C-570-982
Sunset Review (2018)
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DATE: May 4, 2018

MEMORANDUM TO: Gary Taverman
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations,
performing the non-exclusive functions and duties of the
Assistant Secretary for Enforcement and Compliance

FROM: James Maeder
Associate Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations,
performing the duties of the Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations

SUBJECT: Issues and Decision Memorandum for the Final Results of the Expedited First Sunset Review of the Countervailing Duty Order on Utility Scale Wind Towers from the People's Republic of China

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SUMMARY

In this first sunset review of the countervailing duty (CVD) order covering utility scale wind towers (wind towers) from the People's Republic of China (China), the Wind Tower Trade Coalition (WTTC),[1] the petitioner in the underlying investigation and a domestic interested party, submitted an adequate substantive response. No respondent interested party submitted a substantive response.

In accordance with our analysis of the domestic interested party's substantive response, we recommend that you approve the positions described in the "Discussion of the Issues" section of this memorandum. Below is the complete list of the issues that we address in this expedited sunset review:

1. Likelihood of Continuation or Recurrence of a Countervailable Subsidy
2. Net Countervailable Subsidy Likely to Prevail

[1] The current member companies of WTTC are Broadwind Towers, Inc., GRI Towers Texas Inc., Trinity Structural Towers, Inc., and Ventower Industries LLC.

3. Nature of the Subsidy

BACKGROUND

On February 15, 2013, the Department of Commerce (Commerce) published the *Order* on wind towers from China.[2] On January 2, 2018, Commerce initiated the first sunset review of the *Order* pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act) and 19 CFR 351.218(c).[3] On January 17, 2018, we received a notice of intent to participate in the sunset review from WTTC within the deadline specified in 19 CFR 351.218(d)(1)(i).[4] WTTC claimed interested party status under section 771(9)(C) and (F) of the Act, as manufacturers, producers, or wholesalers in the United States of the domestic like product and as an association composed of domestic manufacturers, producers, or wholesalers. On February 5, 2018, we received a substantive response from WTTC, in accordance with 19 CFR 351.218(d)(3)(i).[5] We did not receive a response from the Government of China (GOC) or any Chinese producer or exporter of merchandise covered by the *Order*.

In accordance with section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C), because Commerce did not receive any substantive response from the GOC, pursuant to 19 CFR 351.218(e)(1)(ii)(B), or from a respondent party, pursuant to 19 CFR 351.218(e)(1)(ii)(C), we deem that the respondent interested parties did not provide an adequate response to the notice of initiation. Therefore, consistent with 19 CFR 351.218(e)(1)(ii)(B)(2) and 19 CFR 351.218(e)(1)(ii)(C)(2), we conducted an expedited sunset review of the *Order* and are issuing the final results of review no later than 120 days after the date of publication of the notice of initiation. However, Commerce exercised its discretion to toll deadlines for the duration of the closure of the Federal Government from January 20 through 22, 2018. If the new deadline falls on a non-business day, in accordance with Commerce's practice, the deadline will become the next business day. The revised deadline for the final results of this sunset review is May 7, 2018.[6]

HISTORY OF THE ORDER

On December 26, 2012, Commerce published its final determination that countervailable subsidies are being provided to producers and exporters of wind towers from China.[7] We

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[2] *See Utility Scale Wind Towers from the People's Republic of China: Countervailing Duty Order*, 78 FR 11152 (February 15, 2013) (*Order*).
[3] *See Initiation of Five-Year (Sunset) Reviews*, 83 FR 100 (January 2, 2018).
[4] *See* Letter from WTTC regarding "Notice of Intent to Participate in Sunset Review," dated January 17, 2018.
[5] *See* Letter from WTTC regarding "Substantive Response to Notice of Initiation of Sunset Review," dated February 5, 2018 (WTTC Substantive Response).
[6] *See* Memorandum for The Record from Christian Marsh, Deputy Assistant Secretary for Enforcement and Compliance, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance, "Deadlines Affected by the Shutdown of the Federal Government" (Tolling Memorandum), dated January 23, 2018. All deadlines in this segment of the proceeding affected by the closure of the Federal Government have been extended by three days.
[7] *See Utility Scale Wind Towers from the People's Republic of China: Final Affirmative Countervailing Duty Determination*, 77 FR 75978 (December 26, 2012) (*Final Determination*), and accompanying Issues and Decision Memorandum (IDM).

