months. Accordingly, Commerce’s final determination will publish no later than 135 days after the publication of the preliminary determination notice.

International Trade Commission Notification

In accordance with section 733(f) of the Act, Commerce will notify the International Trade Commission (ITC) of its preliminary determination. If the final determination is affirmative, the ITC will determine before the later of 120 days after the date of this preliminary determination or 45 days after the final determination whether these imports are materially injuring, or threaten material injury to, the U.S. industry.

Notification to Interested Parties

This determination is issued and published in accordance with sections 733(f) and 777(i)(1) of the Act and 19 CFR 351.205(c).


Christian Marsh,
Acting Assistant Secretary for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The merchandise covered by this investigation is cast iron soil pipe fittings, finished and unfinished, regardless of industry or proprietary specifications, and regardless of size. Cast iron soil pipe fittings are nonmalleable iron castings of various designs and sizes, including, but not limited to, bells, tees, wyes, traps, drains, and other common or special fittings, with or without side inlets.

Cast iron soil pipe fittings are classified into two major types—hubless and hub and spigot. Hubless cast iron soil pipe fittings are manufactured without a hub, generally in compliance with Cast Iron Soil Pipe Institute (CISPI) specification 301 and/or American Society for Testing and Materials (ASTM) specification A868. Hub and spigot pipe fittings have hubs into which the spigot (plain end) of the pipe or fitting is inserted. Cast iron soil pipe fittings are generally distinguished from other types of nonmalleable cast iron fittings by the manner in which they are connected to cast iron soil pipe and other fittings.

The subject imports are normally classified in subheading 7307.11.00 of the Harmonized Tariff Schedule of the United States (HTSUS); Cast fittings of nonmalleable cast iron for cast iron soil pipe. The HTSUS subheading and specifications are provided for convenience and customs purposes only; the written description of the scope of this investigation is dispositive.

Appendix II

List of Topics Discussed in the Preliminary Decision Memorandum

I. Summary
II. Background
III. Period of Investigation
IV. Postponement of Final Determination and Extension of Provisional Measures
V. Scope Comments
VI. Scope of the Investigation
VII. Discussion of the Methodology
A. Non-Market Economy Country
B. Surrogate Country and Surrogate Value
Comments
C. Separate Rates
D. Affiliation
E. China-Wide Entity
F. Application of Facts Available and Adverse Inferences
G. Date of Sale
H. Comparisons to Fair Value
I. U.S. Price
J. Value-Added Tax (VAT)
K. Normal Value
L. Factor Valuation Methodology
VIII. Currency Conversion
IX. Adjustment Under Section 777(A)(F) of the Act
X. Critical Circumstances
XI. Adjustment for Countervailable Export Subsidies
XII. Verification
XIII. Conclusion

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration


Large Diameter Welded Pipe From India, the People’s Republic of China, the Republic of Korea, and the Republic of Turkey: Initiation of Countervailing Duty Investigations

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

DATES: Applicable February 9, 2018.

FOR FURTHER INFORMATION CONTACT: Robert Palmer at (202) 482–9068 (India), Jerry Huang at (202) 482–4047 (the People’s Republic of China (China)), George Ayache at (202) 482–2623 (the Republic of Korea (Korea)), and Ajay Menon at (202) 482–1993 (the Republic of Turkey (Turkey)), AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

The Petitions

On January 17, 2018, the U.S. Department of Commerce (Commerce) received countervailing duty (CVD) Petitions concerning imports of large diameter welded pipe (welded pipe) from China, India, Korea, and Turkey, filed in proper form on behalf of Berg Steel Pipe Corp., Dura-Bond Industries, Stupp Corporation, American Cast Iron Pipe Company, and Skyline Steel (collectively, the petitioners). The CVD Petitions were accompanied by antidumping duty (AD) Petitions concerning imports of welded pipe from Canada, China, Greece, India, Korea, and Turkey. The petitioners are domestic producers of welded pipe.

Commerce exercised its discretion to toll all deadlines affected by the closure of the Federal Government from January 20 through 22, 2018. If the new deadline falls on a non-business day, in accordance with Commerce’s practice, the deadline will become the next business day. The revised deadline for the initiation of these investigations is now February 9, 2018.

