



C-570-957  
Sunset Review  
**Public Document**  
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January 28, 2016

**MEMORANDUM TO:** Ronald K. Lorentzen  
Acting Assistant Secretary  
for Enforcement and Compliance

**FROM:** Christian Marsh  
Deputy Assistant Secretary  
for Antidumping and Countervailing Duty Operations

**RE:** Issues and Decision Memorandum for the Final Results of the Expedited Sunset Review of the Countervailing Duty Order on Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from the People's Republic of China

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## SUMMARY

We have analyzed the responses of interested parties in the expedited sunset review of the countervailing duty order (*CVD Order*) on certain seamless carbon and alloy steel standard, line, and pressure pipe (seamless pipe) from the People's Republic of China (PRC).<sup>1</sup> We recommend that you approve the positions described in the "Discussion of the Issues" section of this memorandum. Below is the complete list of the issues that we address in this expedited sunset review:

1. Likelihood of Continuation or Recurrence of a Countervailable Subsidy
2. Net Countervailable Subsidy Likely to Prevail
3. Nature of the Subsidy

## Background

On November 10, 2010, the Department of Commerce (the Department) published the *CVD Order* on Seamless Pipe from the PRC.<sup>2</sup> On, October 1, 2015, the Department initiated the first sunset review of the *CVD Order* pursuant to section 751(c)(2) of the Tariff Act of 1930, as amended (the Act) and 19 CFR 351.218(c).<sup>3</sup> TMK IPSCO, United States Steel Corporation (U.S. Steel), and Vallourec Star, L.P. (Vallourec) (collectively, the petitioners) filed timely

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<sup>1</sup> See *Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe From the People's Republic of China: Amended Final Affirmative Countervailing Duty Determination and Countervailing Duty Order*, 75 FR 69050 (November 10, 2010) (*CVD Order*).

<sup>2</sup> See *CVD Order*.

<sup>3</sup> See *Initiation of Five-Year "Sunset" Reviews*, 80 FR 59133 (October 1, 2015).



notices of intent to participate on October 13, 2015, and October 15, 2015, in accordance with 19 CFR 351.218(d)(1).<sup>4</sup> On November 2, 2015, the Department received a substantive response from the petitioners, in accordance with 19 CFR 351.218(d)(3).<sup>5</sup> The Department did not receive a substantive response from the Government of the PRC (GOC) or from PRC producers or exporters (collectively, respondent interested parties).

In accordance with 19 CFR 351.218(e)(1)(ii)(B)(2) and(C)(2), when there are inadequate responses from respondent interested parties, we normally will conduct an expedited sunset review and, not later than 120 days after the date of publication in the *Federal Register* of the notice of initiation, issue final results of review based on the facts available in accordance with 19 CFR 351.308(f) (*see* section 751(c)(3)(B) of the Act and 19 CFR 351.221(c)(5)(ii)). Consistent with Department regulations and practice, we determine that in the absence of substantive responses from the GOC and other respondent interested parties (*i.e.*, producers and exporters), the Department is conducting an expedited (120-day) sunset review of the *CVD Order*.

### History of the Order

On November 10, 2010, the Department published in the *Federal Register* the *CVD Order* on seamless pipe from the PRC.<sup>6</sup> In the *Final Determination* of the subject CVD investigation,<sup>7</sup> covering the period of January 1, to December 31, 2008, and as revised in the *CVD Order*, the Department determined a net countervailable subsidy rate of 13.66 percent *ad valorem* for Tianjin Pipe (Group) Corp., Tianjin Pipe Iron Manufacturing Co., Ltd., Tianguan Yuantong Pipe Product Co., Ltd., Tianjin Pipe International Economic and Trading Co., Ltd., and TPCO Charging Development Co., Ltd. (collectively, TCPO); a rate of 56.67 percent *ad valorem* for Hengyang Steel Tube Group Int'l Trading, Inc., Hengyang Valin Steel Tube Co., Ltd., Hengyang Valin MPM Tube Co., Ltd., Xigang Seamless Steel Tube Co., Ltd., Wuxi Seamless Special Pipe Co., Ltd., Wuxi Resources Steel Making Co., Ltd., Jiangsu Xigang Group Co., Ltd., Hunan Valin Xiangtan Iron & Steel Co., Ltd., Wuxi Sifang Steel Tube Co., Ltd., Hunan Valin Steel Co., Ltd., Hunan Valin Iron & Steel Group Co., Ltd. (collectively, Hengyang); and, a rate of 35.17 percent *ad valorem* for “All-Others,” for the programs described in the “Nature of the Subsidy” section of this memorandum.

