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DEPARTMENT OF COMMERCE

International Trade Administration

[A-484-803]

Large Diameter Welded Pipe from Greece: Initiation of Antidumping Duty Changed Circumstances Review

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

SUMMARY: The Department of Commerce (Commerce) is initiating a changed circumstances review (CCR) of the antidumping duty (AD) order on large diameter welded pipe from Greece.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Brittany Bauer, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3860.

SUPPLEMENTARY INFORMATION:

Background

On May 2, 2019, Commerce published the AD order on large diameter welded pipe from Greece.¹ On January 3, 2020, Corinth Pipeworks Pipe Industry S.A. (Corinth), a Greek producer of large diameter welded pipe, filed a CCR request, including as an attachment the CCR request filed in the companion Indian cases by nine members of the domestic industry, including the petitioners from the underlying investigations (individually and as members of the American

¹ See *Large Diameter Welded Pipe from Greece: Amended Final Affirmative Antidumping Determination and Antidumping Duty Order*, 84 FR 18769 (May 2, 2019) (*Order*).

Line Pipe Producers Association) and Welspun Global Trade LLC.² In that CCR request, the domestic industry requested that Commerce initiate CCRs to revoke, in part, the AD and countervailing duty (CVD) orders on large diameter welded pipe from India, with respect to certain large diameter welded pipe products within four specific groups of grades, outside diameters, and wall thicknesses.³ Corinth stated that, because the domestic industry expressed no interest in these products from India, and because the same groups of products are produced and exported from Greece, the domestic industry's statement of no interest should also apply to large diameter welded pipe from Greece.⁴ Corinth requests that we change the scope of the AD order on large diameter pipe from Greece by adding the exclusion language provided in the Attachment to this notice.

Scope of the Order

The merchandise covered by this order is welded carbon and alloy steel line pipe (other than stainless steel pipe), more than 406.4 mm (16 inches) in nominal outside diameter (large diameter welded line pipe), regardless of wall thickness, length, surface finish, grade, end finish, or stenciling. Large diameter welded pipe may be used to transport oil, gas, slurry, steam, or other fluids, liquids, or gases.

Large diameter welded line pipe is used to transport oil, gas, or natural gas liquids and is normally produced to the American Petroleum Institute (API) specification 5L. Large diameter welded line pipe can be produced to comparable foreign specifications, grades and/or standards

² See Corinth's Letter, "Large Diameter Welded Pipe from Greece: Request for Changed Circumstances Review and Revocation, In Part," dated January 3, 2020 (Corinth CCR Request).

³ *Id.* at Exhibits 2 to 5. Exhibit 2 is the Petitioner's Letter, "Large Diameter Welded Pipe from India: Petitioners' Request for Changed Circumstances Review and Partial Revocation," dated October 18, 2019 (Petitioner's Indian LDWP CCR Request).

⁴ *Id.* at 5-8 and Exhibits 1 and 2 (citing *Large Diameter Welded Pipe from India: Initiation and Expedited Preliminary Results of Antidumping Duty and Countervailing Duty Changed Circumstances Reviews*, 84 FR 69356 (December 18, 2019) (*Indian Welded Pipe CCR*)).

or to proprietary specifications, grades and/or standards, or can be non-graded material. All line pipe meeting the physical description set forth above, including any dual- or multiple-certified/stenciled pipe with an API (or comparable) welded line pipe certification/stencil, is covered by the scope of the order.

Subject merchandise also includes large diameter welded line pipe that has been further processed in a third country, including but not limited to coating, painting, notching, beveling, cutting, punching, welding, or any other processing that would not otherwise remove the merchandise from the scope of the order if performed in the country of manufacture of the in-scope large diameter welded line pipe.

Excluded from the scope of the order is structural pipe, which is produced only to American Society for Testing and Materials (ASTM) standards A500, A252, or A53, or other relevant domestic specifications, or comparable foreign specifications, grades and/or standards or to proprietary specifications, grades and/or standards. Also excluded is large diameter welded pipe produced only to specifications of the American Water Works Association (AWWA) for water and sewage pipe.

The large diameter welded line pipe that is subject to this order is currently classifiable in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 7305.11.1030, 7305.11.1060, 7305.11.5000, 7305.12.1030, 7305.12.1060, 7305.12.5000, 7305.19.1030, 7305.19.1060, and 7305.19.5000. Merchandise currently classifiable under subheadings 7305.31.4000, 7305.31.6090, 7305.39.1000 and 7305.39.5000 and that otherwise meets the above scope language is also covered. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this order is dispositive.

Initiation of Changed Circumstances Review

Pursuant to section 751(b)(1) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.216(d), Commerce will conduct a CCR of an AD or CVD order when it receives information which shows changed circumstances sufficient to warrant such a review. Section 782(h)(2) of the Act and 19 CFR 351.222(g)(1)(i) provide that Commerce may revoke an order (in whole or in part) if it determines that producers accounting for substantially all of the production of the domestic like product have no further interest in the order, in whole or in part. For the reasons discussed below, we find that such sufficient information exists to warrant initiation of a CCR.