calculated an estimated net countervailable subsidy rate of 21.86 percent *ad valorem* for CS Wind China Co., Ltd., CS Wind Tech (Shanghai) Co., Ltd., and CS Wind Corporation (collectively, CS Wind); an estimated net countervailable subsidy rate of 34.81 percent *ad valorem* for Titan Wind Energy (Suzhou) Co. Ltd. (Titan Wind), Titan Lianyungang Metal Product Co. Ltd. (Titan Lianyungang), Baotou Titan Wind Power Equipment Co., Ltd. (Titan Baotou), and Shenyang Titan Metal Co., Ltd. (Titan Shenyang) (collectively, the Titan Companies); and an estimated net countervailable subsidy rate of 28.34 percent *ad valorem* for all other producers and exporters of subject merchandise.[8]

For the period of investigation (POI), we found that CS Wind received countervailable subsidies from the following nine programs:[9]

1. Policy Lending to the Renewable Energy Industry (0.03 percent);
2. Two Free, Three Half Program for Foreign Invested Enterprises (FIEs) (0.32 percent);
3. Income Tax Benefits for FIEs Based on Geographic Location (0.09 percent);
4. Import Tariff and Value Added Tax (VAT) Exemptions for Use of Imported Equipment (0.14 percent);
5. Provision of Hot-Rolled Steel (HRS) for Less Than Adequate Remuneration (LTAR) (9.88 percent);
6. Provision of Electricity for LTAR (0.29 percent);
7. Support Funds for Construction of Project Infrastructure Provided by the Administration Commission of Lianyungang Economic and Technological Development Zone (LETDZ) (0.55 percent);
8. Award for Good Performance in Paying Taxes (0.02 percent); and
9. Export Buyer's Credits (10.54 percent).[10]

We found that the Titan Companies received countervailable subsidies from the following 10 programs during the POI:[11]

1. Policy Lending to the Renewable Energy Industry (0.27 percent);
2. Two Free, Three Half Program for FIEs (1.22 percent);
3. Enterprise Income Tax Law (EITL) Research and Development (R&D) Tax Program (0.24 percent);
4. Provision of HRS for LTAR (21.90 percent);
5. Provision of Electricity for LTAR (0.53 percent);
6. Award of Taicang City to Promote Development of Industrial Economy for the Three-year Period of 2010 to 2012 (0.02 percent);
7. Award of Taicang City to Support Public Listing of Enterprises (0.06 percent);
8. Special Funds for Development of Science and Technology (0.01 percent);
9. Award to Titan Baotou for Rare Earth High-and-New Technology Industrial

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[8] The all others rate is a simple average of the rates calculated for the two mandatory respondents. *See Final Determination*, 77 FR at 75979.
[9] *See Final Determination* IDM at 15-25.
[10] Adverse Facts Available (AFA) plug-in rate.
[11] *See Final Determination* IDM at 15-25.

Development Zone for Excellent Construction Projects (0.02 percent); and
10. Export Buyer's Credits (10.54 percent).[12]

We found that CS Wind and the Titan Companies did not apply for, use, or receive countervailable benefits under the following programs:[13]