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<sup>4</sup> See Letters to the Department, “Seamless Carbon and Alloy Steel Standard, Line and Pressure Pipe from China, First Sunset Review,” dated October 13, 2015 and “Notice of Intent to Participate in First Five-Year Review of the Countervailing Duty Order on Seamless Carbon and Alloy Steel Standard, Line and Pressure Pipe from the People’s Republic of China,” dated October 14, 2015 (The Petitioners’ Intent to Participate).

<sup>5</sup> See Letter to the Department, “Seamless Carbon and Alloy Steel Standard, Line and Pressure Pipe from China, First Sunset Review: Substantive Response to Notice of Initiation,” dated November 2, 2015, (The Petitioners’ Substantive Response).

<sup>6</sup> See *CVD Order*.

<sup>7</sup> 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) (*Final Determination*) and *CVD Order*.

We found the following programs countervailable in the original investigation:

1. Policy Loans to the Seamless Pipe Industry
2. Export Loans from the Export-Import Bank of China
3. Provision of Steel Rounds for Less than Adequate Remuneration
4. Provision of Electricity for Less than Adequate Remuneration
5. The State Key Technology Project Fund
6. Subsidies Provided in the Tianjin Binhai New Area and the Tianjin Economic Technological Development Area
7. Other Subsidies Received by TPCO (Grants)
8. Tariff and Value Added Tax (VAT) Exemptions for Imported Equipment
9. Income Tax Credits for Domestic Equipment
10. Preferential Tax Policies for Foreign Invested Enterprises (FIEs) (Two Free, Three Half Program)
11. Local Income Tax Exemption for Productive FIEs
12. Debt Forgiveness
13. Deed Tax
14. VAT Exemptions for Central Region
15. Provision of Coking Coal for Less than Adequate Remuneration
16. Export Restrictions on Coke
17. Preferential Loans Characterized as a Lease Transaction

Since the issuance of the *CVD Order*, we initiated two administrative reviews; however, both reviews were rescinded.<sup>8</sup> No other administrative reviews were conducted. No new shipper reviews or changed circumstance reviews of this *CVD Order* have been conducted. A scope inquiry was initiated on November 20, 2015.<sup>9</sup> This is the first sunset review of the *CVD Order*.

### Scope of the Order

The scope of this order consists of 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,

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<sup>8</sup> See *Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from the People’s Republic of China: Notice of Rescission of Countervailing Duty Administrative Review*, 77 FR 21968 (April 12, 2012) and *Seamless Carbon and Alloy Steel Standard, Line, and Pressure from the People’s Republic of China: Rescission of Countervailing Duty Administrative Review; 2011*, 78 FR 25253 (April 30, 2013).

<sup>9</sup> See the Department’s memorandum regarding, “Manufactured Pipe Spools Imported from the People’s Republic of China as part of the current scopes of Carbon Steel Butt-Weld Pipe Fittings; Circular Welded Carbon-Quality Steel Pipe; Circular Welded Austenitic Stainless Steel Pressure Pipe; and Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from the People’s Republic of China: Initiation of Scope Inquiry,” (November 20, 2015).

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 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.

## **DISCUSSION OF THE ISSUES**

In accordance with section 751(c)(1) of the Act, the Department is conducting this sunset review to determine whether revocation of the *CVD Order* would be likely to lead to continuation or recurrence of a countervailable subsidy. Section 752(b) of the Act provides that, in making this determination, the Department shall consider: 1) the net countervailable subsidy determined in the investigation and any subsequent reviews; and 2) whether any changes in the programs which gave rise to the net countervailable subsidy have occurred that are likely to affect the net countervailable subsidy.

