

**Case History**

The following events have occurred since the announcement of the preliminary determination published in the **Federal Register** on November 13, 2007. See *Circular Welded Carbon Quality Steel Pipe from the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination; Preliminary Affirmative Determination of Critical Circumstances; and Alignment of Final Countervailing Duty Determination with Final Antidumping Duty Determination*, 72 FR 63875 (November 13, 2007) ("*Preliminary Determination*").

On November 13, 2007, the Department issued questionnaires to Weifang East Steel Pipe Co., Ltd. ("East Pipe"); Zhejiang Kingland Pipeline and Technologies Co., Ltd., Kingland Group Co., Ltd., Beijing Kingland Century Technologies Co., Ltd., Zhejiang Kingland Pipeline Industry Co., Ltd., and Shanxi Kingland Pipeline Co., Ltd. (collectively, "Kingland") and, the Government of the People's Republic of China ("GOC") regarding new subsidy allegations made by petitioners on October 3, 2007. We received responses to these questionnaires from Kingland on November 22, 2007, and from the GOC and East Pipe on December 5, 2007.

We issued supplemental questionnaires to East Pipe and Kingland on November 16, 2007, and to the GOC on November 19, 2007. We received responses to these questionnaires from Kingland on December 4, 2007, from East Pipe on December 12, 2007, and from the GOC on December 17, 2007. We issued additional supplemental questionnaires to Kingland on December 14, 2007, and East Pipe on December 17, 2007. We received responses to these questionnaires from Kingland and East Pipe on December 27, 2007.

The GOC, East Pipe, Kingland, Petitioners, and interested parties also submitted factual information, comments, and arguments at numerous instances prior to the final determination based on various deadlines for submissions of factual information and/or arguments established by the Department subsequent to the *Preliminary Determination*.

From January 14 through January 23, 2008, we conducted verification of the questionnaire responses submitted by the GOC, Kingland, and East Pipe.

On April 9, 2008, we issued our post-preliminary determination regarding the provision of land for less than adequate remuneration and new subsidy

allegations. We addressed our preliminary findings in an April 9, 2008, memorandum to David M. Spooner, Assistant Secretary for Import Administration, entitled *Post-Preliminary Findings for the Provision of Land for Less Than Adequate Remuneration and New Subsidy Allegations*, which is on file in the Central Records Unit ("CRU").

We received case briefs from the GOC, East Pipe, Kingland, Petitioners, certain members of the Specialty Steel Industry of North America ("SSINA"), United States Steel Corporation ("US Steel"), Western International Forest Products, LLC ("Western"), MAN Ferrostaal, Inc., Commercial Metals Company and QT Trading LP (collectively, "MAN Ferrostaal"), and SeAH Steel America ("SSA") on April 17, 2008. The same parties submitted rebuttal briefs on April 22 and April 29, 2008. We held a hearing for this investigation on May 5, 2008.

**Scope of the Investigation**

The scope of this investigation covers certain welded carbon quality steel pipes and tubes, of circular cross-section, and with an outside diameter of 0.372 inches (9.45 mm) or more, but not more than 16 inches (406.4 mm), whether or not stenciled, regardless of wall thickness, surface finish (e.g., black, galvanized, or painted), end finish (e.g., plain end, beveled end, grooved, threaded, or threaded and coupled), or industry specification (e.g., ASTM, proprietary, or other), generally known as standard pipe and structural pipe (they may also be referred to as circular, structural, or mechanical tubing).

Specifically, the term "carbon quality" includes products in which (a) iron predominates, by weight, over each of the other contained elements; (b) the carbon content is 2 percent or less, by weight; and (c) none of the elements listed below exceeds the quantity, by weight, as indicated:

- (i) 1.80 percent of manganese;
- (ii) 2.25 percent of silicon;
- (iii) 1.00 percent of copper;
- (iv) 0.50 percent of aluminum;
- (v) 1.25 percent of chromium;
- (vi) 0.30 percent of cobalt;
- (vii) 0.40 percent of lead;
- (viii) 1.25 percent of nickel;
- (ix) 0.30 percent of tungsten;
- (x) 0.15 percent of molybdenum;
- (xi) 0.10 percent of niobium;
- (xii) 0.41 percent of titanium;
- (xiii) 0.15 percent of vanadium; or
- (xiv) 0.15 percent of zirconium.

Standard pipe is made primarily to American Society for Testing and Materials ("ASTM") specifications, but

**DEPARTMENT OF COMMERCE****International Trade Administration**

[C-570-911]

**Circular Welded Carbon Quality Steel Pipe from the People's Republic of China: Final Affirmative Countervailing Duty Determination and Final Affirmative Determination of Critical Circumstances**

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

**SUMMARY:** The Department of Commerce (the "Department") has determined that countervailable subsidies are being provided to producers and exporters of circular welded carbon quality steel pipe ("CWP") from the People's Republic of China ("PRC"). For information on the estimated countervailing duty rates, please see the "Suspension of Liquidation" section, below.

**EFFECTIVE DATE:** June 5, 2008.

**FOR FURTHER INFORMATION CONTACT:** Shane Subler, Damian Felton or Salim Bhabhrawala, AD/CVD Operations, Office 1, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0189, (202) 482-0133 or (202) 482-1784 respectively.

**SUPPLEMENTARY INFORMATION:****Petitioner**

The Petitioners in this investigation are the Ad Hoc Coalition for Fair Pipe Imports from the People's Republic of China and the United States Steel Workers (collectively, "Petitioners").

**Period of Investigation**

The period for which we are measuring subsidies, or period of investigation, is January 1, 2006, through December 31, 2006.

can be made to other specifications. Standard pipe is made primarily to ASTM specifications A-53, A-135, and A-795. Structural pipe is made primarily to ASTM specifications A-252 and A-500. Standard and structural pipe may also be produced to proprietary specifications rather than to industry specifications. This is often the case, for example, with fence tubing. Pipe multiple-stenciled to a standard and/or structural specification and to any other specification, such as the American Petroleum Institute ("API") API-5L specification, is also covered by the scope of this investigation when it meets the physical description set forth above and also has one or more of the following characteristics: is 32 feet in length or less; is less than 2.0 inches (50 mm) in outside diameter; has a galvanized and/or painted surface finish; or has a threaded and/or coupled end finish. (The term "painted" does not include coatings to inhibit rust in transit, such as varnish, but includes coatings such as polyester.)

The scope of this investigation does not include: (a) pipe suitable for use in boilers, superheaters, heat exchangers, condensers, refining furnaces and feedwater heaters, whether or not cold drawn; (b) mechanical tubing, whether or not cold-drawn; (c) finished electrical conduit; (d) finished scaffolding; (e) tube and pipe hollows for redrawing; (f) oil country tubular goods produced to API specifications; and (g) line pipe produced to only API specifications.

