



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

(A-552-817)

Certain Oil Country Tubular Goods from the Socialist Republic of Vietnam: Final Determination of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances

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

SUMMARY: The Department of Commerce (Department) determines that certain oil country tubular goods (OCTG) from the Socialist Republic of Vietnam (Vietnam) are being, or are likely to be, sold in the United States at less-than-fair value (LTFV), as provided in section 735 of the Tariff Act of 1930, as amended (the Act). The final weighted-average dumping margins of sales at LTFV are shown in the “Final Determination” section of this notice.

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

FOR FURTHER INFORMATION CONTACT: Fred Baker or Davina Friedmann, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2924 or (202) 482-0698, respectively.

SUPPLEMENTARY INFORMATION:

Background

The Department published its preliminary determination on February 25, 2014.<sup>1</sup> On June 6, 2014, we received case briefs from United States Steel Corporation (U.S. Steel) and SeAH Steel VINA Corporation (SeAH VINA). On June 13, 2014, we received rebuttal briefs from

---

<sup>1</sup> See Certain Oil Country Tubular Goods From the Socialist Republic of Vietnam: Preliminary Determination of Sales at Less Than Fair Value, Affirmative Preliminary Determination of Critical Circumstances, in Part, and Postponement of Final Determination, 79 FR 10478 (February 25, 2014) (Preliminary Determination), and the accompanying Preliminary Decision memorandum.

U.S. Steel and SeAH VINA. At the request of both parties, we held a public hearing on June 20, 2014. Based on an analysis of the comments received, the Department has made changes to the Preliminary Determination.

#### Period of Investigation

The period of investigation (POI) is January 1, 2013, through June 30, 2013.

#### Scope of the Investigation

The merchandise covered by this investigation is certain oil country tubular goods (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 investigation also covers OCTG coupling stock.

Excluded from the scope of the investigation 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 investigation 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, 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 investigation 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.

The HTSUS subheadings above are provided for convenience and customs purposes only. The written description of the scope of the investigation is dispositive.

#### Verification

As provided in section 782(i) of the Act, the Department verified the information submitted by SeAH VINA for use in the final determination. The Department used standard verification procedures, including examination of relevant accounting and production records and original source documents provided by the respondent.<sup>2</sup>

#### Analysis of Comments Received

All issues raised in the case and rebuttal briefs for this investigation are addressed in the Issues and Decision Memorandum, which is dated concurrently with and hereby adopted by this

---

<sup>2</sup> See Memorandum to the File from Fred Baker and Scott Hoefke, “Verification of the Sales and Factors Response of SeAH Steel VINA Corporation (SSV) in the Antidumping Investigation of Oil Country Tubular Goods (OCTG) from the Socialist Republic of Vietnam (Vietnam),” dated May 7, 2014, and Memorandum to the File from Fred Baker and Scott Hoefke, “Verification of the Sales of Pusan Pipe America (PPA) in the Antidumping Investigation of Oil Country Tubular Goods (OCTG) from the Socialist Republic of Vietnam (Vietnam),” dated May 30, 2014.

notice.<sup>3</sup> A list of the issues which parties have raised and to which we have responded in the Issues and Decision Memorandum 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 (IA ACCESS). Access to IA ACCESS is available to registered users at <http://iaaccess.trade.gov>, and it is available to all parties in the Central Records Unit, room 7046 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://www.trade.gov/enforcement/frn/index.html>. The signed version and electronic version of the Issues and Decision Memorandum are identical in content.

#### Changes Since the Preliminary Determination

Based on our analysis of the comments received and our findings at verification, we have made certain changes to the margin calculation for SeAH VINA.<sup>4</sup>

#### Critical Circumstances

In the Preliminary Determination, the Department found that there was reason to believe or suspect that critical circumstances existed for imports of subject merchandise from the Vietnam-wide entity, and that these imports were massive during a relatively short period.<sup>5</sup> However, the Department did not preliminarily find that there was reason to believe or suspect that critical circumstances existed for imports of subject merchandise from SeAH VINA.<sup>6</sup> No parties commented on the Department's preliminary critical circumstances determination and we find no reason to reconsider this determination. Therefore, we continue to determine that critical

---

<sup>3</sup> See Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Ronald K. Lorentzen, Acting Assistant Secretary for Enforcement and Compliance, "Certain Oil Country Tubular Goods from the Socialist Republic of Vietnam: Issues and Decision Memorandum for the Final Determination" dated July 10, 2014 (Issues and Decision Memorandum).

