



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-489-501]

Circular Welded Carbon Steel Standard Pipe and Tube Products from Turkey: Preliminary Results of Antidumping Duty Administrative Review and Preliminary Determination of No Shipments; 2017-2018

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

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that producers and/or exporters subject to this administrative review made sales of subject merchandise at less than normal value. Interested parties are invited to comment on these preliminary results.

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

FOR FURTHER INFORMATION CONTACT: Magd Zalok or Karine Gziryan, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: 202-482-4162 or 202-482-4081, respectively.

SUPPLEMENTARY INFORMATION:

Background

Commerce is conducting an administrative review of the antidumping duty order on welded carbon steel standard pipe and tube products (welded pipe and tube) from Turkey. The period of review (POR) is May 1, 2017 through April 30, 2018. Commerce published the notice

of initiation of this administrative review on July 12, 2018.<sup>1</sup> The preliminary results are listed below in the section titled “Preliminary Results of Review.”

This review covers the following companies: Borusan Mannesmann Boru Sanayi ve Ticaret A.S. (Borusan Mannesmann) and Borusan Istikbal Ticaret T.A.S. (Borusan Istikbal) (collectively, Borusan);<sup>2</sup> Toscelik Profil ve Sac Endustrisi A.S., Tosalı Dis Ticaret A.S., and Toscelik Metal Ticaret A.S. (Toscelik Metal) (collectively, Toscelik);<sup>3</sup> ; Borusan Birlesik Boru Fabrikalari San ve Tic (Borusan Birlesik); Borusan Gemlik Boru Tesisleri A.S. (Borusan Gemlik); Borusan Holding (BMBYH), Borusan Ihracat Ithalat ve Dagitim A.S. (Borusan Ihracat); Borusan Ithicat ve Dagitim A.S. (Borusan Ithicat); Borusan Mannesmann Yatirim Holding (BMYH), Tubeco Pipe and Steel Corporation (Tubeco); Erbosan Erciyas Boru Sanayi ve Ticaret A.S. (Erbosan); Kale Baglanti Teknolojileri San. ve Tic. (Kale Baglanti), Noksel Selik Boru Sanayi A.S. (Noksel Selik), Yucel Boru ve Profil Endustrisi A.S. (Yucel), Yucelboru Ihracat Ithalat ve Pazarlama A.S. (Yucelboru), Cayirova Boru Sanayi ve Ticaret A.S. (Cayirova),

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<sup>1</sup> See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 83 FR 32270, 32277 (July 12, 2018).

<sup>2</sup> In prior segments of this proceeding, we treated Borusan Mannesmann Boru Sanayi ve Ticaret A.S. and Borusan Istikbal Ticaret T.A.S. as a single entity. See, e.g., *Welded Carbon Steel Standard Pipe and Tube Products from Turkey: Final Results of Antidumping Duty Administrative Review and Final Determination of No Shipments; 2013-2014*, 80 FR 76674, 76674 n.2 (December 10, 2015) (*Welded Pipe and Tube from Turkey 2013-2014*). We preliminarily determine that there is no evidence on the record for altering our treatment of Borusan Mannesmann Boru Sanayi ve Ticaret A.S. and Borusan Istikbal Ticaret T.A.S. as a single entity. The record does not support treating the following companies as part of the Borusan Mannesmann Boru Sanayi ve Ticaret A.S./Borusan Istikbal Ticaret T.A.S. entity: (1) Borusan Birlesik; (2) Borusan Gemlik; (3) Borusan Ihracat; (4) Borusan Ithicat; and (5) Tubeco. Accordingly, as discussed *infra*, each of these five companies will be assigned the rate applicable to companies not selected for individual examination in this review.

