

DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-897; C-580-898]

Large Diameter Welded Pipe from the Republic of Korea: Final Results of Antidumping Duty and Countervailing Duty Changed Circumstances Reviews

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

SUMMARY: On July 10, 2020, the Department of Commerce (Commerce) published a notice of initiation and expedited preliminary results of the changed circumstances reviews (CCRs) of the antidumping duty (AD) and countervailing duty (CVD) orders on large diameter welded pipe from the Republic of Korea (Korea) which revoked, in part, these orders as they relate to certain specific large diameter welded pipe products. Commerce has adopted the scope exclusion language in these final results.

DATES: Applicable August 21, 2020.

FOR FURTHER INFORMATION CONTACT: Katherine Johnson or Sergio Balbontin, 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) 482-4929 or (202) 482-6478, respectively.

SUPPLEMENTARY INFORMATION:**Background**

On May 2, 2019, Commerce published the AD and CVD orders on large diameter welded pipe from Korea.¹ On July 10, 2020, Commerce published the *Initiation and Preliminary Results*,² in which Commerce preliminarily revoked, in part, the *Orders* with respect to certain large diameter welded pipe products with specific combinations of grades, diameters, and wall thicknesses, pursuant to a request from SeAH Steel Corporation (SeAH). These products are specified in the exclusion language of the scope provided in the *Initiation and Preliminary Results*.³

¹ See *Large Diameter Welded Pipe from the Republic of Korea: Amended Final Affirmative Antidumping Determination and Antidumping Duty Order*, 84 FR 18767 (May 2, 2019); and *Large Diameter Welded Pipe from the Republic of Korea: Countervailing Duty Order*, 84 FR 18773 (May 2, 2019) (collectively, *Orders*).

² See *Large Diameter Welded Pipe from the Republic of Korea: Initiation and Expedited Preliminary Results of Antidumping and Countervailing Duty Changed Circumstances Reviews*, 85 FR 41536 (July 10, 2020) (*Initiation and Preliminary Results*).

³ *Id* at Attachment.

SeAH placed on the record of these CCRs comments made by domestic producers,⁴ representing “substantially all” of the domestic industry⁵ in the CCRs of large diameter welded pipe from India. These comments indicate that the domestic industry does not currently produce the particular large diameter welded pipe products subject to the request for partial revocation of the *Orders*, and that the investment needed to do so far exceeds the potential benefit of such investment, given that the U.S. market for deep offshore projects, *i.e.*, the primary market for the large diameter welded pipe product groups at issue, is relatively small.⁶ In addition, in these same comments, the domestic producers provided an explanation indicating that commercial circumstances have changed since the *Orders* were put in place.

Consistent with the CCRs of large diameter welded pipe from India and Greece, in the *Initiation and Preliminary Results*, we found that there was “good cause” to conduct the CCRs less than 24 months after the date of publication of notices of the final determinations in the Korea large diameter welded pipe investigations.⁷ In addition, in the *Initiation and Preliminary Results*, we provided all interested parties an opportunity to comment and to request a public hearing regarding our preliminary findings.⁸ No interested party submitted comments or requested a public hearing.

⁴ These domestic producers are the petitioners in the AD and CVD investigations (American Cast Iron Pipe Company, Berg Steel Pipe Corp./Berg Spiral Pipe Corp., Dura-Bond Industries, Stupp Corporation, individually and as members of the American Line Pipe Producers Association; Greens Bayou Pipe Mill, LP; JSW Steel (USA) Inc.; Skyline Steel; and Trinity Products LLC) and Welspun Global Trade LLC.

⁵ See SeAH’s Letter, “Large Diameter Welded Pipe from Korea—Request for Changed Circumstances Review and Revocation, in Part,” dated June 11, 2020 at Exhibits 1–3. Commerce has interpreted “substantially all” to mean at least 85 percent of the total production of the domestic like product covered by the order. See, e.g., *Supercalendered Paper from Canada: Final Results of Changed Circumstances Review and Revocation of Countervailing Duty Order*, 83 FR 32268 (July 12, 2018).