1. Production Expansion and Stable Employment Award;
2. Bonus for Quality System Authentication (Award of Taicang City for Cell Projects of Eco-City Construction (Environmental System Certification Award));
3. Encouragement for Expanding Domestic Market (Awards of Expanding Domestic Demands and Encouraging Consumption);
4. Bonus for Foreign Trade Promotion (Awards of Taicang City to Promote Foreign Trade Development);
5. Support Fund for Small and Medium-Sized Enterprises (Support and Development Funds of Taicang City for Small and Medium-Sized Enterprises);
6. Bonus for Significant Increase in Tax Payment (Awards of Taicang City to Encourage Enterprise Development and Tax Payment);
7. Bonus for Environment-friendly Production (Green Production Awards);
8. Support Fund (Industry Support Funds of Huangpu District);
9. Energy Saving Fund (Special Funds for Energy Conservation);
10. Patent Promotion Fund (Patent Special Funds of Taicang City);
11. Science and Technology Development Fund (Special Funds of Jiangsu Province for Science and Technology Support Program);
12. Support Fund for Industrial Upgrading (Special Funds of Jiangsu Province for Industry Transformation and Upgrading);
13. Bonus for Obtaining Patent;
14. Export Product R&D Fund;
15. Subsidies for Development of Famous Brands and China World Top Brands;
16. Sub-Central Government Subsidies for Development of Famous Brands and China World Top Brands;
17. Special Energy Fund of Shandong Province;
18. National Defense Science and Technology Industry Grants for the Wind Power Equipment Industry;
19. Funds for Outward Expansion of Industries in Guangdong Province;
20. Renewable Energy Development Fund;
21. Special Fund for Wind Power Manufacturing Grants;
22. Government Provision of Aluminum for LTAR;
23. Government Provision of Land-Use Rights to State-Owned Enterprises for LTAR;
24. Government Provision of Land-Use Rights by the Hunan Province Government for LTAR;
25. Income Tax Reductions for Export-Oriented FIEs;
26. Local Income Tax Exemption and Reduction Programs for Productive FIEs;
27. Tax Reductions for FIEs Purchasing Chinese-Made Equipment;
28. Tax Refunds for Reinvestment of FIE Profits in Export-Oriented Enterprises;

[12] AFA plug-in rate.
[13] *See Final Determination* IDM at 25-27.

29. Preferential Tax Programs for FIEs Recognized as High or New Technology Enterprises;
30. Tax Offsets for R&D for FIEs;
31. City Tax and Surcharge Exemptions for FIEs;
32. Tax Reductions for High and New-Technology Enterprises Involved in Designated Projects;
33. Preferential Income Tax Policy for Enterprises in the Northeast Region;
34. Forgiveness of Tax Arrears for Enterprises Located in the Old Industrial Bases of Northeast China;
35. Hunan Province Special Fund for Renewable Energy Development;
36. VAT Rebates on FIE Purchases of Chinese-Made Equipment;
37. VAT and Tariff Exemptions for Purchases of Fixed Assets Under the Foreign Trade Development Fund Program;
38. Tax Benefits for Imported Large Power Wind Turbine System Key Components and Raw Materials;
39. Export Seller's Credits under Export Credit Subsidy Programs; and
40. Export Guarantees and Insurance for Green Technology.

On February 15, 2013, Commerce published the *Order* on wind towers from China and applied a cash deposit rate of 21.86 percent *ad valorem* for CS Wind, 34.81 percent *ad valorem* for the Titan Companies, and 28.34 percent *ad valorem* for "all other" companies.

Since the issuance of the *Order*, Commerce has not completed an administrative review.[14]

SCOPE OF THE ORDER

The merchandise covered by this *Order* are certain wind towers, whether or not tapered, and sections thereof. Certain wind towers are designed to support the nacelle and rotor blades in a wind turbine with a minimum rated electrical power generation capacity in excess of 100 kilowatts and with a minimum height of 50 meters measured from the base of the tower to the bottom of the nacelle (*i.e.*, where the top of the tower and nacelle are joined) when fully assembled.

A wind tower section consists of, at a minimum, multiple steel plates rolled into cylindrical or conical shapes and welded together (or otherwise attached) to form a steel shell, regardless of coating, end-finish, painting, treatment, or method of manufacture, and with or without flanges, doors, or internal or external components (*e.g.*, flooring/decking, ladders, lifts, electrical buss boxes, electrical cabling, conduit, cable harness for nacelle generator, interior lighting, tool and storage lockers) attached to the wind tower section. Several wind tower sections are normally required to form a completed wind tower.

