C-570-957 Sunset Review 2021 **Public Document** E&C/OI: TP

May 27, 2021

MEMORANDUM TO: Christian Marsh

Acting Assistant Secretary

for Enforcement and Compliance

FROM: James Maeder

Deputy Assistant Secretary

for Antidumping and Countervailing Duty Operations

SUBJECT: Issues and Decision Memorandum for the Final Results of the

Expedited Second 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

I. SUMMARY

We analyzed the substantive responses of the domestic interested parties in this second 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 (China).¹ We did not receive a substantive response from the Government of China (GOC) or any other respondent interested party. Accordingly, we conducted an expedited (120-day) sunset review pursuant to section 751(c)(3)(B) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.218(e)(1)(ii)(C)(2). We recommend that you approve the positions described in the "Discussion of the Issues" section of this memorandum. Below is a complete list of issues for which we received a substantive response:

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

¹ 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).

II. BACKGROUND

On November 10, 2010, the Department of Commerce (Commerce) published the *CVD Order* on seamless pipe from China.² On, February 1, 2021, we initiated the second sunset review of the *CVD Order* pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act).³ Commerce received notices of intent to participate from BENTELER Steel/Tube Manufacturing Corp. (BENTELER),⁴ Tenaris Bay City, Inc. and IPSCO Tubulars Inc. (combined, Tenaris USA),⁵ United States Steel Corporation (U.S. Steel),⁶ and Vallourec Star, L.P. (Vallourec)⁷ (collectively, domestic producers), within the deadline specified in 19 CFR 351.218(d)(1)(i). Each of these companies claimed interested party status under section 771(9)(C) of the Act as domestic producers engaged in the production in the United States of seamless pipe.

Commerce received a substantive response from the domestic producers within the 30-day deadline specified in 19 CFR 351.218(d)(3).8 Commerce did not receive a substantive response from the Government of China (GOC) or from Chinese producers or exporters (collectively, respondent interested parties). No hearing was requested.

On March 23, 2021, Commerce notified the U.S. International Trade Commission (ITC) that it did not receive an adequate substantive response from respondent interested parties. As a result, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), Commerce conducted an expedited (120-day) sunset review of the *CVD Order*.

III. SCOPE OF THE CVD ORDER

The merchandise covered by the *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

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² See CVD Order.

³ See Initiation of Five-Year (Sunset) Reviews, 86 FR 7709 (February 1, 2021).

⁴ See BENTELER's Letter, "Notice of Intent to Participate in Second Sunset Reviews of the Antidumping and Countervailing Duty Orders on Seamless Carbon and Alloy Steel Standard, Line and Pressure Pipe from China," dated February 16, 2021.

⁵ See Tenaris USA's Letter, "Notice of Intent to Participate in Second Sunset Reviews of the Antidumping and Countervailing Duty Orders on Seamless Carbon and Alloy Steel Standard, Line and Pressure Pipe from China," dated February 16, 2021.

⁶ See U.S. Steel's Letter, "Five-Year ("Sunset") Review of Antidumping and Countervailing Duty Orders on Seamless Carbon and Alloy Steel Standard, Line and Pressure Pipe from China: Notice of Intent to Participate," dated February 16, 2021.

⁷ See Vallourec's Letter, "Seamless Carbon and Alloy Steel Standard, Line and Pressure Pipe from the People's Republic of China (Second Sunset Review): Notice of Intent to Participate," dated February 16, 2021.

⁸ See Domestic Producers' Letter, "Seamless Carbon and Alloy Steel Standard, Line and Pressure Pipe from the People's Republic of China (Second Sunset Review): Substantive Response," dated March 3, 2021 (Domestic Producers Substantive Response).

⁹ See Commerce's Letter, "Sunset Reviews Initiated on February 1, 2021," dated March 23, 2021.

(ASTM) or American Petroleum Institute (API) specifications referenced below, or comparable specifications. Specifically included within the scope are seamless carbon and alloy steel (other than stainless steel) standard, line, and pressure pipes produced to the ASTM A-53, ASTM A-106, ASTM A-333, ASTM A-334, ASTM A-589, ASTM A-795, ASTM A-1024, and the API 5L specifications or comparable specifications, and meeting the physical parameters described above, regardless of application, with the exception of the exclusion discussed below.

Specifically excluded from the scope of the *Order* are: (1) all pipes meeting 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.

IV. HISTORY OF THE CVD ORDER

On November 10, 2010, Commerce published in the *Federal Register* the *CVD Order* on seamless pipe from China. ¹⁰ In the *Final Determination* of the subject CVD investigation, ¹¹ covering the period of January 1, to December 31, 2008, and as revised in the *CVD Order*, Commerce 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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¹⁰ See CVD Order.

