C-570-081
Investigation
Public Document
E&C/OVI: TRW

DATE: August 27, 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 Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations

SUBJECT: Decision Memorandum for the Preliminary Affirmative Determination in the Countervailing Duty Investigation of Glycine from the People's Republic of China

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I. SUMMARY

The Department of Commerce (Commerce) preliminarily determines that countervailable subsidies are being provided to producers and exporters of glycine from the People's Republic of China (China), as provided in section 703(b) of the Tariff Act of 1930, as amended (the Act).

II. BACKGROUND

A. Case History

On March 28, 2018, Commerce received a countervailing duty (CVD) petition concerning imports of glycine from China, filed in proper form, on behalf of GEO Specialty Chemicals, Inc. and Chattem Chemicals, Inc. (the petitioners).[1] We describe the supplements to the Petition in the Initiation Checklist.[2] Pursuant to section 702(b)(4)(A)(ii) of the Act, on March 28, 2018, we invited representatives of the Government of China for consultations with respect to the Petition.[3] However, because the Government of China did not request consultations, they were not held. On April 17, 2018, we initiated a CVD investigation on glycine from China.[4]

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[1] *See* Petitioners' letter, "Glycine from the People's Republic of China, India, Japan and Thailand: Petitions for the Imposition of Antidumping and Countervailing Duties," dated March 28, 2018 (Petition).
[2] *See* CVD Investigation Initiation Checklist: Glycine from the People's Republic of China, dated April 17, 2018 (Initiation Checklist).
[3] *See* Commerce's letter re: "Countervailing Duty Petition on Glycine from the People's Republic of China: Invitation for Consultations," dated March 28, 2018.
[4] *See Glycine from India, the People's Republic of China, and Thailand: Initiation of Countervailing Duty Investigations,* 83 FR 18002 (April 25, 2018) (*Initiation Notice*).

We stated in the *Initiation Notice* that, if appropriate, we intended to base the selection of mandatory respondents on U.S. Customs and Border Protection (CBP) entry data for U.S. imports of glycine from China during the period of investigation.[5] The petitioners identified certain companies as producers/exporters of glycine in China in the Petition and provided information from independent sources as support.[6] On April 9, 2018, we released the CBP entry data under administrative protective order and invited interested parties to submit comments on the CBP data, as well as respondent selection, within three business days after the publication of the *Initiation Notice*.[7] Commerce received comments from the petitioners.[8] Based on the petitioners' comments and the evidence on the record, in this investigation we disregarded entries reflected in the CBP data that were made under a basket category of the Harmonized Tariff System of the United States to determine which producers and/or exporters accounted for the largest volume of the subject merchandise during the period of investigation.[9] On June 1, 2018, we selected, in alphabetical order, JC Chemicals Limited and Simagchem Corp. as the mandatory respondents in this investigation.[10]

On June 1, 2018, we issued the CVD Questionnaire to the Government of China *via* Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System, with instructions to forward the CVD Questionnaire to JC Chemicals Limited and Simagchem Corp.[11] The deadline for the mandatory respondents to respond to the affiliation questions contained in the CVD Questionnaire was June 15, 2018.[12] The deadline for the Government of China and the mandatory respondents to respond to the remaining questions contained in the CVD Questionnaire was July 9, 2018.[13] In the cover letter to the CVD Questionnaire, we explained that if the requested information is not received by the established deadlines "we may conclude that the government or the respondent company(ies) have decided not to cooperate in this proceeding" and "may use an inference that is adverse to your interests in selecting from the facts otherwise available, in accordance with section 776(b) of the Act."[14] We did not receive any responses, requests for an extension of time, or other submissions from the Government of China or the mandatory respondents.