The pipe products that are the subject of this investigation are currently classifiable in HTSUS statistical reporting numbers 7306.30.10.00, 7306.30.50.25, 7306.30.50.32, 7306.30.50.40, 7306.30.50.55, 7306.30.50.85, 7306.30.50.90, 7306.50.10.00, 7306.50.50.50, 7306.50.50.70, 7306.19.10.10, 7306.19.10.50, 7306.19.51.10, and 7306.19.51.50. However, the product description, and not the Harmonized Tariff Schedule of the United States ("HTSUS") classification, is dispositive of whether merchandise imported into the United States falls within the scope of the investigation.

#### Scope Comments

The scope listed above has changed from the *Preliminary Determination*.

On December 19, 2007, Petitioners requested that the Department clarify the scope of this investigation and the companion antidumping duty investigation of CWP from the PRC. We have analyzed the request and comments of the interested parties regarding the scope of this investigation.

Our position on these comments is discussed in the final determination in the companion antidumping duty investigation of CWP from the PRC.

#### Injury Test

Because the PRC is a "Subsidies Agreement Country" within the meaning of section 701(b) of the Tariff Act of 1930, as amended, (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 the PRC materially injure, or threaten material injury to a U.S. industry. On August 3, 2007, the ITC published its preliminary determination that there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury by reason of imports from China of circular welded carbon-quality steel pipe. 72 FR 43295.

#### Critical Circumstances

In the *Preliminary Determination*, the Department determined that critical circumstances exist with respect to imports of circular welded pipe from certain PRC exporters, pursuant to section 703(e) of the Act and 19 CFR 351.206. *Preliminary Determination*, 72 FR at 63879-80. The Department continues to find critical circumstances in this final determination. For further discussion on this issue, see "Issues and Decision Memorandum for the Final Determination," from Stephen J. Claeys, Deputy Assistant Secretary for Import Administration, to David M. Spooner, Assistant Secretary for Import Administration, dated May 29, 2008 ("Decision Memorandum") at Comments 10, 11, and 12, and Memorandum to the File Re "Critical Circumstances Analysis for Zhejiang Kingland Pipeline and Technologies Co., Ltd. Import Shipment Analysis for Zhejiang Kingland Pipeline and Technologies Co., Ltd. and "All Others" (May 29, 2008) ("Final Critical Circumstances Memorandum") (this memorandum is on file in the Department's CRU).

#### Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties to this investigation are addressed in the *Decision Memorandum*, which is hereby adopted by this notice. Attached to this notice as an Appendix is a list of the issues that parties have raised and to which we have responded in the *Decision Memorandum*. Parties can find a complete discussion of all issues raised in this investigation and the corresponding recommendations in this

public memorandum, which is on file in the CRU. In addition, a complete version of the *Decision Memorandum* can be accessed directly on the Internet at <http://ia.ita.doc.gov/frn/>. The paper copy and electronic version of the *Decision Memorandum* are identical in content.

#### Use of Adverse Facts Available

Sections 776(a)(1) and (2) of the Act provide that the Department shall apply "facts otherwise available" if, *inter alia*, necessary information is not on the record or an interested party or any other person: (A) withholds information that has been requested; (B) fails to provide information within the deadlines established, or in the form and manner requested by the Department, subject to subsections (c)(1) and (e) of section 782 of the Act; (C) significantly impedes a proceeding; or (D) provides information that cannot be verified as provided by section 782(i) of the Act.

Where the Department determines that a response to a request for information does not comply with the request, section 782(d) of the Act provides that the Department will so inform the party submitting the response and will, to the extent practicable, provide that party the opportunity to remedy or explain the deficiency. If the party fails to remedy the deficiency within the applicable time limits and subject to section 782(e) of the Act, the Department may disregard all or part of the original and subsequent responses, as appropriate. Section 782(e) of the Act provides that the Department "shall not decline to consider information that is submitted by an interested party and is necessary to the determination but does not meet all applicable requirements established by the administering authority" if the information is timely, can be verified, is not so incomplete that it cannot be used, and if the interested party acted to the best of its ability in providing the information. Where all of these conditions are met, the statute requires the Department to use the information if it can do so without undue difficulties.

Section 776(b) of the Act further provides that the Department may use an adverse inference in applying the facts otherwise available when a party has failed to cooperate by not acting to the best of its ability to comply with a request for information. Section 776(b) of the Act also authorizes the Department to use as adverse facts available ("AFA") information derived from the petition, the final determination, a previous

administrative review, or other information placed on the record.

Section 776(c) of the Act provides that, when the Department relies on secondary information rather than on information obtained in the course of an investigation or review, it shall, to the extent practicable, corroborate that information from independent sources that are reasonably at its disposal. Secondary information is defined as “{i}nformation derived from the petition that gave rise to the investigation or review, the final determination concerning the subject merchandise, or any previous review under section 751 concerning the subject merchandise.” See *Statement of Administrative Action* (“SAA”) accompanying the Uruguay Round Agreements Act, attached to H.R. Rep. No. 103–316, Vol. I at 870 (1994), reprinted in 1994 U.S.C.C.A.N. 3773, 4163 (“SAA”). Corroborate means that the Department will satisfy itself that the secondary information to be used has probative value. See SAA at 870. To corroborate secondary information, the Department will, to the extent practicable, examine the reliability and relevance of the information to be used. The SAA emphasizes, however, that the Department need not prove that the selected facts available are the best alternative information. See SAA at 869.

The Department has concluded that it is appropriate to base the final determination for Tianjin Shuangjie Steel Pipe Group Co., Ltd. (“Shuangjie”) on facts otherwise available. Shuangjie failed to respond at all to the Department’s October 24, 2007, request for shipment data relating to the allegation of critical circumstances, did not respond to the Department’s October 25, 2007, supplemental questionnaire, and finally, on October 31, 2007, withdrew all of its proprietary information from the record.

Consequently, the use of facts otherwise available is warranted under section 776(a)(2)(A) of the Act.

In selecting from among the facts available, the Department has determined that an adverse inference is warranted, pursuant to section 776(b) of the Act because, in addition to not fully responding to all of our requests for information, Shuangjie withdrew from all participation in the investigation and did not provide the Department with the opportunity to verify the information it did submit. Thus, Shuangjie failed to cooperate by not acting to the best of its ability, and our final determination is based on total AFA.