<sup>4</sup> See Issues and Decision Memorandum.

<sup>5</sup> See sections 733(e)(1)(A)(ii) and (B) of the Act.

<sup>6</sup> See Preliminary Determination, 79 FR at 10478.

circumstances exist for the Vietnam-wide entity, but that critical circumstances do not exist for SeAH VINA for this final determination.

#### Use of Facts Available and Adverse Facts Available

Section 776(a) of the Act provides that the Department shall apply facts available (“FA”) if (1) necessary information is not on the record, or (2) an interested party or any other person (A) withholds information that has been requested, (B) fails to provide information within the deadlines established, or in the form and manner requested by the Department, subject to subsections (c)(1) and (e) of section 782 of the Act, (C) significantly impedes a proceeding, or (D) provides information that cannot be verified as provided by section 782(i) of the Act.

Section 776(b) of the Act further provides that the Department may use an adverse inference in applying FA when a party has failed to cooperate by not acting to the best of its ability to comply with a request for information. Such an adverse inference may include reliance on information derived from the petition, the final determination, a previous administrative review, or other information placed on the record.

#### Vietnam-Wide Entity

In the Preliminary Determination, the Department determined that certain Vietnamese exporters did not respond to the Department’s requests for information and did not establish that they were eligible for a separate rate. Thus, the Department has found that these Vietnamese exporters are part of the Vietnam-wide entity and the Vietnam-wide entity has not responded to our requests for information. Because the Vietnam-wide entity did not provide the Department with requested information, pursuant to section 776(a)(2)(A) of the Act, the Department continues to find it appropriate to base the weighted-average dumping margin for the Vietnam-wide entity on FA.

The Department determines that, because the Vietnam-wide entity did not respond to our request for information, the Vietnam-wide entity has failed to cooperate to the best of its ability. Therefore, pursuant to section 776(b) of the Act, the Department finds that, in selecting from among the FA, an adverse inference is appropriate for the Vietnam-wide entity.

Because the Department begins with the presumption that all companies within an NME country are subject to government control, and because only SeAH VINA has overcome that presumption, the Department is assigning a single weight-average dumping margin to all other exporters of subject merchandise from Vietnam. Such companies have not demonstrated their eligibility for a separate rate.<sup>7</sup>

#### Selection of the Adverse Facts Available Rate for the Vietnam-wide Entity

In determining a weighted-average dumping margin based on AFA, the Department's practice is to select a rate that is sufficiently adverse "as to effectuate the purpose of the adverse facts available rule to induce respondents to provide the Department with complete and accurate information in a timely manner."<sup>8</sup> Further, it is the Department's practice to select a rate that ensures "that the party does not obtain a more favorable result by failing to cooperate than if it had cooperated fully."<sup>9</sup> Thus, it is the Department's practice to select as AFA the higher of the (a) highest dumping margin alleged in the petition or (b) the highest calculated rate of any respondent in the investigation.<sup>10</sup> As in the Preliminary Determination, we have selected a rate

---

<sup>7</sup> See, e.g., Notice of Final Determination of Sales at Less Than Fair Market Value: Synthetic Indigo From the People's Republic of China, 65 FR 25706, 25707 (May 2, 2000).

<sup>8</sup> See Notice of Final Determination of Sales at Less than Fair Value: Static Random Access Memory Semiconductors From Taiwan, 63 FR 8909, 8932 (February 23, 1998).

<sup>9</sup> See Brake Rotors from the People's Republic of China: Final Results and Partial Rescission of the Seventh Administrative Review; Final Results of the Eleventh New Shipper Review, 70 FR 69937, 69939 (November 18, 2005)(quoting the Statement of Administrative Action accompanying the Uruguay Round Agreements Act, H. Doc. No. 316, 103d Cong., 2d Session at 870 (1994)).

<sup>10</sup> See, e.g., Seamless Refined Copper Pipe and Tube From the People's Republic of China: Final Determination of Sales at Less Than Fair Value, 75 FR 60725, 60729 (October 1, 2010).

of 111.47 percent for the Vietnam-wide entity, the highest dumping margin alleged in the petition, as corrected by the petitioners<sup>11</sup> prior to our initiation of this investigation.<sup>12</sup>

In order to determine the probative value of the dumping margin in the petition for use as AFA for purposes of this final determination, we compared it to the transaction-specific dumping margins we found for the participating mandatory respondent SeAH VINA. We found that the rate of 111.47 percent is reliable and relevant because it is within the range of SeAH VINA's transaction-specific dumping margins.<sup>13</sup> Accordingly, we find the rate of 111.47 percent is corroborated within the meaning of section 776(c) of the Act.