¹¹ 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); see also 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. 12 On February 4, 2016, Commerce published the Final Results of the First Sunset Review. 13 Commerce has not conducted any other administrative reviews, new shipper reviews, or changed circumstance reviews of this CVD Order. Commerce issued five scope rulings regarding the CVD Order, which are summarized in Commerce's Notice of Scope Rulings:

Requestor: Commercial Honing LLC dba Commercial Fluid Power ("Commercial Honing"); Commercial Honing's 12 sizes of mechanical tubing are outside the scope of the Orders on seamless carbon and alloy steel standard, line, and pressure pipe from the PRC because they meet the exclusion language of the scope. However, one size of Commercial Honing's mechanical tubing falls within the scope of the Orders because it does not meet the requirements set forth in the exclusion language; February 25, 2016.¹⁴

Requestor: Westlake Vinyls Company (Westlake); The component parts of Westlake's engineered and manufactured Pipe Spools that are produced in the PRC

¹² 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); see also 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).

¹³ See Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from the People's Republic of China: Final Results of Expedited First Sunset Review of the Countervailing Duty Order, 81 FR 5985 (February 4, 2016). ¹⁴ See Notice of Scope Rulings, 82 FR 13794 (March 15, 2017).

and imported by Westlake are within the scopes of the antidumping and countervailing duty orders on 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 PRC. The Department determines that the component parts are subject to the orders when examined individually in their own right because the components meet the language of their respective antidumping and countervailing duty orders and the 19 CFR 351.225(k)(1) sources do not exclude them from their respective orders by virtue of their inclusion into a larger product; August 15, 2016.¹⁵

Requestor: Commercial Honing LLC dba Commercial Fluid Power; Ten different seamless pipe products are not covered by the scope of the antidumping and countervailing duty orders on certain seamless steel tubing from the People's Republic of China because the mechanical tubing does not meet the dimensional requirements, i.e., outside diameter and wall thickness, described in the exception to the exclusion, of ASTM A-53, ASTM A-106, or API 5L specifications; May 16, $2017.^{16}$

Requestor: SinoStruct Proprietary Limited (Sinostruct). Pipe spools produced in China by SinoStruct entirely from components produced in third countries that are not subject to any AD or CVD orders, and are exported to the United States by SinoStruct, are not within the scopes of the AD and CVD orders on carbon steel buttweld 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 China; March 29, 2018. 17

Requestor: Advance Engineering Corporation (AEC). Specialized seamless pipe (AEC Pipe) product imported by Advance Engineering Corporation are within the scope of the AD and CVD orders on certain seamless carbon and alloy steel standard, line, and pressure pipe from the China because AEC did not demonstrate that AEC Pipe met two of the exclusions—specifically the ASTM A-355 standard and aerospace specifications-enumerated in the scope language; March 29, 2018. 18

After the continuation of the Order, Commerce implemented a section 129 determination and revised its final determination in the underlying investigation finding revised subsidy rates of 8.24 percent for TPCO, 49.56 percent for Hengyang, and 28.90 percent for all others. 19

¹⁵ See Notice of Scope Rulings, 82 FR 48799 (October 20, 2017).

¹⁶ See Notice of Scope Rulings, 83 FR 31733 (July 9, 2018).

¹⁷ See Notice of Scope Rulings, 84 FR 33915 (July 16, 2019).

¹⁹ See Implementation of Determinations Pursuant to Section 129 of the Uruguay Round Agreements Act, 81 FR 37180 (June 9, 2016).

V. LEGAL FRAMEWORK

In accordance with section 751(c)(1) of the Act, Commerce conducted this sunset review to determine whether revocation of the *CVD Order* would likely lead to continuation or recurrence of a countervailable subsidy. Section 752(b) of the Act provides that, in making this determination, Commerce 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, Commerce shall provide the ITC with the net countervailable subsidy likely to prevail if the *CVD Order* were revoked. In addition, consistent with section 752(a)(6) of the Act, Commerce shall provide the ITC with 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 (SCM).

VI. DISCUSSION OF THE ISSUES

Below we address the comments of the domestic producers.

1. Likelihood of Continuation or Recurrence of a Countervailable Subsidy

Domestic Producers' Comments:²⁰

The domestic producers argue that revocation of the *CVD Order* would likely lead to the recurrence of subsidies. Furthermore, the domestic producers argue that Commerce's policy is to find that revocation of a CVD order will likely lead to the continuation or recurrence of countervailable subsidies where a program: (1) continues, (2) has only been temporarily suspended, or (3) has only partially been terminated.²¹ Regarding this sunset review, the domestic producers 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 China in 2010. Specifically, the domestic producers argue that, since the imposition of the *CVD Order*, Commerce has not completed an administrative review in order to establish that Chinese producers of seamless pipe ceased receiving countervailable benefits and that, therefore, Commerce should find that revocation of the *CVD Order* is likely to lead to the continuation or recurrence of countervailable subsidies.

Commerce's Position:

Section 752(b)(1) of the Act directs Commerce, 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

²⁰ See Domestic Producers Substantive Response at 6-8.

²¹ *Id.* at 6 (citing *Policies Regarding the Conduct of Five-year* ("Sunset") Reviews of Antidumping and Countervailing Duty Orders; Policy Bulletin, 63 FR 18871 (April 16, 1998) (Policy Bulletin)).

