A-351-602, A-588-602, A-583-605, A-549-807, A-570-814 Sunset Reviews **Public Document** AD/CVD OI: CC

September 10, 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 Expedited Sunset

Reviews of the Antidumping Duty Orders on Certain Carbon Steel Butt-Weld Pipe Fittings from Brazil, Japan, Taiwan,

Thailand, and the People's Republic of China.

#### I. SUMMARY

We analyzed the substantive responses of the domestic interested parties<sup>1</sup> in the sunset reviews of the antidumping duty (AD) orders on certain carbon steel butt-weld pipe fittings (CSBW pipe

<sup>1</sup> Domestic interested parties comprised of four domestic producers of carbon steel butt-weld pipe fittings: Tube Forgings of America, Inc. (TFA), Mills Iron Works, Inc. (MIW), Hackney Ladish, Inc. (a subsidiary of Precision Castparts Corp.) (HL), (collectively, TFA et. al.), and Weldbend Corporation (Weldbend) (herein after referred to as domestic interested parties). See Domestic Interested Parties' Letters, "Carbon Steel Butt-Weld Pipe Fittings from Brazil: Substantive Response of Domestic Interested Party," dated July 21, 2021 (Brazil Substantive Response Weldbend); and "2021 Sunset Review: Carbon Steel Butt-Weld Pipe Fittings from Brazil: Substantive Response of Domestic Interested Parties," dated July 27, 2021 (Brazil Substantive Response TFA et. al.) (collectively, Brazil Substantive Responses); see also "Carbon Steel Butt-Weld Pipe Fittings from Japan: Substantive Response of Domestic Interested Party," dated July 21, 2021 (Japan Substantive Response Weldbend); and "2021 Sunset Review: Carbon Steel Butt-Weld Pipe Fittings from Japan: Substantive Response of Domestic Interested Parties," dated July 27, 2021 (Japan Substantive Response TFA et. al.) (collectively Japan Substantive Responses); "Carbon Steel Butt-Weld Pipe Fittings from Taiwan: Substantive Response of Domestic Interested Party," dated July 21, 2021 (Taiwan Substantive Response Weldbend); and "2021 Sunset Review: Carbon Steel Butt-Weld Pipe Fittings from Taiwan: Substantive Response of Domestic Interested Parties," dated July 27, 2021 (Taiwan Substantive Response TFA et. al.) (collectively, Taiwan Substantive Responses); "Carbon Steel Butt-Weld Pipe Fittings from Thailand: Substantive Response of Domestic Interested Party," dated July 21, 2021 (Thailand Substantive Response Weldbend); and "2021 Sunset Review: Carbon Steel Butt-Weld Pipe Fittings from Thailand: Substantive Response of Domestic Interested Parties," dated July 27, 2021 (Thailand Substantive Response TFA et. al.) (collectively, Thailand Substantive Responses); and "Carbon Steel Butt-Weld Pipe Fittings from China: Substantive Response of Domestic Interested Party," dated July 2, 2021 (China Substantive Response Weldbend) and "2021 Sunset Review: Carbon Steel Butt-Weld Pipe Fittings from China: Substantive Response of Domestic Interested Parties," dated July 27, 2021 (China Substantive Response TFA et. al.) (collectively, China Substantive Responses).



fittings) from Brazil, Japan, Taiwan, Thailand, and the People's Republic of China (China).<sup>2</sup> No other interested party submitted a substantive response. Accordingly, we conducted expedited (120-day) sunset reviews 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 the complete list of the issues in these sunset reviews for which we received substantive responses:

- 1. Likelihood of continuation or recurrence of dumping
- 2. Magnitude of the margins likely to prevail

#### II. BACKGROUND

On July 1, 2021, the Department of Commerce (Commerce) published the *Initiation Notice* of the sunset reviews of the *AD Orders* in the *Federal Register*.<sup>3</sup> On July 7 and 9, 2021, Commerce received timely and complete notices of intent to participate in the sunset reviews from the domestic interested parties within the deadline specified in 19 CFR 351.218(d)(1).<sup>4</sup> The domestic interested parties claimed interested party status pursuant to section 771(9)(C) of the Act.<sup>5</sup>

Commerce received complete substantive responses from the domestic interested parties within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i).<sup>6</sup> Commerce did not receive substantive responses from any respondent interested parties with respect to any of the orders covered by these sunset reviews, nor was a hearing requested. As a result, pursuant to section

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<sup>&</sup>lt;sup>2</sup> See Antidumping Duty Order; Certain Carbon Steel Butt-Weld Pipe Fittings from Brazil, 51 FR 45152 (December 17, 1986) (Brazil Order); Antidumping Duty Order: Certain Carbon Steel Butt-Weld Pipe Fittings from Japan, 52 FR 4167 (February 10, 1987) (Japan Order); Antidumping Duty Order; Certain Carbon Steel Butt-Weld Pipe Fittings from Taiwan, 51 FR 45152 (December 17, 1986) (Taiwan Order); Antidumping Duty Order; Certain Carbon Steel Butt-Weld Pipe Fittings from Thailand, 57 FR 29702 (July 6, 1992) (Thailand Order); Antidumping Duty Order and Amendment to the Final Determination of Sales at Less Than Fair Value; Certain Carbon Steel Butt-Weld Pipe Fittings from the People's Republic of China, 57 FR 29702 (July 6, 1992) (China Order) (collectively, AD Orders).

<sup>&</sup>lt;sup>3</sup> See Initiation of Five-Year (Sunset) Reviews, 86 FR 35071 (July 1, 2021) (Initiation Notice).

<sup>&</sup>lt;sup>4</sup> See Domestic Interested Parties' Letters, "Certain Carbon Steel Butt-Weld Pipe Fittings from Brazil: Notice of Intent to Participate in the Fifth Five-Year (Sunset) Review of the Antidumping Order," dated July 7, 2021 and "Carbon Steel Butt-Weld Pipe Fittings from Brazil: Notice of Intent to Participate by Weldbend Corporation," dated July 9, 2021; "Certain Carbon Steel Butt-Weld Pipe Fittings from Japan: Notice of Intent to Participate in the Fifth Five-Year (Sunset) Review of the Antidumping Order," dated July 7, 2021 and "Carbon Steel Butt-Weld Pipe Fittings from Japan: Notice of Intent to Participate by Weldbend Corporation," dated July 9, 2021; "Certain Carbon Steel Butt-Weld Pipe Fittings from Taiwan: Notice of Intent to Participate in the Fifth Five-Year (Sunset) Review of the Antidumping Order," dated July 7, 2021 and "Carbon Steel Butt-Weld Pipe Fittings from Taiwan: Notice of Intent to Participate by Weldbend Corporation," dated July 9, 2021; "Certain Carbon Steel Butt-Weld Pipe Fittings from Thailand: Notice of Intent to Participate in the Fifth Five-Year (Sunset) Review of the Antidumping Order," dated July 7, 2021 and "Carbon Steel Butt-Weld Pipe Fittings from Thailand: Notice of Intent to Participate by Weldbend Corporation," dated July 9, 2021; "Certain Carbon Steel Butt-Weld Pipe Fittings from The People's Republic of China: Notice of Intent to Participate in the Fifth Five-Year (Sunset) Review of the Antidumping Order," dated July 7, 2021 and "Carbon Steel Butt-Weld Pipe Fittings from China: Notice of Intent to Participate by Weldbend Corporation," dated July 9, 2021 (collectively, Notices of Intent to Participate).

<sup>&</sup>lt;sup>6</sup> *See* Brazil Substantive Responses; Japan Substantive Responses; Taiwan Substantive Responses; Thailand Substantive Responses; and China Substantive Responses.