<sup>3</sup> In prior segments of this proceeding, we treated Toscelik Profil ve Sac Endustrisi A.S., Tosalı Dis Ticaret A.S., and Toscelik Metal as a single company. See, e.g., *Welded Carbon Steel Standard Pipe and Tube Products from Turkey: Final Results of Antidumping Duty Administrative Review and Final Determination of No Shipments; 2013-2014*, 80 FR 76674, 76674 n.2 (December 10, 2015). We preliminarily determine that there is no evidence on the record for altering our treatment of Toscelik Profil ve Sac Endustrisi A.S., Tosalı Dis Ticaret A.S., and Toscelik Metal as a single company.

and Cinar Boru Profil San. ve Tic. As (Cinar Boru). The mandatory respondents in this administrative review are Borusan and Toscelik.<sup>4</sup>

On January 28, 2019, Commerce exercised its discretion to toll all deadlines affected by the closure of the Federal Government from December 22, 2019 through January 28, 2019.<sup>5</sup> Based on the tolled deadline, the revised deadline for the preliminary results of this review became June 20, 2019. On February 21, 2019, we extended the deadline for the preliminary results to June 20, 2019.<sup>6</sup> On June 4, 2019, we further extended the deadline for the preliminary results, until July 10, 2019.<sup>7</sup>

For a complete description of the events that followed the initiation of this administrative review, *see* the Preliminary Decision Memorandum.<sup>8</sup>

#### Scope of the Order

The merchandise subject to the order is welded pipe and tube. The welded pipe and tube subject to the order is currently classifiable under subheading 7306.30.10.00, 7306.30.50.25, 7306.30.50.32, 7306.30.50.40, 7306.30.50.55, 7306.30.50.85, and 7306.30.50.90 of the Harmonized Tariff Schedule of the United States (HTSUS). The HTSUS subheading is provided for convenience and customs purposes. A full description of the scope of the order is contained in the Preliminary Decision Memorandum.

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<sup>4</sup> *See* Memorandum, “Administrative Review of the Antidumping Duty Order on Circular Welded Carbon Steel Standard Pipe and Tube Products from Turkey: Respondent Selection,” dated August 8, 2018.

<sup>5</sup> *See* Memorandum to the Record from Gary Taverman, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance, “Deadlines Affected by the Partial Shutdown of the Federal Government,” dated January 28, 2019. All deadlines in this segment of the proceeding have been extended by 40 days.

<sup>6</sup> *See* Memorandum, “Certain Circular Welded Carbon Steel Standard Pipe and Tube Products from Turkey: Extension of Time Limit for Preliminary Results of Antidumping Duty Administrative Review,” dated February 21, 2019.

<sup>7</sup> *See* Memorandum, “Certain Circular Welded Carbon Steel Standard Pipe and Tube Products from Turkey: Extension of Time Limit for Preliminary Results of Antidumping Duty Administrative Review,” dated June 4, 2019.

<sup>8</sup> *See* Memorandum, “Decision Memorandum for Preliminary Results of Antidumping Duty Administrative Review: Circular Welded Carbon Steel Standard Pipe and Tube Products from Turkey; 2017-2018” dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

## Methodology

Commerce is conducting this review in accordance with section 751 of the Tariff Act of 1930, as amended (the Act). Export price is calculated in accordance with section 772 of the Act. Normal value is calculated in accordance with section 773 of the Act.

For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. A list of the topics included in the Preliminary Decision Memorandum is included in the Appendix to this notice. One of the issues raised in the course of this review was the treatment of duties paid pursuant to section 232 of the Trade Expansion Act of 1967, as amended.<sup>9</sup> As explained in the Preliminary Decision Memorandum, we have adjusted both export and constructed export prices to reflect the payment of those duties, in accordance with section 772(c)(2)(A) of the Act.<sup>10</sup>

In addition, the petitioner<sup>11</sup> has alleged the existence of a particular market situation in Turkey with respect to the price of the input, hot rolled coil, pursuant to section 773(e) of the Act.<sup>12</sup> We have preliminarily determined that a particular market situation exists and have made an upward adjustment to the costs of hot rolled coil both imported into Turkey and sourced in Turkey utilizing a regression analysis placed on the record by the petitioner.<sup>13</sup>

The Preliminary Decision Memorandum is a public document and is made available to the public 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 to all parties in Commerce's Central Records Unit, located at room

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<sup>9</sup> *See* 19 U.S.C. § 1862.