[14] Commerce initiated administrative reviews each year after the issuance of the *Order*, but later rescinded these reviews after all review requests were timely withdrawn. *See Utility Scale Wind Towers from the People's Republic of China*, 79 FR 36471 (June 27, 2014); *Utility Scale Wind Towers from the People's Republic of China*, 80 FR 42478 (July 17, 2015); *Utility Scale Wind Towers from the People's Republic of China*, 81 FR 48384 (July 25, 2016); *Utility Scale Wind Towers from the People's Republic of China*, 82 FR 27465 (June 15, 2017).

Wind towers and sections thereof are included within the scope whether or not they are joined with nonsubject merchandise, such as nacelles or rotor blades, and whether or not they have internal or external components attached to the subject merchandise.

Specifically excluded from the scope are nacelles and rotor blades, regardless of whether they are attached to the wind tower. Also excluded are any internal or external components which are not attached to the wind towers or sections thereof.

Merchandise covered by the *Order* is currently classified in the Harmonized Tariff System of the United States (HTSUS) under subheadings 7308.20.0020[15] or 8502.31.0000.[16] Prior to 2011, merchandise covered by the *Order* was classified in the HTSUS under subheading 7308.20.0000 and may continue to be to some degree. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the *Order* is dispositive.

DISCUSSION OF THE ISSUES

In accordance with section 751(c)(1) of the Act, Commerce is conducting this sunset review to determine whether revocation of the *Order* would be likely to lead to continuation or recurrence of a countervailable subsidy. Section 752(b) of the Act provides that, in making this determination, Commerce shall consider: 1) the net countervailable subsidy determined in the investigation and any subsequent reviews, and 2) whether any changes in the programs which gave rise to the net countervailable subsidy have occurred that are likely to affect the net countervailable subsidy.

Pursuant to section 752(b)(3) of the Act, Commerce shall provide to the International Trade Commission (ITC) the net countervailable subsidy rate likely to prevail if the *Order* were revoked. In addition, consistent with section 752(a)(6) of the Act, Commerce shall provide to the ITC information concerning the nature of the subsidy and whether it is a subsidy described in Article 3 or Article 6.1 of the 1994 World Trade Organization (WTO) Agreement on Subsidies and Countervailing Measures (ASCM).

1. Likelihood of Continuation or Recurrence of a Countervailable Subsidy

Domestic Interested Party's Comments: WTTC argues that Commerce should find that revocation of the *Order* would likely lead to the continuation or recurrence of countervailable subsidies to Chinese wind tower producers or exporters. WTTC states that the virtual absence of subject imports since the issuance of the *Order* demonstrates that Chinese producers and exporters of subject merchandise are unable to sell wind towers in the U.S. market without receiving countervailable subsidies.[17] WTTC notes that, in the investigation, Commerce determined that CS Wind and the Titan Companies benefitted from countervailable subsidies and

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[15] Wind towers are classified under HTSUS 7308.20.0020 when imported as a tower or tower section(s) alone.
[16] Wind towers may also be classified under HTSUS 8502.31.0000 when imported as part of a wind turbine (*i.e.*, accompanying nacelles and/or rotor blades).
[17] *See* WTTC Substantive Response at 7 and Exhibit 1.

calculated a subsidy rate of 21.86 percent for CS Wind, 34.81 percent for the Titan Companies, and 28.34 percent for all others.[18]

WTTC argues that there is no evidence to suggest that Chinese producers do not continue to benefit from the same countervailable subsidy programs that they did prior to the imposition of the *Order*. WTTC states that subsidy rates calculated in the investigation were above *de minimis,* and nothing indicates that the countervailable programs have changed or ceased. Thus, WTTC asserts that Commerce should determine that there is a strong likelihood of continuation or recurrence of countervailable subsidies if the *Order* were revoked.