751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), Commerce conducted expedited (120-day) sunset reviews of the *AD Orders*.

The *AD Orders* remain in effect for all manufacturers, producers, and exporters of CSBW pipe fittings except for the following company, which received a *de minimis* rate in the investigation and as a result was excluded from the *Thailand Order*: Awaji Sangyo (Thailand) Co., Ltd.<sup>7</sup> In February 2009, Commerce determined that Awaji Materia (Thailand) Co. Ltd. is the successor-in-interest to Awaji Sangyo (Thailand) Co. Ltd.<sup>8</sup>

# III. SCOPE OF THE ORDERS

#### Brazil

The merchandise covered by the *Brazil Order* consists of certain carbon steel butt-weld type fittings, other than couplings, under 14 inches in diameter, whether finished or unfinished, that have been formed in the shape of elbows, tees, reducers, caps, *etc.*, and, if forged, have been advanced after forging. These advancements may include any one or more of the following: coining, heat treatment, shot blasting, grinding, die stamping or painting. Such merchandise was classifiable under Tariff Schedules of the United States Annotated (TSUSA) item number 610.8800. These imports are currently classified under subheading 7307.93.30 of the Harmonized Tariff Schedule of the United States (HTSUS). The HTSUS subheading is provided for convenience and customs purposes. The written product description remains dispositive.

# Japan

The merchandise covered by the *Japan Order* consists of certain carbon steel butt-weld type fittings, other than couplings, under 14 inches in inside diameter, whether finished or unfinished, that have been formed in the shape of elbows, tees, reducers, caps, *etc.*, and if forged, have been advanced after forging. These advancements may include any one or more of the following: coining, heat treatment, shot blasting, grinding, die stamping or painting. Such merchandise was classifiable under TSUSA item number 610.8800. These imports are currently classifiable under the HTSUS item number 7307.93.30. Induction pipe bends classifiable under item 7307.93.30 which have at one or both ends tangents that equal or exceed 12 inches in length are excluded from the scope. The HTSUS subheading is provided for convenience and customs purposes. The written product description remains dispositive.

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<sup>&</sup>lt;sup>7</sup> See Certain Carbon Steel Butt-Weld Pipe Fittings from Thailand: Final Determination of Sales at Less Than Fair Value, 57 FR 21065 (May 18, 1992) (Thailand Final).

<sup>&</sup>lt;sup>8</sup> See Certain Carbon Steel Butt-Weld Pipe Fittings from Thailand: Final Results of Changed Circumstances Antidumping Duty Review, 74 FR 8904 (February 27, 2009) (2009 CCR); see also Thailand Substantive Response TFA et. al. at 4.

#### Taiwan

The merchandise covered by the *Taiwan Order* consists of certain carbon steel butt-weld type fittings, other than couplings, under 14 inches in inside diameter, whether finished or unfinished, that have been formed in the shape of elbows, tees, reducers, and caps, and if forged, have been advanced after forging. These advancements may include one or more of the following: coining, heat treatment, shot blasting, grinding, die stamping or painting. Commerce clarified that the so-called sprink-let is within the scope of the order (57 FR 19602). Such merchandise was classifiable under TSUSA item number 610.8800. These imports are currently classifiable under the HTSUS item number 7307.93.3000. The HTSUS subheading is provided for convenience and for customs purposes. The written product description remains dispositive.

#### China and Thailand

The merchandise covered by the *China Order* and the *Thailand Order* consists of certain carbon steel butt-weld pipe fittings, having an inside diameter of less than 14 inches, imported in either finished or unfinished form. These formed or forged pipe fittings are used to join sections in piping systems where conditions require permanent, welded connections, as distinguished from fittings based on other fastening methods (*e.g.*, threaded, grooved, or bolted fittings). Carbon steel butt-weld pipe fittings are currently classified under subheading 7307.93.30 of the HTSUS. The HTSUS subheading is provided for convenience and customs purposes. The written product description remains dispositive.

# IV. HISTORY OF THE ORDERS

#### **Investigations**

#### Brazil

On October 24, 1986, Commerce published the final determination of sales at less than fair value (LTFV) on CSBW pipe fittings from Brazil. In the final determination, Commerce found the following dumping margin:

Company	Weighted-Average Margin (Percent) <sup>10</sup>
All Brazilian Manufacturers, Producers, and Exporters	52.25

Following the publication of Commerce's final determination, the U.S. International Trade Commission (ITC) found that the U.S. industry was materially injured by reason of the imports of subject merchandise.<sup>11</sup> On December 17, 1986, Commerce published the *Brazil Order*.<sup>12</sup>

<sup>&</sup>lt;sup>9</sup> See Certain Carbon Steel Butt-Weld Pipe Fittings from Brazil; Final Determination of Sales at Less Than Fair Value, 51 FR 37770 (October 24, 1986) (Brazil LTFV Final).

10 Id.

<sup>&</sup>lt;sup>11</sup> See Butt-Weld Pipe Fittings from Brazil and Taiwan Inv. Nos. 731-TA-308 and 310 (Final), USITC Publication 1918 (December 1986) (Original Determinations on Brazil and Taiwan, USITC Pub. 1918). <sup>12</sup> See Brazil Order.

# Japan

On December 29, 1986, Commerce published the final determination of sales at LTFV on CSBW pipe fittings from Japan.<sup>13</sup> In the final determination, Commerce found dumping margins as follows:

Company	Weighted-Average Margin (Percent) <sup>14</sup>
Awaji Sangyo, K.K	30.83
Nippon Benkan Kogyo Ltd Co.	65.81
All Others	62.79

Following the publication of Commerce's final determination, the ITC found that the U.S. industry was materially injured by reason of the imports of subject merchandise. On February 10, 1987, Commerce published the *Japan Order*. 16

# Taiwan

On October 24, 1986, Commerce published the final determination of sales at LTFV on CSBW pipe fittings from Taiwan.<sup>17</sup> In the final determination, Commerce found dumping margins as follows:

Company	Weighted-Average Margin (Percent) <sup>18</sup>
Rigid Industries	6.84
Chung Ming Pipe Fitting Manufacturing Company Ltd.	8.57
Gei Bey Corporation	87.30
Chup Hsin Enterprises	87.30
All Others	49.46

Following the publication of Commerce's final determination, the ITC found that the U.S. industry was materially injured by reason of the imports of subject merchandise. On December 17, 1986, Commerce published the *Taiwan Order*. On December 17, 1986, Commerce published the *Taiwan Order*.

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<sup>&</sup>lt;sup>13</sup> See Certain Carbon Steel Butt-Weld Pipe Fittings from Japan: Final Determination of Sales at Less Than Fair Value, 51 FR 46892 (December 29, 1986) (Japan LTFV Final).

<sup>14</sup> *Id* 

<sup>&</sup>lt;sup>15</sup> See Butt-Weld Pipe Fittings from Japan, Inv. No. 731-TA-309 (Final), USITC Pub. 1943 (January 1987).

<sup>&</sup>lt;sup>16</sup> See Japan Order.

<sup>&</sup>lt;sup>17</sup> See Certain Carbon Steel Butt-Weld Pipe Fittings from Taiwan; Final Determination of Sales at Less Than Fair Value, 51 FR 37772 (October 24, 1986) (Taiwan LTFV Final).

<sup>&</sup>lt;sup>19</sup> See Butt-Weld Pipe Fittings from Brazil and Taiwan, Inv. Nos. 731-TA-308 and 310 (Final), USITC Publication 1918 (December 1986).

<sup>&</sup>lt;sup>20</sup> See Taiwan Order.