<sup>10</sup> *See* Preliminary Decision Memorandum at 11-16.

<sup>11</sup> The petitioner is the Wheatland Tube Company.

<sup>12</sup> *See* Petitioner's Letter, "Circular Welded Carbon Steel Standard Pipe and Tube Products from Turkey: Particular Market Situation Allegation," dated January 29, 2019.

<sup>13</sup> *See* Preliminary Decision Memorandum at 24-25.

B8024 of the main Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be found at <http://enforcement.trade.gov/frn/index.html>. The signed and the electronic versions of the Preliminary Decision Memorandum are identical in content.

#### Preliminary Determination of No Shipments

On July 23, 2018, Erbosan submitted a letter to Commerce certifying that it had no sales, shipments, or entries of the subject merchandise to the United States during the POR.<sup>14</sup> Erbosan further certified that it did not know or have reason to know that any of its customers would subsequently export or sell Erbosan's merchandise to the United States during the POR. On July 25, 2018, Cayirova, Yucel, and Yucelboru submitted a letter to Commerce certifying that they each individually had no sales, shipments, or entries of the subject merchandise to the United State during the POR.<sup>15</sup> On August 13, 2018, Borusan Istikbal, Borusan Birlesik, Borusan Gemlik, Borusan Ihracat, Borusan Ithicat, Borusan Holding, BMBYH, and Tubeco submitted a letter to Commerce certifying that they each individually had no sales, shipments, or entries of the subject merchandise to the United States during the POR.<sup>16</sup> On April 25, 2018, consistent with our practice, we issued a "No Shipment Inquiry" to U.S. Customs and Border Protection (CBP) to confirm that there were no entries of welded pipe and tube from Turkey exported by Erbosan, Borusan Istikbal, Borusan Birlesik, Borusan Gemlik, Borusan Ihracat, Borusan Ithicat, Borusan Holding, BMBYH, Tubeco, Cayirova, Yucel, or Yucelboru during the POR.<sup>17</sup> We received no information from CBP regarding the existence of entries of subject merchandise

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<sup>14</sup> See Letter from Borusan, "No Shipment Certification of Erbosan Erciyas Boru Sanayi ve Ticaret A.S. in the 2017-2018 Administrative Review of the Antidumping Duty Order Involving Certain Welded Carbon Steel Standard Pipe from Turkey," dated July 23, 2018.

<sup>15</sup> See Letter from Cayirova, Yucel, and Yucelboru, "Circular Welded Carbon Steel Pipes and Tubes from Turkey; Notification of No Shipments," dated July 25, 2018.

<sup>16</sup> See Letter from Borusan Istikbal, Borusan Birlesik, Borusan Gemlik, Borusan Ihracat, Borusan Ithicat, and Tubeco, "Circular Welded Carbon Steel Pipes and Tubes from Turkey, Case No. A-489-501: No Shipment Letter," dated August 13, 2018.

<sup>17</sup> See CBP message number 8115302, dated April 25, 2018.

from these companies during the POR. Based on their certifications and our analysis of CBP information, we preliminarily determine that Erbosan, Borusan Birlesik, Borusan Gemlik, Borusan Ihracat, Borusan Ithicat, Borusan Holding, BMBYH, Tubeco, Cayirova, Yucel, and Yucelboru each had no reviewable transactions during the POR. Consistent with our practice, we are not preliminarily rescinding the review with respect to these eleven companies, but, rather, we will complete the review for these companies and issue appropriate instructions to CBP based on the final results of this review.<sup>18</sup>

