

Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-4162 or (202) 482-0182, respectively.

SUPPLEMENTARY INFORMATION:

Background

In accordance with sections 735(d) and 777(i)(1) of the Tariff Act of 1930, as amended ("Act"), on September 21, 2010, the Department published the final determination of sales at less than fair value in the antidumping duty investigation of seamless pipe from the PRC. *See Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from the People's Republic of China: Final Determination of Sales at Less Than Fair Value and Critical Circumstances, in Part*, 75 FR 57449 (September 21, 2010) ("*Final Determination*"). On November 4, 2010, the ITC notified the Department of its affirmative determination of threat of material injury to a U.S. industry, and its negative determination of critical circumstances. *See Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from China*, USITC Investigation Nos. 701-TA-469 and 731-TA-1168 (Final), USITC Publication 4190, (November 2010).

Scope of the Order

The merchandise covered by this order is certain seamless carbon and alloy steel (other than stainless steel) pipes and redraw hollows, less than or equal to 16 inches (406.4 mm) in outside diameter, regardless of wall-thickness, manufacturing process (*e.g.*, hot-finished or cold-drawn), end finish (*e.g.*, plain end, beveled end, upset end, threaded, or threaded and coupled), or surface finish (*e.g.*, bare, lacquered or coated). Redraw hollows are any unfinished carbon or alloy steel (other than stainless steel) pipe or "hollow profiles" suitable for cold finishing operations, such as cold drawing, to meet the American Society for Testing and Materials ("ASTM") or American Petroleum Institute ("API") specifications referenced below, or comparable specifications. Specifically included within the scope are seamless carbon and alloy steel (other than stainless steel) standard, line, and pressure pipes produced to the ASTM A-53, ASTM A-106, ASTM A-333, ASTM A-334, ASTM A-589, ASTM A-795, ASTM A-1024, and the API 5L specifications, or comparable specifications, and meeting the physical parameters described above, regardless of application, with the exception of the exclusion discussed below.

Specifically excluded from the scope of the order are: (1) All pipes meeting

DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-956]

Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe From the People's Republic of China: Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order

AGENCY: Import Administration, International Trade Administration, Department of Commerce

DATES: *Effective Date:* November 10, 2010.

SUMMARY: Based on affirmative final determinations by the Department of Commerce (the "Department") and the International Trade Commission ("ITC"), the Department is issuing an antidumping duty order on certain seamless carbon and alloy steel standard, line, and pressure pipe ("seamless pipe") from the People's Republic of China ("PRC"). In addition, the Department is amending its final determination to correct certain ministerial errors.

FOR FURTHER INFORMATION CONTACT: Magd Zalok or Brandon Farlander, AD/CVD Operations, Office 4, Import Administration, International Trade Administration, U.S. Department of

aerospace, hydraulic, and bearing tubing specifications; (2) all pipes meeting the chemical requirements of ASTM A-335, whether finished or unfinished; and (3) unattached couplings. Also excluded from the scope of the order are all mechanical, boiler, condenser and heat exchange tubing, except when such products conform to the dimensional requirements, *i.e.*, outside diameter and wall thickness of ASTM A-53, ASTM A-106 or API 5L specifications.

The merchandise covered by the order is currently classified in the Harmonized Tariff Schedule of the United States (“HTSUS”) under item numbers: 7304.19.1020, 7304.19.1030, 7304.19.1045, 7304.19.1060, 7304.19.5020, 7304.19.5050, 7304.31.6050, 7304.39.0016, 7304.39.0020, 7304.39.0024, 7304.39.0028, 7304.39.0032, 7304.39.0036, 7304.39.0040, 7304.39.0044, 7304.39.0048, 7304.39.0052, 7304.39.0056, 7304.39.0062, 7304.39.0068, 7304.39.0072, 7304.51.5005, 7304.51.5060, 7304.59.6000, 7304.59.8010, 7304.59.8015, 7304.59.8020, 7304.59.8025, 7304.59.8030, 7304.59.8035, 7304.59.8040, 7304.59.8045, 7304.59.8050, 7304.59.8055, 7304.59.8060, 7304.59.8065, and 7304.59.8070.

Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the merchandise subject to this scope is dispositive.

Amendment to the Final Determination

On September 21, 2010, the Department published its affirmative final determination in this proceeding. See *Final Determination*. On September

21, 2010, United States Steel Corporation (“U.S. Steel”), a petitioner in the investigation, and Tianjin Pipe (Group) Corporation and Tianjin Pipe International Economic and Trading Corporation (collectively “TPCO”), a respondent in the investigation, submitted timely ministerial error allegations and requested, pursuant to 19 CFR 351.224, that the Department correct the alleged ministerial errors in the dumping margin calculations. On September 27, 2010, U.S. Steel, TPCO and Hengyang Steel Tube Group Int’l Trading Inc., Hengyang Valin Steel Tube Co., Ltd. and Hengyang Valin MPM Tube Co., Ltd. (collectively “Hengyang”), the other mandatory respondent in this investigation, filed rebuttal comments. No other interested party submitted ministerial error allegations or rebuttal comments.

After analyzing all interested party comments and rebuttals, we have determined, in accordance with section 735(e) of the Act and 19 CFR 351.224(e), that we made the following ministerial errors in our calculations for the *Final Determination* with respect to TPCO and Hengyang:

- For TPCO, we unintentionally adjusted the denominator used to calculate the ratio for market-economy purchases (“MEP”) of steel scrap, thereby resulting in an incorrect ratio for the MEP of steel scrap.
- For TPCO, we unintentionally calculated the percentage reduction to TPCO’s reported by-product offset by dividing the quantity of further processed steel scrap by the quantity of steel scrap reintroduced into production, rather than the quantity of steel scrap generated by TPCO during the period of investigation.

- For one of the three financial statements used to calculate the financial ratios for TPCO and Hengyang, we unintentionally: (1) Classified an amount for dividend income as selling, general and administrative expenses (“SG&A”) and interest, instead of excluding the dividend income from our calculation; and (2) excluded a financial expense amount, rather than including it in the SG&A and interest expense category.

For a detailed discussion of the ministerial errors alleged by U.S. Steel and the respondent, as well as the Department’s analysis, see the Memorandum to Susan H. Kuhbach, Acting Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, “Ministerial Error Memorandum, Amended Final Determination of Sales at Less Than Fair Value: Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from the People’s Republic of China,” dated October 15, 2010 (“Ministerial Error Memorandum”).

Also, in the *Final Determination* we determined that a number of companies in addition to the mandatory respondents qualified for a separate rate. See *Final Determination* at 57452. Since the cash deposit rate for the separate rate respondents is based on the average of the margins for the mandatory respondents, and the margins for TPCO and Hengyang changed as a result of the aforementioned ministerial errors, in the amended final determination, we have revised the calculation of the dumping margin for the separate rate respondents as well. See Ministerial Error Memorandum. The amended weighted average dumping margins are as follows:

Exporter	Producer	Weighted-Average margin percent
Tianjin Pipe International Economic and Trading Corporation	Tianjin Pipe (Group) Corporation	50.01
Hengyang Steel Tube Group Int’l Trading Inc	Hengyang Valin Steel Tube Ltd., and Hengyang Valin MPM Tube Co., Ltd.	82.24
Xigang Seamless Steel Tube Co., Ltd	Xigang Seamless Steel Tube Co., Ltd., and Wuxi Seamless Special Pipe Co., Ltd.	66.13
Jiangyin City Changjiang Steel Pipe Co., Ltd	Jiangyin City Changjiang Steel Pipe Co., Ltd	66.13
Pangang Group Chengdu Iron & Steel Co., Ltd	Pangang Group Chengdu Iron & Steel Co., Ltd	66.13
Yangzhou Lontrin Steel Tube Co., Ltd	Yangzhou Lontrin Steel Tube Co., Ltd	66.13
Yangzhou Chengde Steel Tube Co., Ltd	Yangzhou Chengde Steel Tube Co., Ltd	66.13
PRC-wide Entity	98.74