Commerce's Position: In determining the likelihood of continuation or recurrence of a countervailable subsidy, section 752(b)(1) of the Act directs Commerce to consider the net countervailable subsidy determined in the investigation and subsequent reviews, and whether there has been any change in a program found to be countervailable that is likely to affect the net countervailable subsidy. Further, in accordance with the Statement of Administrative Action (SAA), Commerce will consider the net countervailable subsidies in effect after the issuance of the order and whether the relevant subsidy programs have been continued, modified, or eliminated.[19] The SAA adds that continuation of a program will be highly probative of the likelihood of continuation or recurrence of countervailable subsidies.[20] Additionally, the presence of programs that have not been used, but also have not been terminated without residual benefits or replacement programs, is also probative of the likelihood of continuation or recurrence of a countervailable subsidy.[21] Where a subsidy program is found to exist, Commerce will normally determine that revocation of the CVD order is likely to lead to continuation or recurrence of a countervailable subsidy, regardless of the level of subsidization.[22]

As indicated above, Commerce has not conducted any administrative reviews of the *Order* since it went into effect, and no party submitted evidence to demonstrate that the countervailable programs have expired or been terminated. Additionally, no party has submitted evidence indicating that there has been any change in a program found to be countervailable during the investigation. Thus, based on the facts on the record, Commerce determines that there is a likelihood of continuation or recurrence of countervailable subsidies because the record in this proceeding indicates that the subsidy programs found countervailable during the investigation continue to exist and be used.

2. Net Countervailable Subsidy Likely to Prevail

Domestic Interested Party's Comments: Citing to the *Sunset Policy Bulletin*,[23] WTTC states that Commerce will normally provide to the ITC the net countervailable subsidy that was

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[18] *Id.* at 8 (citing *Order*, 78 FR at 11152).
[19] *See* SAA, H. Doc. No. 316, 103d Cong., 2d Session, Vol. 1 (1994) at 888.
[20] *Id*.
[21] *See, e.g., Certain Hot-Rolled Flat-Rolled Carbon-Quality Steel Products from Brazil: Final Results of Full Sunset Review of Countervailing Duty Order*, 75 FR 75455 (December 3, 2010), and accompanying IDM at Comment 1.
[22] *Id*.
[23] *See Policies Regarding Conduct of Five Year (Sunset) Reviews of Antidumping and Countervailing Duty Orders;*

determined in the final determination of the investigation because it "is the only calculated rate that reflects the behavior of exporters… without the discipline of an order or suspension agreement in place."[24] Thus, Commerce should report to the ITC that the magnitude of the subsidy rate likely to prevail, if the *Order* is revoked, is 28.34 percent.

***Commerce's Position*:** Consistent with the SAA and legislative history, Commerce normally will provide to the ITC the net countervailable subsidy that was determined in the investigation as the subsidy rate likely to prevail if the order is revoked because that is the only calculated rate that reflects the behavior of exporters and foreign governments without the discipline of an order in place.[25] Section 752(b)(l)(B) of the Act provides, however, that Commerce will consider whether any change in a program, which gave rise to the net countervailable subsidy determined in the investigation or subsequent reviews, has occurred that is likely to affect the net countervailable subsidy. Therefore, although the SAA and House Report provide that Commerce normally will select a rate from the investigation, this rate may not be the most appropriate if, for example, the rate was derived (in whole or part) from subsidy programs which were found in subsequent reviews to be terminated, there has been a program-wide change, or the rate ignores a program found to be countervailable in a subsequent administrative review.[26]

In this instance, however, Commerce has conducted no administrative reviews and no evidence has been provided that would warrant making a change to the net countervailable subsidy rate found for Chinese producers and exporters of wind towers in the investigation. Therefore, Commerce determines that the following subsidy rates found in the investigation are the net countervailable subsidy rates likely to prevail were the *Order* to be revoked: 21.86 percent for CS Wind, 34.81 percent for Titan Companies, and 28.34 percent for all others.[27] Commerce will report these subsidy rates to the ITC, in accordance with section 752(b)(3) of the Act.

