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**DEPARTMENT OF COMMERCE**

**International Trade Administration**

**[C-489-825]**

**Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Turkey: Preliminary Results of Countervailing Duty Administrative Review; 2016**

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

**SUMMARY:** The Department of Commerce (Commerce) is conducting an administrative review of the countervailing duty (CVD) order on heavy walled rectangular welded carbon steel pipes and tubes (HWR pipes and tubes) from the Republic of Turkey (Turkey) for the period of review December 28, 2015, through April 25, 2016, and September 12, 2016, through December 31, 2016. Commerce preliminarily determines that countervailable subsidies are being provided to Ozdemir Boru Profil San. Ve Tic. Ltd. Sti. (Ozdemir), the sole producer/exporter of HWR pipes and tubes from Turkey subject to this review.

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

**FOR FURTHER INFORMATION CONTACT:** Brian Smith or Janae Martin, 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) 482-1766 or (202) 482-0238, respectively.

## **SUPPLEMENTARY INFORMATION:**

### Background

On November 13, 2017, Commerce published a notice of initiation of an administrative review of the CVD order on HWR pipes and tubes from Turkey.<sup>1</sup> On June 1, 2018, Commerce extended the deadline for the preliminary results to August 6, 2018.<sup>2</sup> For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.<sup>3</sup> A list of topics discussed in the Preliminary Decision Memorandum is included as an Appendix to this notice. The Preliminary 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 is available to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed and electronic versions of the Preliminary Decision Memorandum are identical in content.

### Scope of the Order

The merchandise covered by the order is HWR pipes and tubes. For a complete description of the scope of the order, *see* the Preliminary Decision Memorandum.

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<sup>1</sup> *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 82 FR 52268 (November 13, 2017).

<sup>2</sup> *See* Memorandum, "Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Turkey: Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review; 2015-2016," dated June 1, 2018; *see also* Memorandum for The Record from Christian Marsh, Deputy Assistant Secretary for Enforcement and Compliance, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance, "Deadlines Affected by the Shutdown of the Federal Government" (Tolling Memorandum), dated January 23, 2018. All deadlines in this segment of the proceeding have been extended by 3 days.

<sup>3</sup> *See* Memorandum, "Decision Memorandum for the Preliminary Results: Administrative Review of the Countervailing Duty Order on Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Turkey," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

Methodology

Commerce is conducting 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 preliminarily determine that there is a subsidy, *i.e.*, a government financial contribution that gives rise to a benefit to the recipient, and that the subsidy is specific.<sup>4</sup> For a full description of the methodology underlying our conclusions, *see* the accompanying Preliminary Decision Memorandum.

Preliminary Results of Review

In accordance with 19 CFR 351.224(b)(4)(i), we calculated a countervailable subsidy rate for Ozdemir, the sole respondent in this review. We preliminarily determine that the following subsidy rate exists for Ozdemir for the period December 28, 2015, through April 25, 2016, and September 12, 2016, through December 31, 2016:

<b>Company</b>	<b>Subsidy Rate (percent)</b>
Ozdemir Boru Profil San. Ve Tic. Ltd. Sti.	1.18

Assessment Rate

Consistent with section 751(a)(1) of the Act, upon issuance of the final results, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries covered by this review. We intend to issue instructions to CBP 15 days after publication of the final results of this review.

Cash Deposit Rate

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<sup>4</sup> *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.

Pursuant to section 751(a)(1) of the Act, Commerce intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amount indicated for Ozdemir with regard to shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits of estimated countervailing duties at the most recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposit instructions, when imposed, shall remain in effect until further notice.

#### Disclosure and Public Comment

We will disclose to parties to this proceeding the calculations performed in reaching the preliminary results within five days of the date of publication of these preliminary results.<sup>5</sup> Interested parties may submit written comments (case briefs) within 30 days of publication of the preliminary results and rebuttal comments (rebuttal briefs) within five days after the time limit for filing case briefs.<sup>6</sup> Pursuant to 19 CFR 351.309(d)(2), rebuttal briefs must be limited to issues raised in the case briefs. Parties who submit arguments are requested to submit with the argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.<sup>7</sup>

Interested parties who wish to request a hearing must do so within 30 days of publication of these preliminary results by submitting a written request to the Assistant Secretary for Enforcement and Compliance using Enforcement and Compliance's ACCESS system.<sup>8</sup> Requests should contain the party's name, address, and telephone number, the number of participants, whether any participant is a foreign national, and a list of the issues to be discussed.

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<sup>5</sup> See 19 CFR 224(b).

<sup>6</sup> See 19 CFR 351.309(c)(1)(ii) and 351.309(d)(1).

<sup>7</sup> See 19 CFR 351.309(c)(2) and 351.309(d)(2).

<sup>8</sup> See 19 CFR 351.310(c).

If a request for a hearing is made, Commerce will inform parties of the scheduled date of the hearing which will be held at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230, at a time and date to be determined.<sup>9</sup> Issues addressed during the hearing will be limited to those raised in the briefs.<sup>10</sup> Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

Parties are reminded that all briefs and hearing requests must be filed electronically using ACCESS and received successfully in their entirety by 5 p.m. Eastern Time on the due date.

Unless the deadline is extended pursuant to section 751(a)(3)(A) of the Act, Commerce intends to issue the final results of this administrative review, including the results of our analysis of the issues raised by the parties in their comments, within 120 days after publication of these preliminary results.

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<sup>9</sup> See 19 CFR 351.310.

<sup>10</sup> See 19 CFR 351.310(c).

This administrative review and notice are in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213.

Dated: August 6, 2018.

**James Maeder,**

*Associate Deputy Assistant Secretary*

*for Antidumping and Countervailing Duty Operations*

*performing the duties of Deputy Assistant Secretary*

*for Antidumping and Countervailing Duty Operations.*

## **Appendix**

### **List of Topics Discussed in the Preliminary Decision Memorandum**

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Subsidies Valuation Information
- V. Benchmarks and Interest Rates
- VI. Analysis of Programs
- VII. Conclusion

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