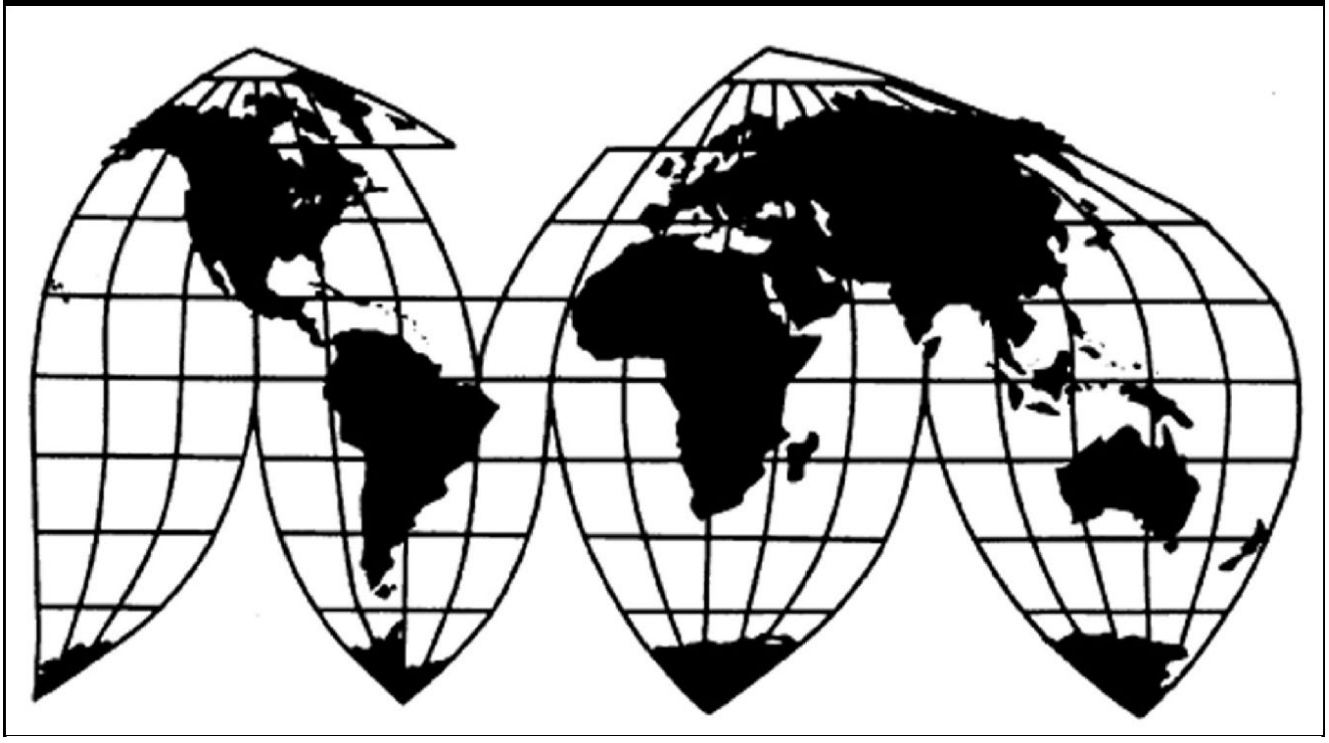
Circular Welded Carbon Quality Steel Line Pipe from China

Investigation Nos. 701-TA-455 and 731-TA-1149 (Third Review)

Publication 5598 **March 2025**

U.S. International Trade Commission



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U.S. International Trade Commission

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CONTENTS

Page

Appendixes

Note.—Information that would reveal confidential operations of individual firms may not be published. Such information is identified by brackets (***) in confidential reports and is deleted and replaced with asterisks (***) in public reports. Zeroes, null values, and undefined calculations are suppressed and shown as em dashes (—) in tables. If using a screen reader, we recommend increasing the verbosity setting.

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 701-TA-455 and 731-TA-1149 (Third Review)

Circular Welded Carbon Quality Steel Line Pipe from China

DETERMINATIONS

On the basis of the record[1] developed in the subject five-year reviews, the United States International Trade Commission ("Commission") determines, pursuant to the Tariff Act of 1930 ("the Act"), that revocation of the antidumping and countervailing duty orders on circular welded carbon quality steel line pipe from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

BACKGROUND

The Commission instituted these reviews on September 3, 2024, (89 FR 71419) and determined on December 9, 2024, that it would conduct expedited reviews (90 FR 8301, January 28, 2025).

[1] The record is defined in § 207.2(f) of the Commission's Rules of Practice and Procedure (19 CFR 207.2(f)).

Views of the Commission

Based on the record in these five-year reviews, we determine under section 751(c) of the Tariff Act of 1930, as amended ("the Tariff Act"), that revocation of the antidumping and countervailing duty orders on circular welded carbon quality steel line pipe ("CW line pipe") from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

I. Background

Original Investigations: On April 3, 2008, three domestic producers of CW line pipe and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO-CLC, filed antidumping and countervailing duty petitions covering CW line pipe from China. In January 2009, the Commission made an affirmative determination in the countervailing duty investigation on CW line pipe from China and in May 2009, the Commission made an affirmative determination in the antidumping duty investigation on CW line pipe from China.[1] The U.S. Department of Commerce ("Commerce") issued countervailing and antidumping duty orders on imports of CW line pipe from China on January 23, 2009, and May 13, 2009, respectively.[2]

[1] *Circular Welded Carbon Quality Steel Line Pipe from China*, Inv. No. 701-TA-455 (Final), USITC Pub. 4055 (Jan. 2009) ("*Original Determination*"); *Circular Welded Carbon Quality Steel Line Pipe from China*, Inv. No. 731-TA-1149 (Final), USITC Pub. 4075 (May 2009). The three petitioning domestic producers were Maverick Tube Corp., Tex-Tube Co., and U.S. Steel Corp. Three Commissioners determined that a domestic industry was materially injured by reason of subject imports and three determined that a domestic industry was threatened with material injury by reason of subject imports. The Commissioners who made threat determinations generally concurred with those who made affirmative material injury determinations. Accordingly, references to "the Commission" will encompass all Commissioners unless expressly noted.

[2] *Circular Welded Carbon Quality Steel Line Pipe from the People's Republic of China: Notice of Amended Final Affirmative Countervailing Duty Determination and Notice of Countervailing Duty Order*,

First Reviews: The Commission instituted its first five-year reviews on December 2, 2013.[3] After conducting expedited reviews, the Commission reached affirmative determinations in May 2014.[4] Following the Commission's affirmative determinations, Commerce issued a continuation of the antidumping and countervailing duty orders on imports of CW line pipe from China.[5]

Second Reviews: The Commission instituted its second five-year reviews on April 1, 2019.[6] After conducting expedited reviews, the Commission reached affirmative determinations in September 2019.[7] Following the Commission's affirmative determinations, Commerce issued a continuation of the antidumping and countervailing duty orders on imports of CW line pipe from China.[8]

Current Reviews: The Commission instituted these third five-year reviews on September 3, 2024.[9] The Commission received a single response to its notice of institution on October 3, 2024, filed on behalf of the American Line Pipe Producers Association ("ALPPA") Welded Line Pipe Committee, a coalition of U.S. producers comprising American Case Iron Pipe

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74 Fed. Reg. 4136 (Jan. 23, 2009); *Certain Circular Welded Carbon Quality Steel Line Pipe from the People's Republic of China: Antidumping Duty Order*, 74 Fed. Reg. 22515 (May 13, 2009).

[3] *Circular Welded Carbon Quality Steel Line Pipe from China; Institution of Five-Year Reviews*, 78 Fed. Reg. 72114 (Dec. 2, 2013).

[4] *Circular Welded Carbon Quality Steel Line Pipe from China*, Inv. Nos. 701-TA-455 and 731-TA-1149 (Review), USITC Pub. 4464 (May 2014) ("*First Review Determinations*").

[5] *Circular Welded Carbon Quality Steel Line Pipe From the People's Republic of China: Continuation of Antidumping and Countervailing Duty Orders*, 79 Fed. Reg. 28894 (May 20, 2014).

[6] *Circular Welded Carbon Quality Steel Line Pipe From China; Institution of Five-Year Reviews*, 84 Fed. Reg. 12285 (Apr. 1, 2019).

[7] *Circular Welded Carbon Quality Steel Line Pipe from China*, Inv. Nos. 701-TA-455 and 731-TA-1149 (Second Review), USITC Pub. 4955 (Sept. 2019) ("*Second Review Determinations*"); *Circular Welded Carbon Quality Steel Line Pipe From China*, 84 Fed. Reg. 50473 (Sept. 25, 2019).

[8] *Circular Welded Carbon Quality Steel Line Pipe From the People's Republic of China: Continuation of Antidumping and Countervailing Duty Orders*, 84 Fed. Reg. 52456 (Oct. 2, 2019).

[9] *Circular Welded Carbon Quality Steel Line Pipe from China; Institution of Five-Year Reviews*, 89 Fed. Reg. 71419 (Sept. 3, 2024).

Company ("ACIPCO"), Axis Pipe and Tube, LLC, Dura-Bond Industries, and Welspun Tubular LLC ("Welspun") (collectively "the domestic producers").[10] On December 9, 2024, the Commission determined that the domestic interested party group response to the notice of institution was adequate and that the respondent interested party group response was inadequate. Finding that no other circumstances warranted conducting full reviews, the Commission determined to conduct expedited reviews.[11] The domestic producers submitted comments pursuant to Commission rule 207.62(d) arguing that the Commission should reach affirmative determinations.[12]

In these reviews, U.S. industry data are based on information the domestic producers submitted in response to the notice of institution. The domestic producers estimate that they accounted for approximately *** percent of domestic production of CW line pipe in 2023.[13] U.S. import data and related information are based on Commerce's official import statistics.[14] Foreign industry data and related information are based on information from the domestic producers, questionnaire responses from the original investigations, and publicly available information gathered by staff.[15]

[10] Response to Notice of Institution, EDIS Doc. 836848 (Nov. 12, 2024) ("Response").

[11] *Explanation of Commission Determinations on Adequacy*, EDIS Doc. No. 839748 (Dec. 20, 2024). Commissioner David S. Johanson determined that conducting a full review was warranted.

[12] Comments on Confidential Report, EDIS Doc. 844000 (Feb. 20, 2025) ("Comments").

[13] Confidential Report, Memorandum INV-WW-148 ("CR"); Public Report, *Circular Welded Carbon Quality Steel Line Pipe from China*, Inv. Nos. 701-TA-455 and 731-TA-1149 (Third Review), USITC Pub. 5598 (March 2025) ("PR") at I-13.

[14] CR/PR at Table I-5. Official import statistics are based on HTS statistical reporting numbers 7306.19.1010, 7306.19.1050, 7306.19.5110, and 7306.19.5150, which may contain out-of-scope products and thus overstate subject import volume. *Id.* at Note.

[15] *See generally* CR/PR at I-18, I-21–I-24. Although the Commission sent adequacy phase questionnaires to the five major purchasers identified by the domestic industry, no firms responded to the Commission's adequacy phase questionnaire. *Id.* at D-3.

II. Domestic Like Product and Industry

A. Domestic Like Product

In making its determination under section 751(c) of the Tariff Act, the Commission defines the "domestic like product" and the "industry."[16] The Tariff Act defines "domestic like product" as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this subtitle."[17] The Commission's practice in five-year reviews is to examine the domestic like product definition from the original investigation(s) and consider whether the record indicates any reason to revisit the prior findings.[18]

Commerce has defined the imported merchandise within the scope of the orders under review as follows:

> {C}ircular welded carbon quality steel pipe of a kind used for oil and gas pipelines, not more than 406.4 mm (16 inches) in outside diameter, regardless of wall thickness, length, surface finish, end finish or stenciling.
>
> The term "carbon quality steel" includes both carbon steel and carbon steel mixed with small amounts of alloying elements that may exceed the individual weight limits for non alloy steels imposed in the Harmonized Tariff Schedule of the United States ("HTSUS"). Specifically, the term "carbon quality" includes products in which (1) iron predominates by weight over each of the other contained elements, (2) the carbon content is 2 percent or less by weight and (3) none of the elements listed below exceeds the quantity by weight respectively indicated:

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[16] 19 U.S.C. § 1677(4)(A).

[17] 19 U.S.C. § 1677(10); *see*, *e.g., Cleo Inc. v. United States*, 501 F.3d 1291, 1299 (Fed. Cir. 2007); *NEC Corp. v. Department of Commerce*, 36 F. Supp. 2d 380, 383 (Ct. Int'l Trade 1998); *Nippon Steel Corp. v. United States*, 19 CIT 450, 455 (1995); *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int'l Trade 1996); *Torrington Co. v. United States*, 747 F. Supp. 744, 748-49 (Ct. Int'l Trade 1990), *aff'd*, 938 F.2d 1278 (Fed. Cir. 1991); *see also* S. Rep. No. 249, 96th Cong., 1st Sess. 90-91 (1979).

[18] *See*, *e.g.*, *Internal Combustion Industrial Forklift Trucks from Japan*, Inv. No. 731-TA-377 (Second Review), USITC Pub. 3831 at 8-9 (Dec. 2005); *Crawfish Tail Meat from China*, Inv. No. 731-TA-752 (Review), USITC Pub. 3614 at 4 (July 2003); *Steel Concrete Reinforcing Bar from Turkey*, Inv. No. 731-TA-745 (Review), USITC Pub. 3577 at 4 (Feb. 2003).

(i) 2.00 percent of manganese, (ii) 2.25 percent of silicon, (iii) 1.00 percent of copper, (iv) 0.50 percent of aluminum, (v) 1.25 percent of chromium, (vi) 0.30 percent of cobalt, (vii) 0.40 percent of lead, (viii) 1.25 percent of nickel, (ix) 0.30 percent of tungsten, (x) 0.012 percent of boron, (xi) 0.50 percent of molybdenum, (xii) 0.15 percent of niobium, (xiii) 0.41 percent of titanium, (xiv) 0.l5 percent of vanadium, or (xv) 0.15 percent of zirconium.

Welded line pipe is normally produced to specifications published by the American Petroleum Institute ("API") (or comparable foreign specifications) including API A-25, 5LA, 5LB, and X grades from 42 and above, and/or any other proprietary grades or non-graded material. Nevertheless, all pipe meeting the physical description set forth above that is of a kind used in oil and gas pipelines, including all multiple-stenciled pipe with an API welded line pipe stencil is covered by the scope of this investigation.

