



DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-067]

Forged Steel Fittings from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review, Preliminary Determination of No Shipments; 2021-2022

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

SUMMARY: The U.S. Department of Commerce (Commerce) preliminarily determines that Qingdao Bestflow Industrial Co., Ltd. (Bestflow), the sole participating mandatory respondent in this review and an exporter of forged steel fittings from the People's Republic of China (China), as well as Both-Well Taizhou Steel Fittings Co., Ltd. (Both-Well), a non-individually-examined exporter of forged steel fittings from China, sold subject merchandise in the United States at prices below normal value (NV) during the period of review (POR) November 1, 2021, through October 31, 2022. Further, Commerce preliminarily determines that Xin Yi International Trade Co., Limited (Xin Yi) had no shipments of subject merchandise during the POR. Lastly, Commerce preliminarily determines that Lianfa Stainless Steel Pipes & Valves (Qingyun) Co., Ltd. (Lianfa), Yingkou Guangming Pipeline Industry Co., Ltd. (Yingkou Guangming), Jiangsu Forged Pipe Fittings Co., Ltd. (Jiangsu), and 20 other companies for which this review was initiated are not eligible for a separate rate and, are thus, part of the China-wide entity. Interested parties are invited to comment on these preliminary results.

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

FOR FURTHER INFORMATION CONTACT: Jinny Ahn, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0339.

SUPPLEMENTARY INFORMATION:

Background

This administrative review is being conducted in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act). On January 3, 2023, Commerce published the notice of initiation of this administrative review, covering 26 companies.¹ On March 23, 2023, Commerce selected as the mandatory respondents, Lianfa Stainless Steel Pipes & Valves (Qingyun) Co., Ltd. (Lianfa) and Bestflow, the companies accounting for the largest volume of suspended U.S. entries of subject merchandise into the United States as reported by U.S. Customs and Border Protection (CBP).² On March 23, 2023, Commerce also issued its initial non-market economy (NME) antidumping duty questionnaire to Bestflow and Lianfa. On April 14, 2023, Lianfa notified Commerce that it intended not to participate in this review.³ On June 29, 2023, Commerce selected Yingkou Guangming as an additional mandatory respondent based on the volume of suspended entries of subject merchandise, entered for consumption into the United States during the POR, and issued its initial questionnaire to Yingkou Guangming.⁴ On July 14, 2023, Yingkou Guangming notified Commerce that it intended not to participate in this review.⁵ On July 25, 2023, Commerce selected Jiangsu as a second additional mandatory respondent based on the volume of suspended entries of subject merchandise entered for consumption into the United States during the POR, and issued its initial questionnaire to Jiangsu.⁶ On August 8, 2023, Jiangsu notified Commerce that it intended not to participate in this review.⁷ On July 11, 2023, Commerce extended the preliminary results deadline by 120 days.⁸

¹ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 88 FR 50 (January 3, 2023).

² See Memorandum, “Respondent Selection,” dated March 23, 2023.

³ See Lianfa’s Letter, “Lianfa Notice of Intent Not to Participate,” dated April 14, 2023.

⁴ See Memorandum, “Selection of an Additional Mandatory Respondent,” dated June 29, 2023.

⁵ See Yingkou Guangming’s Letter, “Yingkou Notice of Intent Not to Participate,” dated July 14, 2023.

⁶ See Memorandum, “Selection of a Second Additional Mandatory Respondent,” dated July 25, 2023.

⁷ See Jiangsu’s Letter, “Notice of Intent Not to Participate,” dated August 8, 2023.

⁸ See Memorandum, “Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review,” dated July 11, 2023.

For a complete description of the events that followed the initiation of this administrative review, *see* the Preliminary Decision Memorandum.⁹ A list of the topics included in the Preliminary Decision Memorandum is included in Appendix I to this notice. The Preliminary Decision Memorandum is a public document and is made available to the public via Enforcement and Compliance’s 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 can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Scope of the Order¹⁰

The merchandise covered by the *Order* is carbon and alloy forged steel fittings, whether unfinished (commonly known as blanks or rough forgings) or finished. Subject carbon and alloy forged steel fittings are normally entered under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7307.99.1000, 7307.99.3000, 7307.99.5045, and 7307.99.5060. They also may be entered under HTSUS subheadings 7307.92.3010, 7307.92.3030, 7307.92.9000, and 7326.19.0010. The HTSUS subheadings and specifications are provided for convenience and customs purposes; the written description of the scope is dispositive. For a complete description of the scope of the *Order*, *see* the Preliminary Decision Memorandum.

