



BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE
Foreign-Trade Zones Board
[B-09-2020]

Foreign-Trade Zone (FTZ) 124 – Gramercy, Louisiana
Notification of Proposed Production Activity
Frank’s International, LLC
(Line Pipe with Tubular Joints)
New Iberia and Lafayette, Louisiana

Frank’s International, LLC submitted a notification of proposed production activity to the FTZ Board for its facilities located in New Iberia and Lafayette, Louisiana. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on February 19, 2020.

The grantee of FTZ 124 has submitted a separate application for FTZ designation at the facilities of Frank’s International, LLC. The facilities will be used for production of API specification line pipe with tubular joints. Pursuant to 15 CFR 400.14(b), FTZ activity would be limited to the specific foreign-status materials/components and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt Frank’s International, LLC from customs duty payments on the foreign-status materials/components used in export production. On its domestic sales, for the foreign-status materials/components noted below, the company would be able to choose the duty rates during customs entry procedures that apply to API specification 5L line pipe with welded on pin and box connections (duty-free). Frank’s International, LLC would be able to avoid duty on

foreign-status components which become scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The components and materials sourced from abroad include API specification 5L line pipe with an outer diameter greater than 16 inches but less than or equal to 24 inches, API specification 5L line pipe with an outer diameter greater than 24 inches, API specification 5L line pipe of alloy steel, and welded on pin and box threaded connections (duty-free). The request indicates that certain materials/components are subject to special duties under Section 232 of the Trade Expansion Act of 1962 (Section 232) or Section 301 of the Trade Act of 1974 (Section 301), depending on the country of origin. The applicable Section 232 and Section 301 decisions require subject merchandise to be admitted to FTZs in privileged foreign status (19 CFR 146.41).

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary and sent to: ftz@trade.gov. The closing period for their receipt is **[INSERT DATE 40 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

A copy of the notification will be available for public inspection in the "Reading Room" section of the Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Juanita Chen at juanita.chen@trade.gov or 202-482-1378.

Dated: February 25, 2020

Andrew McGilvray
Executive Secretary

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