Excluded from this scope are pipes of a kind used for oil and gas pipelines that are multiple-stenciled to a standard and/or structural specification and have one or more of the following characteristics: is 32 feet in length or less; is less than 2.0 inches (50 mm) in outside diameter; has a galvanized and/or painted surface finish; or has a threaded and/or coupled end finish. (The term "painted" does not include coatings to inhibit rust in transit, such as varnish, but includes coatings such as polyester.)[19]

CW line pipe is made from carbon quality steel, which includes carbon steel as well as carbon steel combined with small amounts of alloying elements. CW line pipe within the scope is not more than 406.4 mm (16 inches) in outer diameter, regardless of wall thickness, length, surface finish, end finish, and stenciling. CW line pipe is generally produced in the United States in lengths of 40 feet or greater, with either a bare finish or a black lacquered finish. CW line

[19] *Circular Welded Carbon Quality Steel Line Pipe From the People's Republic of China: Final Results of the Expedited Third Sunset Review of the Antidumping Order*, 90 Fed. Reg. 304 (Jan. 3, 2025) ("*Commerce Third Expedited AD Review*") and accompanying Issues and Decision Memorandum at 2–3; *Circular Welded Carbon Quality Steel Line Pipe From the People's Republic of China: Final Results of the Expedited Sunset Review of the Countervailing Duty Order*, 89 Fed. Reg. 104981 (Dec.26, 2024) ("*Commerce Third Expedited CVD Review*") and accompanying Issues and Decision Memorandum at 2–3. The scope definitions of the countervailing and antidumping duty orders are identical.

pipe is used to convey water, oil, or gas in pipeline or utility distribution systems and is generally manufactured to API-5L specifications.[20]

In the prior proceedings, the Commission defined a single domestic like product consisting of CW line pipe, 16 inches or less in outside diameter, coextensive with Commerce's scope.[21] In the current reviews, the domestic producers agree with the Commission's definition of the domestic like product from the prior proceedings.[22] The record contains no information suggesting that the pertinent characteristics and uses of domestically produced CW line pipe have changed since the prior proceedings so as to warrant the Commission's reconsideration of that definition.[23] Accordingly, we again define a single domestic like product of CW line pipe, 16 inches or less in outside diameter, coextensive with the scope of the orders under review.

B. Domestic Industry

Section 771(4)(A) of the Tariff Act defines the relevant industry as the domestic "producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product."[24] In defining the domestic industry, the Commission's general practice has been to include in the industry producers of all domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market.

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[20] CR/PR at I-9.

[21] *Original Determination*, USITC Pub. 4055 at 6–7; *First Review Determinations*, USITC Pub. 4464 at 6; *Second Review Determinations*, USITC Pub. 4955 at 6. The definition of the domestic like product was not disputed in the prior proceedings.

[22] Response at 22.

[23] *See generally* CR/PR at I-8–I-15, I-17.

[24] 19 U.S.C. § 1677(4)(A). The definitions in 19 U.S.C. § 1677 are applicable to the entire subtitle containing the antidumping and countervailing duty laws, including 19 U.S.C. §§ 1675 and 1675a. *See* 19 U.S.C. § 1677.

In the prior proceedings, the Commission defined the domestic industry as consisting of all producers of the domestic like product.[25] There were no related party issues.[26]

In the current reviews, the domestic producers agree with the Commission's definition of the domestic industry from the prior proceedings.[27] There are no related party or other domestic industry issues in these reviews.[28] Consequently, we again define the domestic industry to consist of all domestic producers of CW line pipe.

III. Revocation of the Antidumping and Countervailing Duty Orders Would Likely Lead to Continuation or Recurrence of Material Injury Within a Reasonably Foreseeable Time

A. Legal Standards

In a five-year review conducted under section 751(c) of the Tariff Act, Commerce will revoke an antidumping or countervailing duty order unless: (1) it makes a determination that dumping or subsidization is likely to continue or recur and (2) the Commission makes a determination that revocation of the antidumping or countervailing duty order "would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time."[29] The Uruguay Round Agreements Act Statement of Administrative Action ("SAA") states that "under the likelihood standard, the Commission will engage in a counterfactual analysis; it must decide the likely impact in the reasonably foreseeable future of an important change in the

[25] *Original Determination*, USITC Pub. 4055 at 7; *First Review Determinations*, USITC Pub. 4464 at 6; *Second Review Determinations*, USITC Pub. 4955 at 7.

[26] *Original Determination*, USITC Pub. 4055 at 7 n. 31; *First Review Determinations*, USITC Pub. 4464 at 6; *Second Review Determinations*, USITC Pub. 4955 at 7.

[27] Response at 22.

[28] Response at Exhibit 1. The domestic producers state that they do not import subject merchandise and are not related to any importers or exporters of subject merchandise, and identified no other domestic producers that might qualify for possible exclusion under the related parties provision. *Id.*

[29] 19 U.S.C. § 1675a(a).

status quo – the revocation or termination of a proceeding and the elimination of its restraining effects on volumes and prices of imports."[30] Thus, the likelihood standard is prospective in nature.[31] The U.S. Court of International Trade has found that "likely," as used in the five-year review provisions of the Act, means "probable," and the Commission applies that standard in five-year reviews.[32]

The statute states that "the Commission shall consider that the effects of revocation or termination may not be imminent, but may manifest themselves only over a longer period of time."[33] According to the SAA, a "'reasonably foreseeable time' will vary from case-to-case, but normally will exceed the 'imminent' timeframe applicable in a threat of injury analysis in original investigations."[34]

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[30] SAA, H.R. Rep. 103-316, vol. I at 883-84 (1994). The SAA states that "{t}he likelihood of injury standard applies regardless of the nature of the Commission's original determination (material injury, threat of material injury, or material retardation of an industry). Likewise, the standard applies to suspended investigations that were never completed." *Id*. at 883.

[31] While the SAA states that "a separate determination regarding current material injury is not necessary," it indicates that "the Commission may consider relevant factors such as current and likely continued depressed shipment levels and current and likely continued {sic} prices for the domestic like product in the U.S. market in making its determination of the likelihood of continuation or recurrence of material injury if the order is revoked." SAA at 884.

[32] *See NMB Singapore Ltd. v. United States*, 288 F. Supp. 2d 1306, 1352 (Ct. Int'l Trade 2003) ("'likely' means probable within the context of 19 U.S.C. § 1675(c) and 19 U.S.C. § 1675a(a)"), *aff'd mem.*, 140 Fed. Appx. 268 (Fed. Cir. 2005); *Nippon Steel Corp. v. United States*, 26 CIT 1416, 1419 (2002) (same); *Usinor Industeel, S.A. v. United States*, 26 CIT 1402, 1404 nn.3, 6 (2002) ("more likely than not" standard is "consistent with the court's opinion;" "the court has not interpreted 'likely' to imply any particular degree of 'certainty'"); *Indorama Chemicals (Thailand) Ltd. v. United States*, 26 CIT 1059, 1070 (2002) ("standard is based on a likelihood of continuation or recurrence of injury, not a certainty"); *Usinor v. United States*, 26 CIT 767, 794 (2002) ("'likely' is tantamount to 'probable,' not merely 'possible'").

[33] 19 U.S.C. § 1675a(a)(5).

[34] SAA at 887. Among the factors that the Commission should consider in this regard are "the fungibility or differentiation within the product in question, the level of substitutability between the imported and domestic products, the channels of distribution used, the methods of contracting (such as spot sales or long-term contracts), and lead times for delivery of goods, as well as other factors that may only manifest themselves in the longer term, such as planned investment and the shifting of production facilities." *Id*.

Although the standard in a five-year review is not the same as the standard applied in an original investigation, it contains some of the same fundamental elements. The statute provides that the Commission is to "consider the likely volume, price effect, and impact of imports of the subject merchandise on the industry if the orders are revoked or the suspended investigation is terminated."[35] It directs the Commission to take into account its prior injury determination, whether any improvement in the state of the industry is related to the order or the suspension agreement under review, whether the industry is vulnerable to material injury if an order is revoked or a suspension agreement is terminated, and any findings by Commerce regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4).[36] The statute further provides that the presence or absence of any factor that the Commission is required to consider shall not necessarily give decisive guidance with respect to the Commission's determination.[37]

In evaluating the likely volume of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether the likely volume of imports would be significant either in absolute terms or relative to production or consumption in the United States.[38] In doing so, the Commission must consider "all relevant economic factors," including four enumerated factors: (1) any likely increase in production capacity or existing unused production capacity in the exporting country;

[35] 19 U.S.C. § 1675a(a)(1).

[36] 19 U.S.C. § 1675a(a)(1). Commerce has not issued any duty absorption findings with respect to CW line pipe from China. *See generally*, *Circular Welded Carbon Quality Steel Line Pipe From the People's Republic of China: Final Results of the Expedited Third Sunset Review of the Antidumping Order*, 90 Fed. Reg. 304 (Jan. 3, 2025) and accompanying Issues and Decision Memorandum; *Circular Welded Carbon Quality Steel Line Pipe From the People's Republic of China: Final Results of the Expedited Sunset Review of the Countervailing Duty Order*, 89 Fed. Reg. 104981 (Dec.26, 2024) and accompanying Issues and Decision Memorandum.

[37] 19 U.S.C. § 1675a(a)(5). Although the Commission must consider all factors, no one factor is necessarily dispositive. SAA at 886.

[38] 19 U.S.C. § 1675a(a)(2).

(2) existing inventories of the subject merchandise, or likely increases in inventories; (3) the existence of barriers to the importation of the subject merchandise into countries other than the United States; and (4) the potential for product shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products.[39]

In evaluating the likely price effects of subject imports if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether there is likely to be significant underselling by the subject imports as compared to the domestic like product and whether the subject imports are likely to enter the United States at prices that otherwise would have a significant depressing or suppressing effect on the price of the domestic like product.[40]

In evaluating the likely impact of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider all relevant economic factors that are likely to have a bearing on the state of the industry in the United States, including but not limited to the following: (1) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity; (2) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment; and (3) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or

[39] 19 U.S.C. § 1675a(a)(2)(A–D).

[40] *See* 19 U.S.C. § 1675a(a)(3). The SAA states that "{c}onsistent with its practice in investigations, in considering the likely price effects of imports in the event of revocation and termination, the Commission may rely on circumstantial, as well as direct, evidence of the adverse effects of unfairly traded imports on domestic prices." SAA at 886.

more advanced version of the domestic like product.[41] All relevant economic factors are to be considered within the context of the business cycle and the conditions of competition that are distinctive to the industry. As instructed by the statute, we have considered the extent to which any improvement in the state of the domestic industry is related to the orders under review and whether the industry is vulnerable to material injury upon revocation.[42]

No respondent interested party participated in these expedited reviews. The record, therefore, contains limited new information with respect to the CW line pipe industry in China. There is also limited information on the CW line pipe market in the United States during the period of review. Accordingly, for our determinations, we rely as appropriate on the facts available from the prior proceedings and the limited new information on the record in these reviews.

B. Conditions of Competition and the Business Cycle

In evaluating the likely impact of the subject imports on the domestic industry if an order is revoked, the statute directs the Commission to consider all relevant economic factors "within the context of the business cycle and conditions of competition that are distinctive to the affected industry."[43] The following conditions of competition inform our determinations.

1. Demand Conditions

Prior Proceedings. In the original investigations and the first and second reviews, the Commission observed that end users generally use CW line pipe for gathering oil and gas from

[41] 19 U.S.C. § 1675a(a)(4).

[42] The SAA states that in assessing whether the domestic industry is vulnerable to injury if the order is revoked, the Commission "considers, in addition to imports, other factors that may be contributing to overall injury. While these factors, in some cases, may account for the injury to the domestic industry, they may also demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports." SAA at 885.

[43] 19 U.S.C. § 1675a(a)(4).

the point of production, for distributing oil and gas to consumers, and for oil and gas transmission in pipelines. Accordingly, the Commission found in the original investigations and the first and second reviews that demand for CW line pipe is derived from oil and gas exploration as well as the level of residential construction.[44]

In the original investigations, the Commission stated that apparent U.S. consumption was "strong" during the period of investigation ("POI"). Apparent U.S. consumption increased by 57.7 percent from 2005 to 2007, although it was slightly lower in the first nine months of 2008 than during the same period of 2007.[45] The Commission found that the increased demand from 2005 to 2007 was, in part, driven by specialized pipeline transmission projects. Additionally, the Commission found that apparent U.S. consumption was projected to weaken in 2009 due to the effect of the global economic downturn on new oil and gas exploration and new residential construction.[46]

In the first reviews, the Commission found that apparent U.S. consumption of CW line pipe had increased to *** short tons in 2012, which was higher than in any year in the original POI.[47] In the second reviews, the Commission found that apparent U.S. consumption of CW line pipe was considerably lower in 2018 (at *** short tons) than in 2012.[48] The domestic producers asserted that, although oil and gas exploration was on the rise, a drop in new deposit

[44] *Original Determination*, USITC Pub. 4055 at 11; *First Review Determinations*, USITC Pub. 4464 at 11-12; *Second Review Determinations*, USITC Pub. 4955 at 10.

[45] *Original Determination*, USITC Pub. 4055 at 11–12.

[46] *Original Determination*, USITC Pub. 4055 at 12.

[47] *First Review Determinations*, USITC Pub. 4464 at 10; *Confidential First Review Determinations*, EDIS Doc. 677922 at 13.

[48] *Second Review Determinations*, USITC Pub. 4955 at 10; *Confidential Second Review Determinations*, EDIS Doc. 689066 at 14.

discoveries and residential construction was expected to cause lower demand for CW line pipe in the future.[49]

Current Reviews. The information available in the current reviews indicates that the drivers of CW line pipe demand in the U.S. market have not changed, and continue to include oil and gas exploration and residential construction.[50] The domestic producers claim that demand for CW line pipe has been low in recent years and is not expected to meaningfully improve in the near future.[51] According to *** submitted by the domestic producers, ***.[52]

Apparent U.S. consumption was 619,539 short tons in 2023, down from *** short tons in 2018.[53]

2. Supply Conditions

Prior Proceedings. In the original investigations, the Commission found that nine producers accounted for more than 95 percent of U.S. production of CW line pipe during the POI.[54] From 2006 through 2008, there were five mergers and acquisitions within the domestic industry.[55] Despite the domestic industry's restructuring and the increasing volume of both subject and nonsubject imports, the domestic industry increased shipments, capacity, and capacity utilization due to the increases in apparent U.S. consumption.[56] The domestic

[49] *Second Review Determinations*, USITC Pub. 4955 at 10.
[50] CR/PR at I-8-9.
[51] Response at 19, 21.
[52] Response at 20, Exhibit 11.
[53] CR/PR at Table I-6. Apparent U.S. consumption in these reviews may be understated relative to that in the prior proceedings because responding domestic producers accounted for *** percent of domestic production in the original investigations, *** percent of domestic production in the first reviews, and *** of domestic production in the second reviews, but only approximately *** percent of domestic production in the current reviews. *Id.* at I-12–I-13.
[54] *Original Determination*, USITC Pub. 4055 at 4, 12.
[55] *Original Determination*, USITC Pub. 4055 at 12–13.
[56] *Original Determination*, USITC Pub. 4055 at 13.

industry's share of apparent U.S. consumption fell from 59.9 percent in 2005 to 52.9 percent in 2007 while subject imports' share increased from 1.8 percent in 2005 to 17.2 percent in 2007.[57] Meanwhile, nonsubject imports' share of apparent U.S. consumption fell from 38.3 percent in 2005 to 30.0 percent in 2007.[58]

During the first reviews, in 2012, the domestic industry held a *** percent share of apparent U.S. consumption, which was lower than in any full year of the POI. Subject imports had a *** percent share, and imports from nonsubject countries had a *** percent share. Korea was the largest source of line pipe imports to the U.S. market each year from 2009 to 2013.[59]

During the second reviews, the domestic industry underwent several changes: a new facility was opened, several plants resumed operations, multiple plants ceased operations, and several facilities changed ownership since 2014.[60] In 2018, the domestic industry was the second largest supplier of CW line pipe in the U.S. market, accounting for *** percent of apparent U.S. consumption that year, which was lower than in the prior proceedings.[61] Limited quantities of subject imports remained in the U.S. market, accounting for *** percent of apparent U.S. consumption in 2018.[62] Nonsubject imports, primarily from Korea and Mexico,

[57] *Original Determination*, USITC Pub. 4055 at 15.

