



DEPARTMENT OF COMMERCE

International Trade Administration

[C-475-841]

Forged Steel Fluid End Blocks from Italy: Final Results of Countervailing Duty

Administrative Review; 2022

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

SUMMARY: The U.S. Department of Commerce (Commerce) determines that certain producers and exporters of forged steel fluid end blocks (fluid end blocks) from Italy received countervailable subsidies during the period of review (POR) January 1, 2022, through December 31, 2022.

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

FOR FURTHER INFORMATION CONTACT: Nicholas Czajkowski or Claudia Cott, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1395 or (202) 482-4270, respectively.

SUPPLEMENTARY INFORMATION:

Background

On February 6, 2024, Commerce published in the *Federal Register* the *Preliminary Results* of this administrative review and invited comments from interested parties.¹ For a detailed description of the events that occurred since the *Preliminary Results*, see the Issues and Decision Memorandum.² On May 3, 2024, in accordance with section 751(a)(3)(A) of the Tariff

¹ See *Forged Steel Fluid End Blocks from Italy: Preliminary Results of Countervailing Duty Administrative Review and Rescission of Administrative Review, in Part; 2022*, 89 FR 8145 (February 6, 2024) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum (PDM).

² See Memorandum, “Decision Memorandum for the Final Results of the Countervailing Duty Administrative Review of Forged Steel Fluid End Blocks from Italy; 2022,” dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

Act of 1930, as amended (the Act), Commerce extended the deadline for issuing the final results until August 2, 2024.³ On July 22, 2024, Commerce tolled certain deadlines in this administrative review by seven days.⁴ The deadline for the final results of review is now August 9, 2024.

Scope of the Order⁵

The products covered by the scope of the *Order* are forged steel fluid end blocks from Italy. For a full description of the scope of the *Order*, see the Issues and Decision Memorandum.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs submitted by interested parties in this review are addressed in the Issues and Decision Memorandum. The topics discussed and the issues raised by interested parties to which we responded in the Issues and Decision Memorandum are listed in the 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 Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Changes Since the *Preliminary Results*

Based on comments received from interested parties, we revised the calculation of the net countervailable subsidy rates for Lucchini Mame Forge S.p.A. (Lucchini) and Metalcam S.p.A. (Metalcam). For a discussion of these changes, see the Issues and Decision Memorandum.

³ See Memorandum, "Extension of Deadline for Final Results of Countervailing Duty Administrative Review," dated May 3, 2024.

⁴ See Memorandum, "Tolling of Deadlines for Antidumping and Countervailing Duty Proceedings," dated July 22, 2024.

⁵ See *Forged Steel Fluid End Blocks from the People's Republic of China, the Federal Republic of Germany, India, and Italy: Countervailing Duty Orders, and Amended Final Affirmative Countervailing Duty Determination for the People's Republic of China*, 86 FR 7535 (January 29, 2021); see also *Forged Steel Fluid End Blocks from the People's Republic of China, the Federal Republic of Germany, India, and Italy: Correction to Countervailing Duty Orders*, 86 FR 10244 (February 19, 2021) (*Order*).

Methodology

Commerce conducted this administrative review in accordance with section 751(a)(1)(A) of the Act. For each of the subsidy programs found to be countervailable, we determine that there is a subsidy, *i.e.*, a government-provided financial contribution that gives rise to a benefit to the recipient, and that the subsidy is specific.⁶ For a complete description of the methodology underlying all of Commerce's conclusions, including our reliance, in part, on facts otherwise available, including adverse facts available, pursuant to sections 776(a) and (b) of the Act, *see* the Issues and Decision Memorandum.

Companies Not Selected for Individual Review

The statute and Commerce's regulations do not address the establishment of a rate to be applied to companies not selected for individual examination when Commerce limits its examination in an administrative review pursuant to section 777A(e)(2) of the Act. However, Commerce normally determines the rates for non-selected companies in reviews in a manner that is consistent with section 705(c)(5) of the Act, which provides the basis for calculating the all-others rate in an investigation. Section 705(c)(5)(A)(i) of the Act instructs Commerce, as a general rule, to calculate the all-others rate equal to the weighted average of the countervailable subsidy rates established for exporters and producers individually investigated, excluding any zero or *de minimis* countervailable subsidy rates, and any rates determined entirely on the basis of facts available.