We have also determined that it is appropriate to apply facts available with respect to certain information that the

GOC failed to provide, or information that could not be verified. Specifically, despite the Department’s requests to submit sub-national government plans relating to the steel industry in the PRC, the GOC stated that none existed. However, at verification the Department discovered the existence of the Shandong Provincial Steel Plan. Additionally, the Department was unable to verify information regarding the level of state ownership in the HRS industry in the PRC because the GOC misrepresented the source of the data. In both instances, the GOC failed to act to the best of its ability and, consequently, application of AFA is warranted.

#### **Selection of the Adverse Facts Available**

In deciding which facts to use as AFA, section 776(b) of the Act and 19 CFR 351.308(c)(1) authorize the Department to rely on information derived from (1) the petition, (2) a final determination in the investigation, (3) any previous review or determination, or (4) any information placed on the record. It is the Department’s practice to select, as AFA, the highest calculated rate in any segment of the proceeding. See, e.g., *Certain In-shell Roasted Pistachios from the Islamic Republic of Iran: Final Results of Countervailing Duty Administrative Review*, 71 FR 66165 (November 13, 2006), and accompanying Issues and Decision Memorandum at “Analysis of Programs” & Comment 1.

The Department’s practice when selecting an adverse rate from among the possible sources of information is to ensure that the margin is sufficiently adverse “as to effectuate the purpose of the facts available role to induce respondents to provide the Department with complete and accurate information in a timely manner.” See *Notice of Final Determination of Sales at Less than Fair Value: Static Random Access Memory Semiconductors From Taiwan*, 63 FR 8909, 8932 (February 23, 1998). The Department’s practice also ensures “that the party does not obtain a more favorable result by failing to cooperate than if it had cooperated fully.” See SAA at 870. In choosing the appropriate balance between providing a respondent with an incentive to respond accurately and imposing a rate that is reasonably related to the respondent’s prior commercial activity, selecting the highest prior margin “reflects a common sense inference that the highest prior margin is the most probative evidence of current margins, because, if it were not so, the importer, knowing of the rule, would have produced current information showing the margin to be

less.” See *Rhone Poulenc, Inc. v. United States*, 899 F. 2d 1185, 1190 (Fed. Cir. 1990).

Therefore, for every program based on the provision of goods at less than adequate remuneration, the Department used the Kingland rate for the provision of hot-rolled steel for less than adequate remuneration. For value added tax (“VAT”) programs, we are unable to utilize company-specific rates from this proceeding because neither respondent received any countervailable subsidies from these subsidy programs. Therefore, for VAT programs we are also applying the highest subsidy rate for any program otherwise listed, which in this instance is Kingland’s rate for the provision of hot-rolled steel for less than adequate remuneration.

Similarly, for the grant programs, we are not relying on the highest calculated final rate because it is *de minimis*. Instead, we are applying the highest calculated final subsidy rate, which in this instance is Kingland’s rate for the provision of hot-rolled steel for less than adequate remuneration.

Finally, for the six alleged income tax programs pertaining to either the reduction of the income tax rates or exemption from income tax, we have applied an adverse inference that Shuangjie paid no income tax during the period of investigation (*i.e.*, calendar year 2006). The standard income tax rate for corporations in the PRC is 30 percent, plus a 3 percent provincial income tax rate. Therefore, the highest possible benefit for these six income tax rate programs is 33 percent. We are applying the 33 percent AFA rate on a combined basis (*i.e.*, the six programs combined provided a 33 percent benefit). This 33 percent AFA rate does not apply to income tax deduction or credit programs. For income tax deduction or credit programs, we are applying the highest subsidy rate for any program otherwise listed, which in this instance is Kingland’s rate for the provision of hot-rolled-steel at less than adequate remuneration.

In a change from the *Preliminary Determination*, we are not assigning rates for alleged provincial subsidy programs where record evidence shows that Tianjin Shuangjie was not located in those provinces. See *Decision Memorandum* at Comment 15.

We do not need to corroborate these rates because they are not considered secondary information as they are based on information obtained in the course of this investigation, pursuant to section 776(c) of the Act. See also SAA at 870.

Regarding the application of adverse facts available to the GOC, we have treated companies as state-owned

where the GOC did not provide information regarding the companies' ownership. Also, where the provincial steel plan was not provided, we are finding that policy lending existed in that province. See *Decision Memorandum* at "Analysis of Programs;" Comment 3; and Comment 8.

**Suspension of Liquidation**

In accordance with section 705(c)(1)(B)(i)(I) of the Act, we have calculated an individual rate for the companies under investigation, East Pipe, Kingland and Shuangjie. Section 705(c)(5)(A)(i) of the Act states that for companies not investigated, we will determine an "all others" rate equal to the weighted average countervailable subsidy rates established for exporters and producers individually investigated, excluding any zero and *de minimis* countervailable subsidy rates, and any rates determined entirely under section 776. As Shuangjie's rate was calculated under section 776 of the Act, it is not included in the "all others" rate.

Notwithstanding the language of section 705(c)(1)(B)(i)(I) of the Act, we have not calculated the "all others" rate by weight averaging the rates of East Pipe and Kingland, because doing so risks disclosure of proprietary information. Therefore, we have calculated a simple average of the two responding firms' rates. Since there were either no or *de minimis* countervailable export subsidies for Kingland and East Pipe and because the "all others" rate is a simple average based on the individually investigated exporters and producers, the "all others" rate does not include export subsidies.

Exporter/Manufacturer	Net Subsidy Rate
Weifang East Steel Pipe Co., Ltd. ....	29.57%
Zhejiang Kingland Pipeline and Technologies Co., Ltd., and affiliated companies. ....	44.86 %
Tianjin Shuangjie Steel Pipe Co., Ltd.; Tianjin Shuangjie Steel Pipe Group Co., Ltd.; Tianjin Wa Song Imp. & Exp. Co., Ltd.; and Tianjin Shuangjian Galvanizing Products Co., Ltd. ....	615.92%
All Others .....	37.22%

Because we preliminarily determined that critical circumstances exist for entries of CWP manufactured/exported by Kingland, Shuangjie and "all other" Chinese manufacturers/exporters and pursuant to sections 703(d)(1)(B) and (2)

and 703(e)(2)(A) of the Act, we instructed the U.S. Customs and Border Protection ("CBP") to suspend liquidation of entries of CWP manufactured/exported by Kingland, Shuangjie and "all other" Chinese exports of CWP which were entered or withdrawn from warehouse, for consumption on or after November 13, 2007, and to apply the suspension of liquidation to any unliquidated entries entered, or withdrawn from warehouse for consumption, on or after August 15, 2007 (90 days before the date of publication of the *Preliminary Determination*). Also, in accordance with section 703(d) of the Act, we instructed CBP to discontinue the suspension of liquidation for countervailing duty purposes for subject merchandise entered on or after March 12, 2008, but to continue the suspension of liquidation of entries made from August 15, 2007, through March 12, 2008. *Preliminary Determination*, 72 FR at 6386.