Antidumping Duty Order

On November 4, 2010, in accordance with section 735(d) of the Act, the ITC notified the Department of its final determination in this investigation. In its final determination in this investigation, the ITC found that a U.S.

industry is threatened with material injury by reason of imports of seamless pipe from the PRC. According to section 736(b)(2) of the Act, duties shall be assessed on subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of

publication of the ITC’s notice of final determination if that determination is based on the threat of material injury and is not accompanied by a finding that injury would have resulted without the imposition of suspension of liquidation of entries since the

Department's preliminary determination. In addition, section 736(b)(2) of the Act requires U.S. Customs and Border Protection ("CBP") to refund any cash deposits or bonds of estimated antidumping duties posted since the preliminary antidumping determination if the ITC's final determination is threat-based. Therefore, in accordance with section 736(b)(2) of the Act and our practice, we will instruct CBP to terminate the suspension of liquidation and refund any cash deposits made and release any bonds posted for estimated antidumping duties for entries of seamless pipe from the PRC entered, or withdrawn from warehouse, for consumption on or after April 28, 2010, the date on which the Department published its *Preliminary Determination*, but before the date of publication of the ITC's final determination in the **Federal Register**. For exports from Hengyang and the PRC-wide entity, we will instruct CBP to lift suspension, release any bond or other security, and refund any cash deposit made to secure the payment of antidumping duties with respect to entries of the merchandise entered, or withdrawn from warehouse, for consumption on or after January 28, 2010 (*i.e.*, 90 days prior to the date of publication of the preliminary determination in the **Federal Register**), through April 27, 2010. Further, we will instruct CBP to continue to suspend liquidation of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the ITC's notice of final determination. The instructions suspending liquidation will remain in effect until further notice.

In accordance with section 736(a)(3) of the Act, we will instruct CBP to require cash deposits of estimated antidumping duties. In its final determination in the companion countervailing duty ("CVD") investigation, the Department found that TPCO's and Hengyang's merchandise benefited from export subsidies.¹ Additionally, because the Department found that TPCO and Hengyang, the companies that it investigated in the CVD case, benefited from export subsidies, all other exporters have benefited from export subsidies based upon the results determined for TPCO and Hengyang. Therefore, we will instruct CBP to require an antidumping duty cash deposit equal to the weighted-

average amount by which the normal value exceeds the U.S. price for TPCO and Hengyang, as indicated in the table above, minus the amount determined to constitute an export subsidy for each company. For the separate-rate companies, we will instruct CBP to adjust the dumping margin by the amount of export subsidies included in the All Others rate from the *CVD Final*. Accordingly, as of the date of publication of the ITC's final affirmative injury determination, CBP will require, at the same time as importers would normally deposit estimated duties on this subject merchandise, a cash deposit equal to the estimated weighted-average antidumping duty margins discussed above, minus the amount determined to constitute an export subsidy. *See* section 735(c)(1) of the Act. The "PRC-wide" rate applies to all exporters of subject merchandise not specifically listed.

Additionally, in accordance with section 736 of the Act, the Department will also direct CBP to assess antidumping duties on all unliquidated entries of seamless pipe from the PRC entered, or withdrawn from warehouse, for consumption on or after the date on which the ITC published its notice of final determination of threat of material injury in the **Federal Register**.

This notice constitutes the antidumping duty order with respect to seamless pipe from the PRC pursuant to section 736(a) of the Act. Interested parties may contact the Department's Central Records Unit, Room 7043 of the main Commerce building, for copies of an updated list of antidumping duty orders currently in effect.

This order is published in accordance with section 736(a) of the Act and 19 CFR 351.211.

Edward C. Yang,

Acting Deputy Assistant Secretary for Import Administration.

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¹ *See Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from the People's Republic of China: Final Affirmative Countervailing Duty Determination, Final Affirmative Critical Circumstances Determination*, 75 FR 57444 (September 21, 2010) ("*CVD Final*").