

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

[A-570-067]

**Forged Steel Fittings From the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review and Partial Rescission; 2019-2020**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The Department of Commerce (Commerce) preliminarily determines that Both-Well (Taizhou) Steel Fittings Co., Ltd. (Both-Well), the sole respondent participating in this review, and an exporter of forged steel fittings from the People's Republic of China (China), sold subject merchandise in the United States at prices below normal value (NV) during the period of review (POR) November 1, 2019, through October 31, 2020. We are also preliminarily rescinding this review with respect to Shanghai Maorun International Co., Ltd. (Shanghai Maorun). Interested parties are invited to comment on these preliminary results.

**DATES:** Applicable December 7, 2021.

**FOR FURTHER INFORMATION CONTACT:** Jinny Ahn, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482-0339.

**SUPPLEMENTARY INFORMATION:****Background**

This administrative review is being conducted in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act). On January 6, 2021, Commerce published the notice of initiation of this administrative review, covering Both-Well and Shanghai Maorun.<sup>1</sup> On January 27, 2021, Commerce issued the non-market economy (NME) antidumping duty (AD) questionnaire to Both-Well and Shanghai Maorun. On February 1, 2021, Shanghai Maorun withdrew its request for review.<sup>2</sup>

On June 28, 2021, Commerce extended the preliminary results deadline by 120 days.<sup>3</sup> For a complete

<sup>1</sup> See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 86 FR 515 (January 6, 2021) (*Initiation Notice*).

<sup>2</sup> See Shanghai Maorun's Letter, "Withdrawal of Request of Review," dated February 1, 2021 (Maorun's Withdrawal of Request for Review).

<sup>3</sup> See Memorandum, "Forged Steel Fittings from the People's Republic of China: Extension of

description of the events that followed the initiation of this administrative review, see the Preliminary Decision Memorandum.<sup>4</sup>

**Scope of the Order**

The merchandise covered by the *Order*<sup>5</sup> is carbon and alloy forged steel fittings, whether unfinished (commonly known as blanks or rough forgings) or finished. For a complete description of the scope of the *Order*, see the Preliminary Decision Memorandum.

**Partial Rescission of Administrative Review**

Pursuant to 19 CFR 351.213(d)(1), Commerce will rescind an administrative review, in whole or in part, if a party who requested the review withdraws the request within 90 days of the date of the date of publication of the notice of initiation of the requested review. On February 1, 2021, Shanghai Maorun timely withdrew its request for review. Because there was a timely withdrawal of request for review for Shanghai Maorun and because there are no other active requests for review for Shanghai Maorun, we are rescinding this review with respect to Shanghai Maorun, pursuant to 19 CFR 351.213(d)(1).

**Methodology**

Commerce is conducting this review in accordance with section 751(a)(1)(B) of the Act and 19 CFR 351.213. We calculated export prices in accordance with section 772 of the Act. Because China is an NME country within the meaning of section 771(18) of the Act, NV has been calculated in accordance with section 773(c) of the Act.

For a full description of the methodology underlying our conclusions, see the Preliminary Decision Memorandum. A list of the topics included in the Preliminary Decision Memorandum is included in the appendix to this notice. The Preliminary Decision Memorandum is a public document and is made available to the public via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS).

Deadline for Preliminary Results of the Second Antidumping Duty Administrative Review," dated June 28, 2021.

<sup>4</sup> See Memorandum, "Decision Memorandum for the Preliminary Results of Antidumping Duty Administrative Review and Partial Rescission: Forged Steel Fittings from the People's Republic of China; 2019-2020," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

<sup>5</sup> See *Forged Steel Fittings from Italy and the People's Republic of China: Antidumping Duty Orders*, 83 FR 60397 (November 26, 2018) (*Order*).

ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum is available at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

**Separate Rates**

In all proceedings involving an NME country, Commerce maintains a rebuttable presumption that all companies are subject to government control and, thus, should be assessed a single weighted-average dumping margin unless the company can affirmatively demonstrate an absence of government control, both in law (*de jure*) and in fact (*de facto*), with respect to its export activities so that it is entitled to separate rate status.<sup>6</sup> Commerce has preliminarily determined that information placed on the record by Both-Well demonstrates that Both-Well is eligible for separate rate status.

As noted above, we are rescinding this review with respect to Shanghai Maorun. For the reasons stated below, as Shanghai Maorun is currently a part of the China-wide entity, we will continue to treat Shanghai Maorun as part of the China-wide entity. See Assessment Rates.

Commerce's policy regarding conditional review of the China-wide entity applies to this administrative review.<sup>7</sup> Under this policy, the China-wide entity will not be under review unless a party specifically requests, or Commerce self-initiates, a review of the China-wide entity.<sup>8</sup> Because no party requested a review of the China-wide entity in this review, the China-wide entity is not under review and the China-wide entity's rate (*i.e.*, 142.72 percent) is not subject to change.<sup>9</sup> For additional information, see the Preliminary Decision Memorandum.

