



DEPARTMENT OF COMMERCE

International Trade Administration

[C-580-898]

Large Diameter Welded Pipe from the Republic of Korea: Final Results of Countervailing Duty Administrative Review; 2021

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

SUMMARY: The U.S. Department of Commerce (Commerce) determines that producers and/or exporters of large diameter welded pipe (welded pipe) from the Republic of Korea (Korea) received countervailable subsidies during the period of review (POR), January 1, 2021, through December 31, 2021.

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

FOR FURTHER INFORMATION CONTACT: Jonathan Schueler or Faris Montgomery, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-9175 or (202) 482-1537, respectively.

SUPPLEMENTARY INFORMATION:

Background

On June 7, 2023, Commerce published the *Preliminary Results* of this administrative review in the *Federal Register*,¹ and invited interested parties to comment. For a complete

¹ See *Large Diameter Welded Pipe from the Republic of Korea: Preliminary Results and Partial Rescission of the Countervailing Duty Administrative Review; 2021*, 88 FR 37200 (June 7, 2023) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum.

description of the events that followed the *Preliminary Results*, see the Issues and Decision Memorandum.² Commerce postponed these final results until December 1, 2023.³

Scope of the Order⁴

The merchandise covered by the *Order* is welded pipe. For a complete description of the scope of the *Order*, see the Issues and Decision Memorandum.

Analysis of Comments Received

All issues raised in interested parties' briefs are addressed in the Issues and Decision Memorandum. A list of the issues addressed is attached to this notice as an appendix. 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 <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Changes Since the Preliminary Results

Based on our analysis of the case and rebuttal briefs and the evidence on the record, we made certain changes from the *Preliminary Results* related to the benefit calculations of certain programs due to data corrections based on verification findings. These changes are explained in the Issues and Decision Memorandum.

Methodology

Commerce 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

² See Memorandum, "Issues and Decision Memorandum for the Final Results of the Countervailing Duty Administrative Review of Large Diameter Welded Pipe from the Republic of Korea; 2021," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

³ See Memoranda, "Extension of Deadline for Final Results of Countervailing Duty Administrative Review; 2021," dated September 27, 2023; and "Second Extension of Deadline for Final Results of Countervailing Duty Administrative Review; 2021," dated November 8, 2023.

⁴ See *Large Diameter Welded Pipe from the Republic of Korea: Countervailing Duty Order*, 84 FR 18773 (May 2, 2019) (*Order*).

benefit to the recipient, and that the subsidy is specific.⁵ For a description of the methodology underlying Commerce's conclusions, *see* the Issues and Decision Memorandum.

Verification

As provided in section 782(i) of the Act, in August and September 2023, Commerce conducted on-site verification of the subsidy information reported by Hyundai RB Co., Ltd (Hyundai RB), SeAH Steel Corporation (SeAH Steel), and the Government of Korea. We used standard on-site verification procedures, including an examination of relevant accounting records and original source documents provided by the respondents.

Rate for Non-Selected Companies

Generally, Commerce looks to section 705(c)(5) of the Act for guidance for calculating the rate for companies that were not selected for individual examination in an administrative review. Section 705(c)(5)(A) of the Act states that for companies not investigated, in general, we will determine an all-others rate by weight averaging the countervailable subsidy rates established for each of the companies individually investigated, excluding zero and *de minimis* rates or any rates based solely on facts otherwise available. Here, the only rate that is not zero, *de minimis*, or based entirely on facts otherwise available is the rate calculated for Hyundai RB. Consequently, we are assigning this rate to HiSteel Co., Ltd., the only company not selected for individual examination.

Final Results of Review

In accordance with 19 CFR 351.221(b)(5), we determine the following net countervailable subsidy rates exist for the POR January 1, 2021, through December 31, 2021:

Company	Subsidy Rate (percent <i>ad valorem</i>)
Hyundai RB Co., Ltd. and its cross-owned affiliates ⁶	1.54

⁵ *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.

⁶ Commerce finds Shinchang Construction Co., Ltd. to be cross-owned with Hyundai RB.

SeAH Steel Corporation and its cross-owned affiliates ⁷	0.19 (<i>de minimis</i>)
HiSteel Co., Ltd.	1.54

Disclosure

Commerce intends to disclose to parties in this proceeding the calculations performed for these final results of review within five days of the date of publication of this notice in the *Federal Register*.⁸

Assessment Rates

Pursuant to section 751(a)(2)(C) of the Act and 19 CFR 351.212(b)(2), Commerce has determined, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries of subject merchandise in accordance with the final results of this review, for the above-listed companies at the applicable *ad valorem* assessment rates listed. Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

Cash Deposit Instructions

In accordance with section 751(a)(1) of the Act, Commerce intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amounts shown for each of the companies listed above based 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 administrative review.⁹ For all non-reviewed firms subject to the *Order*, we will instruct CBP to

⁷ Commerce finds the following companies to be cross-owned with SeAH Steel: SeAH Holdings Corporation; and ESAB SeAH Corporation.

⁸ See 19 CFR 351.224(b).

⁹ See, e.g., *Honey from Argentina: Results of Countervailing Duty Administrative Review*, 69 FR 29518 (May 24, 2004), and accompanying Issues and Decision Memorandum at Issue 4.

continue to collect cash deposits of estimated countervailing duties at the most recent company-specific rate or the all-others rate (*i.e.*, 9.29 percent), as appropriate.¹⁰ These cash deposit requirements, effective upon publication of these final results, shall remain in effect until further notice.

Administrative Protective Order

This notice also serves as a reminder to parties subject to an administrative protective order (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 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 final results in accordance with sections 751(a)(1) and 777(i) of the Act and 19 CFR 351.221(b)(5).

Dated: December 1, 2023.

Abdelali Elouaradia,
*Deputy Assistant Secretary
for Enforcement and Compliance.*

¹⁰ See *Order*, 84 FR at 18775.

Appendix

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the *Order*
- IV. Subsidies Valuation Information
- V. Analysis of Programs
- VI. Discussion of Comments
 - Comment 1: Whether the Korea Emissions Trading System (K-ETS) Program Is Countervailable
 - Comment 2: Whether the Provision of Electricity for Less than Adequate Remuneration (LTAR) Is Countervailable
 - Comment 3: Whether the Demand Response Resources (DRR) Program Is Countervailable
 - Comment 4: Whether Certain Programs Are *De Facto* Specific When Widely Available and Used
 - Comment 5: Whether the Energy Storage Systems (ESS) Program Is Specific
 - Comment 6: Whether the Employment Security Improvement (ESI) Program Is Countervailable
 - Comment 7: Whether to Adjust the Calculated Benefit Under Restriction of Special Local Taxation Act (RSLTA) Article 78 for the Payment of the Special Rural Development Tax (SRDT)
- VII. Recommendation

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