On January 23 and 26, 2018, Commerce requested supplemental information pertaining to certain aspects of the Petitions. The petitioners filed responses to these requests on January 25, 26, and 29, 2018. On February 5,
2018, the petitioners submitted certain revisions to the scope.6 In accordance with section 702(b)(1) of the Tariff Act of 1930, as amended (the Act), the petitioners allege that the Governments of China, India, Korea, and Turkey (GOC, GOI, GOK, and GOT, respectively) are providing countervailable subsidies, within the meaning of sections 701 and 771(5) of the Act, to producers of welded pipe in China, India, Korea, and Turkey, and imports of such products are materially injuring, or threatening material injury to, the domestic welded pipe industry in the United States. Consistent with section 702(b)(1) of the Act and 19 CFR 351.202(b), for those alleged programs on which we are initiating a CVD investigation, the Petitions are accompanied by information reasonably available to the petitioners supporting their allegations. Commerce finds that the petitioners filed the Petitions on behalf of the domestic industry because the petitioners are interested parties as defined in section 771(9)(C) of the Act. Commerce also finds that the petitioners demonstrated sufficient industry support necessary for the initiation of the requested CVD investigations.7

**Period of Investigation**

Because the Petitions were filed on January 17, 2018, the period of investigation for each of the investigations is January 1, 2017, through December 31, 2017.

**Scope of the Investigations**

The product covered by these investigations is large diameter welded pipe from China, India, Korea, and Turkey. For a full description of the scope of these investigations, see the Appendix to this notice.

**Comments on Scope of the Investigations**

During our review of the Petitions, Commerce issued questions to, and received responses from, the petitioners pertaining to the proposed scope to ensure that the scope language in the Petitions is an accurate reflection of the products for which the domestic industry is seeking relief.8 As a result of these exchanges, the scope of the Petitions was modified to clarify the description of merchandise covered by the Petitions. The description of the merchandise covered by this initiation, as described in the Appendix to this notice, reflects these clarifications.

As discussed in the Preamble to Commerce’s regulations, we are setting aside a period for interested parties to raise issues regarding product coverage (scope).9 Commerce will consider all comments received from interested parties and, if necessary, will consult with interested parties prior to the issuance of the preliminary determinations. If scope comments include factual information,10 all such factual information should be limited to public information. To facilitate submission of its questionnaires, Commerce requests that all interested parties submit such comments by 5:00 p.m. Eastern Time (ET) on March 1, 2018, which is 20 calendar days from the signature date of this notice. Any rebuttal comments, which may include factual information, must be filed by 5:00 p.m. ET on March 12, 2018, which is the next business day after 10

11 Commerce requests that any factual information parties consider relevant to the scope of the investigations be submitted during this period. However, if a party subsequently finds that additional factual information pertaining to the scope of the investigations may be relevant, the party may contact Commerce and request permission to submit the additional information. All such submissions must be filed on the records of each of the concurrent AD and CVD investigations.

**Filing Requirements**

All submissions to Commerce must be filed electronically using Enforcement and Compliance’s Antidumping Duty and Countervailing Duty Centralized Electronic Service System (ACCESS).12 An electronically filed document must be received successfully in its entirety by the time and date it is due. Documents exempted from the electronic submission requirements must be filed manually (i.e., in paper form) with Enforcement and Compliance’s APO/Dockets Unit, Room 1B022, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230, and stamped with the date and time of receipt by the applicable deadlines.