For entries of CWP manufactured/exported by East Pipe, we did not instruct CBP to suspend liquidation because we preliminarily determined that East Pipe did not receive any countervailable subsidies.

We will issue a countervailing duty order and reinstate the suspension of liquidation under section 706(a) of the Act (for all companies including East Pipe) if the International Trade Commission ("ITC") issues a final affirmative injury determination, and will require a cash deposit of estimated countervailing duties for such entries of merchandise in the amounts indicated above. If the ITC determines that material injury, or threat of material injury, does not exist, this proceeding will be terminated and all estimated duties deposited or securities posted as a result of the suspension of liquidation will be refunded or canceled.

**ITC Notification**

In accordance with section 705(d) of the Act, we will notify the ITC of our determination. In addition, we are making available to the ITC all non-privileged and non-proprietary information related to this investigation. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under an APO, without the written consent of the Assistant Secretary for Import Administration.

**Return or Destruction of Proprietary Information**

In the event that the ITC issues a final negative injury determination, this notice will serve as the only reminder to parties subject to an administrative protective order ("APO") of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

This determination is published pursuant to sections 705(d) and 777(i) of the Act.

Dated: May 29, 2008.

**David M. Spooner,**  
*Assistant Secretary for Import Administration.*

**Appendix**

*List of Comments and Issues in the Decision Memorandum*

- Comment 1:* The Department's Authority to Apply the Countervailing Duty Law to China
- Comment 2:* Subsidies Prior to China's Accession to the World Trade Organization

*Comment 3:* Adverse Facts Available ("AFA")

*Comment 4:* Attribution of Subsidies Received by Affiliates of Zhejiang Kingland Pipeline and Technologies Co., Ltd.

*Comment 5:* Scope of the Investigation  
*Comment 6:* Sales Denominator for Weifang East Steel Pipe Company Ltd.  
*Comment 7:* Provision of Hot-rolled Steel for Less Than Adequate Remuneration

*Comment 8:* Government Policy Lending

*Comment 9:* Provision of Electricity for Less Than Adequate Remuneration

*Comment 10:* Critical Circumstances on an Importer Specific Basis  
*Comment 11:* Base and Comparison Period for Critical Circumstances  
*Comment 12:* Kingland Export Subsidy and Finding of Critical Circumstances  
*Comment 13:* East Pipe Debt Forgiveness

*Comment 14:* Discount Rate  
*Comment 15:* Programs Included in AFA Rate for Tianjin Shuangjie Steel Pipe Co., Ltd.

*Comment 16: Double Remedy*  
[FR Doc. E8-12606 Filed 6-4-08; 8:45 am]  
BILLING CODE 3510-DS-S

## DEPARTMENT OF COMMERCE

### International Trade Administration

A-570-910

#### Notice of Final Determination of Sales at Less Than Fair Value and Affirmative Final Determination of Critical Circumstances: Circular Welded Carbon Quality Steel Pipe from the People's Republic of China

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

**EFFECTIVE DATE:** June 5, 2008.

**SUMMARY:** The Department of Commerce ("the Department") has determined that circular welded carbon quality steel pipe ("CWP") from the People's Republic of China ("PRC") is being, or is likely to be, sold in the United States at less than fair value ("LTFV") as provided in section 735 of the Tariff Act of 1930, as amended ("the Act"). The final dumping margins for this investigation are listed in the "Final Determination Margins" section below.

**FOR FURTHER INFORMATION CONTACT:** Thomas Martin or Maisha Cryor, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3936 or (202) 482-5831, respectively.

#### SUPPLEMENTARY INFORMATION:

##### Case History

On January 15, 2008, the Department published in the *Federal Register* its preliminary determination that CWP from PRC is being, or is likely to be, sold in the United States at LTFV, as provided in the Act. See *Circular Welded Carbon Quality Steel Pipe from the People's Republic of China: Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 73 FR 2445, 2451 (January 15, 2008) ("Preliminary Determination"). For the *Preliminary Determination*, the Department calculated a zero percent dumping margin for Jiangsu Yulong Steel Pipe Co., Ltd. ("Yulong"). On March 12, 2008, Petitioners,<sup>1</sup> mandatory

respondent Yulong, separate rate applicants Weifang East Steel Pipe Co., Ltd., Tianjin Baloai International Trade Co., Ltd., Shijiazhuang Zhongqing Import and Export Co., Ltd., and Shandong Fubo Group Co. (collectively, "Weifang East Pipe"), and two U.S. importers of subject merchandise, SeAH Steel America, Ltd. ("SeAH") and Western International Forest Products, LLC ("Western"), filed case briefs pursuant to the *Preliminary Determination*.<sup>2</sup> On March 20, 2008, Petitioners, Yulong, and one U.S. importer, MAN Ferrostaal Inc., Commercial Metals Company, and QT Trading LP (collectively, "MAN Ferrostaal"), filed rebuttal briefs.<sup>3</sup> On March 24, 2008, the Department held a public hearing. Subsequent to the submission of briefs and the hearing, the Department received an allegation that a PRC pipe company involved in the investigation submitted falsified documents to the Department. Following the Department's request for comments on this allegation, on April 7, 2008, Yulong withdrew from the investigation and stated that it did not contest the allegation. See *Amended Preliminary Determination of Sales at Less Than Fair Value: Circular Welded Carbon Quality Steel Pipe from the People's Republic of China*, 73 FR 22130, 22131 (April 24, 2008) ("*Amended Preliminary Determination*") In light of Yulong's withdrawal from the investigation, on April 24, 2008, the Department published its *Amended Preliminary Determination*, in which the Department applied total adverse facts available ("AFA") to Yulong and denied Yulong a separate rate, treating it as part of the PRC-wide entity. In addition, the Department assigned a new rate to the PRC-wide entity and provided parties with the opportunity to submit a second set of case briefs and rebuttal briefs. On April 28, 2008, Weifang East Pipe submitted a case brief pursuant to the

<sup>2</sup> Petitioners' March 12, 2008, case brief is hereinafter referred to as the "Petitioners' March Case Brief." The Yulong March 12, 2008, case brief is hereinafter referred to as the "Yulong March Case Brief." The Weifang East Pipe March 12, 2008, case brief is hereinafter referred to as the "Weifang East Pipe March Case Brief." The SeAH March 12, 2008, case brief is hereinafter referred to as the "SeAH March Case Brief." The Western March 12, 2008, case brief is hereinafter referred to as the "Western March Case Brief."