Methodology

Commerce is conducting this review in accordance with section 751(a)(1)(B) of the Act and 19 CFR 351.213. We calculated export prices in accordance with section 772 of the Act. Because China is an NME country within the meaning of section 771(18) of the Act, NV has been calculated in accordance with section 773(c) of the Act. For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum.

⁹ *See* Memorandum, “Decision Memorandum for the Preliminary Results of the 2021-2022 Antidumping Duty Administrative Review: Forged Steel Fittings from the People’s Republic of China,” dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

¹⁰ *See Forged Steel Fittings from Italy and the People’s Republic of China: Antidumping Duty Orders*, 83 FR 60397 (November 26, 2018) (*Order*).

Continuation of Administrative Review for Various Companies

Pursuant to 19 CFR 351.213(d)(1), Commerce will rescind an administrative review, in whole or in part, if a party who requested the review withdraws the request within 90 days of the date of publication of the notice of initiation of the requested review. On March 30, 2023, Jiangsu, Lianfa, Xin Yi, and Yingkou Guangming timely withdrew their requests for review.¹¹ On April 2, 2023, Both-Well timely withdrew its request for review.¹² However, as Bonney Forge Corporation (Bonney Forge), a domestic producer and interested party, also requested review of these five companies and Bonney Forge's request has not been withdrawn,¹³ we are not rescinding this review with respect to these five companies, pursuant to 19 CFR 351.213(d)(1).

Preliminary Determination of No Shipments

Xin Yi reported that it made no shipments of subject merchandise to the United States during the POR.¹⁴ Subsequently, Commerce requested that CBP provide any information which may contradict Xin Yi's claim; CBP reported no such contradictory information. Because Xin Yi certified that it made no shipments of subject merchandise, and there is no information on the record which contradicts its claim, Commerce preliminarily determines that Xin Yi did not have shipments of subject merchandise to the United States during the POR. Consistent with Commerce's practice, Commerce will not rescind the review with respect to this company, but instead, will complete the review and issue assessment instructions to CBP based on the final results.¹⁵

Separate Rates

¹¹ See Jiangsu, Lianfa, Yingkou Guangming, and XinYi's Letter, "Withdrawal of Requests for Administrative Review," dated March 30, 2023.

¹² See Both-Well's Letter, "Withdrawal of Requests for Administrative Review," dated April 2, 2023.

¹³ See Bonney Forge's Letter, "Request for Administrative Review," dated November 30, 2022.

¹⁴ See Xin Yi's Letter, "No Sales Certification," dated February 1, 2023.

¹⁵ See, e.g., *Certain Frozen Warmwater Shrimp from Thailand; Preliminary Results of Antidumping Duty Administrative Review, Partial Rescission of Review, Preliminary Determination of No Shipments; 2012-2013*, 79 FR 15951, 15952 (March 24, 2014), unchanged in *Certain Frozen Warmwater Shrimp from Thailand: Final Results of Antidumping Duty Administrative Review, Final Determination of No Shipments, and Partial Rescission of Review; 2012-2013*, 79 FR at 51306 (August 28, 2014).

Commerce preliminarily finds that 23 companies for which a review was initiated did not establish their eligibility for a separate rate because they failed to provide a separate rate application, a separate rate certification, or a no-shipment certification if they were already eligible for a separate rate, or did not cooperate to the best of their ability and refused to provide Commerce with a complete response to its questionnaire.¹⁶ As such, we preliminarily determine these 23 companies are part of the China-wide entity.

Additionally, Commerce preliminarily finds that the information placed on the record by Bestflow and Both-Well demonstrates that these companies are eligible for a separate rate. For additional information, *see* the Preliminary Decision Memorandum.

Weighted-Average Dumping Margin for Non-Examined Companies Granted a Separate Rate

In these preliminary results, the sole individually examined mandatory respondent (*i.e.*, Bestflow) received a weighted-average dumping margin that is not zero, *de minimis*, or based entirely on facts available. Therefore, consistent with section 735(c)(5)(A) of the Act, we find it appropriate to assign the calculated weighted-average dumping margin for Bestflow (*i.e.*, 496.77 percent) as the weighted-average dumping margin for the non-examined, separate rate company Both-Well. For additional information, *see* the Preliminary Decision Memorandum.

The China-Wide Entity

Commerce's policy regarding conditional review of the China-wide entity applies to this administrative review.¹⁷ Under this policy, the China-wide entity will not be under review unless a party specifically requests and Commerce initiates, or Commerce self-initiates, a review of the China-wide entity.¹⁸ Because no party requested a review of the China-wide entity and no review was initiated for this POR, the China-wide entity is not under review and the China-wide

¹⁶ *See* Appendix II of this notice which identifies these 23 companies.