**Preliminary Results of the Review**

Commerce preliminarily determines that the following weighted-average dumping margin exist for the POR:

<sup>6</sup> See *Notice of Final Determination of Sales at Less Than Fair Value, and Affirmative Critical Circumstances, In Part: Certain Lined Paper Products from the People's Republic of China*, 71 FR 53079, 53082 (September 8, 2006); see also *Final Determination of Sales at Less Than Fair Value and Final Partial Affirmative Determination of Critical Circumstances: Diamond Sawblades and Parts Thereof from the People's Republic of China*, 71 FR 29303, 29307 (May 22, 2006).

<sup>7</sup> See *Antidumping Proceedings: Announcement of Change in Department Practice for Respondent Selection in Antidumping Proceedings and Conditional Review of the Nonmarket Economy Entity in NME Antidumping Duty Proceedings*, 78 FR 65963 (November 4, 2013).

<sup>8</sup> *Id.*

<sup>9</sup> See *Order*, 83 FR at 60397.

Exporter	Weighted-average dumping margin (percent)
Both-Well (Taizhou) Steel Fittings Co., Ltd .....	0.51

### Disclosure and Public Comment

Commerce intends to disclose the calculations performed for these preliminary results to the parties within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b).

Pursuant to 19 CFR 351.309(c)(ii), interested parties may each submit a case brief no later than 30 days after the date of publication of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than seven days after the case briefs are filed.<sup>10</sup> Parties who submit a case brief or a rebuttal brief in this proceeding are encouraged to submit with each argument: (1) A statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance within 30 days of the date of publication of this notice. Requests should contain: (1) The party's name, address and telephone number; (2) the number of participants; and (3) a list of issues parties intend to discuss. Issues raised in the hearing will be limited to those raised in the respective case and rebuttal briefs.<sup>11</sup> If a request for a hearing is made, Commerce will announce the date and time of the hearing.

All submissions to Commerce must be filed electronically using Enforcement and Compliance's electronic records system, ACCESS,<sup>12</sup> and must also be served on interested parties.<sup>13</sup> An electronically filed document must be received successfully in its entirety by ACCESS, by 5 p.m. Eastern Time (ET) on the date that the document is due. Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice.<sup>14</sup>

### Final Results of Review

Unless otherwise extended, Commerce intends to issue the final results of this administrative review, which will include the results of its analysis of issues raised in any briefs, within 120 days of publication of these preliminary results, pursuant to section 751(a)(3)(A) of the Act.

### Assessment Rates

In accordance with section 751(a)(2)(C) of the Act, the final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by this review. Upon issuance of the final results, Commerce will determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review.<sup>15</sup> Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

We will instruct CBP to assess antidumping duties on all appropriate entries covered by this review, when the importer-specific assessment rate calculated in the final results of this review for Both-Well, are not zero or *de minimis* (*i.e.*, less than 0.50 percent). Where Both-Well's importer-specific assessment rate is zero or *de minimis*,<sup>16</sup> we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties. If Both-Well's weighted-average dumping margin is not zero or *de minimis* in the final results of this review, Commerce will instruct CBP to collect the appropriate duties at the time of liquidation, in accordance with 19 CFR 351.212(b)(1).<sup>17</sup> We intend to calculate importer-specific *ad valorem* assessment rates by dividing the total amount of dumping calculated for all reviewed U.S. sales to the importer by the total entered value of the merchandise sold to the importer for Both-Well.<sup>18</sup>

For entries that were not reported in the U.S. sales data submitted by Both-Well during this review, Commerce will instruct CBP to liquidate such entries at

the rate for the China-wide entity pursuant to the NME reseller policy.<sup>19</sup>

For Shanghai Maorun, antidumping duties shall be assessed at rates equal to the cash deposit of estimated antidumping duties required at the time of entry, or withdrawal from warehouse, for consumption, in accordance with 19 CFR 351.212(c)(1)(i). For Shanghai Maorun, Commerce intends to issue appropriate assessment instructions to CBP no earlier than 35 days after the date of publication of this notice.

### Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for shipments of the subject merchandise from China entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) For Both-Well, the cash deposit rate will be equal to the weighted-average dumping margin established in the final results of this review (except, if the rate is *de minimis*, then the cash deposit rate will be zero); (2) for previously examined Chinese and non-Chinese exporters not listed above that received a separate rate in a prior completed segment of this proceeding, the cash deposit rate will continue to be the existing exporter-specific cash deposit rate; (3) for all Chinese exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be the rate for the China-wide entity (*i.e.*, 142.72 percent); and (4) for all non-Chinese exporters of subject merchandise which have not received their own separate rate, the cash deposit rate will be the rate applicable to the Chinese exporter that supplied that non-Chinese exporter.

These cash deposit requirements, when imposed, shall remain in effect until further notice.

### Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this POR. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

<sup>19</sup> See *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694 (December 23, 2010) at 65694–65695, for a full discussion of this practice.

<sup>10</sup> See 19 CFR 351.309(d).

<sup>11</sup> See 19 CFR 351.310(c).

<sup>12</sup> See 19 CFR 351.303.

<sup>13</sup> See 19 CFR 351.303(f).

<sup>14</sup> See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19*, 85 FR 41363 (July 10, 2020).