Further, as noted above, Borusan Istikbal also submitted a no-shipment certification on August 13, 2018. However, we continue to find Borusan Istikbal to be part of the single entity, Borusan, and we find no record evidence that warrants altering this treatment. Therefore, because we find that Borusan had shipments during this POR, we have not made a preliminary determination of no-shipments with respect to Borusan Istikbal. Furthermore, three companies, Kale Baglanti, Noksel Selik, and Cinar Boru, remain subject to this administrative review because none of these three companies: (1) was selected as a mandatory respondent;<sup>19</sup> (2) was the subject of a withdrawal of request for review; (3) requested to participate as a voluntary respondent; or (4) submitted a claim of no shipments. As such, these three companies remain as unexamined respondents.

#### Preliminary Results of Review

As a result of this review, we calculated a weighted-average dumping margin of 14.73 percent for Borusan and a *de minimis* margin for Toscelik for the period May 1, 2017 through

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<sup>18</sup> See *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694, 65694-95 (October 24, 2011); and the “Assessment Rates” section, below; see also *Certain Frozen Warmwater Shrimp from Thailand: Preliminary Results of Antidumping Duty Administrative Review, Partial Rescission of Review, Preliminary Determination of No Shipments; 2012-2013*, 79 FR 15951, 15952 (March 24, 2014), unchanged in *Certain Frozen Warmwater Shrimp from Thailand: Final Results of Antidumping Duty Administrative Review, Final Determination of No Shipments, and Partial Rescission of Review; 2012-2013*, 79 FR 51306, 51307 (August 28, 2014).

<sup>19</sup> See Respondent Selection Memorandum.

April 30, 2018. We assigned the three non-selected companies the all-others rate in these preliminary results, as referenced below:

<b>Producer or Exporter</b>	<b>Weighted-Average Dumping Margin (percent)</b>
Borusan Mannesmann Boru Sanayi ve Ticaret A.S./Borusan Istikbal Ticaret T.A.S.	14.73
Toscelik Profil ve Sac Endustrisi A.S./Tosyali Dis Ticaret A.S./Toscelik Metal Ticaret A.S.	0.00
Kale Baglanti Teknolojileri San. ve Tic.	14.74
Noksel Selik Boru Sanayi A.S.	14.74
Cinar Boru Profil San. ve Tic. As	14.74

#### Assessment Rates

Upon completion of the administrative review, Commerce shall determine, and CBP shall assess, antidumping duties on all appropriate entries in accordance with 19 CFR 351.212(b)(1). We intend to issue instructions to CBP 15 days after the date of publication of the final results of this review.

If either Borusan's or Toscelik's weighted-average dumping margin is not zero or *de minimis* (i.e., less than 0.5 percent) in the final results of this review, we will calculate importer-specific assessment rates on the basis of the ratio of the total amount of dumping calculated for the importer's examined sales and the total entered value of the sales in accordance with 19 CFR 351.212(b)(1). Where either a respondent's weighted-average dumping margin is zero or *de*

*minimis*, or an importer-specific assessment rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

With respect to Erbosan, Borusan Birlesik, Borusan Gemlik, Borusan Ihracat, Borusan Ithicat, Borusan Holding, BMBYH, Tubeco, Cayirova, Yucel, and Yucelboru, if we continue to find that these companies had no shipments of subject merchandise in the final results, we will instruct CBP to liquidate any existing entries of merchandise produced by these companies, but exported by other parties, at the rate for the intermediate reseller, if available, or at the all-others rate.<sup>20</sup> In this review, we have preliminarily calculated a weighted-average dumping margin of 14.73 percent for Borusan. In addition, we have preliminarily calculated a *de minimis* margin for Toscelik, the other mandatory respondent. When only one weighted-average dumping margin for the individually investigated respondent is not zero, *de minimis*, or based entirely on facts available, the rate for companies that we did not examine will be equal to that single weighted-average dumping margin. Accordingly, we have preliminarily assigned to Kale Baglanti, Noksel Selik, and Cinar Boru, companies not individually examined in this review, a margin of 14.74 percent, which is the all-others rate established in the less-than-fair-value investigation.

#### Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the notice of final results of administrative review for all shipments of welded pipe and tube from Turkey entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this administrative review, as provided for by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for the companies under review will be the rate established in the final results of this review (except, if the rate is zero or *de minimis*, no cash deposit will be required);

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<sup>20</sup> See, e.g., *Magnesium Metal from the Russian Federation: Preliminary Results of Antidumping Duty Administrative Review*, 75 FR 26922, 26923 (May 13, 2010), unchanged in *Magnesium Metal from the Russian Federation: Final Results of Antidumping Duty Administrative Review*, 75 FR 56989 (September 17, 2010).

(2) for merchandise exported by manufacturers or exporters not covered in this review but covered in a prior segment of the proceeding, the cash deposit rate will continue to be the company-specific rate published for the most recently completed segment of this proceeding in which the manufacturer or exporter participated; (3) if the exporter is not a firm covered in this review, a prior review, or the less-than-fair-value investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recently completed segment of the proceeding for the manufacturer of the merchandise; and (4) the cash deposit rate for all other manufacturers or exporters will continue to be 14.74 percent *ad valorem*, the all-others rate established in the less-than-fair-value investigation.<sup>21</sup> These cash deposit requirements, when imposed, shall remain in effect until further notice.

#### Disclosure and Public Comment

Commerce intends to disclose the calculations used in our analysis to interested parties in this review within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). Interested parties are invited to comment on the preliminary results of this review. Pursuant to 19 CFR 351.309(c)(1)(ii), interested parties may submit case briefs no later than 30 days after the date of publication of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than five days after the time limit for filing case briefs.<sup>22</sup> Parties who submit case briefs or rebuttal briefs in this proceeding are requested to submit with each brief: (1) a statement of the issue, (2) a brief summary of the argument, and (3) a table of authorities.<sup>23</sup> Executive summaries should be limited to five pages total, including footnotes.<sup>24</sup> Case and rebuttal briefs should be filed using ACCESS.<sup>25</sup>

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<sup>21</sup> See *Antidumping Duty Order; Welded Carbon Steel Standard Pipe and Tube Products from Turkey*, 51 FR 17784 (May 15, 1986).

<sup>22</sup> See 19 CFR 351.309(d)(1).

<sup>23</sup> See 19 CFR 351.309(c)(2) and (d)(2).

Pursuant to 19 CFR 351.310(c), any interested party may request a hearing within 30 days of the publication of this notice in the *Federal Register*. If a hearing is requested, Commerce will notify interested parties of the hearing schedule. Interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS within 30 days after the date of publication of this notice. Requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case and rebuttal briefs. If a request for a hearing is made, parties will be notified of the time and date for the hearing to be held at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.

We intend to issue the final results of this administrative review, including the results of our analysis of issues raised by the parties in the written comments, within 120 days of publication of these preliminary results in the *Federal Register*, unless otherwise extended.<sup>26</sup>

#### Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

#### Notification to Interested Parties

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<sup>24</sup> *Id.*

<sup>25</sup> *See* 19 CFR 351.303.

<sup>26</sup> *See* section 751(a)(3)(A) of the Act.

These preliminary results of administrative review are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.221(b)(4).

Dated: July 10, 2019.

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

## Appendix

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

- I. Summary
  - II. Background
  - III. Scope of the Order
  - IV. Rates for Respondents Not Selected for Individual Examination
  - V. Preliminary Determination of No Shipments
  - VI. Discussion of the Methodology
  - VII. Currency Conversion
  - VIII. Recommendation
- [FR Doc. 2019-15193 Filed: 7/17/2019 8:45 am; Publication Date: 7/18/2019]