B. Postponement of Preliminary Determination

On May 22, 2018, the petitioners timely requested that Commerce postpone the deadline for the preliminary determination.[15] Commerce granted the petitioners' request and, on June 7, 2018, published in the *Federal Register* the notification of postponement of the preliminary determination to August 27, 2018, in accordance with section 703(c)(1)(A) of the Act and 19 CFR 351.205(b)(2).[16]

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[5] *See Initiation Notice* at 18005.
[6] *Id. See also* Volume II of the Petition, at Exhibit CC1.
[7] *See* Commerce's Letter re: "Glycine from the People's Republic of China Countervailing Duty Petition: Release of Customs Data from U.S. Customs and Border Protection," dated April 9, 2018.
[8] *See* Petitioners' letter, "Glycine from the People's Republic of China: Comments on CBP Data and Respondent Selection," dated April 30, 2018.
[9] *See* Memorandum Regarding: Respondent Selection, dated June 1, 2018.
[10] *Id.*
[11] *See* Commerce's letter re: "Countervailing Duty Investigation of Glycine from the People's Republic of China: Countervailing Duty Questionnaire," dated June 1, 2018 (CVD Questionnaire).
[12] *Id.*
[13] *Id*.
[14] *Id.*
[15] *See* Petitioners' letter, "Glycine from the People's Republic of China, India and Thailand: Request to Extend Deadline for Preliminary Determinations," dated May 22, 2018.
[16] *See Glycine from India, the People's Republic of China, and Thailand: Postponement of Preliminary Determinations of Countervailing Duty Investigations*, 83 FR 26415 (June 7, 2018).

C. Period of Investigation

The period of investigation is January 1, 2017, through December 31, 2017.

III. INJURY TEST

Because China is a "Subsidies Agreement Country" within the meaning of section 701(b) of the Act, the U.S. International Trade Commission (ITC) is required to determine whether imports of the subject merchandise from China materially injure, or threaten material injury to, a U.S. industry. On May 14, 2018, the ITC preliminarily determined that there is a reasonable indication that an industry in the United States is materially injured by reason of imports of glycine from China.[17]

IV. USE OF FACTS OTHERWISE AVAILABLE AND ADVERSE INFERENCES

Sections 776(a)(1) and (2) of the Act provide that Commerce shall, subject to section 782(d) of the Act, apply "facts otherwise available" if necessary information is not on the record or an interested party or any other person: (A) withholds information that has been requested; (B) fails to provide information within the established deadlines or in the form and manner requested by Commerce, subject to subsections (c)(1) and (e) of section 782 of the Act; (C) significantly impedes a proceeding; or (D) provides information that cannot be verified, as provided by section 782(i) of the Act.

Where Commerce determines that a response to a request for information does not comply with the request, section 782(d) of the Act provides that Commerce will so inform the party submitting the response and will, to the extent practicable, provide that party with an opportunity to remedy or explain the deficiency. If the party fails to remedy or satisfactorily explain the deficiency within the applicable time limits, subject to section 782(e) of the Act, Commerce may disregard all or part of the original and subsequent responses, as appropriate.

Section 776(b) of the Act provides that Commerce may use an adverse inference in selecting from among the facts otherwise available when a party fails to cooperate by not acting to the best of its ability to comply with a request for information. In so doing, Commerce is not required to determine, or make any adjustments to, a countervailable subsidy rate based on any assumptions about information an interested party would have provided if the interested party had complied with the request for information.[18] Furthermore, section 776(b)(2) of the Act states that an adverse inference may include reliance on information derived from the petition, the final determination from the CVD investigation, a previous administrative review, or other information placed on the record.[19] When selecting an adverse facts available (AFA) rate from among the possible sources of information, Commerce's practice is to ensure that the rate is sufficiently adverse "as to effectuate the statutory purposes of the adverse facts available rule to induce respondents to provide Commerce with complete and accurate information in a timely manner."[20] Commerce's practice also ensures "that the party does not obtain a more favorable result by failing to cooperate than if it had cooperated fully."[21]

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[17] *See Glycine from China, India, Japan, and Thailand: Investigation Nos. 701–TA–603–605 and 731–TA–1413–1415 (Preliminary),* Publication 4786, May 2018; *see also Glycine from China, India, Japan, and Thailand,* 83 FR 23300 (May 18, 2018).