Pursuant to section 752(b)(3) of the Act, the Department shall provide to the International Trade Commission (ITC) the net countervailable subsidy likely to prevail if the *CVD Order* were revoked. In addition, consistent with section 752(a)(6) of the Act, the Department shall provide to the ITC information concerning the nature of the subsidy and whether it is a subsidy described in Article 3 or Article 6.1 of the 1994 World Trade Organization Agreement on Subsidies and Countervailing Measures (ASCM).

### **1. Likelihood of Continuation or Recurrence of a Countervailable Subsidy**

#### The Petitioners’ Comments

The petitioners argue that revocation of the *CVD Order* would likely lead to the recurrence of imports at subsidization rates equal to or greater than those found in the original investigation. The petitioners argue that subsidization has continued and that there is no indication that any of the programs providing countervailable subsidies were terminated or that benefits ceased following the imposition of countervailing duties on subject imports from

the PRC in 2010. Specifically, the petitioners argue that, following the imposition of the *CVD Order*, no PRC exporter requested an administrative review in order to establish that it ceased receiving countervailable benefits and that, therefore, the Department should find that revocation of the *CVD Order* is likely to lead to the continuation or recurrence of countervailable subsidies.<sup>10</sup>

### Department's Position

Section 752(b)(1) of the Act directs the Department, in determining the likelihood of continuation or recurrence of a countervailable subsidy, to consider the net countervailable subsidy determined in the investigation and subsequent reviews, and whether there has been any change in a program found to be countervailable that is likely to affect that net countervailable subsidy. According to the Statement of Administrative Action accompanying the Uruguay Round Agreements Act (SAA), the Department will consider the net countervailable subsidies in effect after the issuance of the order and whether the relevant subsidy programs have been continued, modified, or eliminated.<sup>11</sup> The SAA adds that continuation of a program will be highly probative of the likelihood of continuation or recurrence of countervailable subsidies.<sup>12</sup> Additionally, the presence of programs that have not been used, but also have not been terminated without residual benefits or replacement programs, is also probative of the likelihood of continuation or recurrence of a countervailable subsidy.<sup>13</sup> Where a subsidy program is found to exist, the Department will normally determine that revocation of the *CVD Order* is likely to lead to continuation or recurrence of a countervailable subsidy regardless of the level of subsidization.<sup>14</sup>

As the Department has stated in other sunset determinations, two conditions must be met in order for a subsidy program not to be included in determining the likelihood of continued or recurring subsidization: (1) the program must be terminated; and (2) any benefit stream must be fully allocated.<sup>15</sup> The Department has further stated that, in order to determine whether a program has been terminated, the Department will consider the legal method by which the government eliminated the program and whether the government is likely to reinstate the program.<sup>16</sup> The Department normally expects a program to be terminated by means of the same legal mechanism used to institute it.<sup>17</sup> Where a subsidy is bestowed other than pursuant

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<sup>10</sup> See The Petitioners' Substantive Response at 4-6.

<sup>11</sup> See SAA, H. Doc. No. 316, 103d Cong., 2d Session, Vol. 1 (1994) at 888.

<sup>12</sup> *Id.*

<sup>13</sup> See, e.g., *Certain Hot-Rolled Flat-Rolled Carbon-Quality Steel Products From Brazil: Final Results of Full Sunset Review of Countervailing Duty Order*, 75 FR 75455 (December 3, 2010) and accompanying Issues and Decision Memorandum at Comment 1.

<sup>14</sup> *Id.*

<sup>15</sup> See, e.g., *Preliminary Results of Full Sunset Review: Certain Corrosion-Resistant Carbon Steel Flat Products from France*, 71 FR 30875 (May 31, 2006) and accompanying Issues and Decision Memorandum at 5-7, unchanged in *Corrosion-Resistant Carbon Steel Flat Products From France; Final Results of Full Sunset Review*, 71 FR 58584 (October 4, 2006).