#### **Thailand**

On May 18, 1992, Commerce published the final determination of sales at LTFV on CSBW pipe fittings from Thailand.<sup>21</sup> In the final determination, Commerce found dumping margins as follows:

Company	Weighted-Average Margin (Percent) <sup>22</sup>
Awaji Sangyo (Thailand) Co., Ltd. <sup>23</sup>	0.22 (de minimis)
Thai Benkan Company	50.84
TTU Industrial Corp. Ltd.	10.68
All Others	39.10

Following the publication of Commerce's final determination, the ITC found that the U.S. industry was materially injured by reason of the imports of subject merchandise.<sup>24</sup> On July 6, 1992, Commerce published the *Thailand Order*.<sup>25</sup>

# China

On July 6, 1992, Commerce published the amended final determination of sales at LTFV on CSBW pipe fittings from China.<sup>26</sup> In the final determination, as amended, Commerce found dumping margins as follows:

Company	Weighted-Average Margin (Percent) <sup>27</sup>
China North Industries Corporation	154.72
Jilin Provincial Machinery & Equipment Import & Export Corporation	75.23
Liaoning Machinery & Equipment Import & Export Corporation	134.79
Liaoning Metals & Minerals Import & Export Corporation	103.70
Lianoning Metals	182.90
Shenyang Billiongold Pipe Fittings Co. Ltd.	110.39
Shandong Metals & Minerals Import & Export Corporation	35.06
Shenyang Machinery & Equipment Import & Export Corporation	182.90
Shenzhen Machinery Industry Corporation	182.90
China-Wide Rate	182.90

<sup>&</sup>lt;sup>21</sup> See Certain Carbon Steel Butt-Weld Pipe Fittings from Thailand: Final Determination of Sales at Less Than Fair Value, 57 FR 21065 (May 18, 1992) (Thailand LTFV Final).

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<sup>&</sup>lt;sup>23</sup> See 2009 CCR. Commerce determined that Awaji Materia (Thailand) Co. Ltd. is the successor-in-interest to Awaji Sangyo (Thailand) Co. Ltd. and that Awaji Sangyo (Thailand) Co. Ltd.'s exclusion applied to Awaji Materia (Thailand) Co. Ltd.

<sup>&</sup>lt;sup>24</sup> See Certain Carbon Steel Butt-Weld Pipe Fittings from China and Thailand, Inv. Nos. 731-TA-520-521 (Final), USITC Pub. 2528 (June 1992).

<sup>&</sup>lt;sup>25</sup> See Thailand Order.

<sup>&</sup>lt;sup>26</sup> See China Order.

<sup>&</sup>lt;sup>27</sup> *Id*.

Following the publication of Commerce's final determination, the ITC found that the U.S. industry was materially injured by reason of the imports of subject merchandise.<sup>28</sup> On July 6, 1992, Commerce published the *China Order*.<sup>29</sup>

# Administrative Reviews

Brazil, Japan, and China

Since the publication of the *Brazil Order*, *Japan Order*, and *China Order*, Commerce has not conducted any administrative reviews of CSBW pipe fittings from Brazil, Japan, <sup>30</sup> or China.

# Taiwan

Since the publication of the *Taiwan Order*, Commerce initiated three administrative reviews of the AD order on CSBW pipe fittings from Taiwan, completing two reviews and rescinding one review.<sup>31</sup> In the completed administrative reviews, Commerce continued to determine an above *de minimis* margin for certain producers/exporters from Taiwan.

# Thailand

Since the publication of the *Thailand Order*, Commerce initiated four administrative reviews of the *Thailand Order*, completing three reviews and rescinding one review.<sup>32</sup> In the completed administrative reviews, Commerce continued to determine an above *de minimis* margin for certain producers/exporters from Thailand.

<u>Duty-Absorption Findings, Changed-Circumstances Reviews, Section 129 Proceedings, Scope Inquiries, Anticircumvention Inquiries</u>

There have been no duty-absorption findings in administrative reviews of these *AD Orders*. Duty absorption inquiries may not be conducted on pre-Uruguay Round Agreements Act

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<sup>&</sup>lt;sup>28</sup> See Certain Carbon Steel Butt-Weld Pipe Fittings from China and Thailand, Inv. Nos. 731-TA-520-521 (Final), USITC Pub. 2528 (June 1992).

<sup>&</sup>lt;sup>29</sup> See China Order.

<sup>&</sup>lt;sup>30</sup> We initiated an administrative review of the *Japan Order* covering the period February 1, 2008, through January 31, 2009; however, the request for review was withdrawn and Commerce rescinded this review in its entirety. *See Carbon Steel Butt-Weld Pipe Fittings from Japan: Rescission of Antidumping Duty Administrative Review*, 74 FR 39934 (August 10, 2009).

<sup>&</sup>lt;sup>31</sup> See Certain Carbon Steel Butt-Weld Pipe Fittings from Taiwan; Final Results of Administrative Review, 56 FR 20187 (May 2, 1991); and Carbon Steel Butt-Weld Pipe Fittings from Taiwan; Final Results of Administrative Review, 60 FR 49585 (September 26, 1995); Carbon Steel Butt-Weld Pipe Fittings from Taiwan; Termination of Antidumping Administrative Review, 55 FR 22368 (June 1, 1990).

<sup>&</sup>lt;sup>32</sup> See Certain Carbon Steel Butt-Weld Pipe Fittings from Thailand; Final Results of the Antidumping Duty Administrative Review, 62 FR 40797 (July 30, 1997); Certain Carbon Steel Butt-Weld Pipe Fittings from Thailand; Final Results of Antidumping Duty Administrative Review, 64 FR 69487 (December 13, 1999); Certain Carbon Steel Butt-Weld Pipe Fittings from Thailand; Final Results of Antidumping Duty Administrative Review, 68 FR 6409 (February 7, 2003) (2000-2001 Final Results). In addition, we initiated an administrative review of the period July 1, 2003, through June 30, 2004, but the request was withdrawn, and we rescinded this review in its entirety. See Carbon Steel Butt-Weld Pipe Fittings from Thailand: Notice of Rescission of Antidumping Duty Administrative Review, 69 FR 65147 (November 10, 2004).

(URAA) Orders.<sup>33</sup> Additionally, Commerce has not conducted any proceedings pursuant to section 129 of the Uruguay Round Agreements Act (section 129 proceedings) of these *AD Orders*.

#### Brazil

There have been no changed-circumstances reviews, scope inquiries, or anticircumvention inquiries concerning the *Brazil Order*.

# Japan

There have been no changed-circumstances reviews concerning the *Japan Order*.

There has been one scope ruling with respect to CSBW pipe fittings from Japan:

• June 25, 2009 – Benex Corporation's tee blanks are covered by the *Japan Order*.<sup>34</sup>

Commerce issued a negative anti-circumvention determination concerning the *Japan Order*.<sup>35</sup>

# Taiwan

There have been no changed-circumstances reviews or anti-circumvention inquiries concerning the *Taiwan Order*.

There has been one scope ruling with respect to CSBW pipe fittings from Taiwan:

• March 25, 1992– Sprink-let are covered by the *Taiwan Order*. 36

### **Thailand**

There have been no changed-circumstances reviews, scope inquiries, or anticircumvention inquiries concerning the *Thailand Order*.

#### China

There have been no changed-circumstances reviews concerning the *China Order*.

There have been several scope rulings with respect to CSBW pipe fittings from China:<sup>37</sup>

<sup>&</sup>lt;sup>33</sup> See FAG Italia S.p.A. v. United States, 291 F.3d 806 (Fed. Cir. 2002).