[18] *See* section 776(b)(1)(B) of the Act.

[19] *See* 19 CFR 351.308(c).

[20] *See, e.g., Countervailing Duty investigation of Cold-Drawn Mechanical Tubing of Carbon and Alloy Steel from the People's Republic of China: Final Affirmative Determination, and Final Affirmative Determination of Critical Circumstances, in Part,* 82 FR 58175 (December 11, 2017), and accompanying IDM at "Use of Facts Otherwise Available and Adverse Inferences."

[21] *See* Statement of Administrative Action accompanying the Uruguay Round Agreements Act, H.R. Doc. 103-316, Vol. I at 870 (1994), reprinted in 1994 U.S.C.C.A.N. 4040, 4199 (SAA).

Section 776(c) of the Act provides that, in general, when Commerce relies on secondary information rather than on information obtained in the course of an investigation, it shall, to the extent practicable, corroborate that information from independent sources that are reasonably at its disposal.[22] Secondary information is defined as information derived from the petition that gave rise to the investigation, the final determination concerning the subject merchandise, or any previous review under section 751 of the Act concerning the subject merchandise.[23] Furthermore, Commerce is not required to corroborate any CVD applied in a separate segment of the same proceeding.[24]

Finally, under section 776(d) of the Act, when applying AFA, Commerce may use a countervailable subsidy rate applied for the same or similar program in a CVD proceeding involving the same country or, if there is no same or similar program, use a countervailable subsidy rate for a subsidy program from a proceeding that Commerce considers reasonable to use, including the highest of such rates.[25] When selecting an AFA rate, Commerce is not required to estimate what the countervailable subsidy rate would have been if the interested party failing to cooperate had cooperated or to demonstrate that the countervailable subsidy rate reflects an "alleged commercial reality" of the interested party.[26]

For purposes of this preliminary determination, we are applying AFA for the circumstances outlined below.

A. Application of Total AFA to the Non-Responsive Companies: JC Chemicals Limited and Simagchem Corp.

As noted in the "Case History" section above, JC Chemicals Limited and Simagchem Corp. were selected as mandatory respondents, but failed to participate in this investigation. Therefore, under section 776(a) of the Act, we preliminarily find that, by not responding to any section of Commerce's questionnaire, both companies withheld information that had been requested and failed to provide information within the deadlines established. Further, because the companies did not respond to the questionnaire, these companies significantly impeded this proceeding. Thus, in reaching a preliminary determination, pursuant to sections 776(a)(2)(A)-(C) of the Act, we based the CVD rates for these companies on facts otherwise available.

Moreover, we preliminarily determine that an adverse inference is warranted, pursuant to section 776(b) of the Act. By not responding to the CVD Questionnaire, both mandatory respondents did not cooperate to the best of their abilities to comply with Commerce's request for information in this investigation. Accordingly, we preliminarily find that the use of AFA is warranted for JC Chemicals Limited and Simagchem Corp.

Accordingly, as AFA, Commerce preliminarily finds that JC Chemicals Limited and Simagchem Corp. did, in fact, use all of the programs Commerce initiated on during the POI. As such, we selected an AFA rate for each of these programs, pursuant to the hierarchy set out below, and included them in the determination of the AFA rate applied to each of these companies.[27] We note that Commerce has previously countervailed identical or similar programs.[28] Additionally, we find that current record

[22] *See* 19 CFR 351.308(d).
[23] *See* SAA at 870.
[24] *See* section 776(c)(2) of the Act.
[25] *See* section 776(d)(1) of the Act.
[26] *See* section 776(d)(3) of the Act.
[27] *See* Appendix I.
[28] *Id.*

information provides additional bases to infer, as AFA, that these programs constitute financial contributions and meet the specificity requirements of the Act.[29]