⁶ See *Initiation and Preliminary Results*, 85 FR at 41538.

⁷ See 19 CFR 351.216(c). See also *Large Diameter Welded Pipe from India: Final Results of Antidumping Duty and Countervailing Duty Changed Circumstances Reviews*, 85 FR 26930 (May 6, 2020); *Large Diameter Welded Pipe from Greece: Final Results of Antidumping Duty Changed Circumstances Review*, 85 FR 37424 (June 22, 2020); and *Initiation and Preliminary Results*, 85 FR at 41537–38.

⁸ See *Initiation and Preliminary Results*, 85 FR at 41538.

Scope of the Orders

The merchandise covered by these *Orders* is welded carbon and alloy steel pipe (other than stainless steel pipe), more than 406.4 mm (16 inches) in nominal outside diameter (large diameter welded line 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 line 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 line 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 *Orders*, 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 processing that would not otherwise remove the merchandise from the scope of the *Orders* 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 order on welded line pipe from the Republic of Korea. See *Welded Line Pipe from the Republic of Korea and the Republic of Turkey: Antidumping Duty Orders*, 80 FR 75056 (December 1, 2015).⁹

Also excluded is large diameter welded pipe in the following combinations of grades, outside diameters, and wall thicknesses:

- Grade X60, X65, or X70, 18 inches outside diameter, 0.688 inches or greater wall thickness;

⁹ This paragraph does not appear in the scope of the CVD order on large diameter welded pipe from Korea.

- Grade X60, X65, or X70, 20 inches outside diameter, 0.688 inches or greater wall thickness;
- Grade X60, X65, X70, or X80, 22 inches outside diameter, 0.750 inches or greater wall thickness; and
- Grade X60, X65, or X70, 24 inches outside diameter, 0.750 inches or greater wall thickness.

The large diameter welded pipe that is subject to these *Orders* 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, 7305.31.6090, 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 *Orders* is dispositive.

Final Results of CCRs

Commerce may modify the scope of an AD and/or CVD order as a result of conducting a CCR.¹⁰ For the reasons stated in the *Initiation and Preliminary Results*, Commerce continues to find that it is appropriate to revoke the *Orders*, in part, in accordance with section 782(h)(2) of the Act and 19 CFR 351.222(g)(1)(i), with respect to certain large diameter welded pipe products with specific combinations of grades, diameters, and wall thicknesses, as reflected in the “Scope of the Order” section of this notice.

We will instruct U.S. Customs and Border Protection to terminate the suspension of liquidation for all shipments of the products which are revoked from the *Orders* as a result of these CCRs that were entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the **Federal Register**. We intend for all entries of the revoked products that were suspended on or after the date of publication of this notice to be liquidated without regard to antidumping duties (*i.e.*, refund all cash deposits).

Notification to Interested Parties

We are issuing this determination and publishing these final results and notice in accordance with sections 751(b)(1) and 777(i)(1) and (2) of the Act and 19

¹⁰ See *Carbon and Alloy Steel Wire Rod from the Republic of Korea and the United Kingdom: Notice of Final Results of Antidumping Duty Changed Circumstances Review*, 84 FR 13888 (April 8, 2019); see also *Certain Steel Nails from the People’s Republic of China: Final Results of Antidumping Duty Changed Circumstances Review*, 84 FR 49508 (September 20, 2019).

CFR 351.216(e), 351.221(b), 351.221(c)(3), 351.222(g)(1) and 351.222(g)(4).

Dated: August 13, 2020.

Jeffrey I. Kessler,

Assistant Secretary for Enforcement and Compliance.