<sup>&</sup>lt;sup>34</sup> See Notice of Scope Rulings, 74 FR 49859 (September 29, 2009).

<sup>&</sup>lt;sup>35</sup> See Certain Carbon Steel Butt-Weld Pipe Fittings from Japan; Negative Final Determination of Circumvention of Antidumping Duty Order, 60 FR 58329 (November 27, 1995).

<sup>&</sup>lt;sup>36</sup> See Notice of Scope Rulings, 57 FR 19602 (May 7, 1992).

<sup>&</sup>lt;sup>37</sup> Three of these in-scope findings were appealed to the Court of International Trade; in *Vandewater International, Inc. v. United States*, 476 F.3d 1357 (Ct. Intl. Trade 2020), the CIT remanded the Vandewater scope ruling to Commerce and ordered related cases stayed until the final resolution of that case; the remand is ongoing, though

- October 20, 2009 CSBW pipe fittings used for purposes other than to join sections in piping systems are covered by the China Order.<sup>38</sup>
- August 15, 2016 Pipe spools produced in China and imported are covered by the *China* Order.39
- February 12, 2018 Fittings with diameters of 14 inches or less and diameters of 14 inches or more are not covered by the China Order. 40
- March 29, 2018 Pipe spools fabricated by SinoStruct in China entirely of pipe spool components from third countries and exported to the United States by SinoStruct are not covered by the China Order.41

There have been two anti-circumvention inquiries concerning the AD order on CSBW pipe fittings from China.<sup>42</sup>

# **Sunset Reviews**

1999 Sunset Review

On December 3, 1999, Commerce published the notice of the final results of the sunset review of the AD orders on CSBW pipe fittings from Brazil, Japan, Taiwan, Thailand, and China, in which it determined that the revocation of the AD orders on CSBW pipe fittings from these countries would be likely to lead to the continuation or recurrence of dumping.<sup>43</sup> On December 22, 1999, the ITC published its determination that the revocation of the AD orders on CSBW pipe fittings from these countries would be likely to lead to continuation or recurrence of material injury to a U.S. industry within a reasonably foreseeable time.<sup>44</sup> Based on these results, Commerce

Commerce's draft remand continued to find Vandewater's product covered by the scope of the China Order. See Final Scope Ruling on Request from Vandewater International Inc.: Antidumping Duty Order on Carbon Steel Butt-Weld Pipe Fittings from the People's Republic of China ("PRC"), 84 FR 44848 (August 27, 2019); Antidumping Duty Order on Carbon Steel Butt-Weld Pipe Fittings from the People's Republic of China: Final Scope Ruling on Smith-Cooper International's Cooplet Weld Outlets, 84 FR 50385 (September 25, 2019); Antidumping Duty Order on Carbon Steel Butt-Weld Pipe Fittings from the People's Republic of China: Final Scope Ruling on SIGMA Corporation's Fire-Protection Weld Outlets), 84 FR 50385 (September 25, 2019).

<sup>&</sup>lt;sup>38</sup> See Notice of Scope Rulings, 75 FR 38081 (July 1, 2010). Litigation on this scope ruling ended with the Court of Appeals for the Federal Circuit affirming Commerce's original scope decision that the merchandise at issue fell within the scope of the order. See Certain Carbon Steel Butt-Weld Pipe Fittings from the People's Republic of China: Notice of Court Decision Not in Harmony With Amended Final Scope Ruling and Notice of Amended Final Scope Ruling in Accordance With Court Decision, 77 FR 48965 (August 15, 2012).

<sup>&</sup>lt;sup>39</sup> See Notice of Scope Rulings, 82 FR 48799 (October 20, 2017).

<sup>&</sup>lt;sup>40</sup> See Notice of Scope Rulings, 84 FR 33915 (July 16, 2019).

<sup>&</sup>lt;sup>42</sup> See Certain Carbon Steel Butt-Weld Pipe Fittings from the People's Republic of China; Affirmative Final Determination of Circumvention of Antidumping Duty Order, 59 FR 15155 (March 31, 1994); see also Certain Carbon Steel Butt-Weld Pipe Fittings from the People's Republic of China; Affirmative Final Determination of Circumvention of Antidumping Duty Order, 84 FR 29164 (June 21, 2019).

<sup>&</sup>lt;sup>43</sup> See Final Results of Expedited Sunset Reviews: Certain Carbon Steel Butt-Weld Pipe Fittings from Brazil, Taiwan, Japan, Thailand, and the People's Republic of China, 64 FR 67847 (December 3, 1999).

<sup>&</sup>lt;sup>44</sup> See Carbon Steel Butt-Weld Pipe Fittings from Brazil, China, Japan, Taiwan, and Thailand, Investigations Nos. 731–TA–308–310 and 520–521 (Review), 64 FR 71830 (December 22, 1999).

published a notice of continuation of the AD orders on CSBW pipe fittings from these countries on January 6, 2000.<sup>45</sup>

# 2005 Sunset Review

On July 8, 2005, Commerce published the notice of the final results of the sunset review of the AD orders on CSBW pipe fittings from Brazil, Japan, Taiwan, Thailand, and China, in which it determined that the revocation of the AD orders on CSBW pipe fittings from these countries would be likely to lead to the continuation or recurrence of dumping. On November 3, 2005, the ITC published its determination that the revocation of the AD orders on CSBW pipe fittings from these countries would be likely to lead to continuation or recurrence of material injury to a U.S. industry within a reasonably foreseeable time. Based on these results, Commerce published a notice of continuation of the AD orders on CSBW pipe fittings from these countries on November 21, 2005.

# 2011 Sunset Review

On February 9, 2011 Commerce published the notice of the final results of the sunset review of the AD orders on CSBW pipe fittings from Brazil, Japan, Taiwan, Thailand, and China, in which it determined that the revocation of the AD orders on CSBW pipe fittings from these countries would be likely to lead to the continuation or recurrence of dumping. On April 8, 2011, the ITC published its determination that the revocation of the AD orders on CSBW pipe fittings from these countries would be likely to lead to continuation or recurrence of material injury to a U.S. industry within a reasonably foreseeable time. Based on these results, Commerce published a notice of continuation of the AD orders on CSBW pipe fittings, from these countries on April 15, 2011.

#### 2016 Sunset Review

On July 7, 2016, Commerce published the notice of the final results of the sunset review of the AD orders on CSBW pipe fittings from Brazil, Japan, Taiwan, Thailand, and China, in which it determined that the revocation of the AD orders on CSBW pipe fittings from these countries

<sup>&</sup>lt;sup>45</sup> See Carbon Steel Butt-Weld Pipe Fittings from Brazil, China, Japan, Taiwan, and Thailand: Continuation of Antidumping Duty Orders, 65 FR 753 (January 6, 2000).

<sup>&</sup>lt;sup>46</sup> See Certain Carbon Steel Butt-Weld Pipe Fittings from Brazil, Taiwan, Japan, Thailand, and the People's Republic of China; Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders, 70 FR 39486 (July 8, 2005).

<sup>&</sup>lt;sup>47</sup> See Carbon Steel Butt-Weld Pipe Fittings from Brazil, China, Japan, Taiwan, and Thailand, Determinations, Investigations Nos. 731-TA-308-310, 520, and 521 (Second Review), 70 FR 66847 (November 3, 2005).

<sup>&</sup>lt;sup>48</sup> See Continuation of Antidumping Duty Orders: Certain Carbon Steel Butt-Weld Pipe Fittings from Brazil, Taiwan, Japan, Thailand, and the People's Republic of China, 70 FR 70059 (November 21, 2005).