¹⁷ *See Antidumping Proceedings: Announcement of Change in Department Practice for Respondent Selection in Antidumping Proceedings and Conditional Review of the Nonmarket Economy Entity in NME Antidumping Duty Proceedings*, 78 FR 65963 (November 4, 2013).

¹⁸ *Id.*

entity's rate (*i.e.*, 142.72 percent) is not subject to change.¹⁹ For additional information, *see* the Preliminary Decision Memorandum.

Preliminary Results of Review

Commerce preliminarily determines that the following weighted-average dumping margins exist for the POR:

Exporter	Weighted-Average Dumping Margin (percent)
Qingdao Bestflow Industrial Co., Ltd.	496.77
Review-Specific Average Rate Applicable to the Following Company	
Both-Well (Taizhou) Steel Fittings Co., Ltd.	496.77

Disclosure and Public Comment

We intend to disclose the calculations performed for these preliminary results to interested parties subject to an administrative protective order within five days after the date of publication of this notice.²⁰ Pursuant to 19 CFR 351.309(c)(ii), interested parties may each submit a case brief no later than 30 days after the date of publication of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may be filed not later than five days after the date for filing case briefs.²¹ Interested parties who submit case briefs or rebuttal briefs in this proceeding must submit: (1) a table of contents listing each issue; and (2) a table of authorities.²²

As provided under 19 CFR 351.309(c)(2) and (d)(2), in prior proceedings we have encouraged interested parties to provide an executive summary of their brief that should be limited to five pages total, including footnotes. In this review, we instead request that interested parties provide at the beginning of their briefs a public, executive summary for each issue raised in their briefs.²³ Further, we request that interested parties limit their executive summary of each

¹⁹ *See Order*, 83 FR at 60397.

²⁰ *See* 19 CFR 351.224(b).

²¹ *See* 19 CFR 351.309(d); *see also Administrative Protective Order, Service, and Other Procedures in Antidumping and Countervailing Duty Proceedings*, 88 FR 67069, 67077 (September 29, 2023) (*APO and Final Service Rule*).

²² *See* 19 CFR 351.309(c)(2) and (d)(2).

²³ We use the term "issue" here to describe an argument that Commerce would normally address in a comment of the Issues and Decision Memorandum.

issue to no more than 450 words, not including citations. We intend to use the executive summaries as the basis of the comment summaries included in the issues and decision memorandum that will accompany the final results in this administrative review. We request that interested parties include footnotes for relevant citations in the executive summary of each issue. Note that Commerce has amended certain of its requirements pertaining to the service of documents in 19 CFR 351.303(f).²⁴

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. 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. Issues raised in the hearing will be limited to those raised in the respective case briefs. An electronically filed hearing request must be received successfully in its entirety by Commerce's electronic records system, ACCESS, by 5 p.m. Eastern Time within 30 days after the date of publication of this notice.

Final Results of Review

Unless the deadline is extended, Commerce intends to issue the final results of this administrative review, which will include the results of its analysis of issues raised in any briefs, within 120 days of publication of these preliminary results, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

In accordance with section 751(a)(2)(C) of the Act, the final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by this review. Upon issuance of the final results, Commerce will determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review.²⁵ Commerce intends to

²⁴ See *APO and Final Service Rule*.

²⁵ See 19 CFR 351.212(b)(1).

issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

We will instruct CBP to assess antidumping duties on all appropriate entries covered by this review, when the company-specific weighted-average dumping margin is not zero or *de minimis* (*i.e.*, less than 0.50 percent), or when the importer-specific assessment rate calculated in the final results of this review is not zero or *de minimis*.²⁶ Where either a company's weighted-average dumping margin is zero or *de minimis*, or an importer-specific assessment rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

If Bestflow's weighted-average dumping margin is not zero or *de minimis* in the final results of this review, Commerce will instruct CBP to assess antidumping duties at the time of liquidation, in accordance with 19 CFR 351.212(b)(1).²⁷ Because Bestflow did not report entered value for its U.S. sales, we intend to calculate customer-specific per-unit assessment rates by dividing the total amount of dumping calculated for all reviewed sales to the customer by the total quantity of the sales to the customer. Commerce will also calculate (estimated) *ad valorem* customer-specific assessment rates with which to assess whether the per-unit assessment rates are *de minimis*. We intend to calculate estimated customer-specific *ad valorem* assessment rates by dividing the total amount of dumping calculated for all reviewed U.S. sales to the customer by the total estimated entered value of the merchandise sold to the customer by Bestflow.²⁸

For the respondent that was not selected for individual examination in this administrative

²⁶ See 19 CFR 351.106(c)(2).