We also preliminarily determine that, by not responding to Commerce's CVD Questionnaire, the Government of China withheld information that was requested of it, thereby significantly impeding the conduct of the investigation. Thus, we must rely on "facts available" in making our preliminary determination in accordance with sections 776(a)(2)(A), (B) and (C) of the Act. Moreover, we preliminarily determine that the Government of China failed to cooperate by not acting to the best of its ability in failing to comply with our request for information. Consequently, an adverse inference is warranted in the application of facts available, pursuant to section 776(b) of the Act. In applying AFA, we find, based on the available record information, that all of the programs under investigation constitute a financial contribution within the meaning of section 771(5)(D) of the Act and are specific within the meaning of sections 771(5A)(B) and (D) of the Act.[30] We are preliminarily relying on AFA for the programs identified below.

B. Calculation of AFA Rates for JC Chemicals Limited and Simagchem Corp.

We are determining the subsidy rates for JC Chemicals Limited and Simagchem Corp. in accordance with our CVD AFA hierarchy under section 776(d) of the Act.[31] Specifically, when selecting rates where there is no cooperating mandatory respondent in the investigation, Commerce will apply the established CVD AFA hierarchy as follows. There is no calculated subsidy rate for the identical program in this investigation because in this investigation both respondents are not participating. Therefore, where there is no subsidy rate for the identical program above zero calculated for a cooperating respondent in the investigation, we then determine if an identical program was used in another CVD proceeding involving the same country, and apply the highest calculated rate for the identical program (excluding *de minimis* rates).[32] If no such rate exists, we then determine if there is a similar/comparable program (based on the treatment of the benefit) in another CVD proceeding involving the same country and apply the highest calculated above-*de minimis* rate for the similar/comparable program. Finally, where no such rate is available, we apply the highest calculated above-*de minimis* rate from any program that could conceivably be used by the non-cooperating companies.[33]

In applying AFA to JC Chemicals Limited and Simagchem Corp., we are guided by Commerce's methodology detailed above. As there are no program-specific above-zero rates determined for cooperating respondents in the investigation, we are applying the highest non-*de minimis* subsidy rate calculated for the same or, if lacking such rate, for a similar program in a Chinese CVD investigation or administrative review. For this preliminary determination, we are able to match, based on program name, description, and treatment of the benefit, the following programs to identical or similar programs from other Chinese CVD proceedings:

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[29] *See* Initiation Checklist.
[30] *Id.*
[31] *See, e.g., Certain Frozen Warmwater Shrimp from the People's Republic of China: Final Affirmative Countervailing Duty Determination*, 78 FR 50391 (August 19, 2013), and accompanying IDM at 13-14; *see also Essar Steel Ltd. v. United States*, 753 F.3d 1368, 1373-74 (Fed. Cir. 2014) (upholding "hierarchical methodology for selecting an AFA rate").
[32] For purposes of selecting AFA program rates, we normally treat rates less than 0.5 percent to be *de minimis*. *See, e.g., Pre-Stressed Concrete Steel Wire Strand from the People's Republic of China: Final Affirmative Countervailing Duty Determination*, 75 FR 28557 (May 21, 2010), and accompanying IDM at "1. Grant Under the Tertiary Technological Renovation Grants for Discounts Program" and "2. Grant Under the Elimination of Backward Production Capacity Award Fund."
[33] *See Aluminum Extrusions from the People's Republic of China: Final Affirmative Countervailing Duty Determination*, 76 FR 18521 (April 4, 2011), and accompanying IDM at "Application of Adverse Inferences: Non-Cooperative Companies" section; *see also Certain Hot-Rolled Carbon Steel Flat Products from India: Final Results and Partial Rescission of Countervailing Duty Administrative Review*, 74 FR 20923 (May 6, 2009), and accompanying IDM at "C. Programs Administered by the SGOC: SGOC Industrial Policy 2004-2009."