<sup>&</sup>lt;sup>49</sup> See Certain Carbon Steel Butt-Weld Pipe Fittings from Brazil, Japan, Taiwan, Thailand, and the People's Republic of China: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders, 76 FR 7151 (February 9, 2011).

<sup>&</sup>lt;sup>50</sup> See Carbon Steel Butt-Weld Pipe Fittings from Brazil, China, Japan, Taiwan, and Thailand: Investigation Nos. 731–TA–308–310 and 520–521 (Third Review), 76 FR 19788 (April 8, 2011).

<sup>&</sup>lt;sup>51</sup> See Certain Carbon Steel Butt-Weld Pipe Fittings from Brazil, Japan, Taiwan, Thailand, and the People's Republic of China: Continuation of Antidumping Duty Orders, 76 FR 21331 (April 15, 2011).

would be likely to lead to the continuation or recurrence of dumping.<sup>52</sup> On August 8, 2016, the ITC published its determination that the revocation of the AD orders on CSBW pipe fittings from these countries would be likely to lead to continuation or recurrence of material injury to a U.S. industry within a reasonably foreseeable time.<sup>53</sup> Based on these results, Commerce published a notice of continuation of the AD orders on CSBW pipe fittings from these countries on August 23, 2016.<sup>54</sup>

# **Current Sunset Reviews**

On July 1, 2021, Commerce published the notice of initiation of the sunset reviews of the AD Orders on CSBW pipe fittings from Brazil, Japan, Taiwan, Thailand, and China pursuant to section 751(c) of the Act.<sup>55</sup>

On July 7 and July 9, 2021, Commerce received notices of intent to participate in these sunset reviews from the domestic interested parties within the 15-day period specified in 19 CFR 351.218(d)(1)(i).<sup>56</sup> The domestic interested parties claimed interested-party status under sections 771(9)(C) of the Act as manufacturers of the domestic like product.<sup>57</sup>

On July 21 and 27, Commerce received complete substantive responses to the Notice of *Initiation* from the domestic interested parties within the 30-day period specified in 19 CFR 351.218(d)(3)(i).<sup>58</sup> Commerce received no substantive responses from respondent interested parties. As a result, in accordance with section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), Commerce is conducting expedited (120-day) sunset reviews of the AD orders on CSBW pipe fittings from Brazil, Japan, Taiwan, Thailand and China.

#### V. LEGAL FRAMEWORK

In accordance with section 751(c)(1) of the Act, Commerce is conducting these sunset reviews to determine whether revocation of the AD Orders would be likely to lead to continuation or recurrence of dumping. Sections 752(c)(1)(A) and (B) of the Act provide that in making these determinations, Commerce shall consider both the weighted-average dumping margins determined in the investigation and subsequent reviews, and the volume of imports of the subject merchandise for the period before, and the period after, the issuance of the AD Orders.

<sup>&</sup>lt;sup>52</sup> See Carbon Steel Butt-Weld Pipe Fittings from Brazil, Japan, Taiwan, Thailand, and the People's Republic of China: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders, 81 FR 44270 (July 7, 2016). <sup>53</sup> See Carbon Steel Butt-Weld Pipe Fittings from Brazil, China, Japan, Taiwan, and Thailand: Investigation Nos. 731 TA 308–310 and 520–521 (Fourth Review), 81 FR 52460 (August 8, 2016).

<sup>&</sup>lt;sup>54</sup> See Carbon Steel Butt-Weld Pipe Fittings from Brazil, Japan, Taiwan, Thailand, and the People's Republic of China: Continuation of Antidumping Duty Orders, 81 FR 57562 (August 23, 2016).

<sup>&</sup>lt;sup>55</sup> See Initiation Notice.

<sup>&</sup>lt;sup>56</sup> See Notices of Intent to Participate.

<sup>&</sup>lt;sup>58</sup> See Brazil Substantive Responses; Japan Substantive Responses; Taiwan Substantive Responses; Thailand Substantive Responses; and China Substantive Responses.

Consistent with the guidance provided in the legislative history accompanying the Uruguay Round Agreements Act, specifically the SAA, 59 the House Report, 60 and the Senate Report, 61 Commerce normally determines that revocation of an order is likely to lead to continuation or recurrence of dumping when: (a) dumping continued at any level above de minimis after issuance of the order; (b) imports of the subject merchandise ceased after issuance of the order; or (c) dumping was eliminated after the issuance of the order and import volumes for the subject merchandise declined significantly.<sup>62</sup> Alternatively, Commerce normally will determine that revocation of an AD order is not likely to lead to continuation or recurrence of dumping where dumping was eliminated after issuance of the order and import volumes remained steady or increased.<sup>63</sup> In addition, as a base period for import volume comparison, it is Commerce's practice to use the one-year period immediately preceding the initiation of the investigation, rather than the level of pre-order import volumes, as the initiation of an investigation may dampen import volumes and, thus, skew comparison.<sup>64</sup> Also, when analyzing import volumes for the second and subsequent sunset reviews, Commerce's practice is to compare import volumes during the year preceding initiation of the underlying investigation to import volumes since the issuance of the last continuation notice.<sup>65</sup>

Further, section 752(c)(3) of the Act states that Commerce shall provide to the ITC the magnitude of the margin of dumping likely to prevail if the order were revoked. Generally, Commerce selects the margin(s) from the final determination in the original investigation, as this is the only calculated rate that reflects the behavior of exporters without the discipline of an order in place.<sup>66</sup> However, Commerce may use a rate from a more recent review where the dumping margin increased, as this rate may be more representative of a company's behavior in the absence of an order (*e.g.*, where a company increases dumping to maintain or increase market share with an order in place).<sup>67</sup> Finally, pursuant to section 752(c)(4)(A) of the Act, a dumping margin of "zero or *de minimis* shall not by itself require" Commerce to determine that revocation of an AD order would not be likely to lead to a continuation or recurrence of sales at LTFV.

In the *Final Modification for Reviews*, Commerce announced that it was modifying its practice in sunset reviews such that it will not rely on weighted-average dumping margins that were calculated using the zeroing methodology found to be inconsistent with the United States' World

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<sup>&</sup>lt;sup>59</sup> See Statement of Administrative Action Accompanying the Uruguay Round Agreements Act, H.R. Doc. No. 103-316, vol. 1 (1994) (SAA).

<sup>&</sup>lt;sup>60</sup> See H. Rep. No. 103-826, pt. 1 (1994) (House Report).

<sup>&</sup>lt;sup>61</sup> See S. Rep. No. 103-412 (1994) (Senate Report).

<sup>&</sup>lt;sup>62</sup> See SAA at 889 and 890, House Report at 63-64, and Senate Report at 52; and *Policies Regarding the Conduct of Five-year ("Sunset") Reviews of Antidumping and Countervailing Duty Orders; Policy Bulletin*, 63 FR 18871, 18872 (April 16, 1998).

<sup>&</sup>lt;sup>63</sup> See SAA, H.R. Rep. No. 103-316, vol. 1 (1994) at 889-90.

<sup>&</sup>lt;sup>64</sup> See, e.g., Stainless Steel Bar from Germany; Final Results of the Sunset Review of the Antidumping Duty Order, 72 FR 56985 (October 5, 2007), and accompanying Issues and Decision Memorandum (IDM) at Comment 1. <sup>65</sup> See Ferrovanadium from the People's Republic of China and the Republic of South Africa: Final Results of the Expedited Second Sunset Reviews of the Antidumping Duty Orders, 79 FR 14216 (March 13, 2014), and accompanying IDM at "Discussion of the Issues: Legal Framework."