<sup>3</sup> Petitioners' March 20, 2008, rebuttal brief is hereinafter referred to as the "Petitioners' March Rebuttal Brief." The Yulong March 20, 2008, rebuttal brief is hereinafter referred to as the "Yulong March Rebuttal Brief." The MAN Ferrostaal March 20, 2008, rebuttal brief is hereinafter referred to as the "MAN Ferrostaal March Rebuttal Brief."

*Amended Preliminary Determination*.<sup>4</sup> On April 30, 2008, Petitioners submitted a rebuttal brief in response to Weifang East Pipe's April Case Brief.<sup>5</sup>

#### Analysis of Comments Received

All issues raised in the case and rebuttal briefs by the parties to this investigation are addressed in the "Issues and Decision Memorandum for the Final Determination of Sales at Less than Fair Value: Circular Welded Carbon Quality Steel Pipe from the People's Republic of China," dated concurrently with this notice, which is hereby adopted by this notice in its entirety ("Issues and Decision Memorandum"). A list of the issues which parties raised and to which we respond in the Issues and Decision Memorandum is attached to this notice as an Appendix. The Issues and Decision Memorandum is a public document and is on file in the Central Records Unit ("CRU"), Main Commerce Building, Room 1117, and is accessible on the Web at <http://www.trade.gov/ia>. The paper copy and electronic version of the memorandum are identical in content.

#### Period of Investigation

The period of investigation ("POI") is October 1, 2006, through March 31, 2007.

#### Changes Since the Amended Preliminary Determination

Based on our analysis of comments received, we have made no changes in our margin calculations since the Department's *Amended Preliminary Determination*.

#### Scope of Investigation

The scope of this investigation covers certain welded carbon quality steel pipes and tubes, of circular cross-section, and with an outside diameter of 0.372 inches (9.45 mm) or more, but not more than 16 inches (406.4 mm), whether or not stenciled, regardless of wall thickness, surface finish (e.g., black, galvanized, or painted), end finish (e.g., plain end, beveled end, grooved, threaded, or threaded and coupled), or industry specification (e.g., ASTM, proprietary, or other), generally known as standard pipe and structural pipe (they may also be referred to as circular, structural, or mechanical tubing).

<sup>4</sup> The Weifang East Pipe April 28, 2008, case brief is hereinafter referred to as the "Weifang East Pipe April Case Brief."

<sup>5</sup> Petitioners' April 30, 2008, rebuttal brief is hereinafter referred to as the "Petitioners' April Rebuttal Brief."

<sup>1</sup> Petitioners in this investigation are Allied Tube & Conduit, Sharon Tube Company, IPSCO Tubulars, Inc., Western Tube & Conduit Corporation, Northwest Pipe Company, Wheatland Tube Co., i.e., the Ad Hoc Coalition For Fair Pipe Imports From China, and the United Steelworkers.

Specifically, the term “carbon quality” includes products in which (a) iron predominates, by weight, over each of the other contained elements; (b) the carbon content is 2 percent or less, by weight; and (c) none of the elements listed below exceeds the quantity, by weight, as indicated:

- (i) 1.80 percent of manganese;
- (ii) 2.25 percent of silicon;
- (iii) 1.00 percent of copper;
- (iv) 0.50 percent of aluminum;
- (v) 1.25 percent of chromium;
- (vi) 0.30 percent of cobalt;
- (vii) 0.40 percent of lead;
- (viii) 1.25 percent of nickel;
- (ix) 0.30 percent of tungsten;
- (x) 0.15 percent of molybdenum;
- (xi) 0.10 percent of niobium;
- (xii) 0.41 percent of titanium;
- (xiii) 0.15 percent of vanadium; or
- (xiv) 0.15 percent of zirconium.

Standard pipe is made primarily to American Society for Testing and Materials (“ASTM”) specifications, but can be made to other specifications. Standard pipe is made primarily to ASTM specifications A–53, A–135, and A–795. Structural pipe is made primarily to ASTM specifications A–252 and A–500. Standard and structural pipe may also be produced to proprietary specifications rather than to industry specifications. This is often the case, for example, with fence tubing. Pipe multiple–stenciled to a standard and/or structural specification and to any other specification, such as the American Petroleum Institute (“API”) API–5L specification, is also covered by the scope of this investigation when it meets the physical description set forth above and also has one or more of the following characteristics: is 32 feet in length or less; is less than 2.0 inches (50 mm) in outside diameter; has a galvanized and/or painted surface finish; or has a threaded and/or coupled end finish. (The term “painted” does not include coatings to inhibit rust in transit, such as varnish, but includes coatings such as polyester.)

The scope of this investigation does not include: (a) pipe suitable for use in boilers, superheaters, heat exchangers, condensers, refining furnaces and feedwater heaters, whether or not cold drawn; (b) mechanical tubing, whether or not cold–drawn; (c) finished electrical conduit; (d) finished scaffolding; (e) tube and pipe hollows for redrawing; (f) oil country tubular goods produced to API specifications; and (g) line pipe produced to only API specifications.

The pipe products that are the subject of this investigation are currently classifiable in HTSUS statistical reporting numbers 7306.30.10.00,

7306.30.50.25, 7306.30.50.32, 7306.30.50.40, 7306.30.50.55, 7306.30.50.85, 7306.30.50.90, 7306.50.10.00, 7306.50.50.50, 7306.50.50.70, 7306.19.10.10, 7306.19.10.50, 7306.19.51.10, and 7306.19.51.50. However, the product description, and not the Harmonized Tariff Schedule of the United States (“HTSUS”) classification, is dispositive of whether merchandise imported into the United States falls within the scope of the investigation.

#### Scope Comments

In its March case brief, Petitioners argued that the Department should revise; 1) the scope of the investigation to be based upon end–use application, and 2) the definition of “painted.” For the reasons discussed in the Issues and Decision Memorandum, we have not revised the scope of the investigation. However, we have revised the definition of the term “painted,” and have updated the scope accordingly. See Issues and Decision Memorandum at Comment 1.

#### Non–Market Economy Treatment

In the *Preliminary Determination and Amended Preliminary Determination*, the Department considered the PRC to be a non–market economy (“NME”) country. In accordance with section 771(18)(C)(i) of the Act, any determination that a country is an NME country shall remain in effect until revoked by the administering authority. See *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the People’s Republic of China: Preliminary Results of 2001–2002 Administrative Review and Partial Rescission of Review*, 68 FR 7500 (February 14, 2003), unchanged in *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People’s Republic of China: Final Results of 2001–2002 Administrative Review and Partial Rescission of Review*, 68 FR 70488 (December 18, 2003). In its March case brief, Weifang East Pipe argued that the PRC should be granted market economy status. See Weifang East Pipe March Case Brief, at 6. For the reasons discussed in the Issues and Decision Memorandum, we disagree with Weifang East Pipe and have continued to treat the PRC as an NME. See Issues and Decision Memorandum at Comment 2.