²⁷ Commerce will apply the assessment rate calculation method adopted in *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification*, 77 FR 8101 (February 14, 2012).

²⁸ See 19 CFR 351.212 (b)(1).

review but qualified for a separate rate (*i.e.*, Both-Well), the assessment rate will be equal to the weighted-average dumping margin determined in the final results of this review.

For the final results, if we continue to find that the 23 companies, identified in Appendix II, are ineligible for a separate rate and are, therefore, considered part of the China-wide entity, we will instruct CBP to apply an antidumping duty assessment rate of 142.72 percent (*i.e.*, the rate for the China-wide entity) to all entries of subject merchandise during the POR which were exported by those companies.

For entries that were not reported in the U.S. sales data submitted by Bestflow during this review, Commerce will instruct CBP to liquidate such entries at the antidumping duty assessment rate for the China-wide entity.²⁹ Additionally, if Commerce determines in the final results that Xin Yi had no shipments of the subject merchandise, any suspended entries that entered under Xin Yi's case number (*i.e.*, at Xin Yi's cash deposit rate) will be liquidated at the antidumping duty assessment rate for the China-wide entity.

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for shipments of the subject merchandise from China entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) for companies listed above that have a separate rate, the cash deposit rate will be equal to the weighted-average dumping margin established in the final results of this review (except, if the rate is *de minimis*, then the cash deposit rate will be zero); (2) for previously examined Chinese and non-Chinese exporters not listed above that received a separate rate in the most recently completed segment of this proceeding, the cash deposit rate will continue to be the existing exporter-specific cash deposit rate; (3) for all Chinese exporters of subject merchandise that have not been found to be entitled to a separate

²⁹ See *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694, 65695 (October 24, 2011), for a full discussion of this practice.

rate, the cash deposit rate will be the rate for the China-wide entity (*i.e.*, 142.72 percent); and (4) for all non-Chinese exporters of subject merchandise which have not received their own separate rate, the cash deposit rate will be the rate applicable to the Chinese exporter that supplied that non-Chinese exporter. 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)(2) to file a certificate regarding the reimbursement of antidumping and/or countervailing duties prior to liquidation of the relevant entries during this POR. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping and/or countervailing duties occurred and the subsequent assessment of double antidumping duties, and/or an increase in the amount of antidumping duties by the amount of the countervailing duties.

Notification to Interested Parties

This administrative review and notice are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, 19 CFR 351.213, and 19 CFR 351.221(b)(4).

Dated: November 30, 2023.

Abdelali Elouaradia,
*Deputy Assistant Secretary
for Enforcement and Compliance.*

Appendix I

List of Topics Discussed in the Preliminary Decision Memorandum

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

Appendix II

Companies Preliminarily Not Eligible for a Separate Rate and Treated as Part of the China-wide Entity

1. Cixi Baicheng Hardware Tools, Ltd.
2. Dalian Guangming Pipe Fittings Co., Ltd.
3. Eaton Hydraulics (Luzhou) Co., Ltd.
4. Eaton Hydraulics (Ningbo) Co., Ltd.
5. Jiangsu Forged Pipe Fittings Co., Ltd.
6. Jiangsu Haida Pipe Fittings Group Co.
7. Jinan Mech Piping Technology Co., Ltd.
8. Jining Dingguan Precision Parts Manufacturing Co., Ltd.
9. Lianfa Stainless Steel Pipes & Valves (Qingyun) Co., Ltd.
10. Luzhou City Chengrun Mechanics Co., Ltd.
11. Ningbo HongTe Industrial Co., Ltd.
12. Ningbo Long Teng Metal Manufacturing Co., Ltd.
13. Ningbo Save Technology Co., Ltd.
14. Ningbo Zhongan Forging Co., Ltd.
15. Q.C. Witness International Co., Ltd.
16. Shanghai Lon Au Stainless Steel Materials Co., Ltd.
17. Witness International Co., Ltd.
18. Yancheng Boyue Tube Co., Ltd.
19. Yancheng Haohui Pipe Fittings Co., Ltd.
20. Yancheng Jiuwei Pipe Fittings Co., Ltd.
21. Yancheng Manda Pipe Industry Co., Ltd.
22. Yingkou Guangming Pipeline Industry Co., Ltd.
23. Yuyao Wanlei Pipe Fitting Manufacturing Co., Ltd.

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