**Consultations**

Pursuant to sections 702(b)(4)(A)(i) and (ii) of the Act, Commerce notified representatives of the GOC, GOI, GOK, and GOT of the receipt of the Petitions, and provided them the opportunity for consultations with respect to the CVD Petitions.13 Consultations were held

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5 See “Determination of Industry Support for the Petition” section, infra
6 See General Issues Supplemental Questionnaire, at 4–5
7 See Antidumping Duties; Countervailing Duties, Final Rule, 62 FR 27296, 27323 (May 19, 1997) (Preamble).
8 See 19 CFR 351.102(b)(21) (defining “factual information”).
9 See 19 CFR 351.303(b).
10 See Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures, 76 FR 39263 (July 6, 2011). See also Enforcement and Compliance’s APO/Dockets Unit, Room 1B022, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230, and stamped with the date and time of receipt by the applicable deadlines.
13 See Memorandum, “Petitions for the Imposition of Antidumping and Countervailing Duties on Large Diameter Welded Pipe from Canada, Greece, India, the People’s Republic of China, the Republic of Korea, and the Republic of Turkey: Phone Call with Counsel to the Petitioners,” dated February 1, 2018; see also Petitioners’ Letter, “Large Diameter Welded Pipe from Canada, Greece, India, the People’s Republic of China, the Republic of Korea and the Republic of Turkey: Petition Supplement on Scope and Industry Support,” dated February 5, 2018 (Scope and Industry Support Supplement).
with the GOI on February 2, 2018; with the GOK on January 26, 2018; and with the GOT on January 30, 2018. The戈国 did not request consultations.

**Determination of Industry Support for the Petitions**

Section 702(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 702(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for (i) at least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 702(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, Commerce shall: (i) Poll the industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A); or (ii) determine industry support using a statistically valid sampling method to poll the “industry.”

Section 771(4)(A) of the Act defines the “industry” as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs Commerce to look to producers and workers who produce the domestic like product. The International Trade Commission (ITC), which is responsible for determining whether “the domestic industry” has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both Commerce and the ITC must apply the same statutory definition regarding the domestic like product, they do so for different purposes and pursuant to a separate and distinct authority. In addition, Commerce’s determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to law.

Section 771(10) of the Act defines the domestic like product as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title.” Thus, the reference point from which the domestic like product analysis begins is “the article subject to an investigation” (i.e., the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition).

With regard to the domestic like product, the petitioners do not offer a definition of the domestic like product distinct from the scope of the investigations. Based on our analysis of the information submitted on the record, we have determined that welded pipe, as defined in the scope, constitutes a single domestic like product, and we have analyzed industry support in terms of that domestic like product.

In determining whether the petitioners have standing under section 702(c)(4)(A) of the Act, we considered the industry support data contained in the Petitions with reference to the domestic like product as defined in the “Scope of the Investigations,” in the Appendix to this notice. The petitioners provided their own 2017 shipments of the domestic like product and 2017 shipments by supporters of the petitions. The petitioners compared Diameter Welded Pipe from the Republic of Korea to Diameter Welded Pipe from the Republic of Turkey, Diameter Welded Pipe from India, and Diameter Welded Pipe from the Republic of Korea. The petitioners compared Diameter Welded Pipe from the Republic of Korea to Diameter Welded Pipe from the Republic of Turkey. Diameter Welded Pipe from India to Diameter Welded Pipe from India. The petitioners compared Diameter Welded Pipe from India to Diameter Welded Pipe from the Republic of Turkey. They also compared Diameter Welded Pipe from India to Diameter Welded Pipe from the Republic of Korea. The petitioners compared Diameter Welded Pipe from the Republic of Turkey to Diameter Welded Pipe from the Republic of Korea.

For a discussion of the domestic like product analysis as applied to these cases and information regarding industry support, see Countervailing Duty Investigation Initiation Checklist: Large Diameter Welded Pipe from India (India CVD Initiation Checklist), at Attachment II; Countervailing Duty Investigation Initiation Checklist: Large Diameter Welded Pipe from the Republic of Korea (Korea CVD Initiation Checklist), at Attachment II; Countervailing Duty Investigation Initiation Checklist: Large Diameter Welded Pipe from Turkey (Turkey CVD Initiation Checklist), at Attachment II. These checklists are dated concurrently with this notice and are available in the Electronic Records Unit, Room B8024 of the main Department of Commerce building.