[58] *Original Determination*, USITC Pub. 4055 at 13.

[59] *First Review Determinations*, USITC Pub. 4464 at 10; *Confidential First Review Determinations*, EDIS Doc. 677922 at 14.

[60] *Second Review Determinations*, USITC Pub. 4955 at 11.

[61] *Second Review Determinations*, USITC Pub. 4955 at 11; *Confidential Second Review Determinations*, EDIS Doc. 689066 at 15.

[62] *Second Review Determinations*, USITC Pub 4955 at 11; *Confidential Second Review Determinations*, EDIS Doc. 689066 at 16.

were the largest source of supply of CW line pipe in the U.S market in 2018, accounting for *** percent of apparent U.S. consumption that year.[63]

Current Reviews. In the current reviews, the domestic industry was the second largest supplier of CW line pipe in the U.S. market in 2023, accounting for 22.6 percent of apparent U.S. consumption that year.[64] There were several changes to the domestic industry during the period of review, including capacity expansions and consolidation. Specifically, in March 2024, ACIPCO announced a new project at its Birmingham, Alabama facility that will increase melt capacity by 25 percent, having received funding from the U.S. Department of Energy to accelerate decarbonization.[65] In November 2024, Welspun Tubular LLC announced an $100 million investment to expand and upgrade its Arkansas, Texas facility, expecting to add capacity of 350,000 metric tons per year and 175 jobs.[66] Additionally, Tenaris completed its acquisition of IPSCO Tubulars, Inc., a seamless and welded pipe producer in the U.S. and Canada in January 2020, Nucor completed its acquisition of California Steel Industries, Inc. for $400 million in February 2022, and Dura-bond Industries purchased U.S. Steel's former electric-resistance weld pipe mill located in McKeesport, Pennsylvania, in April 2022, after having leased the facility since 2017 and updated the production lines.[67] ACIPCO reported layoffs due to the COVID-19 pandemic in 2020.[68]

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[63] *Second Review Determinations*, USITC Pub 4955 at 11; *Confidential Second Review Determinations*, EDIS Doc. 689066 at 16.

[64] CR/PR at Table I-6. The domestic industry's share of apparent U.S. consumption in 2023 may be understated relative to that in the prior proceedings because data coverage of the domestic industry is lower in these reviews than in the prior proceedings, as discussed in section III.B.1 above.

[65] CR/PR at Table I-3.

[66] CR/PR at Table I-3.

[67] CR/PR at Table I-3.

[68] CR/PR at Table I-3.

During the period of review, subject imports remained in the U.S. market in limited quantities, accounting for less than 0.05 percent of apparent U.S. consumption in 2023.[69] Nonsubject imports, primarily from Korea, accounted for the largest source of supply of CW line pipe in the U.S market in 2023, holding a 77.3 percent share of apparent U.S. consumption by quantity that year.[70] Circular welded carbon and alloy line pipe not more than 24 inches in outside diameter, which include CW line pipe and other products, from Turkey and Korea have been subject to antidumping duty orders since 2014.[71]

3. Substitutability and Other Conditions

Prior Proceedings. In the original investigations, the Commission found that CW line pipe produced to given specifications from all sources was highly interchangeable. Because CW line pipe from China was frequently produced to the same specifications as domestically produced CW line pipe, the Commission characterized the domestic like product and the subject imports as having a high degree of substitutability.[72] The Commission also found that price and conformance with industry quality standards were the two most important factors in purchasing decisions.[73] It observed that the domestic industry's cost of goods sold ("COGS") rose from 2005 to 2007. Hot-rolled steel, which accounted for approximately 75 percent of COGS, reached its peak price in May 2008; its price sharply decreased in the fourth quarter of 2008.[74] Both domestic and subject producers indicated that CW line pipe was produced on the same equipment, utilizing the same employees, as other forms of welded pipe, which enabled

[69] CR/PR at Table I-6.
[70] CR/PR at Table I-6.
[71] CR/PR at Table I-2.
[72] *Original Determination*, USITC Pub. 4055 at 13–14.
[73] *Original Determination*, USITC Pub. 4055 at 15–16.
[74] *Original Determination*, USITC Pub. 4055 at 14.

producers to shift production from other forms of welded pipe to CW line pipe in response to shifts in demand.[75]

In the first and second reviews, the Commission found that nothing in the record indicated that the conditions of competition discussed in the preceding paragraph had changed since the original investigations.[76]

Current Reviews. In the current reviews, there is no new information on the record to suggest that the substitutability of subject imports and the domestic like product or the importance of price in purchasing decisions have changed significantly since the prior proceedings.[77] Domestic producers assert that there continues to be a high degree of substitutability between domestically produced and Chinese imported pipe and that price remains an important factor in purchasing decisions.[78] Accordingly, we again find that there is a high degree of substitutability between subject imports and the domestic like product and that price is an important factor in purchasing decisions, as well as conformance with industry quality standards.

Effective March 2018, imports of CW line pipe from China became subject to an additional duty of 25 percent *ad valorem* under section 232 of the Trade Expansion Act of 1962, as amended.[79] Additionally, effective September 1, 2019, imports of CW line pipe from China became subject to an additional 15 percent *ad valorem* duty under section 301 of the Trade Act

[75] *Original Determination*, USITC Pub. 4055 at 13.

[76] *First Review Determinations*, USITC Pub. 4464 at 12; *Second Review Determinations*, USITC Pub. 4955 at 12.

[77] *See* Response at 19.

[78] Response at 19.

[79] 19 U.S.C. § 1862.

of 1974.[80] This duty was reduced to 7.5 percent *ad valorem* effective February 14, 2020,[81] but then increased to 25 percent *ad valorem* effective September 27, 2024.[82]

C. Likely Volume of Subject Imports

1. The Prior Proceedings

In the original investigations, the Commission found that the volume of subject imports increased over 1,400 percent, from 15,549 short tons in 2005 to 236,358 short tons in 2007. Subject imports captured market share from both nonsubject imports and the domestic industry. The market share of subject imports, by quantity, increased from 1.8 percent in 2005 to 17.2 percent in 2007. During the same period, the domestic industry's market share decreased from 59.9 percent to 52.9 percent, and that of nonsubject imports declined from 38.3 percent to 30.0 percent. The ratio of the quantity of subject imports to U.S. production rose from 2.7 percent in 2005 to 30.7 percent in 2007. The Commission found that the volume and the increase in volume of subject imports were significant in absolute terms and relative to the consumption and production of CW line pipe in the United Sates.[83]

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[80] *Notice of Modification of Section 301 Acton: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation*, 84 Fed. Reg. 45821, (Aug. 30, 2019); CR/PR at I-7.

[81] *Notice of Modification of Section 301 Acton: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation*, 85 Fed. Reg. 3741 (Jan. 22, 2020); CR/PR at I-7.

[82] *Notice of Modification of Section 301 Acton: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation*, 89 Fed. Reg. 76581 (Sept. 18, 2024); CR/PR at I-7.

[83] *Original Determination*, USITC Pub. 4055 at 15. The Commission afforded less weight to subject import data for 2008 because it found that the decline in subject imports in 2008 was due to the filing of the petitions in April 2008. *Id*. Those Commissioners who made threat determinations indicated that subject imports increased irrespective of U.S. demand trends, and emphasized the size, growth, and export orientation of the industry in China. *Id.* at 21–23.

In the first reviews, the Commission found that the orders had a disciplining effect on the volume of subject imports. The volume of subject imports fell from 236,358 short tons in 2007 to 2,313 short tons in 2009. In the years following the imposition of the orders, subject import volume remained relatively low, and was 8,449 short tons in 2012.[84] The Commission found that both overall and unused welded pipe capacity in China were relatively large and that ***.[85] The line pipe industry in China continued to be a large global exporter and the Commission characterized the United States as an attractive export market.[86] It observed that both the European Union ("EU") and Canada maintained export barriers in the form of antidumping duties on various forms of welded pipe from China.[87] The Commission found that given the continued presence of subject imports in the U.S. market, the existence of export barriers to EU and Canadian markets, and the increased line pipe ***, Chinese producers would have the incentive and ability to export substantial and increasing volumes of CW line pipe to the United States should the orders be revoked.[88] The Commission accordingly found that the likely volume of subject imports would be significant upon revocation, both absolutely and relative to production and consumption in the United States.[89]

In the second reviews, the Commission found that the orders continued to have a disciplining effect on the volume of subject imports. During the period examined in the second reviews, subject imports ranged from a low of 608 short tons in 2017 to a high of 5,456 short

[84] *First Review Determinations*, USITC Pub. 4464 at 13.

[85] *First Review Determinations*, USITC Pub. 4464 at 14; *Confidential First Review Determinations*, EDIS Doc. 677922 at 20.

[86] *First Review Determinations*, USITC Pub. 4464 at 13.

[87] *First Review Determinations*, USITC Pub. 4464 at 14.

[88] *First Review Determinations*, USITC Pub. 4464 at 14; *Confidential First Review Determinations*, EDIS Doc. 677922 at 20.

[89] *First Review Determinations*, USITC Pub. 4464 at 14.

tons in 2014 and were 3,293 short tons in 2018.[90] The information available showed that China continued to be export-oriented, having large production and export capabilities as the world's largest or second largest exporter of line pipe throughout the period of review.[91] Subject Chinese producers also had substantial amounts of excess capacity.[92]

The Commission also found that subject producers exported line pipe throughout the world,[93] and that the United States remained an attractive market to them.[94] The Commission found that subject imports had maintained a presence in the U.S. market throughout the period of review,[95] and that barriers in other export markets would make the U.S. market relatively more attractive in the event of revocation.[96] The Commission accordingly found that the likely volume of subject imports would be significant upon revocation, both absolutely and relative to production and consumption in the United States.[97]

2. The Current Reviews

The information available indicates that the orders have continued to have a restraining effect on the volume of subject imports, although they continued to be present in the U.S. market throughout the POR. Subject imports increased irregularly during the period of review, increasing from 42 short tons in 2019 to 213 short tons in 2020, decreasing to 34 short tons in

[90] *Second Review Determinations*, USITC Pub. 4955 at 14, Table I-5.
[91] *Second Review Determinations*, USITC Pub. 4955 at 14.
[92] *Second Review Determinations*, USITC Pub. 4955 at 14.
[93] *Second Review Determinations*, USITC Pub. 4955 at 14.
[94] *Second Review Determinations*, USITC Pub. 4955 at 14. The United States was the world's largest importer of line pipe from 2014 to 2018.
[95] *Second Review Determinations*, USITC Pub. 4955 at 14.
[96] *Second Review Determinations*, USITC Pub. 4955 at 14–15.
[97] *Second Review Determinations*, USITC Pub. 4955 at 15.

2021, and then increasing to 131 short tons in 2022 and 218 short tons in 2024.[98] Subject imports accounted for less than 0.05 percent of apparent U.S. consumption in 2023.[99]

The record in these expedited reviews contains limited information on the subject industry in China. Nonetheless, the information available indicates that subject producers continue to have the ability and incentive to export significant volumes of subject merchandise to the U.S. market in the event of revocation of the orders. ALPPA identified 16 possible producers and/or exporters of CW line pipe in China.[100]

The information available indicates that the subject industry remains large. There is no information on the record indicating that the subject industry has reduced its capacity or excess capacity since the last reviews, when the Commission found, based on the information available, that the industry's production capacity was over 65 million metric tons, including substantial amounts of excess capacity.[101] According to an analyst report submitted by the domestic producers, "{i}n the first half of 2023, the Chinese steel pipe industry has displayed remarkable growth in both production and export{s}, defying some challenges in the global steel market."[102] Additionally, domestic producers claim that subject producers have the ability to shift production from out-of-scope products to CW line pipe, as the Commission recognized in the last reviews, and would likely do so in the event of revocation to increase their exports to the U.S. market.[103]

[98] CR/PR at Table I-5.
[99] CR/PR at Table I-6.
[100] CR/PR at I-21; Response at Exhibit 1.
[101] *Second Review Determinations*, USITC Pub. 4955 at 14.
[102] Response at 11, Exhibit 3.
[103] Response at 14 (citing *Second Review Determinations*, USITC Pub. 4955 at 12).

The information available indicates that the subject industry remains a large exporter of CW line pipe. According to Global Trade Atlas ("GTA") data concerning line pipe for oil or gas pipelines under HTS subheading 7306.19, which include CW line pipe and out-of-scope products, Chinese exports of such merchandise increased from 234,222 short tons in 2022 to 326,380 short tons in 2023.[104] Consistent with these data, the analyst report submitted by domestic producers indicates that China's exports of steel pipe increased by 37 percent in the first half of 2023, and data from China's General Administration of Customs submitted by domestic producers indicates that China's exports of steel pipe and tube increased 15.7 percent from 2022 to 2023.[105] GTA data also indicate that China was the world's largest exporter of line pipe for oil or gas pipelines in 2019 and 2020 and the second largest exporter of such merchandise in 2021, 2022, and 2023.[106]

The information available also indicates that the U.S. market remains attractive to subject producers. Specifically, the continued presence of subject imports in the U.S. market throughout the period of review, notwithstanding the disciplining effect of the orders, shows that subject producers have maintained customers and distribution networks in the U.S. market.[107] Furthermore, according to two articles from 2024 submitted by the domestic producers, Chinese demand for CW line pipe is currently weak because "the country's property sector remains in the doldrums" after "a record three consecutive years of negative growth in property construction."[108] This weak home market demand would likely encourage subject

[104] CR/PR at Table I-7.
[105] Response at 11, Exhibits 3-4.
[106] CR/PR at Table I-8.
[107] CR/PR at Table I-6.
[108] Response at 12, Exhibits 6–7.

producers to increase their exports and to target in particular the United States in the event of revocation, given the domestic producers' claim that CW line pipe prices are typically higher in the United States than in third country markets.[109] Finally, both the EU and Canada maintain antidumping duties on various types of welded pipes from China, including CW line pipe, which would make the U.S. market relatively more attractive to subject producers in the event of revocation.[110]

Given the foregoing, including the significant and increasing volume of subject imports in the original investigations, the continued presence of subject imports in the U.S. market, the subject industry's large production capacity and exports, ability to shift production, and the attractiveness of the U.S. market to subject producers, we find that the volume of subject imports would likely be significant, both in absolute terms and relative to U.S. consumption, if the orders were revoked.[111]

D. Likely Price Effects

1. The Prior Proceedings

In the original investigations, the Commission found that subject imports from China and domestic CW line pipe were highly substitutable and that most sales of both the domestic like product and subject imports were made on the spot market to distributors.[112] As

[109] Response at 12.

