Comment 5: Application of AFA to the Property Tax Exemption Program for Guney Celik
 - Comment 6: Application of AFA to Celik Halat ve Tel San A.S. (Celik Halat)
 - VIII. Recommendation
- [FR Doc. 2020-27310 Filed: 12/10/2020 8:45 am; Publication Date: 12/11/2020]