See Volume I of the Petitions, at 4 and Exhibit I-4; see also letter from the petitioners to Commerce dated January 31, 2018, “Supplement to the total quantity of these shipments to the estimated total shipments of the domestic like product for the entire domestic industry.” The petitioners explained that they relied on shipment data because production data for the entire domestic industry are not available. In addition, the petitioners provided a comparison of their own production and shipment data to demonstrate that shipments are a reasonable proxy for data on production of welded pipe. We relied on data the petitioners provided for purposes of measuring industry support.

Our review of the data provided in the Petitions, General Issues Supplement, Industry Support Supplement, Scope and Industry Support Supplement, and other information readily available to Commerce indicates that the petitioners have established industry support for the Petitions. First, the Petitions established support from domestic producers (or workers) accounting for more than 50 percent of the total production of the domestic like product and, as such, Commerce is not required to take further action in order to evaluate industry support (e.g., polling). Second, the domestic producers (or workers) have met the statutory criteria for industry support under section 702(c)(4)(A)(ii) of the Act because the domestic producers (or workers) who support the Petitions account for at least 25 percent of the total production of the domestic like product. Finally, the domestic producers (or workers) have met the statutory criteria for industry support under section 702(c)(4)(A)(ii) of the Act because the domestic producers (or workers) who support the Petitions account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the Petitions. Accordingly, Commerce determines that the Petitions were filed on behalf of the domestic industry.

Diameter Welded Pipe from the Republic of Korea, dated January 17, 2018; and Letter from Melissa Skinner, Director, Office II to the Embassy of the Republic of Turkey, “Consultations with Government of Turkey,” dated January 17, 2018; and Letter from Melissa Skinner, Director, Office II to the Embassy of the Republic of Turkey, “Consultations to Discuss the Countervailing Duty Petition Regarding Large Diameter Welded Pipe from India,” dated February 7, 2018; and Letter from Melissa Skinner, Director, Office II to the Embassy of the Republic of Turkey, “Countervailing Duty Petition Regarding Large Diameter Welded Pipe from the Republic of Korea,” dated January 31, 2018; and Letter from Melissa Skinner, Director, Office II to the Embassy of the Republic of Korea, “Supplement to the Countervailing Duty Investigation Initiation Checklist: Large Diameter Welded Pipe from the Republic of Korea (Korea CVD Initiation Checklist), at AttachmentII of the GOK on January 26, 2018; and with the GOI on January 30, 2018. The GOK did not request consultations.
within the meaning of section 702(b)(1) of the Act.

Commerce finds that the petitioners filed the Petitions on behalf of the domestic industry because they are interested parties as defined in section 771(9)(C) of the Act, and they have demonstrated sufficient industry support with respect to the CVD investigations that they are requesting that Commerce initiate.28

In letters dated January 25, January 29, and February 5, 2018, Borusan Mannesmann Boru Sanayi ve Ticaret A.S. and Borusan Isikbal Ticaret T.A.S. (collectively, Borusan), a Turkish producer and exporter, submitted comments on industry support. The petitioners responded to these comments in the Scope and Industry Support Supplement, dated February 5, 2018. For further discussion of these comments see Attachment II of the China CVD Initiation Checklist, India CVD Initiation Checklist, Korea CVD Initiation Checklist, and Turkey CVD Initiation Checklist.

Injury Test

Because India, China, Korea, and Turkey are “Subsidies Agreement Countries” within the meaning of section 701(b) of the Act, section 701(a)(2) of the Act applies to this investigation. Accordingly, the ITC must determine whether imports of the subject merchandise from India, China, Korea, and Turkey materially injure, or threaten material injury to, a U.S. industry.