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), Commerce 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.²² The SAA adds that continuation of a program will be highly probative of the likelihood of continuation or recurrence of countervailable subsidies.²³ 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.²⁴ Where a subsidy program is found to exist, Commerce 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.²⁵

As Commerce 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.²⁶ Commerce has further stated that, in order to determine whether a program has been terminated, Commerce will consider the legal method by which the government eliminated the program and whether the government is likely to reinstate the program.²⁷ Commerce normally expects a program to be terminated by means of the same legal mechanism used to institute it.²⁸ Where a subsidy is bestowed other than pursuant to a statute, regulation or decree, Commerce 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.²⁹

As indicated above, there have been no administrative reviews since issuance of the *CVD Order*. No party submitted evidence to demonstrate that these countervailable programs have expired or been terminated, and there is no information on the record of this proceeding indicating any changes to the programs found countervailable during the investigation. Absent argument or evidence to the contrary, we find that these countervailable programs continue to exist and be used. Therefore, Commerce determines that there is a likelihood of continuation or recurrence of countervailable subsidies because the record indicates that the subsidy programs found countervailable during the investigation continue to exist and be used.

²² See SAA, H. Doc. No. 316, 103d Cong., 2d Session, Vol. 1 (1994) at 888.

 $^{^{23}}$ Id

²⁴ 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 (IDM) at Comment 1.
²⁵ Id

²⁶ 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 IDM 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).

²⁷ 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 IDM at Comment 1.

²⁸ See, a.g., Final Affirmative Countervailing Duty Determination: Contain Hot Rolled Carbon Steel Flat Proceedings of Countervailing Duty Determination: Contain Hot Rolled Carbon Steel Flat Proceedings of Countervailing Duty Determination: Contain Hot Rolled Carbon Steel Flat Proceedings of Countervailing Duty Determination: Contain Hot Rolled Carbon Steel Flat Proceedings of Countervailing Duty Determination: Contain Hot Rolled Carbon Steel Flat Proceedings of Countervailing Duty Determination: Contain Hot Rolled Carbon Steel Flat Proceedings of Countervailing Duty Determination: Contain Hot Rolled Carbon Steel Flat Proceedings of Countervailing Duty Determination: Contain Hot Rolled Carbon Steel Flat Proceedings of Countervailing Duty Determination: Contain Hot Rolled Carbon Steel Flat Proceedings of Countervailing Duty Determination: Contain Hot Rolled Carbon Steel Flat Proceedings of Countervailing Duty Determination Countervailing Duty

²⁸ 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 IDM at Comment 7.

²⁹ 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 IDM at Comment 1.

2. Net Countervailable Subsidy Rates Likely to Prevail

Domestic Producers' Comments:30

The domestic producers argue that, pursuant to the SAA, that revocation of the *CVD Order* would likely lead to recurrence of subsidization of subject merchandise at subsidy rates found in the investigation because these rates reflect the behavior of exporters and foreign governments without the discipline of the *CVD Order*.³¹ Furthermore, Commerce has stated that its policy normally is to provide to the ITC the subsidy rates determined in the original investigation.³² Commerce has not concluded an administrative review since the *CVD Order* that would alter these rates, and, consequently, Commerce should select the rates published in the *CVD Order* to provide to the ITC.

Commerce's Position:

Consistent with the SAA and legislative history, Commerce 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.³³ Section 752(b)(l)(B) of the Act provides, however, that Commerce 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 provide that Commerce 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.³⁴

No evidence has been provided to warrant making a change to the net countervailable subsidy rate found in the investigation. Therefore, in this sunset review, we determine the company-specific countervailable subsidy rates likely to prevail are the rates assigned in the *Order*, as amended by the section 129 proceeding. The countervailable subsidy rates, which Commerce determines are likely to prevail upon revocation of the *Order*, are provided in the "Final Results of Review" section of this memorandum.

3. Nature of the Subsidies

Consistent with section 752(a)(6) of the Act, Commerce is providing the following information to the ITC concerning the nature of the subsidies and whether the subsidies are subsidies as

³⁰ See Domestic Producers Substantive Response at 9-10.

³¹ *Id.* at 9 (citing SAA at 890).

³² *Id.* at 9 (citing *Policy Bulletin* at 18875).

³³ See SAA at 890, and House Report, H.R. Rep. No. 103-826 (1994) (House Report) at 64.

²¹ 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.

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.³⁵

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.:

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

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³⁵ See Final Determination IDM at 16.

VII. FINAL RESULTS OF REVIEW

Commerce determines that revocation of the *CVD Order* would be likely to lead to the 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.,	8.24	
Tianjin Pipe International Economic and Trading Co., Ltd.,		
TPCO Charging Development Co., Ltd.		
Hengyang Steel Tube Group Int'l Trading, Inc., Hengyang	40.56	
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	49.56	
Valin Xiangtan Iron & Steel Co., Ltd., Wuxi Sifang Steel		
Tube Co., Ltd., Hunan Valin Steel Co., Ltd., Hunan Valin		
Iron & Steel Group Co., Ltd.		
All Others	28.90	

VIII. RECOMMENDATION

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

Agree	Disagree
	5/27/2021
x	

Signed by: CHRISTIAN MARSH

Christian Marsh

Acting Assistant Secretary

for Enforcement and Compliance