There are two companies (*i.e.*, Officine Meccaniche Roselli S.r.l. and Cogne Acciai Speciali S.p.A.) for which a review was requested and not rescinded, and which were not selected as mandatory respondents or found to be cross-owned with a mandatory respondent. In this review, the rates for Lucchini and Metalcam were above *de minimis* and not based entirely on facts available. Therefore, we are applying to the non-selected companies the average of the

⁶ *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

net subsidy rates calculated for Lucchini and Metalcam in these final results, which we calculated using the publicly-ranged sales data submitted by Lucchini and Metalcam.⁷

Final Results of the Administrative Review

We find the following net countervailable subsidy rates exist for the period January 1, 2022, through December 31, 2022:

Company	Subsidy Rate (percent <i>ad valorem</i>)
Lucchini Mame Forge S.p.A. ⁸	6.80
Metalcam S.p.A. ⁹	3.28
Review-Specific Average Rate Applicable to the Following Companies	
Officine Meccaniche Roselli S.r.l.	5.04
Cogne Acciai Speciali S.p.A.	5.04

Disclosure

Commerce intends to disclose calculations and analysis performed for these final results of review within five days after the date of publication of this notice in the *Federal Register* in accordance with 19 CFR 351.224(b).

Assessment Requirements

In accordance with section 751(a)(2)(C) of the Act and 19 CFR 351.212(b)(2), Commerce has determined, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries covered by this review. Commerce intends to issue assessment instructions to CBP no earlier than 35 days after publication of the final results of this review in the *Federal Register*. 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

⁷ With two respondents under examination, Commerce normally calculates: (A) a weighted-average of the estimated subsidy rates calculated for the examined respondents; (B) a simple average of the estimated subsidy rates calculated for the examined respondents; and (C) a weighted average of the estimated subsidy rates calculated for the examined respondents using each company's publicly-ranged U.S. sale quantities for the merchandise under consideration. Commerce then compares (B) and (C) to (A) and selects the rate closest to (A) as the most appropriate rate for all other producers and exporters. See, e.g., *Ball Bearings and Parts Thereof from France, Germany, Italy, Japan, and the United Kingdom: 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).

⁸ Commerce finds the following companies to be cross-owned with Lucchini: Lucchini RS S.p.A.; Lucchini Industries Srl; and Bicommet S.p.A.

⁹ Commerce finds the following companies to be cross-owned with Metalcam: Adamello Meccanica S.r.l.; and B.S. S.r.l.

until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

Cash Deposit Requirements

In accordance with section 751(a)(1) of the Act, Commerce also intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amounts shown for the companies listed above for shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of these final results of this administrative review. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits of estimated countervailing duties at the all-others rate or the most recent company-specific rate applicable to the company, as appropriate. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Administrative Protective Order

This notice also serves as a final reminder to parties subject to an 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). 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 violation subject to sanction.

Notification to Interested Parties

The final results are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.221(b)(5).

Dated: August 9, 2024.

Ryan Majerus,

Deputy Assistant Secretary

for Policy and Negotiations,

performing the non-exclusive functions and duties

of the 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*
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- VI. Use of Facts Otherwise Available and Adverse Inferences
- VII. Analysis of Programs
- VIII. Discussion of the Issues
 - Comment 1: Whether to Adjust Lucchini's Benefits under the Electricity Purchases Through the Interconnector Program
 - Comment 2: Whether Commerce Should Calculate Lucchini's Benefit Amount for the Gas Interruptibility Program on an Entity-Specific Basis
 - Comment 3: Whether Commerce Correctly Calculated Lucchini's benefits under the Free Allocation of European Union Emissions Trading System Program
 - Comment 4: Whether Commerce Should Countervail Certain Additional Energy Subsidies in this Review
 - Comment 5: Whether Respondents Received Benefits under the Industrial Exemptions for General Electricity Network Costs (Energivori) Program
 - Comment 6: Whether Commerce Should Adjust Lucchini's Denominator
 - Comment 7: Whether Commerce Should Countervail the Energy Interruptibility Contracts Program
 - Comment 8: Whether the Aid for Economic Growth Program is Specific
 - Comment 9: Whether Commerce Should Countervail the Super-Ammortamento, Iper-Ammortamento and Patent Box Deductions Programs
 - Comment 10: Whether Commerce Should Countervail Certain Sgravi Programs
- IX. Recommendation