#### Separate Rates

In proceedings involving NME countries, the Department begins with a rebuttable presumption that all companies within the country are subject to government control and, thus, should be assigned a single

antidumping duty deposit rate. It is the Department’s policy to assign all exporters of merchandise subject to an investigation in an NME country this single rate unless an exporter can demonstrate that it is sufficiently independent so as to be entitled to a separate rate. See *Final Determination of Sales at Less Than Fair Value: Sparklers from the People’s Republic of China*, 56 FR 20588 (May 6, 1991) (“*Sparklers*”), as amplified by *Notice of Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the People’s Republic of China*, 59 FR 22585 (May 2, 1994) (“*Silicon Carbide*”), and Section 351.107(d) of the Department’s regulations.

In the *Preliminary Determination*, we found that the following separate rate applicants demonstrated their eligibility for separate–rate status: Wai Ming (Tianjin) Int’l Trading Co., Ltd.; Weifang East Steel Pipe Co., Ltd.; Wuxi Fastube Industry Co., Ltd.; Wuxi Eric Steel Pipe Co., Ltd.; Beijing Sai Lin Ke Hardware Co., Ltd.; Wah Cit Enterprises; Guangdong Walsall Steel Pipe Industrial Co., Ltd.; Shijiazhuang Zhongqing Imp & Exp Co., Ltd.; Tianjin Baolai Int’l Trade Co., Ltd.; Dalian Brollo Steel Tubes Ltd.; Benxi Northern Pipes Co., Ltd.; Shanghai Metals & Minerals Import & Export Corp.; Huludao Steel Pipe Industrial Co., Ltd.; Tianjin Xingyuda Import & Export Co. Ltd.; Jiangyin Jianye Metal Products Co., Ltd.; Rizhao Xingye Import & Export Co., Ltd.; Kunshan Hongyuan Machinery Manufacture Co., Ltd.; Tianjin No. 1 Steel Rolled Co., Ltd.; Qingdao Yongjie Import & Export Co., Ltd.; Jiangsu Guoqiang Zinc–Plating Industrial Company, Ltd.; Qingdao Xiangxing Steel Pipe Co., Ltd.; Hengshui Jinghua Steel Pipe Co., Ltd.; Zhangjiagang Zhongyuan Pipe–Making Co., Ltd.; Kunshan Lets Win Steel Machinery Co., Ltd.; and Shenyang BOYU M/E Co., Ltd.

No party has commented on the eligibility of these companies for separate–rate status. For the final determination, we continue to find that the evidence placed on the record of this investigation by these companies demonstrates both a *de jure* and *de facto* absence of government control with respect to their respective exports of the merchandise under investigation. Thus, we continue to find that they are eligible for separate–rate status. Normally the separate rate is determined based on the estimated weighted–average dumping margins established for exporters and producers individually investigated, excluding *de minimis* margins or margins based entirely on AFA. See section 735(c)(5)(A) of the Act. In this case, given the absence of participating

respondents and having calculated no margins, we have assigned to the separate rate companies the simple average of the margins alleged in the petition. See *Amended Preliminary Determination*, 73 FR at 22133.

We determined in the *Preliminary Determination* that Shandong Fubo Group Co. (“Fubo”) and Tianjin Youcheng Galvanized Steel Pipe Co., Ltd. (“Youcheng”) are not entitled to a separate rate. We received no comments on this denial of separate rates and, for the final determination, continue to find that Fubo and Youcheng are not entitled to a separate rate.

#### The PRC-Wide Rate

In the *Preliminary Determination*, the Department found that certain companies did not respond to our requests for information. See *Preliminary Determination*, 73 FR at 2451. In the *Preliminary Determination* we treated these PRC producers/exporters as part of the PRC-wide entity because they did not demonstrate that they operate free of government control over their export activities. In addition, in the *Amended Preliminary Determination*, the Department applied total AFA to Jiangsu Yulong Steel Pipe Co., Ltd. (“Yulong”). We determined, as AFA, that Yulong was not eligible for a separate rate, and, for the final determination, we are treating Yulong as part of the PRC-wide entity. No additional information was placed on the record with respect to any of these companies after the *Preliminary Determination* or the *Amended Preliminary Determination*. Therefore, pursuant to section 776(a)(2)(A) of the Act, the Department continues to find that the use of facts available is appropriate to determine the PRC-wide rate.

Section 776(b) of the Act provides that, in selecting from among the facts otherwise available, the Department may employ an adverse inference if an interested party fails to cooperate by not acting to the best of its ability to comply with requests for information. See *Notice of Final Determination of Sales at Less Than Fair Value: Certain Cold-Rolled Flat-Rolled Carbon-Quality Steel Products from the Russian Federation*, 65 FR 5510, 5518 (February 4, 2000). See also “Statement of Administrative Action” accompanying the URAA, H.R. Rep. No. 103-316, vol. 1, at 870 (1994) (“SAA”). We determined that, because the PRC-wide entity did not respond to our request for information, it has failed to cooperate to the best of its ability. Therefore, the Department finds that, in selecting from among the facts otherwise available, an adverse

inference is appropriate for the PRC-wide entity.

Because we begin with the presumption that all companies within a NME country are subject to government control and because only the companies listed under the “Final Determination Margins” section below have overcome that presumption, we are applying a single antidumping rate (*i.e.*, the PRC-wide entity rate) to all other exporters of subject merchandise from the PRC. Such companies did not demonstrate entitlement to a separate rate. See, *e.g.*, *Synthetic Indigo from the People’s Republic of China: Notice of Final Determination of Sales at Less Than Fair Value*, 65 FR 25706 (May 3, 2000). The PRC-wide entity rate applies to all entries of subject merchandise except for entries from the respondents which are listed in the “Final Determination Margins” section below.

In the *Amended Preliminary Determination*, we assigned to the PRC-wide entity the highest margin alleged in the petition, as revised in Petitioners’ supplemental responses, 85.55 percent. See *Amended Preliminary Determination*, 73 FR at 22133. We received no comments on this rate. Therefore, for the final determination, we have continued to assign to the PRC-wide entity the rate of 85.55 percent.