<sup>&</sup>lt;sup>66</sup> See SAA at 890; see also, e.g., Persulfates from the People's Republic of China: Notice of Final Results of Expedited Second Sunset Review of Antidumping Duty Order, 73 FR 11868 (March 5, 2008), and accompanying IDM at Comment 2.

<sup>&</sup>lt;sup>67</sup> See SAA at 890-91.

Trade Organization (WTO) obligations. 68 Commerce also noted that "only in the most extraordinary circumstances will Commerce rely on margins other than those calculated and published in prior determinations." Commerce also explained that it does not anticipate that it will need to recalculate the dumping margins in sunset determinations apart from the "most extraordinary circumstances" provided for in its regulations.<sup>70</sup>

Below we address the comments submitted by the domestic interested parties.

#### VI. **DISCUSSION OF THE ISSUES**

# 1. Likelihood of Continuation or Recurrence of Dumping

The domestic interested parties contend that, in accordance with sections 751(c)(1) and 752(c)(1)(A) and (B) of the Act, Commerce should find that revoking the AD Orders on imports of CSBW pipe fittings from Brazil, Japan, Taiwan, Thailand and China would likely lead to the continuation or recurrence of dumping in the United States.<sup>71</sup>

Citing the Sunset Policy Bulletin, 72 the domestic interested parties argue that Commerce normally will determine that revocation of an antidumping order or termination of a suspended dumping investigation is likely to lead to continuation or recurrence of dumping where:

- (a) dumping continued at any level above *de minimis* after the issuance of the order or the suspension agreement, as applicable;
- (b) imports of the subject merchandise ceased after issuance of the order or the suspension agreement, as applicable; or
- (c) dumping was eliminated after the issuance of the order or the suspension agreement, as applicable, and import volumes for the subject merchandise declined significantly.<sup>73</sup>

The domestic interested parties contend that an affirmative determination of continuation or recurrence is warranted because dumping continued at above de minimis rates after the issuance

<sup>68</sup> See Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Duty Proceedings; Final Modification, 77 FR 8101, 8103 (February 14, 2012) (Final Modification for Reviews).

<sup>&</sup>lt;sup>69</sup> *Id.* (emphasis added).

<sup>&</sup>lt;sup>70</sup> *Id*.

<sup>&</sup>lt;sup>71</sup> See Brazil Substantive Response TFA et. al. at 9, and Brazil Substantive Response Weldbend at 5-7; Japan Substantive Response TFA et. al. at 12 and Japan Substantive Response Weldbend at 5; Taiwan Substantive Response TFA et. al. at 10 and Taiwan Substantive Response Weldbend at 5; Thailand Substantive Response TFA et. al. at 10 and Thailand Substantive Response Weldbend 5; and China Substantive Response TFA et. al. at 10 and China Substantive Response Weldbend at 5.

<sup>&</sup>lt;sup>72</sup> See Policies Regarding the Conduct Of Five-Year ("Sunset") Reviews Of Antidumping And Countervailing Duty Orders; Policy Bulletin 98.3, 63 FR 18871 (April 16, 1998) (Sunset Policy Bulletin).

<sup>&</sup>lt;sup>73</sup> See Brazil Substantive Response TFA et. al. at 9, and Brazil Substantive Response Weldbend at 5-7; Japan Substantive Response TFA et. al. at 12 and Japan Substantive Response Weldbend at 5; Taiwan Substantive Response TFA et. al. at 10 and Taiwan Substantive Response Weldbend at 5; Thailand Substantive Response TFA et. al. at 10 and Thailand Substantive Response Weldbend 5; and China Substantive Response TFA et. al. at 10 and China Substantive Response Weldbend at 5.

of the orders with respect to Brazil, Japan, Taiwan, Thailand, and China.<sup>74</sup> Alternatively, the domestic interested parties argue an affirmative determination of continuation or recurrence is warranted with respect to Japan, Taiwan, Thailand, and China because imports from these countries declined precipitously following issuance of their respective orders,<sup>75</sup> and with respect to Brazil because subject imports either ceased altogether or declined significantly since the original investigation.<sup>76</sup>

**Commerce's Position**: Drawing on the guidance provided in the legislative history accompanying the Uruguay Round Agreements Act (URAA), specifically the SAA, the House Report and the Senate Report, Commerce's determination of likelihood of continuation or recurrence will be made on an order-wide basis for each case.<sup>77</sup> In addition, Commerce will normally determine that revocation of an AD order is likely to lead to continuation or recurrence of dumping where: (a) dumping continued at any level above de minimis after the issuance of the order; (b) imports of the subject merchandise ceased after the issuance of the order; or (c) dumping was eliminated after the issuance of an order and import volumes for the subject merchandise declined significantly.<sup>78</sup> Further, when determining whether revocation of the order would be likely to lead to continuation of dumping, sections 752(c)(1)(A) and (B) of the Act instruct Commerce to consider: (1) the weighted-average dumping margins determined in the investigation and subsequent reviews; and (2) the volume of imports of the subject merchandise for the period before and after the issuance of the AD order. Thus, one consideration is whether Commerce continued to find dumping above de minimis levels in administrative reviews subsequent to imposition of the order. According to the SAA and the House Report, "if companies continue to dump with the discipline of an order in place, it is reasonable to assume that dumping would continue if the discipline were removed."80 For the reasons discussed below, we find that revocation of the AD Orders on CSBW pipe fittings from Brazil, Japan, Taiwan, Thailand, and China would be likely to lead to the continuation or recurrence of dumping in the United States.

Pursuant to section 752(c)(1)(A) of the Act, Commerce first considered the weighted-average dumping margins determined in the respective investigations and subsequent proceedings. In the reviews for Brazil, Japan, Taiwan, Thailand, and China, we examined import volumes in 1985 and 1991 (the years prior to those investigations) as compared to import volumes during this sunset review period (*i.e.*, 2016 – 2020). As discussed below, Commerce examined import volume data submitted by the domestic interested parties. Furthermore, where necessary, Commerce examined the weighted-average dumping margins in effect to determine whether dumping continued at above de minimis levels during this sunset period. As noted above, in accordance with the *Final Modification for Reviews*, Commerce will not rely on weighted-

 $<sup>^{74}</sup>$  Id

<sup>&</sup>lt;sup>75</sup> See Japan Substantive Response TFA et. al. 12, and Japan Substantive Response Weldbend at 5; Taiwan Substantive Response TFA et. al. at 9-12 and Taiwan Substantive Response Weldbend at 4-7; Thailand Substantive Response TFA et. al. at 13 and Thailand Substantive Response Weldbend at 5 and 6; and China Substantive Response TFA et. al. at 13 and China Substantive Response Weldbend at 6-7.

<sup>&</sup>lt;sup>76</sup> See Brazil Substantive Response TFA et. al. at 11 and Brazil Substantive Response Weldbend at 7.

<sup>&</sup>lt;sup>77</sup> See SAA at 879; see also House Report at 56.

<sup>&</sup>lt;sup>78</sup> See SAA at 889-890; see also House Report at 63-64; and Senate Report at 52.

<sup>&</sup>lt;sup>79</sup> See SAA at 890.

<sup>80</sup> Id.; see also House Report at 63-64.

average dumping margins that were calculated using the zeroing methodology found to be inconsistent with the United States' World Trade Organization (WTO) obligations.

# Brazil

Our review of the available data indicates that imports of the subject merchandise from Brazil dropped significantly, such that the year with the largest volume of imports during the sunset review period (2019, with 1,926 kilograms imported) was less than 0.13 percent of the 1985 volume.<sup>81</sup>

Moreover, there have been no reviews of the *Brazil Order*, so the above *de minimis* dumping margins established in the investigation are still in effect.<sup>82</sup> Here, the dumping margins established for the respondents were calculated based on "best information available," the forerunner to facts available; thus the margins are WTO-consistent.<sup>83</sup> Thus, given the continued existence of dumping margins and the virtual cessation in import volumes since the issuance of the order, Commerce determines that dumping would be likely to continue or recur if the *Brazil Order* were revoked.