[110] CR/PR at I-23.

[111] As discussed in section III.B.3 above, CW line pipe from China is subject to additional duties under Section 232 and Section 301. CR/PR at I-7. There is no evidence on the record that these additional duties would prevent subject imports from China from increasing to significant levels if the orders were revoked, particularly considering the Chinese industry's large size and exports, and the attractiveness of the U.S. market.

The record in these five-year reviews does not contain information concerning inventories of subject merchandise.

[112] *Original Determination*, USITC Pub. 4055 at 15.

previously discussed, price and quality meeting industry standards were reported to be two of the most important purchasing factors.[113] The record indicated that subject imports undersold the domestic like product in each of 56 quarterly price comparisons by an average margin of 30.4 percent. Accordingly, the Commission found the underselling of the domestic like product by subject imports to be significant.[114]

The Commission also found that subject imports prevented price increases for the domestic like product that otherwise would have occurred to a significant degree. The record indicated that, from 2005 to 2007, as the volume of subject imports increased, the domestic industry was unable to recover increased costs it incurred primarily as a result of increased raw material costs. In contrast, when the volume of subject imports declined due to the pendency of the investigations in 2008, the domestic industry was able to increase prices to recover increasing costs.[115]

In the first reviews, the Commission found that subject imports and the domestic like product were highly substitutable and that nothing on the record indicated that price was no longer an important purchasing factor.[116] The Commission also found that the underselling that occurred during the original investigations would likely recur if the orders were revoked which, in turn, would likely cause the domestic industry either to lower prices or forgo price increases

[113] *Original Determination*, USITC Pub. 4055 at 15–16.

[114] *Original Determination*, USITC Pub. 4055 at 16.

[115] *Original Determination*, USITC Pub. 4055 at 16–17. Those Commissioners who made affirmative threat determinations found that underselling and price suppression were likely to continue in the imminent future. *Id*. at 24.

[116] *First Review Determinations*, USITC Pub. 4464 at 15. Due to the expedited nature of the first reviews, the record did not contain pricing comparisons for the period of review. *Id*.

to cover potential cost increases.[117] Accordingly, the Commission concluded that, if the orders were revoked, subject imports likely would again undersell the domestic like product to a significant degree to gain market share and would likely have price suppressing or depressing effects.[118]

In the second reviews, the Commission found that the domestic like product and subject imports were highly substitutable and that price remained one of the most important factors in purchasing decisions.[119] Consequently, it found that if the orders were revoked, subject imports would likely undersell the domestic like product to a significant degree to gain market share and have price suppressing or depressing effects.[120]

2. The Current Reviews

The record in these expedited reviews does not contain new product-specific pricing information. Based on the available information, including the high degree of substitutability between the domestic like product and subject imports, the importance of price in purchasing decisions, and the attractiveness of the U.S. market to subject producers, we find that if the orders were revoked, the likely significant volumes of subject imports would likely undersell the domestic like product to a significant degree, as they did in the original investigations. Absent the discipline of the orders, the significant volumes of low-priced subject imports would likely take sales and market share from domestic producers and/or force the domestic industry to cut prices or restrain price increases necessary to cover any increasing costs, thereby depressing or

[117] *First Review Determinations*, USITC Pub. 4464 at 15.

[118] *First Review Determinations*, USITC Pub. 4464 at 15–16.

[119] *Second Review Determinations*, USITC Pub. 4955 at 16. Due to the expedited nature of the second reviews, the record did not contain pricing comparisons for the period of review. *Id*.

[120] *Second Review Determinations*, USITC Pub. 4955 at 16.

suppressing prices for the domestic like product. Consequently, we find that if the orders were revoked, significant volumes of subject imports would likely have significant price effects.

E. Likely Impact[121]

1. The Prior Proceedings

In the original investigations, the Commission found that the record reflected some positive changes in the domestic industry, which experienced a sharp increase in demand from 2005 to 2007. During this period of increased demand, the domestic industry increased net sales quantities, shipments, production, and capacity utilization.[122] Additionally, the domestic industry's number of production and related workers, aggregate hours worked, aggregate wages paid, and hourly wage rates increased.[123]

While the domestic industry remained profitable in light of increased demand, the record evidenced a 25.9 percent decline in operating income from 2005 to 2007 and an even greater decline of 49.5 percent from 2006 to 2007.[124] The Commission attributed the domestic industry's declining profitability to the price-suppressing effects of the increased volume of subject imports, which also took market share from the domestic industry. Those Commissioners who made affirmative present injury determinations found that the significant

[121] In its expedited third reviews of the antidumping duty order, Commerce determined that revocation of the antidumping duty order would likely result in the continuation or recurrence of dumping with margins of up to 101.10 percent. *Circular Welded Carbon Quality Steel Line Pipe From the People's Republic of China: Final Results of the Expedited Third Sunset Review of the Antidumping Order*, 90 Fed. Reg. 304, 305 (Jan. 3, 2025). In its expedited third review of the countervailing duty order, Commerce determined that revocation of the order would result in the continuation or recurrence of countervailable subsides at rates ranging from 32.65 to 40.05 percent. *Circular Welded Carbon Quality Steel Line Pipe From the People's Republic of China: Final Results of the Expedited Sunset Review of the Countervailing Duty Order*, 89 Fed. Reg. 104981 (Dec.26, 2024).

[122] *Original Determination*, USITC Pub. 4055 at 17.

[123] *Original Determination*, USITC Pub. 4055 at 18.

[124] *Original Determination*, USITC Pub. 4055 at 18.

impact of the subject imports could not be attributed in any significant way to nonsubject imports, which were consistently priced higher than the subject imports and also lost market share to them.[125]

In the first reviews, the Commission found that the condition of the domestic industry had improved since the imposition of the orders. Specifically, the record reflected that apparent U.S. consumption had *** in terms of quantity between 2007 and 2012.[126] Additionally, capacity, production, and shipments were higher in 2012 than in 2007.[127] However, the domestic industry lost market share to nonsubject imports.[128] The limited financial data on the record reflected that the domestic industry's profitability improved after the imposition of the orders as evidenced by higher operating income margins, value of net sales, and lower COGS to net sales margins in 2012 as compared to 2007. The Commission found that, if the orders were revoked, the likely significant volume and price effects of subject imports would likely have a significant impact on the domestic industry's profitability and market share, as they did during the original investigations when demand was also strong.[129] In its non-attribution analysis, the Commission found that the increase in nonsubject import share

[125] *Original Determination*, USITC Pub. 4055 at 18. Those Commissioners who made affirmative threat determinations found that, while the domestic industry was not currently materially injured by reason of the subject imports due to increasing demand during the POI which largely shielded the industry from adverse effects, conditions would likely change in the imminent future due to likely declines in demand for CW line pipe. Their non-attribution analysis paralleled that of the other Commissioners. *Id*. at 24–25.

[126] *First Review Determinations*, USITC Pub. 4464 at 17; *Confidential First Review Determinations*, EDIS Doc. 677922 at 25.

[127] *First Review Determinations*, USITC Pub. 4464 at 17.

[128] *First Review Determinations*, USITC Pub. 4464 at 18; *Confidential First Review Determinations*, EDIS Doc. 677922 at 26.

[129] *First Review Determinations*, USITC Pub. 4464 at 18. The Commission found that the information available was insufficient for it to make a finding on whether the domestic industry was vulnerable to the continuation or recurrence of material injury should the orders be revoked. *Id.* at 18 n.84.

of apparent U.S. consumption during the period of review did not preclude the domestic industry from achieving improvements in shipments, production, and financial performance. Accordingly, the Commission concluded that, if the orders were revoked, subject imports would have a significant impact on the domestic industry within a reasonably foreseeable time.[130]

In the second reviews, the information available was insufficient for the Commission to make a finding on whether the domestic industry was vulnerable to the continuation or recurrence of material injury should the orders be revoked.[131] The Commission found, based on the information available, that if the orders were revoked, the likely significant volume and price effects of the subject imports would likely have a significant impact on the domestic industry.[132] Additionally, in its non-attribution analysis, the Commission found that notwithstanding the increased volume of nonsubject imports in the U.S. market since the first reviews, given the substitutability of subject imports and domestically produced CW line pipe and the importance of price in purchasing decisions, the increased volume of low-priced subject imports that was likely after revocation would likely take at least some sales and market share from the domestic industry.[133]

2. The Current Reviews

The record in these expedited reviews contains limited information concerning the domestic industry's performance since the previous reviews. The available information shows that the domestic industry's trade and financial indicators were generally weaker in 2023 than

[130] *First Review Determinations*, USITC Pub. 4464 at 18.
[131] *First Review Determinations*, USITC Pub. 4464 at 17.
[132] *Second Review Determinations*, USITC Pub. 4955 at 18.
[133] *Second Review Determinations*, USITC Pub. 4955 at 18.

in the last years examined in the original investigations and prior reviews.[134] Domestic industry performance in 2023 is likely understated relative to that in the prior proceedings because domestic industry data coverage is much lower in these reviews than in the original investigations and prior reviews, when responding domestic producers accounted for the vast majority of domestic production of CW line pipe.[135] In 2023, the domestic industry's capacity, at 1.3 million short tons, was higher than in 2007 but lower than in 2012 and 2018, while its production, at 155,924 short tons, and capacity utilization, at 12.2 percent, were lower than in the prior proceedings.[136] The industry's U.S. shipments, at 140,292 short tons, and share of apparent U.S. consumption, at 22.6 percent, were also lower than in the prior proceedings.[137] The industry's net sales value was lower in 2023, at $270.5 million, than in the prior proceedings and its operating loss of negative $5.5 million and operating loss to net sales ratio of negative 2.0 percent reflected substantially worse financial performance than in the prior proceedings, when the industry was profitable.[138] This limited information is insufficient for us

[134] CR/PR at Table I-4.

[135] CR/PR at I-12-13. Responding domestic producers accounted for *** percent of domestic production of CW line pipe in 2023. *Id*. Responding domestic producers accounted for *** percent of domestic production in the original investigations, *** percent of domestic production in the first reviews, and *** of domestic production in the second reviews. *Id.*

[136] CR/PR at Table I-4. The domestic industry's capacity and production was 1.0 million and 769,607 short tons, respectively, in 2007. *Id.* The domestic industry's capacity and production was *** and *** short tons, respectively, in 2012 and *** and *** short tons, respectively, in 2018. *Id.* The industry's capacity utilization was 74.3 percent in 2007, *** percent in 2012, and *** percent in 2018. *Id.*

[137] CR/PR at Table I-4. The domestic industry's U.S. shipments totaled 727,701 short tons in 2007, *** short tons in 2012, and *** short tons in 2018. *Id.* The industry's share of apparent consumption was 52.9 percent in 2007, *** percent in 2012, and *** percent in 2018. *Id.* at Table I-6.

[138] CR/PR at Table I-4. The domestic industry's net sales value was $780.9 million in 2007, *** in 2012, and *** in 2018. *Id.* The domestic industry reported operating income of $69.3 million in 2007, $*** in 2012, and $*** in 2018. *Id.* The domestic industry's operating income to net sales ratio was 8.9 percent in 2007, *** percent in 2012, and *** percent in 2018. *Id.*

to make a finding as to whether the domestic industry is vulnerable to the continuation or recurrence of material injury in the event of revocation of the orders.

Based on the information available in these reviews, we find that revocation of the orders would likely result in a significant increase in subject import volume that would likely undersell the domestic like product to a significant degree. Given the high degree of substitutability between the domestic like product and subject imports and the importance of price to purchasers, significant volumes of low-priced subject imports would likely capture sales and market share from the domestic industry and/or significantly depress or suppress prices for the domestic like product. The likely significant volume of cumulated subject imports and their adverse price effects would likely have a significant adverse impact on the domestic industry's production, shipments, sales, market share, and revenues, which in turn would have a direct adverse impact on the industry's profitability and employment, as well as its ability to raise capital and make and maintain necessary capital investments.

We have also considered the role of factors other than subject imports, including the presence of nonsubject imports, so as not to attribute likely injury from other factors to the subject imports. Nonsubject imports have increased their share of apparent U.S. consumption since the last reviews, from *** percent in 2018 to 77.3 percent in 2023.[139] The record provides no indication that the presence of nonsubject imports would prevent subject imports from entering the U.S. market in significant quantities or adversely affecting domestic prices after revocation of the orders. Given the substitutability of CW line pipe, regardless of source, and

[139] CR/PR at Table I-6. The volume of nonsubject imports was 479,030 short tons in 2023, as compared to 705,047 short tons in 2018. *Id.* at Table I-5. Nonsubject import market share in 2023 is likely overstated relative to that in the prior proceedings because domestic industry data coverage is much lower in these reviews, as discussed in section III.B.1 above. *Id.* at I-12–I-13.

the importance of price to purchasing decisions, the presence of nonsubject imports in the U.S. market would likely not prevent the significant increase in low-priced subject imports that is likely after revocation from taking market share from the domestic industry, as well as from nonsubject imports, or from forcing domestic producers to lower their prices or forgo price increases in order to retain market share. Consequently, we find that any future effects of nonsubject imports would be distinct from the likely effects attributable to subject imports and that nonsubject imports would not prevent subject imports from having a significant adverse impact on the domestic industry.

We recognize that apparent U.S. consumption was *** percent lower in 2023 than in 2018.[140] As noted in section III.B.1 above, the lower level of apparent U.S. consumption in 2023 as compared to 2018 is partly a function of the lower data coverage of the domestic industry in this review compared to the second reviews. Nevertheless, as discussed in that same section, the domestic producers reported that demand for CW line pipe has been low in recent years and is not expected to meaningfully improve in the near future, attributing the decline to reduced M&A activity in the U.S. oilfield, global economic events, and the increased use of larger diameter pipes.[141] To the extent that demand remains weak or declines, the significant volume of low-priced cumulated subject imports that is likely after revocation would exacerbate the effects of weak or declining demand on the domestic industry. Moreover, any decline in demand for CW line pipe would be unlikely to explain any loss in market share for the domestic industry.

[140] CR/PR at Table I-6. U.S. apparent consumption was *** short tons in 2018, and 619,539 short tons in 2023. *Id.*

[141] Response at 19, 20.

In sum, we conclude that if the antidumping and countervailing duty orders on CW line pipe from China were revoked, subject imports would likely have a significant impact on the domestic industry within a reasonably foreseeable time.