Allegations and Evidence of Material Injury and Causation

The petitioners allege that imports of the subject merchandise are benefitting from countervailable subsidies and that such imports are causing, or threaten to cause, material injury to the U.S. industry producing the domestic like product. In addition, the petitioners allege that subject imports exceed the negligibility threshold provided for under section 771(24)(A) of the Act.29 In CVD petitions, section 771(24)(B) of the Act provides that imports of subject merchandise from developing and least developed countries must exceed the negligibility threshold of four percent. The petitioners have adequately demonstrated that subject imports from India, which has been designated as a least developed country under section 771(36)(B) of the Act, exceeded the


31 See Applicability Notice, 80 FR at 46794–95.

32 Id.


34 See China CVD Initiation Checklist, at Attachment III, Analysis of Allegations and Evidence of Material Injury and Causation for the Antidumping and Countervailing Duty Petitions Covering Large Diameter Welded Pipe from Canada, Greece, India, the People’s Republic of China, the Republic of Korea, and the Republic of Turkey (Attachment III); see also India CVD Initiation Checklist, at Attachment III; see also Korea CVD Initiation Checklist, at Attachment III; see also Turkey CVD Initiation Checklist, at Attachment III.


36 See Applicability Notice, 80 FR at 46794–95.


38 Id.

39 Id.


China

Based on our review of the Petition, we find that there is sufficient information to initiate a CVD investigation on 27 of the 28 alleged programs, and to partially initiate on the 28th program. For a full discussion of the basis for our decision to initiate on each program, see China CVD Initiation Checklist. A public version of the initiation checklist for this investigation is available on ACCESS.

India

Based on our review of the Petition, we find that there is sufficient information to initiate a CVD investigation on 70 of the 72 alleged programs. For a full discussion of the basis for our decision to initiate on each program, see India CVD Initiation Checklist. A public version of the initiation checklist for this investigation is available on ACCESS.

Korea

Based on our review of the Petition, we find that there is sufficient information to initiate a CVD investigation on 20 of the 21 alleged programs. For a full discussion of the basis for our decision to initiate on each program, see Korea CVD Initiation Checklist. A public version of the initiation checklist for this investigation is available on ACCESS.

Turkey

Based on our review of the Petition, we find that there is sufficient information to initiate a CVD investigation on all 15 allegedly programs. For a full discussion of the basis for our decision to initiate on each program, see Turkey CVD Initiation Checklist. A public version of the initiation checklist for this investigation is available on ACCESS.

Respondent Selection

The petitioners named 157 companies in China,35 26 companies in India,36 28 companies in Korea,37 and 13 companies in Turkey,38 as producers/exporters of welded pipe. Commerce intends to follow its standard practice in CVD investigations and calculate company-specific subsidy rates in these investigations. In the event Commerce determines that the number of companies is large and it cannot individually examine each company based upon Commerce’s resources,
where appropriate. Commerce intends to select mandatory respondents based on U.S. Customs and Border Protection (CBP) data for U.S. imports of welded pipe from China, India, Korea, and Turkey during the POI under the appropriate Harmonized Tariff Schedule of the United States numbers listed in the “Scope of the Investigation,” in the Appendix.

On February 1, 2018 (for India and Korea), February 2, 2018 (for China), and February 6, 2018 (for Turkey), Commerce released CBP data under Administrative Protective Order (APO) to all parties with access to information protected by APO and indicated that interested parties wishing to comment regarding the CBP data and respondent selection must do so within three business days of the publication date of the notice of initiation of these CVD investigations.38 Commerce will not accept rebuttal comments regarding the CBP data or respondent selection.

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305(b). Instructions for filing such applications may be found on the Commerce’s website at http://enforcement.trade.gov/apo.

Comments must be filed electronically using ACCESS. An electronically filed document must be received successfully, in its entirety, by ACCESS no later than 5:00 p.m. ET on the date noted above. We intend to finalize our decisions regarding respondent selection within 20 days of publication of this notice.

Distribution of Copies of the Petitions

In accordance with section 702(b)(4)(A)(i) of the Act and 19 CFR 351.202(f), copies of the public versions of the Petitions have been provided to the GOC, GOI, GOK, and GUT via ACCESS. To the extent practicable, we will attempt to provide a copy of the public version of the Petitions to each exporter named in the Petitions, as provided under 19 CFR 351.203(c)(2).


ITC Notification

We will notify the ITC of our initiation, as required by section 702(d) of the Act.

Preliminary Determinations by the ITC

The ITC will preliminarily determine, within 45 days after the date on which the Petitions were filed, whether there is a reasonable indication that imports of welded pipe from China, India, Korea, and Turkey are materially injuring, or threatening material injury to, a U.S. industry.40 A negative ITC determination for any country will result in the investigation being terminated with respect to that country.41 Otherwise, these investigations will proceed according to statutory and regulatory time limits.

