



DEPARTMENT OF COMMERCE

International Trade Administration

[A-201-847]

Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from Mexico: Preliminary Results of Antidumping Duty Administrative Review; 2021-2022

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

SUMMARY: The U.S. Department of Commerce (Commerce) preliminarily determines that producers/exporters of heavy walled rectangular welded carbon steel pipes and tubes (HWR pipes and tubes) from Mexico subject to this administrative review made sales of subject merchandise at less than normal value (NV) during the period of review (POR), September 1, 2021, through August 31, 2022. We invited interested parties to comment on these preliminary results.

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

FOR FURTHER INFORMATION CONTACT: David Crespo or Nathan Araya, 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) 482-3693 or (202) 482-3401, respectively.

SUPPLEMENTARY INFORMATION:

Background

On September 13, 2016, Commerce published in the *Federal Register* the antidumping duty order on HWR pipes and tubes from Mexico.¹ On September 1, 2022, Commerce published

¹ See *Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Korea, Mexico, and the Republic of Turkey: Antidumping Duty Orders*, 81 FR 62865, (September 13, 2016) (*Order*).

in the *Federal Register* a notice of opportunity to request an administrative review of the *Order*.²

On November 3, 2023, based on timely requests for review, in accordance with 19 CFR 351.221(c)(1)(i), we initiated an administrative review of the *Order* with respect to 12 companies.³ On December 9, 2022, Commerce selected Maquilacero S.A. de C.V. (Maquilacero) and Productos Laminados de Monterrey S.A. de C.V. (Prolamsa) for individual examination as mandatory respondents in this administrative review.⁴

On May 25, 2023, Commerce extended the preliminary results of this review until September 29, 2023.⁵

Scope of the *Order*

The products covered by the *Order* are HWR pipes and tubes from Mexico.⁶ A full description of the scope of *Order* is contained in the Preliminary Decision Memorandum.⁷

Methodology

Commerce is conducting this review in accordance with sections 751(a)(1)(B) and (2) of the Tariff Act of 1930, as amended (the Act). Export price and constructed export price are calculated in accordance with section 772 of the Act. NV is calculated in accordance with section 773 of the Act.

For a full description of the methodology underlying these preliminary results, *see* the Preliminary Decision Memorandum. A list of topics discussed in the Preliminary Decision Memorandum is attached as an appendix to this notice. The Preliminary Decision Memorandum is a public document and is made available to the public via Enforcement and Compliance's

² *See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity To Request Administrative Review and Join Annual Inquiry Service List*, 87 FR 53719, (September 1, 2022).

³ *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 87 FR 66275 (November 3, 2022).

⁴ *See* Memorandum, "Respondent Selection for the 2021-2022 Antidumping Duty Administrative Review," dated December 9, 2022.

⁵ *See* Memorandum, "Extension of Deadline for the Final Results of Antidumping Duty Administrative Review," dated May 22, 2022; and "Correction of Subject Line for Extension of Preliminary Results," dated May 25, 2023.

⁶ For a complete description of the scope of the *Order*, *see* Preliminary Decision Memorandum.

⁷ *See* Memorandum, "Decision Memorandum for the Preliminary Results of Antidumping Duty Administrative Review; 2021-2022: Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from Mexico," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS).

ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum is available at

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

Rate for Non-Examined Companies

The statute and Commerce's regulations do not address the establishment of a rate to be applied to companies not selected for examination when Commerce limits its examination in an administrative review pursuant to section 777A(c)(2) of the Act. Generally, Commerce looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in a market economy investigation, for guidance when calculating the rate for companies which were not selected for individual examination in an administrative review. Under section 735(c)(5)(A) of the Act, the all-others rate is normally an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding any zero or *de minimis* margins, and any margins determined entirely on the basis of facts available. Under section 735(c)(5)(A) of the Act, the all-others rate is normally "an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding any zero or *de minimis* margins, and any margins determined entirely {on the basis of facts available}." In this administrative review, we preliminarily calculated weighted-average dumping margins for the mandatory respondents, Maquilacero and Prolamsa, that are not zero, *de minimis*, or based entirely on total facts available. Accordingly, Commerce is preliminarily assigning to the companies not individually examined, listed in the chart below, a margin of 4.33 percent which is the weighted-average of Maquilacero's and Prolamsa's calculated weighted-average dumping margins.⁸

⁸ For more information regarding the calculation of this margin, see Memorandum, "Calculation of the Weighted-Average Dumping Margin for Non-Selected Companies for the Preliminary Results," dated concurrently with this

Preliminary Results of Review

Commerce preliminarily determines that the following estimated weighted-average dumping margins exist for the period September 1, 2021, through August 31, 2022:

Exporter/Producer	Weighted-Average Dumping Margin (percent)
Maquilacero S.A. de C.V.	5.14
Productos Laminados de Monterrey S.A. de C.V.	3.91
Review-Specific Average Rate Applicable to the Following Companies:	
Aceros del Toro S.A. de C.V.	4.33
Aceros El Fraile S.A. de C.V.	4.33
Border Assembly S. de R.L. de C.V.	4.33
Buffalo Tube S.A. de C.V.	4.33
Fortacero S.A. de C.V.	4.33
Grupo Collado S.A. de C.V.	4.33
Perfiles y Herrajes L.M. S.A. de C.V.	4.33
P.J. Trailers Company S.A. de C.V.	4.33
Placa y Fierro de Monterrey S.A. de C.V.	4.33
Regiomontana de Perfiles y Tubos S.A. de C.V.	4.33

Disclosure and Public Comment

We intend to disclose the calculations performed to parties within five days after public announcement of the preliminary results.⁹ Interested parties may submit case briefs or other written comments to Commerce no later than 30 days after the date of publication of this notice.¹⁰ Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than seven days after the deadline for filing case briefs.¹¹ Interested parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.¹² Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice.¹³

notice. As the weighting factor, we relied on the publicly ranged sales data reported in the quantity and value charts submitted by Maquilacero and Prolamsa.

⁹ See 19 CFR 351.224(b).

¹⁰ See 19 CFR 351.309(c)(1)(ii).

¹¹ See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

¹² See 19 CFR 351.309(c)(2) and (d)(2).

¹³ See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS. Hearing requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Oral presentations at the hearing will be limited to issues raised in the briefs. An electronically filed hearing request must be received successfully in its entirety by Commerce's electronic records system, ACCESS, by 5:00 p.m. Eastern Time within 30 days after the date of publication of this notice. If a request for a hearing is made, Commerce intends to hold the hearing at a time and date to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

Final Results of Review

Unless extended, Commerce intends to issue the final results of this administrative review, including the results of its analysis of issues raised in any written briefs, no later than 120 days after the date of publication of these preliminary results in the *Federal Register*.¹⁴

Assessment Rates

Upon completion of the final results of this administrative review, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries of subject merchandise covered by this review.

If a respondent's weighted-average dumping margin is not zero or *de minimis* (*i.e.*, less than 0.50 percent) in the final results of this review, we intend to calculate an importer-specific assessment rate based on the ratio of the total amount of dumping calculated for each importer's examined sales to the total entered value of those same sales in accordance with 19 CFR 351.212(b)(1).¹⁵ If the respondent has not reported entered values, we will calculate a per-unit assessment rate for each importer by dividing the total amount of dumping calculated for the

¹⁴ See section 751(a)(3)(A) of the Act and 19 CFR 351.213(h).

¹⁵ See *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification*, 77 FR 8101, 8103 (February 14, 2012).

examined sales made to that importer by the total quantity associated with those sales. To determine whether an importer-specific, per-unit assessment rate is *de minimis*, in accordance with 19 CFR 351.106(c)(2), we also will calculate an importer-specific *ad valorem* ratio based on estimated entered values. If either of the respondents' weighted average dumping margin or an importer-specific assessment rate is zero or *de minimis* in the final results of review, we intend to instruct CBP to liquidate appropriate entries without regard to antidumping duties.¹⁶

For entries of subject merchandise during the POR produced by each individually examined respondent for which the producer did not know that the merchandise was destined for the United States, we will instruct CBP to liquidate unreviewed entries at the all-others rate (4.91 percent) if there is no rate for the intermediate company(ies) involved in the transaction.¹⁷

For the companies identified above that were not selected for individual examination, we will instruct CBP to liquidate entries at the rate established after the completion of the final results of this review.

The final results of this administrative review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by this review and for future deposits of estimated duties, where applicable.¹⁸

Commerce intends to issue assessment instructions to CBP no earlier than 41 days after the date of publication of the final results of this review in the *Federal Register*, in accordance with 19 CFR 356.8(a).

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

¹⁶ *Id.*, 77 FR at 8102-03; *see also* 19 CFR 351.106(c)(2).

¹⁷ *See Order*; *see also Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

¹⁸ *See* section 751(a)(2)(C) of the Act.

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 the companies listed above will be equal to the weighted-average dumping margin 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 merchandise exported by companies not covered in this review but covered in a prior segment of this proceeding, the cash deposit rate will continue to be the company-specific rate published in the completed segment for the most recent period; (3) if the exporter is not a firm covered in this review, a prior review, or the original less-than-fair-value (LTFV) investigation, but the producer is, then the cash deposit rate will be the rate established in the completed segment for the most recent period for the producer of the merchandise; and (4) the cash deposit rate for all other producers or exporters will continue to be 4.91 percent, the all-others rate established in the LTFV investigation.¹⁹ These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) 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 Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of doubled antidumping duties.

Notification to Interested Parties

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(4).

Dated: September 28, 2023.

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

¹⁹ See Order.

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the *Order*
- IV. Discussion of the Methodology
- V. Currency Conversion
- VI. Recommendation

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