<sup>16</sup> See, e.g., *Fresh and Chilled Atlantic Salmon from Norway: Final Results of Full Third Sunset Review of Countervailing Duty Order*, 76 FR 70411 (November 14, 2011) and accompanying Issues and Decision Memorandum at Comment 1.

<sup>17</sup> See, e.g., *Final Affirmative Countervailing Duty Determination: Certain Hot-Rolled Carbon Steel Flat Products from India*, 66 FR 49635 (September 28, 2001) and accompanying Issues and Decision Memorandum at Comment 7.

to a statute, regulation or decree, the Department may find that there is no likelihood of continued or recurring subsidization if the subsidy in question was a one-time, company-specific occurrence that was not part of a broader government program.<sup>18</sup>

As indicated above, we have not completed an administrative review or any other intervening segment of this proceeding since the issuance of the *CVD Order*. Moreover, neither the GOC nor other respondent interested parties have participated in this sunset review. There is no information indicating any changes in the programs found countervailable during the investigation. Based on the facts available on the record, the Department determines that there is a likelihood of continuation or recurrence of countervailable subsidies if the *CVD Order* were revoked because the record in this proceeding indicates that the subsidy programs found countervailable during the investigation continue to exist.

## **2. Net Countervailable Subsidy Likely to Prevail**

### The Petitioners' Comments

The petitioners argue that revocation of the *CVD Order* would likely lead to recurrence of subsidization of subject merchandise at subsidy rates equal to or greater than those found in the investigation. Since the Department has not concluded an administrative review since the *CVD Order*, the Department should select the rates published in the *CVD Order*.<sup>19</sup>

### Department's Position

Consistent with the SAA and legislative history, the Department normally will provide the ITC the net countervailable subsidy that was determined in the investigation as the subsidy rate likely to prevail if the order is revoked, because it is the only calculated rate that reflects the behavior of exporters and foreign governments without the discipline of an order in place.<sup>20</sup>

Section 752(b)(1)(B) of the Act provides, however, that the Department will consider whether any change in the program which gave rise to the net countervailable subsidy determination in the investigation or subsequent reviews has occurred that is likely to affect the net countervailable subsidy.

Therefore, although the SAA and House Report provide that the Department normally will select a rate from the investigation, this rate may not be the most appropriate if, for example, the rate was derived (in whole or part) from subsidy programs that were found in subsequent reviews to be terminated, there has been a program-wide change, or the rate ignores a program found to be countervailable in a subsequent administrative review.<sup>21</sup>

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<sup>18</sup> See, e.g., *Stainless Steel Plate in Coils from Belgium: Final Results of Full Sunset Review and Revocation of the Countervailing Duty Order*, 76 FR 25666 (May 5, 2011) and accompanying Issues and Decision Memorandum at Comment 1.

<sup>19</sup> See The Petitioners' Substantive Response at 7.

<sup>20</sup> See SAA at 890, and House Report, H.R. Rep. No. 103-826 (1994) (House Report) at 64.

<sup>21</sup> See, e.g., *Stainless Steel Sheet and Strip in Coils From the Republic of Korea: Final Results of Expedited Second Sunset Review*, 75 FR 62101 (October 7, 2010) and accompanying IDM at Comment 2.

In this proceeding, the Department has not completed an administrative review of the *CVD Order*, and the Department has not adjusted the rates from the investigation to account for additional subsidies, program-wide changes or terminated programs.

Consistent with section 752(b)(3) of the Act, the Department will provide to the ITC the net countervailable subsidy rates from the original investigation as indicated in the section entitled “Final Results of Review” below.

### **3. Nature of the Subsidy**

Consistent with section 752(a)(6) of the Act, the Department is providing the following information to the ITC concerning the nature of the subsidies and whether the subsidies are subsidies as described in Article 3 or Article 6.1 of the WTO ASCM. We note that Article 6.1 of the ASCM expired effective January 1, 2000.