IV. Conclusion

For the reasons discussed above, we determine that revocation of the antidumping and countervailing duty orders on CW line pipe from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

Information obtained in these reviews

Background

On September 3, 2024, the U.S. International Trade Commission ("Commission") gave notice, pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"),[1] that it had instituted reviews to determine whether revocation of antidumping and countervailing duty orders on circular welded carbon quality steel line pipe (CW line pipe) from China would likely lead to the continuation or recurrence of material injury to a domestic industry.[2] All interested parties were requested to respond to this notice by submitting certain information requested by the Commission.[3] [4] Table I-1 presents information relating to the background and schedule of this proceeding:

Table I-1
CW line pipe: Information relating to the background and schedule of this proceeding

Effective date	Action
September 3, 2024	Notice of initiation by Commerce (89 FR 71252, September 3, 2024)
September 3, 2024	Notice of institution by Commission (89 FR 71419, September 3, 2024)
December 9, 2024	Commission's vote on adequacy
December 26, 2024	Commerce's final results of its expedited CVD review (89 FR 104981, December 26, 2024)
January 3, 2025	Commerce's final results of its expedited AD review (90 FR 304, January 3, 2025)
March 14, 2025	Commission's determinations and views

[1] 19 U.S.C. 1675(c).

[2] In accordance with section 751(c) of the Act, the U.S. Department of Commerce ("Commerce") published a notice of initiation of five-year reviews of the subject antidumping and countervailing duty orders. 89 FR 71252, September 3, 2024. Pertinent Federal Register notices are referenced in app. A, and may be found at the Commission's website (www.usitc.gov).

[3] As part of their response to the notice of institution, interested parties were requested to provide company-specific information. Information regarding responses to the notice of institution is presented in app. B. Summary data compiled in the original investigations and subsequent full reviews are presented in app. C.

[4] Interested parties were also requested to provide a list of three to five leading purchasers in the U.S. market for the domestic like product and the subject merchandise. Presented in app. D are the responses received from purchaser surveys transmitted to the purchasers identified in this proceeding.

The original investigations

The original investigations resulted from petitions filed on April 3, 2008, with Commerce and the Commission, by Maverick Tube Corporation (Houston, Texas), Tex-Tub Co. (Houston, Texas), U.S. Steel Corporation (Pittsburgh, Pennsylvania), and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO-CLC (Pittsburgh, Pennsylvania).[5] On November 24, 2008, Commerce determined that imports of CW line pipe from China were subsidized by the Government of China.[6] On March 31, 2009, Commerce determined that imports of CW line pipe from China were being sold at less than fair value ("LTFV").[7] The Commission determined on January 7, 2009, that the domestic industry was materially injured or threatened with material injury by reason of subsidized imports of CW line pipe from China.[8] The Commission determined on May 6, 2009, that the domestic industry was materially injured or threatened with material injury by reason of LTFV imports of CW line pipe from China.[9] On January 23, 2009, Commerce issued its countervailing duty order with net subsidy rates ranging from 31.29 to 40.05 percent.[10] On May 13, 2009, Commerce issued its antidumping duty order with final weighted average dumping margins ranging from 73.87 to 101.10 percent.[11]

The first five-year reviews

On March 7, 2014, the Commission determined that it would conduct expedited reviews of the antidumping and countervailing duty orders on CW line pipe from China.[12] On March 19, 2014, Commerce determined that revocation of the countervailing duty order on CW line pipe from China would be likely to lead to continuation or recurrence of subsidization.[13] On April 7, 2014, Commerce determined that revocation of the antidumping order on CW line pipe from China would be likely to lead to continuation or recurrence of dumping.[14] On May 2, 2014, the

[5] Circular Welded Carbon Quality Steel Line Pipe from China, Inv. Nos. 701-TA-455 and 731-TA-1149 (Final), USITC Publication 4055, January 2009 ("Original publication"), p. I-1.
[6] 73 FR 70961, November 24, 2008.
[7] 74 FR 14514, March 31, 2009.
[8] 74 FR 1706, January 13, 2009.
[9] 74 FR 22178, May 12, 2009.
[10] 74 FR 4136, January 23, 2009.
[11] 74 FR 22515, May 13, 2009.
[12] 79 FR 15776, March 21, 2014
[13] 79 FR 15313, March 19, 2014.
[14] 79 FR 19052, April 7, 2014.

Commission determined that material injury would be likely to continue or recur within a reasonably foreseeable time.[15] Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective May 20, 2014, Commerce issued a continuation of the antidumping and countervailing duty orders on imports of CW line pipe from China.[16]

The second five-year reviews

On July 5, 2019, the Commission determined that it would conduct expedited reviews of the antidumping and countervailing duty orders on CW line pipe from China.[17] On August 6, 2019, Commerce determined that revocation of the antidumping and countervailing duty orders on CW line pipe from China would be likely to lead to continuation or recurrence of dumping and subsidization.[18] On September 19, 2019, the Commission determined that material injury would be likely to continue or recur within a reasonably foreseeable time.[19] Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective October 2, 2019, Commerce issued continuation of the antidumping and countervailing duty orders on imports of CW line pipe from China.[20]

[15] 79 FR 26454, May 8, 2014.
[16] 79 FR 28894, May 20, 2014.
[17] 84 FR 39861, August 12, 2019.
[18] 84 FR 38213 and 84 FR 38215, August 6, 2019.
[19] 84 FR 50473, September 25, 2019.
[20] 84 FR 52456, October 2, 2019.

Previous and related investigations

The Commission has conducted a number of previous import relief investigations on CW line pipe or similar merchandise, as presented in table I-2.

Table I-2
CW line pipe: Previous and related Commission proceedings and current status

Date	Number	Country	ITC original determination	Current status
1982	701-TA-165	Brazil	Negative	---
1982	701-TA-168	Korea	Affirmative	Order revoked by Commerce effective October 1, 1984
1984	731-TA-212	Venezuela	Negative	---
1985	701-TA-242	Venezuela	Terminated	---
1985	701-TA-251	India	Terminated	---
1985	701-TA-252	Taiwan	Terminated	---
1985	701-TA-253	Turkey	Affirmative	Order continued after fifth review, January 11, 2024
1985	731-TA-252	Thailand	Affirmative	Order continued after fifth review, January 11, 2024
1985	731-TA-253	Venezuela	Affirmative	
1985	731-TA-254	Canada	Negative	---
1985	731-TA-271	India	Affirmative	Order continued after fifth review, January 11. 2024
1985	731-TA-272	Taiwan	Negative	---
1985	731-TA-273	Turkey	Affirmative	Order continued after fifth review, January 11. 2024
1985	731-TA-274	Yugoslavia	Terminated	---
1987	731-TA-375	Canada	Negative	---
1999	TA-201-70	Global	Affirmative	Safeguard measure ended March 1, 2003
2004	731-TA-1073	China	Terminated	---
2004	731-TA-1074	Korea	---	Petition withdrawn

Date	Number	Country	ITC original determination	Current status
2004	731-TA-1075	Mexico	---	Petition withdrawn
2008	731-TA-1150	Korea	---	Petition withdrawn
2014	731-TA-1260	Korea	Affirmative	Order continued after first review, March 2, 2021.
2014	731-TA-1261	Turkey	Affirmative	Order continued after first review, March 2, 2021.

Source: U.S. International Trade Commission publications and Federal Register notices.

Note: "Date" refers to the year in which the investigation was instituted by the Commission.

Note: In the 2014 antidumping duty investigations concerning certain welded carbon quality steel line pipe from Turkey and Korea, the Commission found a single like product consisting of certain welded line pipe, coextensive with the scope of the investigations (circular welded carbon and alloy steel-other than stainless-pipe of a kind used for oil and gas pipelines, not more than 24" in nominal outside diameter, regardless of wall thickness, length, surface finish, end finish, or stenciling).

Commerce's five-year reviews

Commerce announced that it would conduct expedited reviews with respect to the orders on imports of CW line pipe from China with the intent of issuing the final results of these reviews based on the facts available not later than January 1, 2025.[21] Commerce publishes its Issues and Decision Memoranda and its final results concurrently, accessible upon publication at https://access.trade.gov/public/FRNoticesListLayout.aspx and subsequently on the Commission's Electronic Document Information System ("EDIS"). Issues and Decision Memoranda contain complete and up-to-date information regarding the background and history of the order, including scope rulings, duty absorption, changed circumstances reviews, and anticircumvention, as well as any decisions that may have been pending at the issuance of this report. Any foreign producers/exporters that are not currently subject to the antidumping and countervailing duty orders on imports of CW line pipe from China are noted in the sections titled "The original investigations" and "U.S. imports," if applicable.

[21] Letter from Alex Villanueva, Senior Director, AD/CVD Operations, Enforcement and Compliance, U.S. Department of Commerce to Nannette Christ, Director of Investigations, October 31, 2024.

The product

Commerce's scope

Commerce has defined the scope as follows:

The merchandise covered by the orders is circular welded carbon quality steel pipe of a kind used for oil and gas pipelines (welded line pipe), not more than 406.4 mm (16 inches) in outside diameter, regardless of wall thickness, length, surface finish, end finish or stenciling.

The term "carbon quality steel" includes both carbon steel and carbon steel mixed with small amounts of alloying elements that may exceed the individual weight limits for non-alloy steels imposed in the Harmonized Tariff Schedule of the United States (HTSUS). Specifically, the term "carbon quality" includes products in which (1) iron predominates by weight over each of the other contained elements, (2) the carbon content is 2 percent or less by weight and (3) none of the elements listed below exceeds the quantity by weight respectively indicated:

(i) 2.00 percent of manganese, (ii) 2.25 percent of silicon, (iii) 1.00 percent of copper, (iv) 0.50 percent of aluminum,(v) 1.25 percent of chromium, (vi) 0.30 percent of cobalt, (vii) 0.40 percent of lead, (viii) 1.25 percent of nickel, (ix) 0.30 percent of tungsten, (x) 0.012 percent of boron, (xi) 0.50 percent of molybdenum, (xii) 0.15 percent of niobium, (xiii) 0.41 percent of titanium, (xiv) 0.15 percent of vanadium, or (xv) 0.15 percent of zirconium.

Welded line pipe is normally produced to specifications published by the American Petroleum Institute (API) (or comparable foreign specifications) including API A-25, 5LA, 5LB, and X grades from 42 and above, and/or any other proprietary grades or non-graded material. Nevertheless, all pipe meeting the physical description set forth above that is of a kind used in oil and gas pipelines, including all multiple-stenciled pipe with an API welded line pipe stencil is covered by the scope of the orders.

Excluded from the scope are pipes of a kind used for oil and gas pipelines that are multiple stenciled to a standard and/or structural specification and have one or more of the following characteristics: Is 32 feet in length or less; is less than 2.0 inches (50 mm) in outside diameter; has a galvanized and/or painted surface finish; or has a threaded and/or coupled end finish. (The term "painted" does not include coatings to inhibit rust in transit, such as varnish, but includes coatings such as polyester.)

The welded line pipe products that are the subject of the orders are currently classifiable in the HTSUS under subheadings 7306.19.10.10, 7306.19.10.50, 7306.19.51.10, and 7306.19.51.50. While HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the orders is dispositive.[22]

U.S. tariff treatment

Circular welded carbon quality line pipe is currently imported under Harmonized Tariff Schedule of the United States ("HTS") statistical reporting numbers 7306.19.1010, 7306.19.1050, 7306.19.5110, and 7306.19.5150. The general rate of duty is "free" for HTS subheadings 7306.19.10 and 7306.19.51.[23] Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

Effective September 1, 2019, CW line pipe originating in China was subject to an additional 15 percent ad valorem duty under section 301 of the Trade Act of 1974.[24] Effective February 14, 2020, the section 301 duty for CW line pipe was reduced to 7.5 percent.[25] Effective September 27, 2024, the section 301 duty for CW line pipe originating in China increased from an additional 7.5 percent to an additional 25 percent ad valorem duty.[26]

[22]84 FR 52456, October 2, 2019.

[23]USITC, HTS (2024) Revision 9, Publication 5548, September 2024, p. 73-16.

[24] 84 FR 45821, August 30, 2019.

[25] 85 FR 3741, January 22, 2020. See also HTS heading 9903.91.01 and U.S. notes 31(a) and 31(b) to subchapter III of chapter 99 and related tariff provisions for this duty treatment. USITC, HTS (2024) Revision 8, Publication 5537, August 2024, pp. 99-III-88 – 99-III-102, 99-III-313.

[26] 89 FR 76581, September 18, 2024; See also HTS heading 9903.91.01 and U.S. 31(a) and 31(b) to subchapter III of chapter 99 and related tariff provisions for this duty treatment. USITC, HTS (2024) Revision 9, USITC Publication 5548, September 2024, pp. 99-III-269 – 99-III-273, 99-III-330.

Effective March 23, 2018, circular welded carbon quality line pipe originating in China is subject to an additional 25 percent ad valorem duty under section 232 of the Trade Expansion Act of 1962, as amended. [27] [28]

Description and uses[29]

In general, steel pipes and tubes[30] are produced in various grades of carbon, stainless, or other alloy steel. Tubular products frequently are distinguished by the following six end uses as defined by the American Iron and Steel Institute ("AISI"):

- Standard pipe is ordinarily used for low-pressure conveyance of air, steam, gas, water, oil, or other fluids for mechanical applications. It is used primarily in machinery, buildings, sprinkler systems, irrigation systems, and water wells rather than in pipelines or utility distribution systems. It may carry fluids at elevated temperatures which are not subject to external heat applications. It is usually produced in standard diameters and wall thicknesses to American Society for Testing and Materials ("ASTM") specifications.

[27] Adjusting Imports of Steel into the United States, Presidential Proclamation 10771, May 31, 2024, 89 FR 48233, June 5, 2024. See also HTS heading 9903.80.01 and U.S. notes 16(a) and 16(b) to subchapter III of chapter 99 and related tariff provisions for this duty treatment. USITC, HTS (2024) Revision 9, USITC Publication 5548, September 2024, pp. 99-III-5 – 99-III-8, 99-III-281 – 99-III-283, 99-III-289 – 99-III-290, 99-III-296, 99-III-301 – 99-III-302.