#### Corroboration

Section 776(c) of the Act provides that, when the Department relies on secondary information in using the facts otherwise available, it must, to the extent practicable, corroborate that information from independent sources that are reasonably at its disposal. We have interpreted “corroborate” to mean that we will, to the extent practicable, examine the reliability and relevance of the information submitted. See *Certain Cold-Rolled Flat-Rolled Carbon-Quality Steel Products From Brazil: Notice of Final Determination of Sales at Less Than Fair Value*, 65 FR 5554, 5568 (February 4, 2000); see, *e.g.*, *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from Japan, and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, from Japan; Preliminary Results of Antidumping Duty Administrative Reviews and Partial Termination of Administrative Reviews*, 61 FR 57391, 57392 (November 6, 1996).

Because there are no cooperating mandatory respondents, to corroborate the 85.55 percent margin used as adverse facts available for the PRC-wide entity, we relied upon our pre-initiation analysis of the adequacy and accuracy of the information in the petition. See

Antidumping Investigation Initiation Checklist: Circular Welded Carbon Quality Steel Pipe from the People’s Republic of China, (Initiation Checklist (“Initiation Checklist”)) (July 5, 2007). During the initiation stage, we examined evidence supporting the calculations in the petition and the supplemental information provided by Petitioners to determine the probative value of the margins alleged in the petition. During our pre-initiation analysis, we examined the information used as the basis of export price and NV in the petition, and the calculations used to derive the alleged margins. Also during our pre-initiation analysis, we examined information from various independent sources provided either in the petition or, based on our requests, in supplements to the petition, which corroborated key elements of the export price and NV calculations. *Id.* We received no comments as to the relevance or probative value of this information. Therefore, for the final determination, the Department finds that the rates derived from the petition for purposes of initiation have probative value for the purpose of being selected as the AFA rate assigned to the PRC-wide entity.

#### Final Critical Circumstances Determination

On December 11, 2007, the Department preliminarily found that critical circumstances existed for all PRC exporters of subject merchandise, including the separate rate applicant companies and companies subject to the PRC-wide rate. The Department affirmed this preliminary finding in the *Preliminary Determination* and the *Amended Preliminary Determination*. Pursuant to the *Preliminary Determination*, we received comments on this issue from SeAH and Western. See SeAH March Case Brief, at 3; see also Western March Case Brief, at 1. These companies argued that we should no longer find that critical circumstances exist for certain importers that had placed information on the record of the proceeding to support claims that their imports were not part of the “massive” imports found by the Department, pursuant to 19 CFR 351.206. We also received comments from Petitioners, who support the preliminary finding of critical circumstances for all PRC exporters, but who recommend certain modifications to the Department’s analysis. See Petitioners’ March Rebuttal Brief, at 19.

Based on the comments from interested parties, we have revised our analysis, but continue to find that critical circumstances exist with regard

to all imports of CWP from the PRC. For further details, see the Issues and Decision Memorandum at Comments 11–13; see also, Memorandum from Abdelali Elouaradia, Office Director, to Stephen J. Claeys, Deputy Assistant Secretary, “Antidumping Duty Investigation of Circular Welded Carbon Quality Steel Pipe (“CWP”) from the People’s Republic of China (“PRC”) - Final Affirmative Determination of Critical Circumstances,” dated May 29, 2008.

**Combination Rates**

In *Initiation of Antidumping Duty Investigation: Circular Welded Carbon Quality Steel Pipe from the People’s Republic of China*, 72 FR 36663 (July 5, 2007) (“*Initiation Notice*”), the Department stated that it would calculate combination rates for respondents that are eligible for a

separate rate in this investigation. See *Initiation Notice*. This change in practice is described in *Policy Bulletin 05.1*, available at <http://ia.ita.doc.gov/>. *Policy Bulletin 05.1*, states: {w}hile continuing the practice of assigning separate rates only to exporters, all separate rates that the Department will now assign in its NME investigations will be specific to those producers that supplied the exporter during the period of investigation. Note, however, that one rate is calculated for the exporter and all of the producers which supplied subject merchandise to it during the period of investigation. This practice applies both to mandatory respondents receiving an individually calculated separate rate as well as the pool of non–investigated firms receiving the

weighted–average of the individually calculated rates. This practice is referred to as the application of “combination rates” because such rates apply to specific combinations of exporters and one or more producers. The cash–deposit rate assigned to an exporter will apply only to merchandise both exported by the firm in question and produced by a firm that supplied the exporter during the period of investigation. See *Policy Bulletin 05.1*, “Separate Rates Practice and Application of Combination Rates in Antidumping Investigations Involving Non–Market Economy Countries.”

**Final Determination Margins**

We determine that the following percentage weighted–average margins exist for the POI:

Exporter	Producer	Weighted–Average Margin
Beijing Sai Lin Ke Hardware Co., Ltd. ....	Xuzhou Guang Huan Steel Tube Products Co., Ltd.	69.20
Wuxi Fastube Industry Co., Ltd. ....	Wuxi Fastube Industry Co., Ltd.	69.20
Jiangsu Guoqiang Zinc–Plating Industrial Co., Ltd. <sup>6</sup> ...	Jiangsu Guoqiang Zinc–Plating Industrial Co., Ltd.	69.20
Wuxi Eric Steel Pipe Co., Ltd. ....	Wuxi Eric Steel Pipe Co., Ltd.	69.20
Qingdao Xiangxing Steel Pipe Co., Ltd. ....	Qingdao Xiangxing Steel Pipe Co., Ltd.	69.20
Wah Cit Enterprises .....	Guangdong Walsall Steel Pipe Industrial Co., Ltd.	69.20
Guangdong Walsall Steel Pipe Industrial Co., Ltd. ....	Guangdong Walsall Steel Pipe Industrial Co., Ltd.	69.20
Hengshui Jinghua Steel Pipe Co., Ltd. ....	Hengshui Jinghua Steel Pipe Co., Ltd.	69.20
Zhangjiagang Zhongyuan Pipe–Making Co., Ltd. ....	Zhangjiagang Zhongyuan Pipe–Making Co., Ltd.	69.20
Weifang East Steel Pipe Co., Ltd. ....	Weifang East Steel Pipe Co., Ltd.	69.20
Shijiazhuang Zhongqing Imp & Exp Co., Ltd. ....	Bazhou Zhuofa Steel Pipe Co., Ltd.	69.20
Tianjin Baolai Int’l Trade Co., Ltd. ....	Tianjin Jinghai County Baolai Business and Industry Co., Ltd.	69.20
Wai Ming (Tianjin) Int’l Trading Co., Ltd. ....	Bazhou Dong Sheng Hot–dipped Galvanized Steel Pipes Co., Ltd.	69.20
Kunshan Lets Win Steel Machinery Co., Ltd. ....	Kunshan Lets Win Steel Machinery Co., Ltd.	69.20
Shenyang Boyu M/E Co., Ltd. ....	Bazhou Dong Sheng Hot–dipped Galvanized Steel Pipes Co., Ltd.	69.20
Dalian Brollo Steel Tubes Ltd. ....	Dalian Brollo Steel Tubes Ltd.	69.20
Benxi Northern Pipes Co., Ltd. ....	Benxi Northern Pipes Co., Ltd.	69.20
Shanghai Metals & Minerals Import & Export Corp. ...	Huludao Steel Pipe Industrial Co.	69.20
Shanghai Metals & Minerals Import & Export Corp. ...	Benxi Northern Pipes Co., Ltd.	69.20
Huludao Steel Pipe Industrial Co. ....	Huludao Steel Pipe Industrial Co.	69.20
Tianjin Xingyuda Import & Export Co., Ltd. ....	Tianjin Lifengyuanda Steel Group	69.20
Tianjin Xingyuda Import & Export Co., Ltd. ....	Tianjin Xingyuda Steel Pipe Co.	69.20
Tianjin Xingyuda Import & Export Co., Ltd. ....	Tianjin Lituo Steel Products Co.	69.20
Tianjin Xingyuda Import & Xinlida Export Co., Ltd. ....	Tangshan Fengnan District Steel Pipe Co., Ltd.	69.20
Jiangyin Jianye Metal Products Co., Ltd. ....	Jiangyin Jianye Metal Products Co., Ltd.	69.20
Rizhao Xingye Import & Export Co., Ltd. ....	Shandong Xinyuan Group Co., Ltd.	69.20
Tianjin No. 1 Steel Rolled Co., Ltd. ....	Tianjin Hexing Steel Co., Ltd.	69.20
Tianjin No. 1 Steel Rolled Co., Ltd. ....	Tianjin Ruitong Steel Co., Ltd.	69.20
Tianjin No. 1 Steel Rolled Co., Ltd. ....	Tianjin Yayi Industrial Co.	69.20
Kunshan Hongyuan Machinery Manufacture Co., Ltd.	Kunshan Hongyuan Machinery Manufacture Co., Ltd.	69.20
Qingdao Yongjie Import & Export Co., Ltd. ....	Shandong Xinyuan Group Co., Ltd.	69.20
PRC–Wide Entity <sup>7</sup> .....		85.55

