



## FACT SHEET

### Commerce Preliminarily Finds Countervailable Subsidization of Imports of Oil Country Tubular Goods from India and Preliminarily Finds No Countervailable Subsidization of Imports of Oil Country Tubular Goods from the Republic of Turkey

- On December 17, 2013, the Department of Commerce (Commerce) announced its affirmative preliminary determination in the countervailing duty (CVD) investigation of imports of oil country tubular goods (OCTG) from India and its negative preliminary determination in the CVD investigation of imports of OCTG from the Republic of Turkey (Turkey).
- For the purpose of CVD investigations, countervailable subsidies are financial assistance from foreign governments that benefit the production of goods from foreign companies and are limited to specific enterprises or industries, or are contingent either upon export performance or upon the use of domestic goods over imported goods.
- In the India investigation, Commerce preliminarily determined a *de minimis* subsidy rate of 0.97 percent for mandatory respondent Jindal SAW Ltd. Commerce also preliminarily determined that mandatory respondents GVN Fuels Ltd, Jindal Pipes Ltd, and Maharashtra Seamless Ltd, and all other producers/exporters in India, received a subsidy rate of 3.50 percent.
- In the Turkey investigation, Commerce preliminarily determined that mandatory respondent Borusan Istikbal Ticaret and Borusan Mannesmann Boru Sanayi (collectively, “Borusan”) received a *de minimis* subsidy rate. Commerce also preliminarily determined that mandatory respondent Tosyali Dis Ticaret A.S, Tosçelik Profil ve Sac Endustrisi A.S., Tosyali Elektrik Enerjisi Toptan Satis Ith. Ihr. A.S., and Tosyali Holding A.S. (collectively, “Toscelik”) received a *de minimis* subsidy rate. Because these rates are *de minimis*, a preliminary negative determination applies to Turkey as a whole.
- As a result of the preliminary affirmative determination for India, Commerce will instruct U.S. Customs and Border Protection to require cash deposits based on these preliminary rates. Because it was found to receive subsidies at a *de minimis* rate, Jindal Saw will not be required to pay cash deposits. As a result of the negative preliminary determination for Turkey, cash deposits will not be required on imports of OCTG from Turkey.
- The petitioners are United States Steel Corporation (Pittsburgh, PA), Maverick Tube Corporation (Houston, TX), Boomerang Tube LLC (Chesterfield, MO), Energex Tube (Chicago, IL), Northwest Pipe Company (Vancouver, WA), Tejas Tubular Products Inc. (Houston, TX), TMK IPSCO (Houston, TX), Vallourec Star, L.P. (Houston, TX), and Welded Tube USA, Inc. (Lackawanna, NY).
- The products covered by the scope of these investigations are hollow steel products of circular cross-section, including oil well casing and tubing, of iron (other than cast iron) or steel (both carbon and alloy), whether seamless or welded, regardless of end finish (*e.g.*, whether or not plain end, threaded, or threaded and coupled), whether or not conforming to American Petroleum Institute (API) or non-API specifications, whether finished (including limited service OCTG products) or unfinished

(including green tubes and limited service OCTG products), whether or not thread protectors are attached. The scope of the investigations also covers OCTG coupling stock.

Excluded from the scope of the investigations are: casing or tubing containing 10.5 percent or more by weight of chromium; drill pipe; unattached couplings; and unattached thread protectors.

The merchandise subject to the investigations is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers 7304.29.10.10, 7304.29.10.20, 7304.29.10.30, 7304.29.10.40, 7304.29.10.50, 7304.29.10.60, 7304.29.10.80, 7304.29.20.10, 7304.29.20.20, 7304.29.20.30, 7304.29.20.40, 7304.29.20.50, 7304.29.20.60, 7304.29.20.80, 7304.29.31.10, 7304.29.31.20, 7304.29.31.30, 7304.29.31.40, 7304.29.31.50, 7304.29.31.60, 7304.29.31.80, 7304.29.41.10, 7304.29.41.20, 7304.29.41.30, 7304.29.41.40, 7304.29.41.50, 7304.29.41.60, 7304.29.41.80, 7304.29.50.15, 7304.29.50.30, 7304.29.50.45, 7304.29.50.60, 7304.29.50.75, 7304.29.61.15, 7304.29.61.30, 7304.29.61.45, 7304.29.61.60, 7304.29.61.75, 7305.20.20.00, 7305.20.40.00, 7305.20.60.00, 7305.20.80.00, 7306.29.10.30, 7306.29.10.90, 7306.29.20.00, 7306.29.31.00, 7306.29.41.00, 7306.29.60.10, 7306.29.60.50, 7306.29.81.10, and 7306.29.81.50.

The merchandise subject to the investigations may also enter under the following HTSUS item numbers: 7304.39.00.24, 7304.39.00.28, 7304.39.00.32, 7304.39.00.36, 7304.39.00.40, 7304.39.00.44, 7304.39.00.48, 7304.39.00.52, 7304.39.00.56, 7304.39.00.62, 7304.39.00.68, 7304.39.00.72, 7304.39.00.76, 7304.39.00.80, 7304.59.60.00, 7304.59.80.15, 7304.59.80.20, 7304.59.80.25, 7304.59.80.30, 7304.59.80.35, 7304.59.80.40, 7304.59.80.45, 7304.59.80.50, 7304.59.80.55, 7304.59.80.60, 7304.59.80.65, 7304.59.80.70, 7304.59.80.80, 7305.31.40.00, 7305.31.60.90, 7306.30.50.55, 7306.30.50.90, 7306.50.50.50, and 7306.50.50.70. The HTSUS subheadings above are provided for convenience and customs purposes only. The written description of the scope of the investigations is dispositive.