[28] Section 232 import duties on steel articles currently covers all countries of origin except Argentina, Australia, Brazil, Canada, Mexico, and South Korea. Imports from Australia, Canada, and Mexico are exempt from section 232 duties and quotas on steel articles, while imports originating in Argentina, Brazil, and South Korea are exempt from duties but are instead subject to absolute quotas. EU member countries (effective January 1, 2022), Japan (effective April 1, 2022), and the United Kingdom (effective June 1, 2022) are currently subject to tariff-rate quotas ("TRQs") for steel articles, and imports that exceed the TRQ limits are subject to the section 232 tariffs. Section 232 import duties on steel articles originating in Turkey were temporarily raised from 25 percent to 50 percent, effective August 13, 2018, but restored to 25 percent effective May 21, 2019. In addition, section 232 duties on steel articles originating in Ukraine are suspended, effective June 1, 2022, to June 1, 2025. 83 FR 11625, March 15, 2018; 83 FR 13361, March 28, 2018; 83 FR 20683, May 7, 2018; 83 FR 25857, June 5, 2018; 83 FR 40429, August 15, 2018; 84 FR 23421, May 21, 2019; 84 FR 23987, May 23, 2019; 87 FR 11, January 3, 2022; 87 FR 19351, April 1, 2022; 87 FR 33407, June 2, 2022; 87 FR 33591, June 3, 2022; 88 FR 36437, June 5, 2023; 89 FR 227, January 3, 2024; 89 FR 48233, June 5, 2024; 89 FR 57347, July 15, 2024.

[29] Unless otherwise noted, this information is based on Circular Welded Carbon Quality Steel Line Pipe from China, Investigation Nos. 701-TA-455 and 731-TA-1149 (Second Review), USITC Publication 4955, September 2019 ("Second review publication"), pp. I-9-I-10.

[30] Pipe dimensions (e.g., outside diameter ("O.D.") and wall thickness) are standardized while tube dimensions are design-specific. The HTS generally makes no distinction between pipes and tubes.

- Line pipe is used for transportation of gas, oil, or water, generally in a pipeline or utility distribution system. It is produced to API-5L and American Water Works Association ("AWWA") specifications.
- Structural pipe and tubing is welded or seamless pipe and tubing generally used for structural or load-bearing purposes above ground by the construction industry, as well as for structural members in ships, trailers, farm equipment, and other similar uses. It is produced in nominal wall thicknesses and sizes to ASTM specifications in round, square, rectangular, or other cross-sectional shapes.
- Mechanical tubing is welded or seamless tubing produced in a large number of shapes of varied chemical composition in sizes of 3/16 inch to 10¾ inches O.D. inclusive for carbon and alloy material. It is not normally produced to meet any specification other than that required to meet the end use. It is produced to meet exact O.D. and decimal wall thickness.
- Pressure tubing is used to convey fluids at elevated temperatures or pressures, or both, and is suitable to be subjected to heat applications. It is produced to exact O.D. and decimal wall thickness in sizes of ½ inch to 6 inches O.D. inclusive, usually to specifications such as ASTM.
- Oil country tubular goods ("OCTG") are pipe produced to API specifications and used in wells to extract oil and natural gas:
    - Casing is the structural retainer for the walls of oil or gas wells and covers sizes 4½ to 20 inches O.D., inclusive.
    - Tubing is used within casing oil wells to convey oil to ground level and ordinarily includes sizes 1.050 to 4.500 inches O.D., inclusive.
    - Drill pipe is used to transmit power to a rotary drilling tool below ground level and covers sizes of 2 3/8 to 6¾ inches O.D., inclusive.

The line pipe subject to these reviews is made from "carbon quality steel", which includes both carbon steel, and carbon steel combined with small amounts of alloying elements that may exceed the individual limits for nonalloy steels imposed in the HTS.[31] The subject

[31] The term "carbon quality" includes products in which (1) iron predominates by weight over each of the other contained elements, (2) the carbon content is 2 percent or less by weight and (3) none of the elements listed below exceeds the quantity by weight respectively indicated: 2.00 percent of manganese, 2.25 percent of silicon, 1.00 percent of copper, 0.50 percent of aluminum, 1.25 percent of chromium, 0.30 percent of cobalt, 0.40 percent of lead, 1.25 percent of nickel, 0.30 percent of tungsten, 0.012 percent of boron, 0.50 percent of molybdenum, 0.15 percent of niobium, 0.41 percent of titanium, 0.15 percent of vanadium, or 0.15 percent of zirconium.

welded line pipe is a circular pipe product not more than 406.4 mm (16 inches) in outside diameter, regardless of wall thickness, length, surface finish, end finish or stenciling.

Line pipe is generally produced in the United States in lengths of 40 feet or greater, and with either a bare finish or a lacquered (black) finish to protect the pipe from rust, which is especially important for storage in humid climates or for waterborne transportation. End finishes typically include square cut or beveled for welding in the field. Electric resistance welding (ERW) is the primary method of producing smaller diameter pipe. ERW pipe produced in the United States usually has a maximum outside diameter of 24 inches with a maximum length of 80 feet and a maximum wall thickness of 0.63 inches. ERW pipe is limited by the coil width and is accordingly suitable for thinner walled and smaller diameter pipe.

The subject product includes pipe used in oil and gas pipelines, whether or not stenciled. Such line pipe is normally produced in conformance with the API-5L specification, and generally bears an API line pipe stencil. A “stencil” is information marked by the manufacturer with paint on the outside surface of the pipe indicating manufacturing specifications.

Manufacturers often mark product with multiple specifications, a practice known as “dual stenciling.” Welded line pipe for use in oil and gas pipelines requires higher hydrostatic test pressure and more restrictive weight tolerances than standard pipe, thus, given the conformance with less restrictive standard pipe and with API-5L, welded line pipe can be stenciled with both specifications so it can be used in either application.

The API-5L specification for line pipe indicates the size, grade (e.g., A-25, A, B, and X-42 through X-80), manufacturing process (seamless pipe, electric resistance welded pipe, or continuous welded pipe), heat treatment, and test pressure. The API-5L grades define the strength level of the pipe and of the steel that is used to make the pipe. For grades A-25 and X-42 to X-80, the last two digits reflect the tensile strength of the steel. Lower grades of line pipe, namely, A-25, grade A, and grade B, have lower tensile strength but have other desirable properties such as malleability.

Manufacturing process[32]

U.S. mills commonly manufacture circular welded carbon quality line pipe by the ERW process.[33] The manufacturing of circular welded carbon quality line pipe by the ERW process begins with coils of hot-rolled steel sheet,[34] which are cut by a slitting machine into strips of the precise width needed to produce a desired diameter of pipe.[35] The slit coils are fed into the tube mills, which cold-form them into a tubular cylinder by a series of tapered forming rolls.

In the welding stage, the unwelded pipe is heated by electric resistance or electric induction to the desired temperature. Two electrodes are used to apply pressure and current. The electrodes are disc shaped and rotate as the material passes between them allowing the electrodes to remain in constant contact with the material to produce a continuous weld. A welding transformer supplies low voltage, high current AC power. The joint of the pipe is heated to its melting point by the current. The heated surfaces are mechanically pressed together to create a seam, which results in an evenly welded pipe.

The welding pressure causes some of the metal to be squeezed from the joint, forming a bead of metal on the inside and the outside of the tube. The welded tube then passes under a tool or machine that removes the outside bead. Inside bead is also removed by the cutting tool or machine. Next, the tube is cooled, passed through a series of sizing rolls, which shape the tube to specific diameter tolerances, and cut to size at the end of the tube mill. The tube is then subjected to post-weld heat treatment as required, which may involve treatment of the welded seam only or the full cross-section of the pipe.

After heat treatment, the tube is drawn and straightened before it undergoes hydraulic testing. Welded line pipe for use in oil and gas pipelines require higher hydrostatic test pressures and more restrictive weight tolerances than standard pipe. Lastly, the tube may undergo further heat treatment or straitening as required before inspection, stenciling, and painting. Figure I-1 illustrates the ERW manufacturing process.

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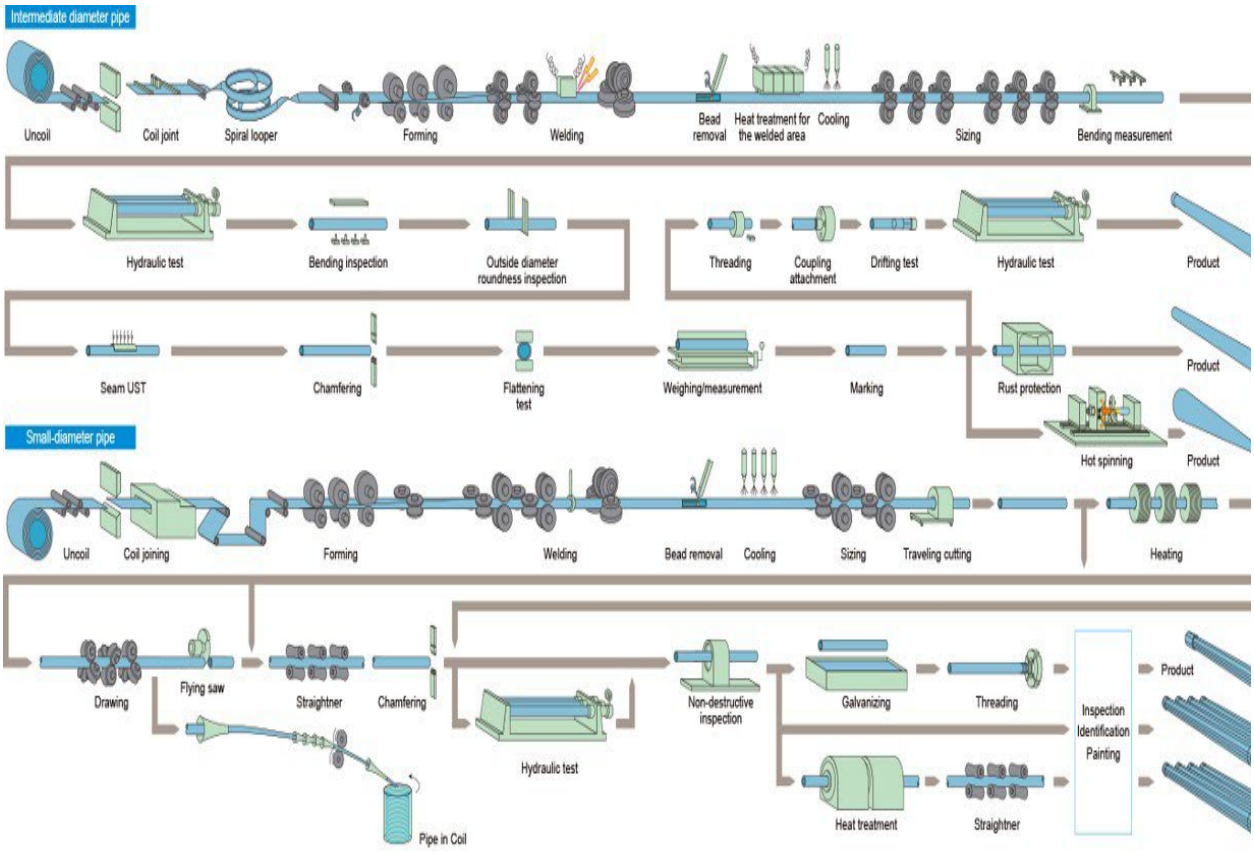
[32] Unless otherwise noted, this information is based on the Second review publication, pp. 11-12.

[33] The continuous weld ("CW") process can be used for pipe up to 4.5 inches (114.3 mm) in diameter, however, only grade A-25 can be manufactured using the CW process.

[34] Flat-rolled steel that is more than 0.1875 inch in thickness if more than 48 inches in width, or more than 0.230 inch in thickness if 48 inches or less in width, may be called "plate in coils."

[35] The required diameter and wall thickness of a pipe are a function of the intended volume and pressure of material that is to flow through the pipe.

Figure I-1
CW line pipe: ERW manufacturing process



Source: Nippon Steel & Sumitomo Metal Corp., Pipes and Tubes found at https://www.nipponsteel.com/en/product/pipe/process/, retrieved on November 1, 2024.

The industry in the United States

U.S. producers

During the final phase of the original investigations, the Commission received U.S. producer questionnaires from nine firms, which accounted for approximately more than 95 percent of production of CW line pipe in the United States during 2007.[36] During the first five-year reviews, domestic interested parties provided a list of 12 known and currently operating U.S. producers of CW line pipe. Ten responding firms accounted for approximately ***

[36] Investigation Nos. 701-TA-455 and 731-TA-1149 (Final): Circular Welded Carbon Quality Steel Line Pipe from China, Confidential Report, INV-FF-151, December 11, 2008 ("Original confidential report"), pp. III-1-III-2.

percent of production of CW line pipe in the United States during 2013.[37] During the second five-year reviews, domestic interested parties provided a list of eight known and currently operating U.S. producers of CW line pipe. Four responding firms accounted for *** of production of CW line pipe in the United States.[38]

In response to the Commission's notice of institution in these current reviews, the domestic interested party provided a list of four known and currently operating U.S. producers of CW line pipe. Four firms providing U.S. industry data in response to the Commission's notice of institution accounted for approximately *** percent of production of CW line pipe in the United States during 2023.[39]

Recent developments

Table I-3 presents events in the U.S. industry since the Commission's last five-year reviews.[40] Since 2019, the CW line pipe industry has experienced a mix of events, including layoffs, a notable investment by the U.S. Department of Energy, an acquisition of a leased property, and the expansion of existing capacity.

[37] Investigation Nos. 701-TA-455 and 731-TA-1149 (Review): Circular Welded Carbon Quality Steel Line Pipe from China, Confidential Report, INV-MM-027, April 4, 2014 ("First review confidential report"), p. I-19.

[38] Investigation Nos. 701-TA-455 and 731-TA-1149 (Second Review): Circular Welded Carbon Quality Steel Line Pipe from China, Confidential Report, INV-RR-058, June 24, 2019 ("Second review confidential report"), p. I-17.

[39] Domestic interested party's response to the notice of institution, October 3, 2024, Exhibit 1.

[40] For recent developments, if any, in tariff treatment, please see "U.S. tariff treatment" section.

Table I-3
CW line pipe: Developments in the U.S. industry

Item	Firm	Event
Acquisition	Tenaris	In January 2020, Tenaris completed its acquisition of IPSCO Tubulars, Inc. ("IPSCO") from PAO TMK for $1.07 billion. IPSCO (based in Houston, Texas) is a seamless and welded pipe producer with facilities located mainly in the midwestern and northeastern regions of the United States. IPSCO also operates and a steel shop in Koppel, Pennsylvania that produces steel bar used for seamless pipe production. IPCSO's 11 facilities in the United States and Canada have a total production capacity of 1.1 million metric tons per year (t/yr) of welded pipe, 450,000 t/yr of steel bars, and 400,000 t/yr of seamless pipe.
Layoff	ACIPCO	On March 31, 2020, ACIPCO announced that, effective April 10, 2020, it was laying off 65 employees at its Birmingham plant due to the Coronavirus.
Acquisition	Nucor	In February 2022, Nucor Corp. ("Nucor") completed its acquisition of a majority ownership position (51 percent) in California Steel Industries, Inc. ("CSI") for $400 million. JFE Steel from Japan owns the remaining share of CSI. CSI produces hot rolled, pickled and oiled, cold rolled, and galvanized sheet steels, as well as electric resistance welded pipe in a range of size (outside diameters from 6-5/8 inches to 24 inches) at its plant in Fontana, California. CSI has the capacity to produce 2 million short tons of steel products per year.
Acquisition	Dura-Bond Industries	In April 2022, Dura-Bond Industries purchased U.S. Steel's former electric-resistance weld pipe mill located in McKeesport, Pennsylvania. The company had been leasing the facility since 2017 and had made substantial investments to update the production lines. The purchase includes the 317,000-square-foot McKeesport Tubular Operations building and the 34 acres of land where the plant is located.
Investment	ACIPCO	On March 25, 2024, ACIPCO announced that its "Right Way" Next Generation Melt Project, which targets its Birmingham, Alabama facility, was selected as one of the projects that will receive funding from the U.S. Department of Energy's Office of Clean Energy Demonstrations (OCED) project to accelerate decarbonization. The $185.4 million Next Generation Melt Project is scheduled for completion in 2027 and includes the replacement of ACIPCO's single cupola furnace with four coreless induction furnaces and other new equipment to increase its melt capacity by 25 percent.
Expansion	Welspun Tubular LLC	On November 1, 2024, Welspun Tubular LLC announced an investment of $100 million to expand and upgrade its Arkansas, Texas facility. The expansion is expected to add an additional 175 jobs and the inclusion of pipe sizes up to 24-inch outside diameter and 0.750-inch wall thickness with grades up to X80, adding a capacity of 350,000 metric tons per year to the facility. The upgrade is expected to be completed by December 2025 with production commencing in the first quarter of 2026.