# Japan

Our review of the available data indicates that imports of the subject merchandise from Japan dropped significantly, such that the year with the largest volume of imports during the sunset review period (2017, with 16,217 kilograms imported) was less than 0.16 percent of the 1985 volume.<sup>84</sup>

Moreover, there have been no reviews of the *Japan Order*, so the above *de minimis* dumping margins established in the investigation are still in effect. Here, the dumping margins established for the respondents were not affected by the denial of offsets for non-dumped sales (*i.e.*, all comparison results were positive); thus, all margins are WTO-consistent. Thus, given the continued existence of dumping margins and the virtual cessation in import volumes since the issuance of the order, Commerce determines that dumping would be likely to continue or recur if the *Japan Order* were revoked.

83 See Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin During an Antidumping Investigation; Final Modification, 71 FR 77722 (December 27, 2006) (Final Modification December 2006).

<sup>&</sup>lt;sup>81</sup> *See* Brazil Substantive Response Weldbend at 5-6. Brazilian CSBW pipe fittings imports in kg: 1985 – 1,438,341; 2016 – 0; 2017 – 137; 2018 – 0; 2019 – 1,926; 2020 – 0.

<sup>82</sup> See Brazil LTFV Final.

<sup>&</sup>lt;sup>84</sup> See Japan Substantive Response Weldbend at 5. Japanese CSBW pipe fittings imports in kg: 1985 – 10,326,937; 2016 – 575; 2017 – 16,217; 2018 – 306; 2019 – 4,700; 2020 – 2,392.

<sup>&</sup>lt;sup>85</sup> See Japan LTFV Final.

<sup>&</sup>lt;sup>86</sup> See Japan LTFV Final.

<sup>87</sup> See (Final Modification December 2006).

#### Taiwan

Our review of the available data indicates that imports of the subject merchandise from Taiwan remain well below the pre-order level.<sup>88</sup> The year with the largest volume of imports during the sunset review period (2019, with 1,540,421 kilograms imported) was less than 24 percent of the pre-order volume.<sup>89</sup>

It is Commerce's practice to make an affirmative finding in sunset reviews where, pursuant to the SAA, dumping continued after issuance of the order. Ocmmerce has conducted two administrative reviews of the *Taiwan Order* and found that the producers/exporters continued to dump at levels above *de minimis*. He further note that the rates calculated in the investigation for Gei Bey Corporation and Chup Hsin Enterprises were based on "best information available," the forerunner to facts available, because these companies did not provide any information to Commerce. Thus, given the continued existence of dumping margins and because no party argued or submitted any evidence to the contrary, Commerce determines that dumping is likely to continue if the order was revoked.

#### **Thailand**

Our review of the available data indicates that imports of the subject merchandise from Thailand declined subsequent to the imposition of the AD order, but have fluctuated during the sunset review period. However, as noted above, because the *Thailand Order* does not apply to one Thai producer, Awaji Sangyo (Thailand) Co., Ltd., excluded from the *Thailand Order*, the import statistics also include non-subject Thai imports. However, and the subject imports of the subject merchandise from Thailand declined during the sunset review period. However, as noted above, because the *Thailand Order* does not apply to one Thailand order, the import statistics also include non-subject Thailand order.

It is Commerce's practice to make an affirmative finding in sunset reviews where, pursuant to the SAA, dumping continued after issuance of the order. Commerce has conducted four administrative reviews of the *Thailand Order*, completing three and rescinding one, and found that the producers/exporters continued to dump at levels above *de minimis*. We further note that rate calculated in the investigation for Thai Benkan Company was completely based on "best

<sup>89</sup> *See* Taiwan Substantive Response Weldbend at 6 and 7. Taiwanese CSBW pipe fittings imports in kg: 1985 – 6,507,236; 2016 -- 253,911; 2017 -- 781,308; 2018 -- 1,134,359; 2019 -- 1,540,421; 2020 -- 523,110.

<sup>93</sup> See Thailand Substantive Response TFA et. al. at 10-12 and Thailand Substantive Response Weldbend at 5-6.

<sup>&</sup>lt;sup>88</sup> See Taiwan Substantive Response Weldbend at 5.

<sup>&</sup>lt;sup>90</sup> See SAA at 890; see also, e.g., Malleable Cast Iron Pipe Fittings from the People's Republic of China: Final Results of Expedited Sunset Review of Antidumping Duty Order, 74 FR 10239 (March 10, 2009), and accompanying IDM at Comment 1; and Freshwater Crawfish Tail Meat from the People's Republic of China: Final Results of the Expedited Second Sunset Review of the Antidumping Duty Order, 73 FR 65832 (November 5, 2008), and accompanying IDM at Comment 1.

<sup>&</sup>lt;sup>91</sup> See Taiwan Substantive Response TFA et. al. at 5 and 9; and Taiwan Substantive Response Weldbend at 7.

<sup>&</sup>lt;sup>92</sup> See Taiwan LTFV Final.

<sup>&</sup>lt;sup>94</sup> See Thailand Substantive Response Weldbend at 5, and Thailand Substantive Response TFA et. al. at 12.

<sup>&</sup>lt;sup>95</sup> See SAA at 890; see also, e.g., Malleable Cast Iron Pipe Fittings from the People's Republic of China: Final Results of Expedited Sunset Review of Antidumping Duty Order, 74 FR 10239 (March 10, 2009), and accompanying IDM at Comment 1, and Freshwater Crawfish Tail Meat from the People's Republic of China: Final Results of the Expedited Second Sunset Review of the Antidumping Duty Order, 73 FR 65832 (November 5, 2008), and accompanying IDM at Comment 1.

<sup>&</sup>lt;sup>96</sup> See Thailand Substantive Response TFA et. al. at 13 and 14.

information available," the forerunner to facts available, because that company did not provide any information to Commerce. <sup>97</sup> Thus, given the continued existence of dumping margins and because no party argued or submitted any evidence to the contrary, Commerce determines that dumping is likely to continue if the order was revoked.

### China

Our review of the available data indicates that imports of the subject merchandise from China dropped significantly, such that the year with the largest volume of imports during the sunset review period (2018, with 1,111,572 kg imported) was less than 8.22 percent of the 1991 volume. 98

Moreover, there have been no reviews of the *China Order*, so the above *de minimis* dumping margins established in the investigation are still in effect. Additionally, we note that margins for several companies, as well as for the China-wide entity, from the investigation are WTO consistent, as they were based on best information available, the forerunner to facts available. Given that dumping margins continued to exist at levels above *de minimis* since the last sunset review, and imports are below pre-order levels, Commerce finds that dumping would likely continue or recur if the order were revoked, pursuant to section 752(c)(1) of the Act.

# 2. Magnitude of the Margins Likely to Prevail

For Brazil, Japan, Taiwan, and China, the domestic interested parties argue that the original dumping margins represent the best evidence of exporters' behavior in the absence of an order and that Commerce should find that the likely dumping margins in the event of revocation are those set forth in the AD orders.<sup>101</sup>

For Thailand, the domestic interested parties argue that because margins for two companies from subsequent administrative reviews are higher, Commerce should report those as the margins likely to prevail in the absence of an order. <sup>102</sup>

**Commerce's Position**: Section 752(c)(3) of the Act provides that the administering authority shall provide to the ITC the magnitude of the margin of dumping that is likely to prevail if the order were revoked.<sup>103</sup>

<sup>&</sup>lt;sup>97</sup> See Thailand LTFV Final.