- In 2012, imports of OCTG from India and Turkey were valued at an estimated \$216.6 million and \$135.9 million, respectively.

## **NEXT STEPS**

- Commerce is scheduled to announce its final determinations on or about April 30, 2014.
- If Commerce makes affirmative final determinations, and the U.S. International Trade Commission (ITC) makes affirmative final determinations that imports of OCTG from India and/or Turkey materially injure, or threaten material injury to, the domestic industry, Commerce will issue CVD orders. If either Commerce's or the ITC's final determinations are negative, no CVD orders will be issued. The ITC is scheduled to make its final injury determinations in June 2014.

**PRELIMINARY SUBSIDY RATES:**

<b>COUNTRY</b>	<b>EXPORTER/PRODUCER</b>	<b>SUBSIDY RATES</b>
<b>India</b>	<b>GVN Fuels Ltd, Jindal Pipes Ltd, and Maharashtra Seamless Ltd</b>	<b>3.50%</b>
	<b>Jindal SAW Ltd</b>	<b>0.97%</b> <i>(de minimis)</i>
	<b>All Others</b>	<b>3.50%</b>
<b>COUNTRY</b>	<b>EXPORTER/PRODUCER</b>	<b>SUBSIDY RATES</b>
<b>Turkey</b>	<b>Borusan Istikbal Ticaret and Borusan Mannesmann Boru Sanayi (collectively, “Borusan”)</b>	<b>0.37%</b> <i>(de minimis)</i>
	<b>Tosyali Dis Ticaret A.S, Tosçelik Profil ve Sac Endustrisi A.S., Tosyali Elektrik Enerjisi Toptan Satis Ith. Ihr. A.S., and Tosyali Holding A.S. (collectively, “Toscelik”)</b>	<b>0.88%</b> <i>(de minimis)</i>
	<b>All Others</b>	<b>0.63%</b> <i>(de minimis)</i>

## CASE CALENDAR:

<b>EVENT</b>	<b>DATE</b>
<b>Petitions Filed</b>	<b>July 2, 2013</b>
<b>DOC Initiation Date</b>	<b>July 22, 2013</b>
<b>ITC Preliminary Determinations</b>	<b>August 16, 2013</b>
<b>DOC Preliminary Determinations<sup>^</sup></b>	<b>December 16, 2013</b>
<b>DOC Final Determinations*</b>	<b>April 29, 2014</b>
<b>ITC Final Determinations**</b>	<b>June 13, 2014</b>
<b>Issuance of Orders***<sup>^</sup></b>	<b>June 20, 2014</b>

NOTE: Commerce preliminary and final determination deadlines are governed by statute. For CVD investigations, the deadlines are set forth in sections 703(b) and 705(a)(1) of the Tariff Act of 1930, as amended. These deadlines may be extended under certain circumstances.

<sup>^</sup> As explained in the Memorandum for the Record from Paul Piquado, Assistant Secretary for Enforcement and Compliance, "Deadlines Affected by the Shutdown of the Federal Government" (October 18, 2013), Commerce has exercised its discretion to toll deadlines for the duration of the closure of the Federal Government from October 1, through October 16, 2013. Therefore, the deadlines in these investigations have been extended by 16 days.

\*Aligned with the antidumping duty proceedings.

\*\*This will take place only in the event of final affirmative determinations by Commerce.

\*\*\*This will take place only in the event of final affirmative determinations by Commerce and the ITC.

## IMPORT STATISTICS:

<b>INDIA</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>Volume (metric tons)</b>	<b>94,800</b>	<b>131,100</b>	<b>138,900</b>
<b>Value (USD)</b>	<b>132,178,000</b>	<b>200,026,000</b>	<b>216,607,000</b>
<b>TURKEY</b>			
<b>TURKEY</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>Volume (metric tons)</b>	<b>77,300</b>	<b>127,700</b>	<b>137,500</b>
<b>Value (USD)</b>	<b>69,860,000</b>	<b>124,918,000</b>	<b>135,870,000</b>

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 7304.29.1010, 7304.29.1020, 7304.29.1030, 7304.29.1040, 7304.29.1050, 7304.29.1060, 7304.29.1080, 7304.29.2010, 7304.29.2020, 7304.29.2030, 7304.29.2040, 7304.29.2050, 7304.29.2060, 7304.29.2080, 7304.29.3110, 7304.29.3120, 7304.29.3130, 7304.29.3140, 7304.29.3150, 7304.29.3160, 7304.29.3180, 7304.29.4110, 7304.29.4120, 7304.29.4130, 7304.29.4140, 7304.29.4150, 7304.29.4160, 7304.29.4180, 7304.29.5015, 7304.29.5030, 7304.29.5045, 7304.29.5060, 7304.29.5075, 7304.29.6115, 7304.29.6130, 7304.29.6145, 7304.29.6160, 7304.29.6175, 7305.20.2000, 7305.20.4000, 7305.20.6000, 7305.20.8000, 7306.29.1030, 7306.29.1090, 7306.29.2000, 7306.29.3100, 7306.29.4100, 7306.29.6010, 7306.29.6050, 7306.29.8110, and 7306.29.8150). Some HTSUS subheadings may include basket categories and may cover both subject and non-subject merchandise. Subject merchandise may also enter under HTSUS 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, 7304.39.0076, 7304.39.0080, 7304.59.6000, 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, 7304.59.8070, 7304.59.8080, 7305.31.4000, 7305.31.6090, 7306.30.5055, 7306.30.5090, 7306.50.5050, and 7306.50.5070, which may cover significant amounts of non-subject merchandise. Therefore these HTSUS subheadings have not been used for purposes of reporting import statistics.