



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-065]

Stainless Steel Flanges from the People's Republic of China: Final Results of the Expedited First Sunset Review of the Countervailing Duty Order

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

SUMMARY: The U.S. Department of Commerce (Commerce) finds that revocation of the countervailing duty (CVD) order on stainless steel flanges from the People's Republic of China (China) would be likely to lead to continuation or recurrence of countervailable subsidies at the levels indicated in the "Final Results of Review" section of this notice.

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

FOR FURTHER INFORMATION CONTACT: Nathan James, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-5305.

SUPPLEMENTARY INFORMATION:

Background

On June 5, 2018, Commerce published in the *Federal Register* the CVD order on stainless steel flanges from China.¹ On May 1, 2023, Commerce published the notice of initiation of the first sunset review of the *Order*, pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act).² On May 15 and 16, 2023, Commerce received timely filed notices of intent to participate from Core Pipe Products, Inc. (Core Pipe) and Kerkau Manufacturing

¹ See *Stainless Steel Flanges from the People's Republic of China: Countervailing Duty Order*, 83 FR 26006 (June 5, 2018) (*Order*).

² See *Initiation of Five-Year (Sunset) Reviews*, 88 FR 26522 (May 1, 2023).

(Kerkau) within the deadline specified in 19 CFR 351.218(d)(1)(i).³ Core Pipe and Kerkau claimed interested party status under section 771(9)(C) of the Act, as manufacturers of the domestic like product in the United States.

Commerce received adequate substantive responses to the notice of initiation from Core Pipe and Kerkau within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i).⁴ We received no substantive responses from any respondent interested parties, including the Government of China, nor was a hearing requested. On June 20, 2023, Commerce notified the U.S. International Trade Commission that it did not receive an adequate substantive response from respondent interested parties.⁵ As a result, pursuant to 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(B)(2) and (C)(2), Commerce conducted an expedited (120-day) sunset review of the *Order*.

Scope of the *Order*

The products covered by the *Order* are stainless steel flanges. For a complete description of the scope of the *Order*, see the Issues and Decision Memorandum.⁶

Analysis of Comments Received

All issues raised in this sunset review are addressed in the Issues and Decision Memorandum.⁷ A list of topics discussed in the Issues and Decision Memorandum is included as an appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Services System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision

³ See Core Pipe's Letter, "Core Pipe - Notice of Intent to Participate," dated May 15, 2023; and Kerkau's Letter, "Notice of Intent to Participate by Kerkau Manufacturing," dated May 16, 2023.

⁴ See Core Pipe's Letter, "Substantive Response," dated May 31, 2023; and Kerkau's Letter, "Substantive Response of Kerkau Manufacturing," dated May 31, 2023.

⁵ See Commerce's Letter, "Sunset Reviews Initiated on May 1, 2023," dated June 20, 2023.

⁶ See Memorandum, "Issues and Decision Memorandum for the Final Results of the Expedited First Sunset Review of the Countervailing Duty Order on Stainless Steel Flanges from the People's Republic of China," dated concurrently with this notice (Issues and Decision Memorandum).

⁷ *Id.*

Memorandum can be accessed directly at

<https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Final Results of Sunset Review

Pursuant to sections 751(c)(1) and 752(b) of the Act, Commerce determines that revocation of the *Order* would likely lead to continuation or recurrence of countervailable subsidies at the rates below:

Producers/Exporters	Net Subsidy Rate (percent)
Bothwell (Jiangyan) Steel Fittings Co., Ltd.	174.73
Hydro-Fluids Controls Limited	174.73
Jiangyin Shengda Brite Line Kasugai Flange Co., Ltd	174.73
Qingdao I-Flow Co., Ltd	174.73
All Others	174.73

Administrative Protective Order (APO)

This notice serves as the only reminder to parties subject to an APO of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely written notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

Notification to Interested Parties

We are issuing and publishing these final results in accordance with sections 751(c), 752(b), and 777(i)(1) of the Act and 19 CFR 351.218.

Dated: August 28, 2023.

Lisa W. Wang,
Assistant Secretary
for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the *Order*
- IV. History of the *Order*
- V. Legal Framework
- VI. Discussion of the Issues
 - 1. Likelihood of Continuation or Recurrence of Countervailable Subsidies
 - 2. Net Countervailable Subsidy Rates that Are Likely to Prevail
 - 3. Nature of the Subsidies
- VII. Final Results of Sunset Review
- VIII. Recommendation

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