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DEPARTMENT OF COMMERCE

International Trade Administration

[C-489-502]

Circular Welded Carbon Steel Pipes and Tubes from Turkey: Final Results of Countervailing Duty Administrative Review; Calendar Year 2012 and Rescission of Countervailing Duty Administrative Review, in Part

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

SUMMARY: The Department of Commerce (the Department) completed the administrative review of the countervailing duty (CVD) order on circular welded carbon steel pipes and tubes (steel pipes and tubes) from Turkey for the January 1, 2012, through December 31, 2012, period of review (POR) in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act). This review covers multiple exporters/producers, one of which is being individually examined as a mandatory respondent. We determine that the net subsidy rate for the sole mandatory respondent, Borusan Mannesmann Boru Sanayi ve Ticaret A.S. (BMB), and Borusan Istikbal Ticaret T.A.S. (Istikbal), (collectively, the Borusan Companies), although revised from the preliminary results, continues to be *de minimis*. We further continue to find that the net subsidy rates for Erbosan Erciyas Boru Sanayi ve Ticaret A.S. (Erbosan AS) and Erbosan Erciyas Pipe Industry and Trade Co. Kayseri Free Zone Branch (Erbosan FZB), (collectively Erbosan), and Tosyali dis Ticaret A.S. (Tosyali) and Toscelik Profil ve Sac Endustrisi A.S. (Toscelik Profil), (collectively, Toscelik), the two firms not individually examined in this review, are *de minimis* and 0.83 percent *ad valorem*, respectively. Additionally, the Department is rescinding the review of three companies that timely certified that they had no shipments of subject merchandise during the POR.

DATES: EFFECTIVE DATE: (INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*.)

FOR FURTHER INFORMATION CONTACT: John Conniff at 202-482-1009, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230.

Background

On March 7, 1986, the Department published in the *Federal Register* the CVD order on steel pipes and tubes from Turkey.¹ On April 17, 2014, the Department published in the *Federal Register* the *Preliminary Results* for this review.² In the *Preliminary Results*, we invited interested parties to submit case and rebuttal briefs commenting on the preliminary results and to request a hearing.³ On May 23, 2014, we received a case brief from the Borusan Companies. We received no rebuttal brief, and did not hold a hearing in this review, as none was requested by interested parties.

Scope of Order

The products covered by this order are certain welded carbon steel pipe and tube with an outside diameter of 0.375 inch or more, but not over 16 inches, of any wall thickness (pipe and tube) from Turkey. These products are currently classifiable under the Harmonized Tariff Schedule of the United States (HTSUS) subheadings as 7306.30.10, 7306.30.50, and 7306.90.10. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise is dispositive.

¹ See *Countervailing Duty Order: Certain Welded Carbon Steel Pipe and Tube Products From Turkey*, 51 FR 7984 (March 7, 1986).

² See *Circular Welded Carbon Steel Pipes and Tubes from Turkey: Circular Welded Carbon Steel Pipe and Tube Products From Turkey: Preliminary Results of Countervailing Duty Administrative Review; Calendar Year 2012 and Intent To Rescind Countervailing Duty Administrative Review, in Part*, 79 FR 22625 (April 17, 2014) (*Preliminary Results*).

³ *Id.*, 79 FR at 22627.

Methodology

The Department conducted this review in accordance with section 751(a)(1)(A) of the Act. For each of the subsidy programs found countervailable during the POR, we determine that there is a subsidy, *i.e.*, a government-provided financial contribution that confers a benefit to the recipient, and that the subsidy is specific. *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. For a complete description of the methodology, *see* the Issues and Decision Memorandum.⁴

Analysis of Comments Received

All issues raised in the Borusan Companies' case brief, the only case brief submitted in this proceeding, are addressed in the Issues and Decision Memorandum. A list of the issues which the Borusan Companies raised, and to which we 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). IA ACCESS is available to registered users at <http://iaaccess.trade.gov>, and is available to all parties in the Central Records Unit, room 7046 of the main Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/index.html>. The signed Issues and Decision Memorandum and the electronic versions of the Issues and Decision Memorandum are identical in content.

⁴ *See* Memorandum to Ronald K. Lorentzen, Acting Assistant Secretary for Enforcement and Compliance, "Decision Memorandum for Final Results of Countervailing Duty (CVD) Administrative Review: Circular Welded Carbon Steel Pipes and Tubes from Turkey," dated concurrently with these final results (Issues and Decision Memorandum).

Rescission of the 2012 Administrative Review, in Part

The Department did not receive any information from interested parties or U.S. Customs and Border Protection (CPB) that was contrary to the claims of Yucel Group and affiliates including Yucel Boru ye Profil Endustrisi A.S, Yucelboru Ihracat Ithalat ye Pazarlama A.S, and Cayirova Born Sanayi ye Ticaret A.S. (collectively, Yucel), Umran Celik Boru Sanayii A.S. (Umran), and Guven Celik Boru San. Ve Tic. Ltd. (Guven) of no sales, shipments, or entries of subject merchandise to the United States during the POR after we preliminarily indicated our intent to rescind the administrative review. Accordingly, based on record evidence, we determine that Yucel, Umran, and Guven did not ship subject merchandise to the United States during the POR. Therefore, in accordance with 19 CFR 351.213(d)(3), and consistent with our practice,⁵ we are rescinding the review for Yucel, Umran, and Guven.