<sup>15</sup> See 19 CFR 351.212(b)(1).

<sup>16</sup> See 19 CFR 351.106(c)(2).

<sup>17</sup> Commerce will apply the assessment rate calculation method adopted in *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification*, 77 FR 8101 (February 14, 2012).

<sup>18</sup> See 19 CFR 351.212(b)(1).

**Notification to Interested Parties**

This administrative review and notice are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, 19 CFR 351.213, and 19 CFR 351.221(b)(4).

Dated: November 30, 2021.

**Ryan Majerus,**

*Deputy Assistant Secretary for Policy and Negotiations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.*

**Appendix—List of Topics Discussed in the Preliminary Decision Memorandum**

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Partial Rescission of Administrative Review
- V. Discussion of the Methodology
- VI. Date of Sale
- VII. Comparisons to Normal Value
- VIII. U.S. Price
- IX. Normal Value
- X. Currency Conversion
- XI. Adjustment Under Section 777A(f) of the Act
- XII. Recommendation

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**DEPARTMENT OF COMMERCE**

**International Trade Administration**

[C–570–068]

**Forged Steel Fittings From the People’s Republic of China: Preliminary Results of Countervailing Duty Administrative Review; 2019**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The Department of Commerce (Commerce) is conducting an administrative review of the countervailing duty (CVD) order on forged steel fittings from the People’s Republic of China (China) for the period of review January 1, 2019, through December 31, 2019. Commerce preliminarily determines that countervailable subsidies are being provided to Both-Well (Taizhou) Steel Fittings, Co., Ltd. (Both-Well), the sole producer/exporter of forged steel fittings from China subject to this review.

**DATES:** Applicable December 7, 2021.

**FOR FURTHER INFORMATION CONTACT:** Janaé Martin or William Horn, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone:

(202) 482–0238 or (202) 482–4868, respectively.

**SUPPLEMENTARY INFORMATION:**

**Background**

On January 6, 2021, Commerce published the notice of initiation of an administrative review of the CVD order on forged steel fittings from China.<sup>1</sup> On July 13, 2021, Commerce extended the time period for issuing the preliminary results of this review by 120 days.<sup>2</sup> Accordingly, the deadline for the preliminary results in this administrative review was postponed to November 30, 2021.<sup>3</sup>

For a complete description of the events that followed the initiation of this administrative review, *see* the Preliminary Decision Memorandum.<sup>4</sup> A list of topics discussed in the Preliminary Decision Memorandum is included as an appendix to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance’s Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly <https://access.trade.gov/public/FRNoticesListLayout.aspx/>.

**Scope of the Order**

The merchandise covered by the order is forged steel fittings. For a complete description of the scope of the order, *see* the Preliminary Decision Memorandum.

**Methodology**

Commerce is conducting this review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, we preliminarily determine that there is a subsidy, *i.e.*, a government financial contribution that gives rise to a benefit to the recipient, and that the subsidy is specific.<sup>5</sup> For a full description of the methodology underlying our

<sup>1</sup> See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 86 FR 511 (January 6, 2021).

<sup>2</sup> See Memorandum, “Extension of Deadline for Preliminary Results of Countervailing Duty Administrative Review,” dated July 13, 2021.

<sup>3</sup> *Id.* at 2.

<sup>4</sup> See Memorandum, “Decision Memorandum for the Preliminary Results: Administrative Review of the Countervailing Duty Order on Forged Steel Fittings from the People’s Republic of China; 2019,” dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

<sup>5</sup> See sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

preliminary conclusions, *see* the accompanying Preliminary Decision Memorandum.

As explained in the Preliminary Decision Memorandum, Commerce relied on adverse facts available because the Government of China did not act to the best of its ability in responding to Commerce’s requests for information, and consequently, we have drawn an adverse inference, where appropriate, in selecting from among the facts otherwise available.<sup>6</sup> For further information, *see* “Use of Facts Otherwise Available and Adverse Inferences” in the Preliminary Decision Memorandum.

**Preliminary Results of Review**

In accordance with 19 CFR 351.221(b)(4)(i), we calculated a countervailable subsidy rate for Both-Well, the sole mandatory respondent in this review. We preliminarily determine that the following subsidy rate exists for Both-Well:

Company	Subsidy rate (percent)
Both-Well (Taizhou) Steel Fittings, Co., Ltd .....	13.39

**Assessment Rate**

In accordance with 19 CFR 351.221(b)(4)(i), we preliminarily assigned a subsidy rate in the amount shown above for the producer/exporter shown above. Upon completion of the administrative review, consistent with section 751(a)(1) of the Act and 19 CFR 351.212(b)(2), Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries covered by this review. Commerce intends to issue instructions directly to CBP no earlier than 35 days after publication of the final results of this review in the **Federal Register**.

**Cash Deposit Rate**

Pursuant to section 751(a)(1) of the Act, Commerce intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amount indicated for Both-Well with regard to shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits of estimated countervailing duties at the most recent company-specific or all-others rate

<sup>6</sup> See sections 776(a) and (b) of the Act.