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DEPARTMENT OF COMMERCE

International Trade Administration

[A–489–501]

Welded Carbon Steel Standard Pipe and Tube Products From Turkey: Notice of Court Decision Not in Harmony With Amended Final Results of Review; Amended Final Results of Administrative Review of the Antidumping Duty Order on Welded Carbon Steel Standard Pipe and Tube Products From the Republic of Turkey, 2014–2015

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

SUMMARY: On July 28, 2020, the U.S. Court of International Trade (CIT) sustained the Department of Commerce (Commerce)’s third remand redetermination pertaining to the administrative review of welded carbon steel standard pipe and tube products (welded pipe and tube) from the Republic of Turkey (Turkey) covering the period of review (POR) May 1, 2014 through April 30, 2015. Commerce is notifying the public that the CIT’s final judgment is not in harmony with the amended final results of the administrative review, and that Commerce is amending the weighted-average dumping margin for Toscelik Profil ve Sac Endustrisi A.S. (Toscelik).

DATES: Applicable August 7, 2020.

FOR FURTHER INFORMATION CONTACT:

Michael J. Heaney, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482–4475.

SUPPLEMENTARY INFORMATION:

Background

On December 20, 2016, Commerce published the *Final Results* in the 2014–2015 administrative review of welded pipe and tube from Turkey, in which Commerce calculated a weighted-average dumping margin of 1.91

percent.¹ After correcting ministerial errors contained in the *Final Results*, on February 17, 2017, Commerce published the *Amended Final Results*, and calculated a revised weighted-average dumping margin of 3.40 percent for Toscelik.²

Toscelik and the JMC Steel Group (a domestic interested party) appealed Commerce’s *Final Results*, as amended by the *Amended Final Results*, to the CIT. On June 6, 2018, the CIT issued its *First Remand Order*, directing Commerce to: (1) Reconsider the calculation of Toscelik’s duty drawback adjustment; and (2) provide further explanation for granting Toscelik a circumstance-of-sale adjustment for warehousing expenses.³ On October 4, 2018, Commerce submitted its final results of redetermination, recalculating Toscelik’s duty drawback adjustment, under respectful protest,⁴ and providing further explanation for granting a circumstance-of-sale adjustment for warehousing expenses.⁵

On April 1, 2019, the CIT issued its *Second Remand Order*, sustaining Commerce’s explanation of Toscelik’s circumstance-of-sale for adjustment for warehousing expenses, but remanding Commerce’s modified calculation of Toscelik’s duty drawback adjustment.⁶ In particular, the CIT found that Commerce’s additional circumstance-of-sale adjustment to correct a perceived imbalance in Toscelik’s dumping margin calculation “negates the statutory duty drawback adjustment that Toscelik earned by exporting its finished product to the United States and impinges on the agency’s ability to make a fair comparison.”⁷ On May 30, 2019, Commerce submitted its second final results of redetermination, recalculating Toscelik’s duty drawback adjustment, including a circumstance-

¹ See *Welded Carbon Steel Standard Pipe and Tube Products from Turkey: Final Results of Antidumping Administrative Review; 2014–2015*, 81 FR 92785 (December 20, 2016) (*Final Results*), and accompanying Issues and Decision Memorandum.

² See *Welded Carbon Steel Standard Pipe and Tube Products from Turkey: Amended Final Results of Antidumping Duty Administrative Review; 2014–2015*, 82 FR 11002 (February 17, 2017) (*Amended Final Results*).

³ See *Toscelik Profil ve Sac Endustrisi A.S. v. United States*, 321 F. Supp. 3d 1270 (CIT 2018) (*First Remand Order*) at 17–18.

⁴ See *Viraj Group, Ltd. v. United States*, 343 F.3d 1371 (Fed. Cir. 2003).

⁵ See Final Results of Redetermination Pursuant to Court Remand, *Toscelik Profil ve Sac Endustrisi A.S. v. United States*, Court No. 17–00018, Slip Op. 18–66 (CIT June 6, 2018).

⁶ See *Toscelik Profil ve Sac Endustrisi A.S. v. United States*, 375 F. Supp. 3d 1312 (CIT 2019) (*Second Remand Order*).

⁷ See *Second Remand Order*, 375 F. Supp. 3d at 1316.