3. Nature of the Subsidy

Consistent with section 752(a)(6) of the Act, Commerce is providing the following information to the ITC concerning the nature of the subsidies and whether the subsidies are subsidies as described in Article 3 or Article 6.1 of the ASCM. We note that Article 6.1 of the ASCM expired effective January 1, 2000.

The following programs provide export subsidies as described in Article 3 of the ASCM:

Policy Bulletin, 63 FR 18871 (April 16, 1998) (*Sunset Policy Bulletin*).
[24] *Id.* at 18873.
[25] *See* SAA at 890; and House Report, H.R. Rep. No. 103-826 (1994) at 64.
[26] *See, e.g., Stainless Steel Sheet and Strip in Coils from the Republic of Korea: Final Results of Expedited Second Sunset Review*, 75 FR 62101 (October 7, 2010), and accompanying IDM at Comment 2.
[27] *See Order*, 78 FR at 11152.

1. Policy Lending to the Renewable Energy Industry: Under this program, financial institutions provide preferential loans in the form of export invoice financing to companies in the renewable energy industry.[28]

2. Export Buyer's Credits: The Export-Import Bank of China provides loans at preferential rates for the purchase of exported goods from China.[29]

The following programs do not fall within the meaning of Article 3.1 of the ASCM. These subsidies could fall within the meaning of Article 6.1 of the ASCM if they constitute debt forgiveness, grants to cover debt repayment, subsidies to cover operating losses sustained by an industry or enterprise, or if the amount of the subsidy exceeds five percent as measured in accordance with Annex IV of the ASCM. However, there is insufficient information on the record of this review for Commerce to make such a determination. We are, in any case, providing the ITC with the following program descriptions:

1. Two Free, Three Half Program for FIEs: Under Article 8 of the Income Tax Law of the People's Republic of China for Enterprises with Foreign Investment and Foreign Enterprises (FIE Tax Law), an FIE that is productive and scheduled to operate for more than 10 years is exempt from income tax in the first two years of profitability and pays income taxes at half the standard rate for the next three years. Though the GOC reported that this program was terminated effective January 1, 2008, companies that enjoyed the preference were permitted to continue paying taxes at reduced rates.[30]

2. Income Tax Benefits for FIEs Based on Geographic Location: Article 7 of the FIE Tax Law permits productive FIEs established in a coastal economic development zone, special economic zone, or economic technology development zone to pay a reduced corporate income tax rate of either 15 or 24 percent, depending on the zone. Despite the January 2008 effective date of the unified tax rate of 25 percent, those enterprises that benefitted from the reduced tax rate continued to enjoy those benefits.[31]

3. EITL R&D Program: Article 30.1 of the EITL allows for the deduction of R&D expenditures by companies, permitting enterprises to deduct research expenditures incurred in the development of new technologies, products, and processes. Article 95 of Regulation 512 provides that, if eligible research expenditures do not form part of the intangible assets value, an additional 50 percent deduction from taxable income may be taken on top of the actual accrual amount. Where the expenditures form the value of certain intangible assets, the expenditures may be amortized based on 150 percent of the intangible assets costs.[32]

4. Import Tariff and VAT Exemptions for Use of Imported Equipment: Enacted in 1997, the Circular of the State Council on Adjusting Tax Policies on Imported Equipment (GUOFA No. 37) exempts both FIEs and certain domestic enterprises from VAT and

[28] *See Final Determination* IDM at 15-16.
[29] *Id*. at 25.
[30] *Id.* at 16-17.
[31] *Id*. at 17-18.
[32] *Id*. at 18-19.