Source: AL.com, "ACIPCO to lay off 65 employees April 10 due to coronavirus," March 31, 2020, retrieved October 29, 2024, https://www.al.com/news/2020/03/acipco-to-lay-off-65-employees-april-10-

due-to-coronavirus.html; AMERICAN, “AMERICAN makes the cut to share in $6 billion in federal finding for decarbonization,” March 25, 2024, retrieved October 29, 2024, https://american-usa.com/news/2024/03/25/american-makes-the-cut-to-share-in-6-billion-in-federal-funding-for-decarbonization-projects; GlobalNewswire, “Welspun Tubular to invest $100 million in Little Rock plant to expand and upgrade current pipe portfolio,” November 1, 2024, retrieved November 5, 2024, https://www.globenewswire.com/news-release/2024/11/01/2973417/0/en/Welspun-Tubular-to-invest-100-million-in-Little-Rock-plant-to-expand-and-upgrade-current-pipe-portfolio.html; The Almanac, “Dura-Bond Purchases Former U.S. Steel Facility,” April 11, 2022, retrieved October 29, 2024, http://almanac.tubecityonline.com/almanac/?e=2704; YouTube, “AMERICAN SpiralWeld Southwest Operations Ribbon Cutting,” October 22, 2022, retrieved October 29, 2024, https://www.youtube.com/watch?v=aLp9oLzPmUQ#:~:text=AMERICAN%20SpiralWeld%20Southwest%20Operations%20Ribbon,cutting%20on%20October%206%2C%202022; Nucor Corp., “Nucor Completes Acquisition of California Steel Industries,” February 3, 2022, https://nucor.com/news-release/nucor-completes-acquisition-of-california-steel-industries-122593; CSI webpage, https://www.californiasteel.com/, retrieved November 21, 2024; CSI, “ERW Pipe,” https://www.californiasteel.com/erw-pipe, retrieved November 21, 2024; Tenaris, “.Tenaris completes acquisition of IPSCO Tubulars from TMK,” January 2, 2020, https://www.tenaris.com/en/news/2020/tenaris-completes-acquisition-of-ipsco-tubulars-from-tmk; Tenaris, “Annual Report 2002,” p. 11, https://ir.tenaris.com/static-files/65757837-8451-4107-a86c-8f653d9e7870. Argus, “Tenaris grows US pipe presence with Ipsco buy,” March 22, 2019, https://www.argusmedia.com/en/news-and-insights/latest-market-news/1871582-tenaris-grows-us-pipe-presence-with-ipsco-buy.

U.S. producers' trade and financial data

The Commission asked domestic interested parties to provide trade and financial data in their response to the notice of institution in the current five-year reviews.[41] Table I-4 presents a compilation of the trade and financial data submitted from all responding U.S. producers in the original investigations and subsequent five-year reviews.

Table I-4
CW line pipe: Trade and financial data submitted by U.S. producers, by period.

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short ton; ratio in percent

Item	Measure	2007	2012	2018	2023
Capacity	Quantity	1,035,515	***	***	1,283,000
Production	Quantity	769,607	***	***	155,924
Capacity utilization	Ratio	74.3	***	***	12.2
U.S. shipments	Quantity	727,701	***	***	140,292
U.S. shipments	Value	757,701	***	***	242,649
U.S. shipments	Unit value	1,042	***	***	1,730
Net sales	Value	780,944	***	***	270,570
COGS	Value	674,102	***	***	234,332
COGS to net sales	Ratio	86.3	***	***	86.6
Gross profit or (loss)	Value	106,842	***	***	36,238
SG&A expenses	Value	37,561	***	***	41,749
Operating income or (loss)	Value	69,281	***	***	(5,511)
Operating income or (loss) to net sales	Ratio	8.9	***	***	(2.0)

Source: For the years 2007, 2012, and 2018, data are compiled using data submitted in the Commission's original investigations, first five-year reviews, and second five-year reviews. For the year 2023, data are compiled using data submitted by domestic interested party. Domestic interested party's response to the notice of institution, October 3, Exhibit 1.

Note: For a discussion of data coverage, please see "U.S. producers" section.

[41] Individual company trade and financial data are presented in app. B.

Definitions of the domestic like product and domestic industry

The domestic like product is defined as the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the subject merchandise. The domestic industry is defined as the U.S. producers as a whole of the domestic like product, or those producers whose collective output of the domestic like product constitutes a major proportion of the total domestic production of the product. Under the related parties provision, the Commission may exclude a U.S. producer from the domestic industry for purposes of its injury determination if "appropriate circumstances" exist.[42] In its original determinations and its expedited first and second five-year review determinations, the Commission defined a single domestic like product consisting of circular welded carbon quality steel line pipe, 16 inches or less in outside diameter, corresponding to Commerce's scope. In its original determinations and its expedited first and second five-year review determinations, the Commission defined a single domestic industry consisting of all domestic producers of line pipe.[43]

[42] Section 771(4)(B) of the Tariff Act of 1930, 19 U.S.C. § 1677(4)(B).
[43] 89 FR 71419, September 3, 2024.

U.S. importers

During the final phase of the original investigations, the Commission received U.S. importer questionnaires from 31 firms, which accounted for approximately *** percent of total U.S. imports of CW line pipe from China.[44] Import data presented in the original investigations are based on official Commerce statistics.

Although the Commission did not receive responses from any respondent interested parties in its first five-year reviews, the domestic interested parties provided a list of 32 firms that may currently import CW line pipe from China.[45] Import data presented in the first reviews are based on official Commerce statistics.

Although the Commission did not receive responses from any respondent interested parties in its second five-year reviews, the domestic interested parties provided a list of 23 firms that may currently import CW line pipe from China.[46] Import data presented in the second reviews are based on official Commerce statistics.

Although the Commission did not receive responses from any respondent interested parties in these current reviews, in its response to the Commission's notice of institution, the domestic interested party provided a list of 16 potential U.S. importers of circular welded carbon quality steel line pipe.[47]

[44] Original confidential report, p. IV-1.
[45] First review publication, p. I-17.
[46] Second review publication, p. I-17.
[47] Domestic interested party's response to the notice of institution, October 3, 2024, Exhibit 1.

U.S. imports

Table I-5 presents the quantity, value, and unit value of U.S. imports from China as well as the other top sources of U.S. imports (shown in descending order of 2023 imports by quantity).

Table I-5
CW line pipe: U.S. imports, by source and period

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short ton

U.S. imports from	Measure	2019	2020	2021	2022	2023
China	Quantity	42	213	34	131	218
South Korea	Quantity	259,434	152,704	286,394	318,709	314,513
Canada	Quantity	2,668	24,427	9,935	38,774	46,307
Mexico	Quantity	50,495	31,594	24,722	64,472	33,666
All other sources	Quantity	291,848	37,463	39,051	68,540	84,544
Nonsubject sources	Quantity	604,445	246,187	360,101	490,495	479,030
All import sources	Quantity	604,487	246,400	360,135	490,626	479,247
China	Value	103	309	91	338	450
South Korea	Value	227,220	91,744	293,557	500,818	396,883
Canada	Value	1,627	34,244	13,390	37,150	46,936
Mexico	Value	55,628	30,831	35,836	114,044	45,482
All other sources	Value	310,217	34,904	55,408	117,505	118,231
Nonsubject sources	Value	594,692	191,724	398,190	769,517	607,532
All import sources	Value	594,795	192,033	398,281	769,854	607,982
China	Unit value	2,447	1,451	2,687	2,584	2,071
South Korea	Unit value	876	601	1,025	1,571	1,262
Canada	Unit value	610	1,402	1,348	958	1,014
Mexico	Unit value	1,102	976	1,450	1,769	1,351
All other sources	Unit value	1,063	932	1,419	1,714	1,398
Nonsubject sources	Unit value	984	779	1,106	1,569	1,268
All import sources	Unit value	984	779	1,106	1,569	1,269

Source: Compiled from official Commerce statistics for HTS statistical reporting numbers 7306.19.1010, 7306.19.1050, 7306.19.5110, and 7306.19.5150, accessed October 22, 2024. These data may be overstated as HTS statistical reporting numbers 7306.19.1010, 7306.19.1050, 7306.19.5110, and 7306.19.5150 may contain products outside the scope of these reviews.

Note: Because of rounding, figure may not add to total shown.

Apparent U.S. consumption and market shares

Table I-6 presents data on U.S. producers' U.S. shipments, U.S. imports, apparent U.S. consumption, and market shares.

Table I-6
CW line pipe: Apparent U.S. consumption and market shares, by source and period

Quantity in short tons; value in 1,000 dollars; shares in percent

Source	Measure	2007	2012	2018	2023
U.S. producers	Quantity	727,185	***	***	140,292
China	Quantity	236,358	8,449	3,293	218
Nonsubject sources	Quantity	412,183	1,065,609	705,047	479,030
All import sources	Quantity	648,541	1,074,058	708,340	479,247
Apparent U.S. consumption	Quantity	1,375,726	***	***	619,539
U.S. producers	Value	757,701	***	***	242,649
China	Value	153,881	7,655	4,228	450
Nonsubject sources	Value	315,411	1,053,180	655,584	607,532
All import sources	Value	469,292	1,060,835	659,812	607,982
Apparent U.S. consumption	Value	1,226,993	***	***	850,631
U.S. producers	Share of quantity	52.9	***	***	22.6
China	Share of quantity	17.2	***	***	0.0
Nonsubject sources	Share of quantity	30.0	***	***	77.3
All import sources	Share of quantity	47.1	***	***	77.4
U.S. producers	Share of value	61.8	***	***	28.5
China	Share of value	12.5	***	***	0.0
Nonsubject sources	Share of value	25.7	***	***	71.4
All import sources	Share of value	38.2	***	***	71.5

Source: For the years 2007, 2012, and 2018, data are compiled using data submitted in the Commission's original investigations, first five-year reviews, and second five-year reviews. For the year 2023, U.S. producers' U.S. shipments are compiled from the domestic interested party's response to the Commission's notice of institution and U.S. imports are compiled using official Commerce statistics under HTS statistical reporting numbers 7306.19.1010, 7306.19.1050, 7306.19.5110, and 7306.19.5150, accessed October 22, 2024.

Note: Share of quantity is the share of apparent U.S. consumption by quantity in percent; share of value is the share of apparent U.S. consumption by value in percent.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

Note: For a discussion of data coverage, please see "U.S. producers" and "U.S. importers" sections.

The industry in China

Producers in China

During the final phase of the original investigations, the Commission issued questionnaires to 65 firms that were identified as possible producers or exporters of line pipe from China. Only a single firm, Kunshan Pearl, provided data, although the staff report also included aggregate information from five companies that produced both standard and structural pipe and line pipe, indicating that those five firms were operating with capacity utilization of 94.4 percent in 2007 (based on operations for all welded pipe). These five firms were: Benxi Northern Steel Pipe Co., Ltd.; Liaoning Northern Steel Pipe Co., Ltd.; Shanghai Alison Steel Pipe Co., Ltd.; Tai Feng Qiao Metal Products Co. Ltd.; and Tianjin Lifengyuanda Steel Group Co., Ltd.[48]

Although the Commission did not receive responses from any respondent interested parties in its first five-year reviews, the domestic interested parties provided a list of 52 possible producers of CW line pipe in China in that proceeding.[49]

Although the Commission did not receive responses from any respondent interested parties in its second five-year reviews, the domestic interested parties provided a list of 35 possible producers of CW line pipe in China in that proceeding.[50]

Although the Commission did not receive responses from any respondent interested parties in these five-year reviews, the domestic interested party provided a list of 16 possible producers of CW line pipe in China.[51]

[48] Original confidential report, p. VII-7.
[49] First review publication, p. I-26.
[50] Second review publication, p. I-21.
[51] Domestic interested party's response to the notice of institution, October 3, 2024, Exhibit 1.

Recent developments

There were no major developments in the Chinese industry since the continuation of the orders identified by interested parties in the proceeding and no relevant information from outside sources was found.

Exports

Table I-7 presents export data for line pipe for oil or gas pipelines, of iron or steel, nesoi, a category that includes CW line pipe and out-of-scope products, from China (by export destination in descending order of quantity for 2023).

Table I-7
Line pipe for oil or gas pipelines, of iron or steel, nesoi: Quantity of exports from China, by destination and period

Quantity in short tons

Destination market	2019	2020	2021	2022	2023
Chile	84,218	56,748	50,532	35,822	44,295
Australia	55,190	40,612	78,883	31,739	43,342
Vietnam	24,755	18,539	11,323	10,652	27,981
Mongolia	394	80	191	6	19,625
Saudi Arabia	5,843	12,155	8,747	6,104	17,324
United Arab Emirates	14,600	2,331	1,111	3,090	11,834
Peru	19,510	15,225	4,964	5,219	10,948
Bangladesh	8,621	9,183	9,713	28,507	10,220
Mexico	2,282	3,219	3,612	6,260	9,709
Brazil	2,724	1,672	3,502	3,597	9,333
All other markets	304,092	241,535	98,531	103,226	121,769
All markets	522,229	401,299	271,109	234,222	326,380

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheading 7306.19, accessed October 22, 2024. These data may be overstated as HS subheading 7306.19 may contain products outside the scope of these reviews.

Note: Because of rounding, figures may not add to totals shown.