<sup>6</sup> In the *Preliminary Determination*, the Department incorrectly identified Jiangsu Guoqiang Zinc–Plating Industrial Company, Ltd., as Jiangsu Guoqiang Zinc–Plating Co., Ltd. We note, however, that in the Department’s subsequent instructions to CBP to suspend liquidation and require cash deposits for CWP from PRC, the Department correctly identified Jiangsu Guoqiang Zinc–Plating Industrial Company, Ltd.

<sup>7</sup> In the *Preliminary Determination*, the Department found that the Tianjin Shuangjie Group is part of the PRC–wide entity. In the *Amended Preliminary Determination*, the Department found that Yulong is part of the PRC–wide entity.

**Disclosure**

We will disclose the calculations performed within five days of the date of publication of this notice to parties in

this proceeding in accordance with 19 CFR 351.224(b).

**Continuation of Suspension of Liquidation**

In accordance with section 735(c)(1)(B) of the Act, we are directing

U.S. Customs and Border Protection (“CBP”) to continue to suspend liquidation of all imports of subject merchandise as described in the “Scope of Investigation” section, that are entered or withdrawn from warehouse, for consumption on or after October 17, 2007, which is 90 days prior to the date of publication of the preliminary determination in the **Federal Register**, except for imports from Yulong. In specific regard to Yulong, we are directing CBP to continue to suspend liquidation of all entries of subject merchandise as described in the “Scope of Investigation” section, entered, or withdrawn from warehouse, for consumption on or after January 25, 2008, which is 90 days prior to the date of publication of the amended preliminary determination in the **Federal Register**. See *Amended Preliminary Determination*. We will instruct CBP to continue to require a cash deposit or the posting of a bond for all companies based on the estimated weighted-average dumping margins shown above. The suspension of liquidation instructions will remain in effect until further notice.

#### **International Trade Commission Notification**

In accordance with section 735(d) of the Act, we have notified the International Trade Commission (“ITC”) of our final determination of sales at LTFV. As our final determination is affirmative, in accordance with section 735(b)(2) of the Act, within 45 days the ITC will determine whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports or sales (or the likelihood of sales) for importation of the subject merchandise. If the ITC determines that material injury or threat of material injury does not exist, the proceeding will be terminated and all securities posted will be refunded or canceled. If the ITC determines that such injury does exist, the Department will issue an antidumping duty order directing CBP to assess, upon further instruction by the Department, antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

#### **Notification Regarding APO**

This notice also serves as a reminder to the parties subject to administrative protective order (“APO”) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance

with 19 CFR 351.305. Timely notification of return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

This determination is issued and published in accordance with sections 735(d) and 777(i)(1) of the Act.

Dated: May 29, 2008.

**David M. Spooner,**

*Assistant Secretary for Import Administration.*

#### **Appendix**

*Comment 1:* Whether the Scope Language Should Include End-Use Definition and Reference to End-Use Applications

*Comment 2:* Whether the Department Should Graduate the People’s Republic of China to Market Economy Status

*Comment 3:* Whether the Department Should Calculate a Company-Specific Separate Rate for Weifang East Pipe

*Comment 4:* Whether the Department Should Find Weifang East Pipe to be a Market-Oriented Enterprise

*Comment 5:* Whether the Department Should Utilize Weifang East Pipe’s Actual Hot-Rolled Costs When Calculating an AD Margin Due to the Existence of the Companion

Countervailing Duty Investigation

*Comment 6:* Whether a Double-Remedy Results from the Simultaneous Application of Non-Market Economy AD and Countervailing Duty Methodologies

*Comment 7:* Whether the Department’s Amended Preliminary Determination Violated Legal Principles

*Comment 8:* Whether the Department Should Employ Weifang East Pipe’s Suggested Analytical Approach For Calculating Its Company-Specific Margin

*Comment 9:* Whether the Department Should Assign Weifang East Pipe’s Company-Specific AD Rate to All Cooperative Separate Rate Respondents

*Comment 10:* Whether the Department Should Make an Adjustment for Countervailable Export Subsidies

*Comment 11:* Whether the Department Should Use the Highest Petition Margin as the Adverse Facts Available Rate

*Comment 12:* Whether the Department Should Find That Critical Circumstances Do Not Exist for Yulong

*Comment 13:* Whether the Department Should Analyze Critical Circumstances on an Importer-Specific Basis in its Critical Circumstances Analysis

*Comment 14:* Whether the Department Should Include June 2007 in the Base

Period Rather than the Comparison Period in its Critical Circumstances Analysis

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