The following program provides export subsidies as described in Article 3 of the SCM Agreement:

Export Loans from the Export-Import Bank of China: The Export-Import Bank of China provides countervailable export loans under this program. The Department determined that the benefit from these loans was specific because the receipt of the financing was contingent upon export financing performance.<sup>22</sup>

The following programs do not fall within the meaning of Article 3.1 of the SCM Agreement, but may be subsidies described in Article 6.1 of the SCM Agreement if the amount of the subsidy exceeds five percent, as measured in accordance with Annex IV of the SCM Agreement. The subsidies may also fall within the meaning of Article 6.1 if they constitute debt forgiveness, a grant to cover debt repayment, or are subsidies to cover operating losses sustained by an industry or enterprise. However, there is insufficient information on the record to make such a determination. We are providing the ITC with the following program descriptions:

1. Policy Loans to the Seamless Pipe Industry: Countervailable loans received by the seamless pipe industry from state-owned commercial banks were made pursuant to government directives. The GOC has a policy in place to encourage the development of production of the seamless pipe through policy lending as demonstrated in government plans and directives to encourage and support the growth and development of the seamless pipe industry.<sup>23</sup>
2. Provision of Steel Rounds for Less than Adequate Remuneration: The GOC provides steel rounds and billet to seamless pipe manufacturers at less than adequate remuneration.<sup>24</sup>
3. Provision of Electricity for Less Than Adequate Remuneration: The GOC provides electricity to seamless pipe manufacturers at less than adequate remuneration.<sup>25</sup>

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<sup>22</sup> See *Final Determination* and accompanying IDM at 16.

<sup>23</sup> *Id.* at 15.

<sup>24</sup> *Id.* at 17.

<sup>25</sup> *Id.* at 18.

4. The State Key Technology Renovation Project Fund: The purpose of this subsidy program is to promote technological renovations and improvements in key industries, key enterprises and key products. Companies receive payments in the form of “project investment facility” grants covering two years’ worth of interest payments on loans to fund improvement projects or as “loan interest grants” which are calculated according to the amount of the project loan and prevailing interest rates during a one-two year period.<sup>26</sup>

5. Subsidies Provided in the Tianjin Binhai New Area and the Tianjin Economic Technological Development Area:

*Science and Technology Fund*

The GOC provides a grant under this program, which the Department found to be limited to enterprises located in a designated geographic region.<sup>27</sup>

*Accelerated Depreciation Program*

The GOC provides tax reduction under this program, which the Department found to be limited to enterprises located in a designated geographic region.<sup>28</sup>

*Land*

The GOC provides land-use rights and a lease of land for less than adequate remuneration, which the Department found to be regionally specific.<sup>29</sup>

6. Other Subsidies Received by TPCO (Grants): The GOC provides other countervailable grants that are business propriety in nature.<sup>30</sup>

7. Tariff and Value Added Tax (VAT) Exemptions on Imported Equipment: The State Councils’ *Circular on Adjusting Tax Policies on Imported Equipment* (Guofa No. 37) exempts both FIEs and certain domestic enterprises from paying import tariffs and VAT payments on imported equipment provided that these goods do not fall into prescribed lists of non-eligible items.<sup>31</sup>

8. Income Tax Credits on Purchases of Domestically Produced Equipment: The GOC offers preferential income tax policies to domestic enterprises that purchase domestic equipment that is compatible with the industrial policies of the GOC under the *Provisional Measures on Enterprise Income Tax Credit for Investment in Domestically Produced Equipment for Technology Renovation {Projects}* (CAI SHU ZI {1999} No. 290). Domestic enterprises that upgrade technology consistent with the GOC industrial policies may apply 40 percent of the

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<sup>26</sup> *Id.* at 19.

<sup>27</sup> *Id.* at 20.

<sup>28</sup> *Id.*

<sup>29</sup> *Id.* at 21.

<sup>30</sup> *Id.* at 23.