Third-country trade actions

Canada's Border Service Agency extended antidumping and countervailing duties in 2022 on goods under the following Harmonized System (HS) classification numbers: 7304.19, 7305.11, 7305.12, 7305.19 and 7306.19 (which includes circular welded carbon quality steel line pipe) originating in or exported from China. These orders were continued after finding that the removal of the orders would result in domestic injury.[52]

On February 1, 2019, the European Commission ("EU") imposed definitive safeguard measures against imports of certain steel products. The EU placed tariff-rate quotas on various types of welded pipes imported under HS subheading 7306.[53] China was allocated 18,010.22 net tons from February 2, 2019, to June 30, 2019; 46,324.96 net tons from July 1, 2019, to June 30, 2020; and 48,641.20 metric tons from July 1, 2020, to June 30, 2021. An additional 25-percent duty rate applies to imports in excess of the aforementioned quantities. In June 2024, the safeguard measures were extended to June 2026.[54]

[52] CBSA, Anti-dumping and countervailing, "Line pipe 1: Measure in force," accessed November 1, 2024, https://www.cbsa-asfc.gc.ca/sima-lmsi/mif-mev/lp1-eng.html.

[53] Global Trade Alert, "EU: Extension of definitive safeguard measure on imports of steel products," https://www.globaltradealert.org/intervention/61213/safeguard/eu-extension-of-definitive-safeguardmeasure-on-imports-of-steel-products, retrieved November 21, 2024

[54] European Commission, "EU prolongs steel safeguard measure until June 2026," June 25, 2024, https://policy.trade.ec.europa.eu/news/eu-prolongs-steel-safeguard-measure-until-june-2026-2024-06-25_en.

The global market

Table I-8 presents global export data for line pipe for oil or gas pipelines, of iron or steel, nesoi, a category that includes CW line pipe and out-of-scope products (by source in descending order of quantity for 2023).

Table I-8
Line pipe for oil or gas pipelines, of iron or steel, nesoi: Quantity of global exports by country and period

Quantity in short tons; NA is not available

Exporting country	2019	2020	2021	2022	2023
South Korea	271,486	222,440	351,698	410,291	344,982
China	522,229	401,299	271,109	234,222	326,380
Nigeria	NA	NA	1.6	326	183,444
India	72,430	32,086	31,590	68,243	65,299
Malaysia	602	24,423	12,052	11,428	61,453
Germany	69,516	36,149	53,567	39,898	56,495
Canada	6,062	24,699	11,663	43,212	55,143
Turkey	153,105	99,469	73,160	76,305	46,617
Greece	56,375	77,467	71,112	74,981	42,422
Poland	41,024	41,491	37,548	48,226	39,661
All other exporters	468,904	269,969	273,236	234,781	162,122
All exporters	1,661,733	1,229,492	1,186,735	1,241,587	1,383,940

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheading 7306.19, accessed October 22, 2024. These data may be overstated as HS subheading 7306.19 may contain products outside the scope of these reviews.

Note: Because of rounding, figures may not add to totals shown.

APPENDIX A

FEDERAL REGISTER NOTICES

The Commission makes available notices relevant to its investigations and reviews on its website, www.usitc.gov. In addition, the following tabulation presents, in chronological order, Federal Register notices issued by the Commission and Commerce during the current proceeding.

Citation	Title	Link
89 FR 71252 September 3, 2024	*Initiation of Five-Year (Sunset) Reviews*	https://www.govinfo.gov/content/pkg/FR-2024-09-03/pdf/2024-19716.pdf
84 FR 71419 September 3, 2024	*Circular Welded Carbon Quality Steel Line Pipe From China; Institution of Five-Year Reviews*	https://www.govinfo.gov/content/pkg/FR-2024-09-03/pdf/2024-19666.pdf

APPENDIX B

RESPONSES TO THE NOTICE OF INSTITUTION

Responses to the Commission's notice of institution

Individual responses

The Commission received one submission in response to its notice of institution in the subject reviews. It was filed on behalf of the American Line Pipe Producers Association ("ALPPA"), a trade association that a majority of members manufacture, produce or wholesale circular welded carbon quality steel line pipe (collectively referred to herein as "domestic interested party")[1]

A complete response to the Commission's notice of institution requires that the responding interested party submit to the Commission all the information listed in the notice. Responding firms are given an opportunity to remedy or explain deficiencies in their responses and to provide clarifying details where appropriate. A summary of the number of responses and estimates of coverage for each is shown in table B-1.

Table B-1
CW line pipe: Summary of responses to the Commission's notice of institution

Interested party type	Number	Coverage
U.S. trade association	1	***%

Note: The U.S. trade association coverage figure presented is the domestic interested party's estimate of its share of total U.S. production of circular welded carbon quality steel line pipe during 2023. Domestic interested party's response to the notice of institution, October 3, 2024. Exhibit 1.

Party comments on adequacy

The Commission received party comments on the adequacy of responses to the notice of institution and whether the Commission should conduct expedited or full reviews from the domestic interested parties. The domestic interested parties request that the Commission conduct expedited reviews of the antidumping and countervailing duty orders on circular welded carbon quality steel line pipe.[2]

[1] The members of trade association are as follows: American Cast Iron Pipe Company ("ACIPCO"), Axis Pipe and Tube, LLC, Dura-Bond Industries, and Welspun Tubular LLC ("Welspun").

[2] Domestic interested party's' comments on adequacy, November 8, p. 1.

Company-specific information

Table B-2
Circular welded carbon quality steel line pipe: Response checklist for U.S. producers

Yes = provided response; no = did not provide a response; NA = not available; not known = information was not known

Item	American Line Pipe Producers Association ("ALPPA")
Nature of operation	Yes
Statement of intent to participate	Yes
Statement of likely effects of revoking the order	Yes
U.S. producer list	Yes
U.S. importer/foreign producer list	Yes
List of 3-5 leading purchasers	Yes
List of sources for national/regional prices	Yes
Trade/financial data	Yes
Changes in supply/demand	Yes
Complete response	Yes

APPENDIX C

SUMMARY DATA COMPILED IN PREVIOUS PROCEEDINGS

Table C-1

Circular welded steel line pipe: Summary data concerning the U.S. market, 2005-07, January-September 2007, and January-September 2008

(Quantity=short tons, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per short ton; period changes=percent, except where noted)

	Reported data					Period changes			
				January-September					Jan.-Sept.
Item	2005	2006	2007	2007	2008	2005-07	2005-06	2006-07	2007-08
U.S. consumption quantity:									
Amount	872,471	1,403,335	1,375,726	1,092,875	1,083,406	57.7	60.8	-2.0	-0.9
Producers' share (1)	59.9	49.5	52.9	54.0	55.5	-7.1	-10.5	3.4	1.5
Importers' share (1):									
Subject U.S. imports from--									
China	1.8	12.1	17.2	16.2	10.3	15.4	10.3	5.1	-5.9
Nonsubject U.S. imports from--									
China (multiple-stenciled)	1.4	3.9	3.2	3.6	0.6	1.8	2.5	-0.7	-3.0
Korea	10.1	13.3	13.0	12.5	14.8	2.9	3.2	-0.3	2.3
All other sources	26.8	21.3	13.8	13.7	18.7	-13.0	-5.5	-7.5	5.0
Nonsubject subtotal	38.3	38.5	30.0	29.9	34.2	-8.3	0.2	-8.5	4.4
Total imports	40.1	50.5	47.1	46.0	44.5	7.1	10.5	-3.4	-1.5
U.S. consumption value:									
Amount	780,174	1,212,303	1,226,993	976,316	1,247,711	57.3	55.4	1.2	27.8
Producers' share (1)	65.1	57.3	61.8	62.6	64.0	-3.3	-7.8	4.5	1.4
Importers' share (1):									
Subject U.S. imports from--									
China	1.5	8.7	12.5	12.1	6.7	11.1	7.2	3.8	-5.3
Nonsubject U.S. imports from--									
China (multiple-stenciled)	1.0	2.6	2.2	2.5	0.4	1.3	1.6	-0.4	-2.1
Korea	8.6	10.5	10.8	10.3	10.7	2.2	1.8	0.4	0.3
All other sources	23.8	20.9	12.7	12.5	18.2	-11.2	-2.9	-8.3	5.7
Nonsubject subtotal	33.4	34.0	25.7	25.3	29.2	-7.7	0.6	-8.3	3.9
Total imports	34.9	42.7	38.2	37.4	36.0	3.3	7.8	-4.5	-1.4
Subject U.S. imports from:									
China (minus multiple stenciled):									
Quantity	15,549	169,652	236,358	176,730	111,125	1420.1	991.1	39.3	-37.1
Value	11,543	105,754	153,881	117,734	84,042	1233.1	816.2	45.5	-28.6
Unit value	$742	$623	$651	$666	$756	-12.3	-16.0	4.4	13.5
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Nonsubject U.S. imports from:									
China (multiple-stenciled)									
Quantity	12,124	54,705	44,462	39,580	7,006	266.7	351.2	-18.7	-82.3
Value	7,648	31,793	27,477	24,456	5,034	259.3	315.7	-13.6	-79.4
Unit value	$631	$581	$618	$618	$719	-2.0	-7.9	6.3	16.3
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Korea:									
Quantity	87,923	186,285	178,177	136,778	160,669	102.7	111.9	-4.4	17.5
Value	67,417	126,705	132,660	101,010	132,885	96.8	87.9	4.7	31.6
Unit value	$767	$680	$745	$738	$827	-2.9	-11.3	9.5	12.0
Ending inventory quantity	***	***	***	***	***	***	***	***	***
All other sources:									
Quantity	234,044	298,681	189,544	149,877	203,114	-19.0	27.6	-36.5	35.5
Value	185,863	253,886	155,275	121,595	226,723	-16.5	36.6	-38.8	86.5
Unit value	$794	$850	$819	$811	$1,116	3.2	7.0	-3.6	37.6
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Subtotal, nonsubject imports:									
Quantity	334,091	539,671	412,183	326,235	370,789	23.4	61.5	-23.6	13.7
Value	260,929	412,384	315,411	247,061	364,642	20.9	58.0	-23.5	47.6
Unit value	$781	$764	$765	$757	$983	-2.0	-2.2	0.1	29.9
Ending inventory quantity	***	***	***	***	***	***	***	***	***
All sources:									
Quantity	349,640	709,323	648,541	502,966	481,914	85.5	102.9	-8.6	-4.2
Value	272,471	518,138	469,292	364,795	448,684	72.2	90.2	-9.4	23.0
Unit value	$779	$730	$724	$725	$931	-7.1	-6.3	-0.9	28.4
Ending inventory quantity	***	***	***	***	***	***	***	***	***

Table continued on next page.

Table C-1--Continued

Circular welded steel line pipe: Summary data concerning the U.S. market, 2005-07, January-September 2007, and January-September 2008

(Quantity=short tons, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per short ton; period changes=percent, except where noted)

	Reported data					Period changes			
				January-September					Jan.-Sept.
Item	2005	2006	2007	2007	2008	2005-07	2005-06	2006-07	2007-08
U.S. producers':									
Average capacity quantity	946,891	947,312	1,035,515	835,464	805,361	9.4	0.0	9.3	-3.6
Production quantity	570,076	749,202	769,607	621,294	601,226	35.0	31.4	2.7	-3.2
Capacity utilization (1)	60.2	79.1	74.3	74.4	74.7	14.1	18.9	-4.8	0.3
U.S. shipments:									
Quantity	522,831	694,012	727,185	589,909	601,492	39.1	32.7	4.8	2.0
Value	507,703	694,165	757,701	611,521	799,027	49.2	36.7	9.2	30.7
Unit value	$971	$1,000	$1,042	$1,037	$1,328	7.3	3.0	4.2	28.1
Export shipments:									
Quantity	60,968	50,293	16,401	13,435	***	-73.1	-17.5	-67.4	***
Value	61,653	53,030	16,634	13,725	***	-73.0	-14.0	-68.6	***
Unit value	$1,011	$1,054	$1,014	$1,022	***	0.3	4.3	-3.8	***
Ending inventory quantity	44,254	49,637	78,920	70,542	57,688	78.3	12.2	59.0	-18.2
Inventories/total shipments (1)	7.6	6.7	10.6	8.8	***	3.0	-0.9	3.9	***
Production workers	770	919	1,028	1,050	960	33.5	19.4	11.9	-8.6
Hours worked (1,000s)	1,472	1,869	2,069	1,616	1,495	40.5	26.9	10.7	-7.5
Wages paid ($1,000s)	34,271	42,841	47,892	36,166	38,246	39.7	25.0	11.8	5.7
Hourly wages	$23.28	$22.92	$23.14	$22.38	$25.59	-0.6	-1.5	1.0	14.3
Productivity (tons/1,000 hours)	387.2	400.9	371.9	384.4	402.3	-3.9	3.5	-7.2	4.6
Unit labor costs	$60.12	$57.18	$62.23	$58.21	$63.61	3.5	-4.9	8.8	9.3
Net sales:									
Quantity	586,170	745,701	741,853	582,055	617,520	26.6	27.2	-0.5	6.1
Value	574,930	749,831	780,944	611,348	815,734	35.8	30.4	4.1	33.4
Unit value	$981	$1,006	$1,053	$1,050	$1,321	7.3	2.5	4.7	25.8
Cost of goods sold (COGS)	457,816	577,876	674,102	520,254	614,386	47.2	26.2	16.7	18.1
Gross profit or (loss)	117,114	171,955	106,842	91,094	201,348	-8.8	46.8	-37.9	121.0
SG&A expenses	23,599	34,702	37,561	28,861	32,421	59.2	47.0	8.2	12.3
Operating income or (loss)	93,515	137,253	69,281	62,233	168,927	-25.9	46.8	-49.5	171.4
Capital expenditures	7,916	11,395	11,054	7,693	7,554	39.6	43.9	-3.0	-1.8
Unit COGS	$781	$775	$909	$894	$995	16.3	-0.8	17.3	11.3
Unit SG&A expenses	$40	$47	$51	$50	$53	25.8	15.6	8.8	5.9
Unit operating income or (loss)	$160	$184	$93	$107	$274	-41.5	15.4	-49.3	155.9
COGS/sales (1)	79.6	77.1	86.3	85.1	75.3	6.7	-2.6	9.3	-9.8
Operating income or (loss)/ sales (1)	16.3	18.3	8.9	10.2	20.7	-7.4	2.0	-9.4	10.5

(1) "Reported data" are in percent and "period changes" are in percentage points.

Note.--Figures for China (subject) are based on official statistics of the U.S. Department of Commerce less the figures reported by importers for excluded multiple-stenciled pipe.

Note.--Financial data are reported on a fiscal year basis and may not necessarily be comparable to data reported on a calendar year basis. Because of rounding, figures may not add to the totals shown. Unit values and shares are calculated from the unrounded figures.

Source: Compiled from official statistics of the U.S. Department of Commerce and data submitted in response to Commission questionnaires.

APPENDIX D

PURCHASER QUESTIONNAIRE RESPONSES

As part of their response to the notice of institution, interested parties were asked to provide a list of three to five leading purchasers in the U.S. market for the domestic like product. A response was received from domestic interested parties, and it provided contact information for the following five firms as top purchasers of circular welded carbon quality steel line pipe: ***. Purchaser questionnaires were sent to these five firms, and none submitted a response to the Commission's request for information.