<sup>&</sup>lt;sup>98</sup> See China Substantive Response Weldbend at 5. Chinese CSBW pipe fittings imports in kg: 1991 –13,521,588; 2016 – 129,600; 2017 – 111,841; 2018 –1,111,572; 2019 – 456,961; 2020 –115,687.

<sup>&</sup>lt;sup>99</sup> See China LTFV Final.

<sup>&</sup>lt;sup>100</sup> See China LTFV Final.

<sup>&</sup>lt;sup>101</sup> See Brazil Substantive Response TFA et. al. at 13; Japan Substantive Response TFA et. al. at 12; Taiwan Substantive Response TFA et. al. at 12-13; and China Substantive Response TFA et. al. at 14.

<sup>&</sup>lt;sup>102</sup> See Thailand Substantive Response TFA et. al. at 15, and Thailand Substantive Response Weldbend at 8.

<sup>&</sup>lt;sup>103</sup> See, e.g., Certain Hot-Rolled Carbon Steel Flat Products from Argentina, the People's Republic of China, India, Indonesia, Kazakhstan, Romania, South Africa, Taiwan, Thailand, and Ukraine; Final Results of Expedited Sunset Reviews of the Antidumping Duty Orders, 71 FR 70506 (December 5, 2006), and accompanying IDM at Comment 2.

Commerce prefers selecting a margin from the investigation because such rates are the only calculated rates that reflect the behavior of manufacturers, producers, and exporters without the discipline of a finding/order or suspension agreement in place. <sup>104</sup> Under certain circumstances, however, Commerce may select a more recently calculated margin to report to the ITC. <sup>105</sup> As explained above, in accordance with the *Final Modification for Reviews*, Commerce will not rely on weighted-average dumping margins that were calculated using the zeroing methodology. <sup>106</sup>

With respect to the sunset reviews of the order on certain carbon steel CSBW pipe fittings from Taiwan and Thailand, Commerce does not find any indication that the margins determined in subsequent reviews of the order are more probative of the behaviors of manufacturers, producers, and exporters without the discipline of the order.

Prior to the issuance of the *Thailand Final*, Commerce completed an administrative review of the countervailing duty order (CVD) on carbon steel butt-weld pipe fittings from Thailand. 107 In the investigation, Commerce adjusted the margins by the amount attributable to the export subsidy. The CVD order has been revoked. 108 The domestic interested parties are correct that the margins for two companies from subsequent administrative reviews are higher than the margins calculated for those companies in the *Thailand Final*. However, it is not Commerce's practice to just select the highest margin of any segment of the proceeding to report to the ITC. As discussed above, Commerce selects a margin that is from a period in which the discipline of an AD order was not in place. This typically results in the use of margins from the investigation including the petition. However, there are limited circumstances under which Commerce will use a different margin or adjust that margin. For example, where, as in this case, the countervailing duty order was revoked resulting in the removal of an adjustment for export subsidies or where a company increases dumping and maintains or increases its market share with an order in place, Commerce may adjust the investigation margin or select a margin from a more recent segment of the proceeding. Record evidence does not support selecting a rate other than the investigation rate. 109 Therefore, Commerce will report to the ITC the originally calculated margin in the *Thailand Final* unadjusted for the export subsidy.

As discussed above, there are dumping margins which were established in the LTFV investigations of each of the *AD Orders* that did not involve zeroing. We find that the dumping margins in the LTFV investigations of these orders are probative of the behavior of manufacturers/exporters from these countries if the *AD Orders* were revoked because these margins are the only margins which reflect the behavior of these manufacturers/exporters absent the discipline of the orders. Furthermore, for the reasons described below, we have determined

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<sup>&</sup>lt;sup>104</sup> See Eveready Battery Co. v. United States, 77 F. Supp. 2d 1327, 1333 (CIT 1999); SAA at 890.

<sup>&</sup>lt;sup>105</sup> See section 752(c)(3) of the Act; see also Final Results of Full Sunset Review: Aramid Fiber Formed of Poly Para-Phenylene Terephthalamide from the Netherlands, 65 FR 65294 (November 1, 2000), and accompanying IDM at "Magnitude of the Margin Likely to Prevail," Comment 3.

<sup>&</sup>lt;sup>106</sup> See Final Modification for Reviews.

<sup>&</sup>lt;sup>107</sup> See Carbon Steel Butt-Weld Pipe Fittings from Thailand; Final Results of Countervailing Duty Administrative Review, 57 FR 5248 (February 13, 1992).

<sup>&</sup>lt;sup>108</sup> See Notice of Revocation of Countervailing Duty Orders, 60 FR 40568 (August 9, 1995).

<sup>&</sup>lt;sup>109</sup> Commerce notes that the margin assigned in a subsequent review is 52.60 percent, which is the same as the originally calculated margin in the Thailand Final unadjusted for the export subsidy. *See 2002-2001 Final Results*.

that each of these margins do not involve zeroing. Thus, Commerce determines that the magnitude of the margin of dumping likely to prevail in the event of revocation of the AD Orders would be weighted-average margins up to the following percentages:  $^{111}$ 

- Brazil: All Brazilian Manufacturers, Producers and Exporters 52.25 percent (Does not involve zeroing because it is an AFA rate based entirely on the highest margin alleged in the petition).<sup>112</sup>
- Japan: Nippon Benkan Kogyo Ltd Co. 65.81 percent (Does not involve zeroing because it is an AFA rate based entirely on the highest margin alleged in the petition). 113
- Taiwan: Gei Bey Corporation and Chup Hsin Enterprises 87.30 percent (Does not involve zeroing because it is an AFA rate based entirely on the highest margin alleged in the petition).<sup>114</sup>
- Thailand: Thai Benkan Company, Ltd. 52.60 percent (Does not involve zeroing because it is an AFA rate based entirely on the highest margin alleged in the petition). 115
- China: Shenyang Machinery & Equipment Import & Export Corporation; Lianoning Metals; Shenzhen Machinery Industry Corporation; and the China-wide Entity 182.90 percent (Does not involve zeroing because it is an AFA rate based entirely on the highest margin alleged in the petition). 116

#### VII. FINAL RESULTS OF EXPEDITED SUNSET REVIEWS

We determine that revocation of the *AD Orders* on CSBW pipe fittings from Brazil, Japan, Taiwan, Thailand, and China would be likely to lead to continuation or recurrence of dumping and that the magnitude of the margin of dumping likely to prevail would be weighted-average margins up to the following percentages:

<u>Country</u>	Weighted-Average Margin (Percent)
Brazil	52.25
Japan	65.81
Taiwan	87.30
Thailand	52.60
China	182.90

<sup>&</sup>lt;sup>110</sup> *Id* 

<sup>&</sup>lt;sup>111</sup> We have named the company that is the source of the relevant margin from each of these investigations, with the exception of the Brazil investigation, which did not involve any cooperative respondent companies.

<sup>&</sup>lt;sup>112</sup> See Brazil LTFV Final.

<sup>&</sup>lt;sup>113</sup> See Japan LTFV Final.

<sup>&</sup>lt;sup>114</sup> See Taiwan LTFV Final.

<sup>&</sup>lt;sup>115</sup> See Thailand LTFV Final.

<sup>&</sup>lt;sup>116</sup> See China LTFV Final.

# VIII. RECOMMENDATION

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

 $\square$ Agree  $\square$ Disagree

9/10/2021

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Signed by: CHRISTIAN MARSH

Christian Marsh

Acting Assistant Secretary for Enforcement and Compliance