Submission of Factual Information

Factual information is defined in 19 CFR 351.102(b)(21) as: (i) Evidence submitted in response to questionnaires; (ii) evidence submitted in support of allegations; (iii) publicly available information to value factors under 19 CFR 351.408(c) or to measure the adequacy of remuneration under 19 CFR 351.511(a)(2); (iv) evidence placed on the record by Commerce; and (v) evidence other than factual information described in (i)–(iv). 19 CFR 351.301(b) requires any party, when submitting factual information, to specify under which subsection of 19 CFR 351.102(b)(21) the information is being submitted and, if the information is submitted to rebut, clarify, or correct factual information already on the record, to provide an explanation identifying the information already on the record that the factual information seeks to rebut, clarify, or correct.42 Time limits for the submission of factual information are addressed in 19 CFR 351.301, which provides specific time limits based on the type of factual information being submitted. Interested parties should review the regulations prior to submitting factual information in these investigations.

Extensions of Time Limits

Parties may request an extension of time limits before the expiration of a time limit established under 19 CFR 351.301, or as otherwise specified by the Secretary. In general, an extension request will be considered untimely if it is filed after the expiration of the time limit established under 19 CFR 351.301. For submissions that are due from multiple parties simultaneously, an extension request will be considered untimely if it is filed after 10:00 a.m. ET on the due date. Under certain circumstances, we may elect to specify a different time limit by which extension requests will be considered untimely for submissions which are due from multiple parties simultaneously. In such a case, we will inform parties in the letter or memorandum setting forth the deadline (including a specified time) by which extension requests must be filed to be considered timely. An extension request must be made in a separate, stand-alone submission; under limited circumstances we will grant untimely-filed requests for the extension of time limits. Parties should review Extension of Time Limits: Final Rule, 78 FR 57790 (September 20, 2013), available at http://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm, prior to submitting factual information in these investigations.

Certification Requirements

Any party submitting factual information in an AD or CVD proceeding must certify to the accuracy and completeness of that information.43 Parties must use the certification formats provided in 19 CFR 351.303(g).44 Commerce intends to reject factual submissions if the submitting party does not comply with the applicable revised certification requirements.

Notification to Interested Parties

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305. On January 22, 2008, Commerce published Antidumping and Countervailing Duty Proceedings: Documents Submission Procedures; APO Procedures, 73 FR 3634 (January 22, 2008). Parties wishing to participate in this investigation should ensure that they meet the requirements of these procedures (e.g., the filing of letters of appearance as discussed at 19 CFR 351.103(d)).

This notice is issued and published pursuant to sections 702 and 777(i) of the Act and 19 CFR 351.203(c).
The large diameter welded pipe that is within the scope of the investigations is welded carbon and alloy steel pipe, more than 406.4 mm (16 inches) in nominal outside diameter (large diameter welded pipe), regardless of wall thickness, length, surface finish, grade, end finish, or stenciling. Large diameter welded pipe may be used to transport oil, gas, slurry, steam, or other fluids, liquids, or gases. It may also be used for structural purposes, including, but not limited to, piling. Specifically, not included is large diameter welded pipe produced only to specifications of the American Water Works Association (AWWA) for water and sewage pipe.

Large diameter welded pipe used to transport oil, gas, or natural gas liquids is normally produced to the American Petroleum Institute (API) specification 5L. Large diameter welded pipe may also be produced to American Society for Testing and Materials (ASTM) standards A500, A252, or A53, or other relevant domestic specifications, grades and/or standards. Large diameter welded pipe can be produced to comparable foreign specifications, grades and/or standards or to proprietary specifications, grades and/or standards, or can be non-graded material. All pipe meeting the physical description set forth above is covered by the scope of these investigations, whether or not produced according to a particular standard.