The ten domestic producers who filed the request on the Indian orders asserted that they account for “substantially all”⁵ of the domestic production of large diameter welded pipe.⁶ Because there is no record information that contradicts this claim, in accordance with section 751(b) of the Act and 19 CFR 351.222(g)(1)(i), we find that the ten domestic producers comprise substantially all of the production of the domestic like product.

Because this CCR request was filed less than 24 months after the date of publication of notices of the final determinations in the investigations, pursuant to 19 CFR 351.216(c), Commerce must determine whether “good cause” exists to initiate this CCR. We find that the ten domestic producers’ affirmative statement of no interest with respect to certain specific large diameter welded pipe products, coupled with the circumstances described below, constitute good

⁵ In its administrative practice, Commerce has interpreted “substantially all” to mean at least 85 percent of the total production of the domestic like product covered by the order. *See, e.g., Supercalendered Paper from Canada: Final Results of Changed Circumstances Review and Revocation of Countervailing Duty Order*, 83 FR 32268 (July 12, 2018).

⁶ *See* Corinth CCR Request at Exhibit 2; *see also Indian Welded Pipe CCR*, 84 FR at 69357.

cause for the initiation of this review.⁷ Specifically, the domestic industry stated on the record of the *Indian Welded Pipe CCR* that it does not currently produce the particular large diameter welded pipe products subject to this CCR request.⁸ Furthermore, the domestic producers also stated on the record of the *Indian Welded Pipe CCR* that the investment needed for the industry to produce these products far exceeds the potential benefit of such an investment, given that the U.S. market for deep offshore projects, *i.e.*, the primary market for the large diameter welded pipe product groups at issue, is relatively small.⁹ In addition, the domestic producers provided an explanation on the record of the *Indian Welded Pipe CCR* indicating that the commercial reality of welded pipe production has changed since the *Orders* were put in place.¹⁰

On February 5, 2020, we informed counsel to the domestic industry of the CCR request and notified them of the timing for initiation of a review.¹¹ Counsel to the domestic industry stated that they did not intend to file comments prior to the deadline for initiation.¹²

Public Comment

We are inviting interested parties to file comments and new factual information not later than 14 days after the date of publication of this notice. Rebuttal comments and factual information may be filed not later than seven days after the due date for affirmative comments. Specifically, we are requesting that domestic interested parties who expressed no interest regarding certain products in the AD and CVD orders on large diameter welded pipe from India provide comments with respect to those statements in the context of this case, and identify any

⁷ See, e.g., *Certain Cold-Rolled Steel Flat Products from Japan: Initiation and Preliminary Results of Changed Circumstances Review, and Intent to Revoke Order in Part*, 82 FR 821 (January 4, 2017) (finding that “Petitioners’ affirmative statement of no interest in the order . . . constitutes good cause for the conduct of this review.”).

⁸ See Petitioner’s Indian LDWP CCR Request.

⁹ See Petitioner’s Indian LDWP CCR Request.

¹⁰ See Petitioner’s Indian LDWP CCR Request.

¹¹ See Memorandum, “Phone Call with the Petitioner’s Counsel in Large Diameter Welded Pipe from Greece,” dated February 5, 2020.

¹² *Id.*

considerations that distinguish those factors from the AD order on large diameter welded pipe from Greece. All submissions must be filed electronically using Enforcement and Compliance's AD and CVD Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>, and to all parties in the Central Records Unit, room B8024 of the main Commerce building. An electronically filed document must be received successfully in its entirety in ACCESS by 5:00 p.m. Eastern Time on the due date set forth in this notice.

Commerce intends to publish in the *Federal Register* a notice of preliminary results of the antidumping duty changed circumstances review, in accordance with 19 CFR 351.221(b)(4) and 351.221(c)(3)(i), which will set forth Commerce's preliminary factual and legal conclusions. Commerce will issue its final results of the review in accordance with the time limits set forth in 19 CFR 351.216(e).

Notification to Interested Parties

This notice is published in accordance with sections 751(b)(1) and 777(i)(1) of the Act and 19 CFR 351.216 and 351.221(c)(3).

Dated: February 13, 2020.

Jeffrey I. Kessler,
Assistant Secretary
for Enforcement and Compliance.

Attachment

Proposed Revision to the Scope of the *Order*

Excluded from the scope of the antidumping duty order are large diameter welded pipe products in the following combinations of grades, outside diameters, and wall thicknesses:

- Grade X60, X65, or X70, 18” outside diameter, 0.688” or greater wall thickness;
- Grade X60, X65, or X70, 20” outside diameter, 0.688” or greater wall thickness;
- Grade X60, X65, X70, or X80, 22” outside diameter, 0.750” or greater wall thickness;
and
- Grade X60, X65, or X70, 24” outside diameter, 0.750” or greater wall thickness.

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