3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-533-871, A-475-835, A-469-815, C-533-872]

Finished Carbon Steel Flanges from India, Italy, and Spain: Continuation of Antidumping Duty Orders and Countervailing Duty Order

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

SUMMARY: As a result of the determinations by the U.S. Department of Commerce (Commerce) and the U.S. International Trade Commission (ITC) that revocation of the antidumping duty (AD) orders on finished carbon steel flanges (flanges) from India, Italy, and Spain and countervailing duty (CVD) order on flanges from India would likely lead to continuation or recurrence of dumping, net countervailable subsidies, and material injury to an industry in the United States, Commerce is publishing a notice of continuation of these AD and CVD orders.

DATES: Applicable November 30, 2022.

FOR FURTHER INFORMATION CONTACT: James Hepburn or Emily Bradshaw, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1882 or (202) 482-3896, respectively.

SUPPLEMENTARY INFORMATION:

Background

On June 14, 2017, Commerce published in the *Federal Register* the AD order on flanges from Spain, and on August 24, 2017, Commerce published in the *Federal Register* the AD orders on flanges from India and Italy and the CVD order on flanges from India.[1] On May 2, 2022, the

[1] *See Finished Carbon Steel Flanges from Spain: Antidumping Duty Order*, 82 FR 27229 (June 14, 2017); *Finished*

ITC instituted,[2] and Commerce initiated,[3] the first sunset review of the *Orders*, pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act). As a result of its reviews, Commerce determined that revocation of the *Orders* would likely lead to the continuation or recurrence of dumping and countervailable subsidies, and therefore, notified the ITC of the magnitude of the margins of dumping and net countervailable subsidy rates likely to prevail should the *Orders* be revoked.[4]

On November 21, 2022, the ITC published its determination, pursuant to sections 751(c) and 752(a) of the Act, that revocation of the *Orders* would likely lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[5]

Scope of the *Orders*

The scope of the *Orders* covers finished carbon steel flanges. Finished carbon steel flanges differ from unfinished carbon steel flanges (also known as carbon steel flange forgings) in that they have undergone further processing after forging, including, but not limited to, beveling, bore threading, center or step boring, face machining, taper boring, machining ends or surfaces, drilling bolt holes, and/or de-burring or shot blasting. Any one of these post-forging processes suffices to render the forging into a finished carbon steel flange for purposes of the *Orders*. However, mere heat treatment of a carbon steel flange forging (without any other further processing after forging) does not render the forging into a finished carbon steel flange for purposes of the *Orders*.

Carbon Steel Flanges from India and Italy: Antidumping Duty Orders, 82 FR 40136 (August 24, 2017); and *Finished Carbon Steel Flanges from India: Countervailing Duty Order*, 82 FR 40138 (August 24, 2017) (collectively, *Orders*).

[2] *See Finished Carbon Steel Flanges from India, Italy, and Spain; Institution of Five-Year Reviews*, 87 FR 25662 (May 2, 2022).

[3] *See Initiation of Five-Year (Sunset) Reviews*, 87 FR 25617, 25618 (May 2, 2022).

[4] *See Finished Carbon Steel Flanges from India, Italy, and Spain: Final Results of the Expedited First Sunset Review of the Antidumping Duty Orders*, 87 FR 52910 (August 30, 2022), and accompanying Issues and Decision Memorandum (IDM); and *Finished Carbon Steel Flanges from India: Final Results of the Expedited First Sunset Review of the Countervailing Duty Order*, 87 FR 53722 (September 1, 2022), and accompanying IDM.

[5] *See Finished Carbon Steel Flanges from India, Italy, and Spain*, 87 FR 70866 (November 21, 2022).

While these finished carbon steel flanges are generally manufactured to specification ASME B16.5 or ASME B16.47 series A or series B, the scope is not limited to flanges produced under those specifications. All types of finished carbon steel flanges are included in the scope regardless of pipe size (which may or may not be expressed in inches of nominal pipe size), pressure class (usually, but not necessarily, expressed in pounds of pressure, *e.g.*, 150, 300, 400, 600, 900, 1500, 2500, *etc*.), type of face (*e.g.*, flat face, full face, raised face, *etc*.), configuration (*e.g.*, weld neck, slip on, socket weld, lap joint, threaded, *etc*.), wall thickness (usually, but not necessarily, expressed in inches), normalization, or whether or not heat treated. These carbon steel flanges either meet or exceed the requirements of the ASTM A105, ASTM A694, ASTM A181, ASTM A350 and ASTM A707 standards (or comparable foreign specifications). The scope includes any flanges produced to the above-referenced ASTM standards as currently stated or as may be amended. The term "carbon steel" under this scope is steel in which:

(a) Iron predominates, by weight, over each of the other contained elements:

(b) The carbon content is 2 percent or less, by weight; and

(c) none of the elements listed below exceeds the quantity, by weight, as indicated:

(i) 0.87 percent of aluminum;

(ii) 0.0105 percent of boron;

(iii) 10.10 percent of chromium;

(iv) 1.55 percent of columbium;

(v) 3.10 percent of copper;

(vi) 0.38 percent of lead;

(vii) 3.04 percent of manganese;

(viii) 2.05 percent of molybdenum;

(ix) 20.15 percent of nickel;

(x) 1.55 percent of niobium;

(xi) 0.20 percent of nitrogen;

(xii) 0.21 percent of phosphorus;

(xiii) 3.10 percent of silicon;

(xiv) 0.21 percent of sulfur;

(xv) 1.05 percent of titanium;

(xvi) 4.06 percent of tungsten;

(xvii) 0.53 percent of vanadium; or

(xviii) 0.015 percent of zirconium.

Finished carbon steel flanges are currently classified under subheadings 7307.91.5010 and 7307.91.5050 of the Harmonized Tariff Schedule of the United States (HTSUS). They may also be entered under HTSUS subheadings 7307.91.5030 and 7307.91.5070. The HTSUS subheadings are provided for convenience and customs purposes; the written description of the scope is dispositive.

Continuation of the *Orders*

As a result of the determinations by Commerce and the ITC that revocation of the *Orders* would likely lead to continuation or recurrence of dumping, net countervailable subsidies, and material injury to an industry in the United States, pursuant to section 751(d)(2) of the Act, Commerce hereby orders the continuation of the *Orders*. U.S. Customs and Border Protection will continue to collect AD and CVD cash deposits at the rates in effect at the time of entry for all imports of subject merchandise.

The effective date of the continuation of the *Orders* will be November 30, 2022. Pursuant to section 751(c)(2) of the Act, Commerce intends to initiate the next five-year reviews of the *Orders* not later than 30 days prior to the fifth anniversary of the effective date of continuation.

Administrative Protective Order

This notice serves as the only reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the return/destruction or conversion to judicial

protective order of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Failure to comply with the regulations and terms of the APO is a sanctionable violation.

Notification to Interested Parties

These five-year (sunset) reviews and this notice are in accordance with sections 751(c) and 751(d)(2) of the Act and published in accordance with section 777(i) of the Act, and 19 CFR 351.218(f)(4).

Dated: November 29, 2022.

Lisa Wang,
Assistant Secretary for Enforcement and Compliance.
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