Subject merchandise also includes large diameter welded pipe that has been further processed in a third country, including but not limited to coating, painting, notching, beveling, cutting, punching, welding, or any other process that would not otherwise remove the merchandise from the scope of the investigations if performed in the country of manufacture of the in-scope large diameter welded pipe.

Excluded from the scope are any products covered by the existing antidumping duty orders on welded line pipe from the Republic of Korea, welded line pipe from the Republic of Turkey, and welded ASTM A–312 stainless steel pipe from Korea, as well as any products covered by the existing countervailing duty order on welded line pipe from Turkey. See Welded Line Pipe from the Republic of Korea and the Republic of Turkey: Antidumping Duty Orders, 80 FR 75056 (December 1, 2015); Welded ASTM A–312 Stainless Steel Pipe from South Korea: Antidumping Duty Order, 57 FR 62300 (December 30, 1992); and Welded Line Pipe from the Republic of Turkey: Countervailing Duty Order, 80 FR 75054 (December 1, 2015).

The large diameter welded pipe that is subject to these investigations is currently classifiable in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 7305.11.1030, 7305.11.1060, 7305.11.5000, 7305.12.1030, 7305.12.1060, 7305.12.5000, 7305.19.1030, 7305.19.1060, 7305.19.5000, 7305.31.4000, 7305.31.6010, 7305.31.6090, 7305.39.1000 and 7305.39.5000. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of these investigations is dispositive.

DEPARTMENT OF COMMERCE
International Trade Administration

[A–201–805]

Certain Circular Welded Non-Alloy Steel Pipe From Mexico: Notice of Court Decision Not in Harmony With Final Scope Ruling and Notice of Amended Final Scope Ruling Pursuant to Court Decision

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

SUMMARY: The Department of Commerce (Commerce) is notifying the public that the Court of International Trade’s (CIT or the Court) final judgment in this case is not in harmony with Commerce’s final scope ruling and is, therefore, finding that certain black, circular tubing produced to ASTM A–513 specifications by Maquilacero S.A. de C.V. (Maquilacero) is not within the scope of the antidumping duty order on circular welded non-alloy steel pipe from Mexico.

DATES: Applicable Date: February 19, 2018.


SUPPLEMENTARY INFORMATION:

Background

On July 27, 2015, Commerce issued the Maquilacero Scope Ruling, in which it determined, under 19 CFR 351.225(k)(1), that 46 products produced by Maquilacero to specification A–513 did not meet the exclusion for “mechanical tubing” in the scope of the Order, and were, therefore, within the scope of the Order. In particular, Commerce relied upon a prior scope ruling pertaining to certain mechanical tubing products produced by Productos Laminados de Monterrey, S.A. de C.V., and Prolamsa, Inc. (Prolamsa), which was conducted under 19 CFR 351.225(k)(2), and which defined “mechanical tubing” as tubing that met a variety of physical, chemical, and mechanical characteristics, and was stenciled. Commerce found that Maquilacero’s tubing was not stenciled, and, thus, was not “mechanical tubing.” Maquilacero challenged Commerce’s final scope ruling before the CIT.

On August 30, 2017, the Court remanded the Maquilacero Scope Ruling to Commerce. Specifically, the Court held that Commerce did not “properly consider how the mention of stenciling came to be found in the ruling excluding Prolamsa’s pipe from the Order,” particularly given that stenciling “does not change the inherent quality or the intended use of the product.” As such, the Court concluded that “the imposition of a requirement ([i.e., stenciling]) having nothing to do with the physical characteristics of mechanical tubing and that appeared in the Prolamsa Final Scope Ruling by chance […] was unreasonable.” Thus, the Court found that Commerce’s ruling unlawfully expanded the scope of the Order to include [Maquilacero]’s merchandise,” and remanded the Final Scope Ruling to Commerce to “(1) not impose a stenciling requirement, and (2) find that Maquilacero’s tubing is excluded from the Order based on its analysis found on pages 6–9 of the Final Scope Ruling.” In particular, the Court instructed Commerce to “find plaintiff’s products are excluded from the Order using the same analysis in the Final Scope Ruling and that is found in this opinion.”

Pursuant to the Court’s instructions, Commerce issued the Final Remand