tariffs on imported equipment used in their production, provided such equipment is not included in prescribed lists of non-eligible items. This program encourages foreign investment and the introduction of foreign advanced technology equipment and industry technology upgrades. The Announcement of the Ministry of Finance, China Customs, and State Administration of Taxation, No. 43 (2008) terminated the VAT exemption. This indirect tax/import charge exemption, however, is provided for, or tied to, the capital structure or capital assets of a firm, and thus is a non-recurring subsidy which may continue to provide benefits.[33]

5. Provision of HRS for LTAR: Commerce determined that the domestic producers of the HRS inputs purchased by the respondents during the POI are government authorities within the meaning of section 771(5)(B) of the Act. Commerce thus determined that the HRS sold by these domestic input producers constitute a financial contribution in the form of a provision of a good under section 771(5)(D)(iii) of the Act, and that the companies received a benefit to the extent that the price they paid for the HRS, produced by government authorities, was for LTAR within the meaning of section 771(5)(E)(iv) of the Act. Commerce also found this program to be specific to wind tower producers within the meaning of section 771(5A) of the Act.[34]

6. Provision of Electricity for LTAR: Commerce found that companies receive a countervailable subsidy through the purchase of electricity from the government. Commerce determined that the GOC provides a financial contribution in the form of a good, which is specific within the meaning of sections 771(5)(D)(iii) and 771(5A)(D) of the Act. Commerce also determined that companies receive a benefit to the extent that the price paid for electricity is LTAR within the meaning of section 771(5)(E)(iv) of the Act and 19 CFR 351.511.[35]

7. Support Funds for Construction of Project Infrastructure Provided by Administration Commission of LETDZ: The LETDZ Administration Committee provides grants to companies that invest in the LETDZ.[36]

8. Award for Good Performance in Paying Taxes: The LETDZ Administration Committee provides grants to the top 20 income tax-paying companies located in the LETDZ for their good performance in paying taxes.[37]

9. Award for Taicang City to Support Public Listing of Enterprises: The Taicang City government provides grants to companies that successfully list on the Shenzhen Stock Exchange.[38]

10. Awards for Taicang City to Promote Development of Industrial Economy for the Three-year Period of 2010 to 2012: The Taicang City government provides grants to

[33] *Id*. at 19-20.
[34] *Id*. at 20-21.
[35] *Id*. at 21.
[36] *Id*. at 22-23.
[37] *Id*. at 23.
[38] *Id*. at 23-24.

companies for doubling output in three years.[39]

11. Special Funds for Development of Science and Technology: The government provides grants to companies for science and technology development.[40]

12. Award to Titan Baotou for Rare Earth High and New Technology Industrial Development Zone for Excellent Construction Projects: The government provides grants to companies for construction projects.[41]

FINAL RESULTS OF REVIEW

Commerce finds that revocation of the *Order* would be likely to lead to continuation or recurrence of countervailable subsidies at the rates listed below:

Manufacturer/Producer/Exporter	**Net Countervailable Subsidy** **_Ad Valorem_ Rate**
CS Wind China Co., Ltd., CS Wind Tech (Shanghai) Co., Ltd., and CS Wind Corporation (collectively, CS Wind)	21.86 percent
Titan Wind Energy (Suzhou) Co. Ltd. (Titan Wind), Titan Lianyungang Metal Product Co. Ltd. (Titan Lianyungang), Baotou Titan Wind Power Equipment Co., Ltd. (Titan Baotou), and Shenyang Titan Metal Co., Ltd. (Titan Shenyang) (collectively, Titan Companies)	34.81 percent
All Others	28.34 percent

[39] *Id*. at 24.
[40] *Id*. at 24-25.
[41] *Id*. at 25.

RECOMMENDATION

Based on our analysis of the substantive response received, we recommend adopting all of the above positions. If these recommendations are accepted, we will publish the final results of this sunset review in the *Federal Register,* and notify the ITC of our findings.

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Agree Disagree

5/4/2018

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Signed by: GARY TAVERMAN

Gary Taverman
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations,
performing the non-exclusive functions and duties of the
Assistant Secretary for Enforcement and Compliance