The weighted-average dumping margin assigned to the Vietnam-wide entity applies to all entries of the merchandise under investigation except for entries of merchandise under investigation from the exporter/producer combinations listed in the chart in the "Final Determination" section below.

#### Final Determination

The Department determines that the following weighted-average dumping margins exist:

Exporter	Producer	Weighted-Average Dumping Margin
SeAH Steel VINA Corporation	SeAH Steel VINA Corporation	24.22%
Vietnam-Wide Entity		111.47%

---

<sup>11</sup> The petitioners in this proceeding are U.S. Steel, Maverick Tube Corporation, Boomerang Tube, Energex Tube, a division of JMC Steel Group, Northwest Pipe Company, Tejas Tubular Products, TMK IPSCO, Vallourec Star, L.P., and Welded Tube USA Inc.

<sup>12</sup> See Preliminary Determination, 79 FR 10479 and the accompanying Preliminary Decision Memorandum at 11 f.

<sup>13</sup> See SeAH VINA final determination analysis memorandum dated July 10, 2014.

### Disclosure

The Department intends to disclose calculations performed for this final determination to the parties within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b).

### Continuation of Suspension of Liquidation

As noted above, the Department found that critical circumstances exist with respect to imports of merchandise under consideration from the Vietnam-wide entity. In accordance with section 735(c)(1)(B) of the Act, the Department will instruct CBP to continue to suspend liquidation of all appropriate entries of subject merchandise, as described in the “Scope of Investigation” section of this notice, from the Vietnam-wide entity that were entered, or withdrawn from warehouse for consumption on or after the date 90 days prior of the publication of the Preliminary Determination in the Federal Register. Since critical circumstances do not exist for SeAH VINA, the Department will instruct CBP to suspend liquidation of all appropriate entries of subject merchandise produced and exported by SeAH VINA that were entered, or withdrawn from warehouse for consumption on or after February 25, 2014, the publication date of the Preliminary Determination in the Federal Register. CBP shall require a cash deposit equal to the estimated amount by which the normal value exceeds the U.S. price as shown above. These instructions suspending liquidation will remain in effect until further notice.

### International Trade Commission (ITC) Notification

In accordance with section 735(d) of the Act, we will notify the ITC of our final affirmative determination of sales at LTFV. Because the final determination in this proceeding is affirmative, in accordance with section 735(b)(2) 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 OCTG from Vietnam no later than 45 days after our final determination. If the ITC determines that material injury or threat of material injury does not exist, the proceeding will be terminated and all securities posted will be refunded or canceled. If the ITC determines that such injury does exist, the Department will issue an antidumping duty order directing CBP to assess antidumping duties on all imports of the merchandise under investigation entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

#### Notification Regarding Administrative Protective Orders

This notice also serves as a final reminder to the parties subject to an administrative protective order (APO) of their responsibility concerning the disposition 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 the terms of an APO is a sanctionable violation.

#### Notification to Interested Parties

This determination and notice are issued and published in accordance with sections 735(d) and 777(i)(1) of the Act.

Dated: July 10, 2014.

---

Ronald K. Lorentzen  
Acting Assistant Secretary  
for Enforcement and Compliance

## Appendix

- Comment 1: Surrogate Value for Domestic Brokerage and Handling
- Comment 2: Financial Statements
- Comment 3: Surrogate Value for Labor
- Comment 4: Surrogate Value for Water
- Comment 5: Whether to Exclude “Limited-Service” Pipe from the Margin Calculation
- Comment 6: Differential Pricing
- Comment 7: Valuation of Hot-Rolled Coil
- Comment 8: Adjusting the Price of SSV’s Hot-Rolled Coil to Reflect Arm’s-Length Transactions
- Comment 9: Whether to Revise the Reported Yield Rates
- Comment 10: Adding Brokerage and Handling and Port Fees to SSV’s Market-Economy Purchases of Hot-Rolled Coil
- Comment 11: Domestic Inland Insurance
- Comment 12: Whether to Revise Further Manufacturing Costs to Include Interest Expenses
- Comment 13: Import Duties on Varnish

[FR Doc. 2014-16862 Filed 07/17/2014 at 8:45 am; Publication Date: 07/18/2014]