<sup>31</sup> *Id.* at 23.

purchase price of the domestic equipment to the incremental increase in tax liability from the previous year.<sup>32</sup>

9. Preferential Tax Policies for Foreign Invested Enterprises (FIEs) (Two Free, Three Half Program): Under Article 8 of the Foreign Invested Enterprise and Foreign Enterprise Income Tax Law, an FIE is “productive” and is scheduled to operate for not less than 10 years may be exempt from income tax in the first two years of profitability and may pay income tax at half the standard rate for the next three years.<sup>33</sup>

10. Local Income Tax Exemption for Productive FIEs: Local provinces authorize their own tax exemptions to specific enterprises, *i.e.*, “productive” FIEs, within their jurisdiction.<sup>34</sup>

11. Government Debt Forgiveness: The GOC forgave debt owed by seamless pipe manufacturers and thus provided a financial contribution in the form of direct transfers of funds.<sup>35</sup>

12. Deed Tax: Companies benefitted from deed tax exemptions having qualified for this program as new enterprises formed by merger or restructuring of other companies, and having land transferred to them from former SOEs involved in the merger or restructuring.<sup>36</sup>

13. VAT Exemptions for Central Region: GOC provides refunds on purchases of equipment to normal tax payers that participate in any of eight industries, including the metallurgy industry, the equipment manufacture industry, and new and high technology industry. The GOC limits participation in the program to entities located in 26 municipalities of six provinces in the Central Region of the PRC.<sup>37</sup>

14. Provision of Coking Coal for Less than Adequate Remuneration: The GOC provides coking coal to seamless pipe manufacturers at less than adequate remuneration.<sup>38</sup>

15. Export Restrictions on Coke: The GOC’s export restraints on coke constitute a financial contribution to PRC producers of downstream goods that incorporate coke within the meaning of sections 771(5)(B) and (D)(ii) of the Act.<sup>39</sup>

16. Preferential Loans Characterized as a Lease Transaction: Leases from finance companies that we have treated as loans and determined to constitute a direct financial contribution from the GOC.<sup>40</sup>

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<sup>32</sup> *Id.* at 25.

<sup>33</sup> *Id.*

<sup>34</sup> *Id.* at 26.

<sup>35</sup> *Id.* at 27.

<sup>36</sup> *Id.* at 28.

<sup>37</sup> *Id.* at 29.

<sup>38</sup> *Id.* at 30.

<sup>39</sup> *Id.* at 32.

<sup>40</sup> *Id.* at 33.

**FINAL RESULTS OF REVIEW**

The Department finds that revocation of the *CVD Order* would be likely to lead to continuation or recurrence of countervailable subsidies at the rates listed below:

Manufacturers/Exporters	Net countervailable subsidy rate (percent)
Tianjin Pipe (Group) Corp., Tianjin Pipe Iron Manufacturing Co., Ltd., Tianguan Yuantong Pipe Product Co., Ltd., Tianjin Pipe International Economic and Trading Co., Ltd., TPCO Charging Development Co., Ltd.	13.66
Hengyang Steel Tube Group Int'l Trading, Inc., Hengyang Valin Steel Tube Co., Ltd., Hengyang Valin MPM Tube Co., Ltd., Xigang Seamless Steel Tube Co., Ltd., Wuxi Seamless Special Pipe Co., Ltd., Wuxi Resources Steel Making Co., Ltd., Jiangsu Xigang Group Co., Ltd., Hunan Valin Xiangtan Iron & Steel Co., Ltd., Wuxi Sifang Steel Tube Co., Ltd., Hunan Valin Steel Co., Ltd., Hunan Valin Iron & Steel Group Co., Ltd.	56.67
All Others	35.17

**RECOMMENDATION**

Based on our analysis of the substantive responses received, we recommend adopting all of the above positions. If these recommendations are accepted, we will publish the final results of this review in the *Federal Register*, and notify the ITC of our findings.

AGREE  \_\_\_\_\_

DISAGREE \_\_\_\_\_

*Ronald K Lorentzen*

Ronald K. Lorentzen  
Acting Assistant Secretary  
for Enforcement and Compliance

*January 28, 2016*  
Date