Final Results of Review

Pursuant to section 751(a)(1)(A) of the Act, we calculated an individual subsidy rate for the mandatory respondent, the Borusan Companies. Consistent with the *Preliminary Results* and as explained in the Issues and Decision Memorandum,⁶ we determine that the Borusan Companies received a net subsidy rate of 0.13 percent *ad valorem* during the POR, which is *de minimis*.⁷ In past reviews in which the Department limited the number of respondents being individually examined, the Department determined that a “reasonable method” to use to determine the rate applicable to companies that were not individually examined when all the rates of selected mandatory respondents are zero or *de minimis* is to assign non-selected respondents the average of the most recently determined rates that are not zero, *de minimis*, or

⁵ See, e.g., *Aluminum Extrusions from the People’s Republic of China: Notice of Partial Rescission of Countervailing Duty Administrative Review*, 79 FR 2635 (January 15, 2014).

⁶ See Issues and Decision Memorandum at 3.

⁷ See 19 CFR 351.106(c)(1)

based entirely on facts available.⁸ However, if a non-selected respondent has its own calculated rate that is contemporaneous with or more recent than such previous rates, the Department found it appropriate to apply that calculated rate to the non-selected respondent, even when that rate is zero or *de minimis*.⁹

In the *Turkey Pipe 2011 Final Results*, the most recently completed administrative review of this order, the Department calculated a *de minimis* net subsidy rate for Erbosan and a net subsidy rate of 0.83 percent *ad valorem* for Toscelik.¹⁰ Therefore, consistent with the Department's practice, as described above, the Department is assigning rates of *de minimis* for Erbosan and 0.83 percent *ad valorem* for Toscelik, based on the individual rates calculated for those companies in the prior review. Our approach in this regard is unchanged from the *Preliminary Results*.¹¹

Assessment Rates/Cash Deposits

In accordance with 19 CFR 351.212(b)(2), the Department intends to issue assessment instructions to CBP 15 days after the date of publication of these final results of review to liquidate shipments of subject merchandise by the Borusan Companies and Erbosan entered, or withdrawn from warehouse, for consumption on or after January 1, 2012, through December 31, 2012, without regard to CVDs because a *de minimis* subsidy rate was calculated for each company as the *ad valorem* assessment rate. We will also instruct CBP to continue to suspend liquidation but to collect no cash deposits of estimated CVDs on shipments of the subject

⁸ See *Certain Frozen Warmwater Shrimp From the Socialist Republic of Vietnam: Final Results and Final Partial Rescission of Antidumping Duty Administrative Review*, 74 FR 47191, 47194-95 (September 15, 2009).

⁹ *Id.*

¹⁰ See *Circular Welded Carbon Steel Pipes and Tubes from Turkey: Final Results of Countervailing Duty Administrative Review; Calendar Year 2011*, 78 FR 64916, 64917 (October 30, 2013) (*Turkey Pipe 2011 Final Results*) and accompanying Issues and Decision Memorandum at Comment 1.

¹¹ See *Preliminary Results*, and accompanying Decision Memorandum at 6-7.

merchandise by the Borusan Companies and Erbosan entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review.

For Toscelik, the Department intends to issue assessment instructions to CBP 15 days after the date of publication of these final results of review to liquidate shipments of subject merchandise by Toscelik entered, or withdrawn from warehouse, for consumption on or after January 1, 2012, through December 31, 2012, at the *ad valorem* assessment rate listed above. We will also instruct CBP to collect cash deposits for Toscelik at the CVD cash deposit rate indicated above on all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of these final results of review.

For Yucel, Umran, and Guven, the companies for which this review is rescinded, CVDs shall be assessed at rates equal to the cash deposit of estimated CVDs required at the time of entry, or withdrawal from warehouse, for consumption, during the period January 1, 2012, through December 31, 2012, consistent with 19 CFR 351.212(c)(1)(i).

For all non-reviewed companies, we will instruct CBP to continue to collect cash deposits at the most recent company-specific or country-wide rate applicable to the company. Accordingly, the cash deposit rates that will be applied to companies covered by this order, but not examined in this review, are those established in the most recently completed administrative proceeding for each company. The cash deposit rates for all companies not covered by this review are not changed by the results of this review, and remain in effect until further notice.

Return or Destruction of Proprietary Information

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

We are issuing and publishing these final results in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: August 21, 2014.

Ronald K. Lorentzen,
Acting Assistant Secretary
for Enforcement and Compliance.

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APPENDIX

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Borusan

Comment: Whether the Department Double-Counted Subsidy Benefits the Borusan Companies Received In Connection with Certain EXIMBANK Loans

- XI. Recommendation

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