



## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-520-807]

### **Circular Welded Carbon-Quality Steel Pipe from the United Arab Emirates: Final Results of Antidumping Duty Administrative Review; 2017-2018**

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

**SUMMARY:** The Department of Commerce (Commerce) determines that producers and/or exporters subject to this administrative review made sales of subject merchandise at less than fair value (LTFV) during the period of review (POR), December 1, 2017 through November 30, 2018.

**DATES:** Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

**FOR FURTHER INFORMATION CONTACT:** Whitley Herndon, 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) 482-6274.

### **SUPPLEMENTARY INFORMATION:**

#### Background

This review covers 20 producers and exporters of the subject merchandise. Commerce selected two mandatory respondents for individual examination: Conares Metal Supply Ltd. (Conares) and Universal Tube and Plastic Industries, Ltd./THL Tube and Pipe Industries LLC/KHK Scaffolding and Framework LLC (collectively, Universal). The producers and or exporters not selected for individual examination are listed in the “Final Results of the Review” section of this notice.

On February 7, 2020, Commerce published the *Preliminary Results*.<sup>1</sup> In April and June 2020, the petitioners,<sup>2</sup> Nucor Tubular Products Inc., Conares, and Universal, submitted case and rebuttal briefs. On April 23, 2020, we postponed the final results until June 8, 2020.<sup>3</sup> On April 24, 2020, Commerce tolled all deadlines in administrative reviews by 50 days.<sup>4</sup> On July 21, 2020, Commerce tolled all preliminary and final deadlines in administrative reviews by an additional 60 days, thereby extending the deadline for these results until November 23, 2020.<sup>5</sup>

Commerce conducted this administrative review in accordance with section 751 of the Tariff Act of 1930, as amended (the Act).

### Scope of the Order

The merchandise subject to the order is welded carbon-quality steel pipes and tube, of circular cross-section, with an outside diameter not more than nominal 16 inches (406.4 mm), regardless of wall thickness, surface finish, end finish, or industry specification, and generally known as standard pipe, fence pipe and tube, sprinkler pipe, or structural pipe (although subject product may also be referred to as mechanical tubing). The products subject to this order are currently classifiable in Harmonized Tariff Schedule of the United States (HTSUS) statistical reporting numbers 7306.19.1010, 7306.19.1050, 7306.19.5110, 7306.19.5150, 7306.30.1000, 7306.30.5015, 7306.30.5020, 7306.30.5025, 7306.30.5032, 7306.30.5040, 7306.30.5055, 7306.30.5085, 7306.30.5090, 7306.50.1000, 7306.50.5030, 7306.50.5050, and 7306.50.5070. Although the HTSUS numbers are provided for convenience and for customs purposes, the written product description remains dispositive.<sup>6</sup>

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<sup>1</sup> See *Circular Welded Carbon-Quality Steel Pipe from the United Arab Emirates: Preliminary Results of Antidumping Duty Administrative Review; 2017-2018*, 85 FR 7279 (February 7, 2020) (*Preliminary Results*).

<sup>2</sup> The petitioners are Bull Moose Tube Company and Wheatland Tube Company.

<sup>3</sup> See Memorandum, “Circular Welded Carbon-Quality Steel Pipe from the United Arab Emirates: 2017-2018 Administrative Review: Extension of Deadline for Final Results of Antidumping Duty Administrative Review,” dated April 23, 2020.

<sup>4</sup> See Memorandum, “Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews in Response to Operational Adjustments Due to COVID-19,” dated April 24, 2020.

<sup>5</sup> See Memorandum, “Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews,” dated July 21, 2020.

<sup>6</sup> For a complete description of the scope of the order, see Memorandum, “Decision Memorandum for the Final Results of the 2017-2018 Administrative Review of the Antidumping Duty Order on Circular Welded Carbon-

## Analysis of Comments Received

All issues raised in the case and rebuttal briefs are listed in the Appendix to this notice and addressed in the Issues and Decision Memorandum. Interested parties can find a complete discussion of these issues and the corresponding recommendations in this public memorandum, which 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 Issues and Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/index.html>. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

## Changes Since the Preliminary Results

Based on a review of the record and comments received from interested parties regarding our *Preliminary Results*, we made certain changes to the preliminary weighted-average margin calculations for Universal and for those companies not selected for individual review.<sup>7</sup>

## Final Results of the Review

We are assigning the following weighted-average dumping margins to the firms listed below for the period December 1, 2017 through November 30, 2018:

<b>Exporter / Producer</b>	<b>Weighted-Average Dumping Margin (Percent)</b>
Conares Metal Supply Ltd.	2.49
Universal Tube and Plastic Industries, Ltd./ THL Tube and Pipe Industries LLC/KHK Scaffolding and Framework LLC	3.79

Review-Specific Average Rate Applicable to the Following Companies:<sup>8</sup>

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Quality Steel Pipe from the United Arab Emirates," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

<sup>7</sup> See accompanying Issues and Decision Memorandum.

<sup>8</sup> This rate is based on the simple average of the margins calculated for those companies selected for individual review. Because we cannot apply our normal methodology of calculating a weighted-average margin due to requests to protect business proprietary information, we find this rate to be the best proxy of the actual weighted-average margin determined for the mandatory respondents. See *Ball Bearings and Parts Thereof from France, et al.: Final Results of Antidumping Duty Administrative Reviews, Final Results of Changed-Circumstances Review, and Revocation of an Order in Part*, 75 FR 53661, 53663 (September 1, 2010).

Exporter / Producer	Weighted-Average Dumping Margin (Percent)
Abu Dhabi Metal Pipes and Profiles Industries Complex	3.14
Ajmal Steel Tubes & Pipes Ind. L.L.C./Noble Steel Industries L.L.C. <sup>9</sup>	3.14
Al Mansoori Industrial Supply	3.14
Baker Hughes EHO Ltd.	3.14
BioAir Solutions LLC	3.14
Bridgeway Shipping & Clearing Services, LLC	3.14
Ferrofab FTZ	3.14
Ferrolab LLC	3.14
Global Steel Industries	3.14
Halima Pipe Co., Ltd.	3.14
K.D. Industries Inc.	3.14
Lamprell	3.14
Link Middle East Ltd.	3.14
Noble Marine Metals Co., W.L.L.	3.14
PSL FZE	3.14
Reyah Metal Trading FZE	3.14
Three Star Metal Ind LLC	3.14
Tiger Steel Industries LLC.	3.14

We intend to disclose the calculations performed within five days of the date of publication of this notice to parties in this proceeding, in accordance with 19 CFR 351.224(b).

#### Assessment Rates

Pursuant to section 751(a)(2)(C) of the Act, and 19 CFR 351.212(b)(1), Commerce has determined, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with the final results of this review.

Pursuant to 19 CFR 351.212(b)(1), where Conares and Universal reported the entered value of their U.S. sales, we calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for the examined sales to the total entered value of the sales for which entered value was reported. Where either the respondent's weighted-average dumping margin is zero or *de minimis* within the meaning of 19 CFR

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<sup>9</sup> We collapsed Ajmal Steel Tubes and Pipes Ind. L.L.C. and Noble Steel Industries L.L.C. together in the final results of the 2016-2017 administrative review. See *Circular Welded Carbon-Quality Steel Pipe from the United Arab Emirates: Final Results of Antidumping Duty Administrative Review; 2016-2017*, 84 FR 44845 (August 27, 2019).

351.106(c)(1), or an importer-specific rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

For the companies which were not selected for individual review, we will assign an assessment rate based on the average<sup>10</sup> of the cash deposit rates calculated for Conares and Universal. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for future deposits of estimated duties, where applicable.<sup>11</sup>

Commerce's "automatic assessment" practice will apply to entries of subject merchandise during the POR produced by companies included in these final results of review for which the reviewed companies did not know that the merchandise they sold to the intermediary (*e.g.*, a reseller, trading company, or exporter) was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction.

We intend to issue liquidation instructions to CBP 15 days after publication of the final results of this administrative review.

#### Cash Deposit Requirements

The following cash deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for each specific company listed above will be that established in the final results of this review, except if the rate is less than 0.50 percent and, therefore, *de minimis* within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rate will be zero; (2) for previously investigated companies not subject to this review, the cash deposit will continue to be the company-specific rate published for the most recently completed segment of

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<sup>10</sup> This rate was calculated as discussed in footnote 8.

<sup>11</sup> See section 751(a)(2)(C) of the Act.

this proceeding; (3) if the exporter is not a firm covered in this review, or the original less-than-fair-value (LTFV) investigation, but the manufacturer is, then the cash deposit rate will be the rate established for the most recent segment for the manufacturer of the merchandise; and (4) the cash deposit rate for all other manufacturers or exporters will continue to be 3.14 percent, the all-others rate established in the LTFV investigation.<sup>12</sup> These deposit requirements, when imposed, shall remain in effect until further notice.

#### Notification to Importers

This notice serves as a final 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 review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

#### Notification Regarding Administrative Protective Order

This notice serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

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<sup>12</sup> See *Circular Welded Carbon-Quality Steel Pipe From the Sultanate of Oman, Pakistan, and the United Arab Emirates: Amended Final Affirmative Antidumping Duty Determination and Antidumping Duty Orders*, 81 FR 91906, 91908 (December 19, 2016).

Notification to Interested Parties

We are issuing and publishing this notice in accordance with sections 751(a)(1) and 777(i) of the Act.

Dated: November 23, 2020.

**Jeffrey I. Kessler,**

*Assistant Secretary*

*for Enforcement and Compliance.*

## Appendix

### List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Margin Calculations
- IV. Discussion of Issues
  - Conares-Specific Issues
  - Comment 1: Application of Adverse Facts Available (AFA) Based on Alleged Duty Avoidance Scheme
  - Comment 2: Failure to Cooperate
  - Universal-Specific Issues
  - Comment 3: Universal Level of Trade (LOT) Adjustment
  - Comment 4: Section 232 Duties
  - Comment 5: Convert Currency for Universal Sales
  - Comment 6: Adjust Universal Surrogate Production Cost
- V. Recommendation

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