1. Policy Loans to the Glycine Industry
2. Preferential Loans for State-Owned Enterprises (SOEs)
3. Export Loans from Chinese State-Owned Banks
4. Treasury Bond Loans
5. Preferential Lending to Glycine Producers and Exporters Classified as "Honorable Enterprises"
6. Loan or Interest Forgiveness for SOEs
7. Shandong Province Policy Loans
8. Jiangxi Province Preferential Lending
9. Income Tax Reduction for High or New Technology Enterprises (HNTEs)
10. Income Tax Deductions for Research and Development Expenses Under the Enterprise Income Tax Law
11. Income Tax Credits for Domestically-Owned Companies Purchasing Domestically-Produced Equipment
12. Reduction in or Exemption from Fixed Assets Investment Orientation Regulatory Tax
13. Reduced Income Tax Rate for HNTEs
14. Income Tax Benefits for Domestically-Owned Enterprises Engaging in R&D
15. Jiangxi Province Reduced Income Tax Rate for HNTEs
16. Import Tariff and VAT Exemptions for Foreign Invested Enterprises (FIEs) and Certain Domestic Enterprises Using Imported Equipment in Encouraged Industries
17. Provision of Land in Industrial Zones for Less Than Adequate Remuneration (LTAR)
18. Provision of Electricity for LTAR
19. Government of China and Sub-Central Government Subsidies for the Development of Famous Brands and China World Top Brands
20. Export Assistance Grants from Local Governments
21. Jiangxi Province Strategic Fund for Developing Strategic Emerging Industries

Accordingly, we preliminarily determine the AFA countervailable subsidy rate for JC Chemicals Limited and Simagchem Corp. to be 144.01 percent *ad valorem*. The appendix to this memorandum contains a chart summarizing our calculation of this rate.

C. Corroboration of AFA Rate

Section 776(c) of the Act provides that, when Commerce relies on secondary information rather than on information obtained in the course of an investigation or review, it shall, to the extent practicable, corroborate that information from independent sources that are reasonably at its disposal. Secondary information is defined as "information derived from the petition that gave rise to the investigation or review, the final determination concerning the subject merchandise, or any previous review under section 751 concerning the subject merchandise."[34] The SAA provides that to "corroborate" secondary information, Commerce will satisfy itself that the secondary information to be used has probative value.[35]

Commerce will, to the extent practicable, examine the reliability and relevance of the information to be used. The SAA emphasizes, however, that Commerce need not prove that the selected facts available are the best alternative information.[36] Further, Commerce is not required to estimate what the countervailable subsidy rate would have been if the interested party failing to cooperate had cooperated or to demonstrate that the countervailable subsidy rate reflects an "alleged commercial reality" of the interested party.[37]

[34] *See* SAA at 870.
[35] *Id.*
[36] *Id.* at 869-870.
[37] *See* section 776(d) of the Act.

With regard to the reliability aspect of corroboration, unlike other types of information, such as publicly available data on the national inflation rate of a given country or national average interest rates, there typically are no independent sources for data on company-specific benefits resulting from countervailable subsidy programs. With respect to the relevance aspect of corroboration, Commerce will consider information reasonably at its disposal in considering the relevance of information used to calculate a countervailable subsidy benefit. Commerce will not use information where circumstances indicate that the information is not appropriate as AFA.[38]

In the absence of responses from JC Chemicals Limited and Simagchem Corp. concerning the alleged programs, due to their decision not to participate in this investigation, Commerce reviewed the information concerning Chinese subsidy programs in other cases.[39] Where we have a program-type match, we find that, because these are the same or similar programs, they are relevant to the programs in this case. Additionally, the relevance of the rates applied is that they are actual calculated CVD rates for the Government of China programs, from which JC Chemicals Limited and Simagchem Corp. could actually receive a benefit. Due to the lack of participation by JC Chemicals Limited and Simagchem Corp. and their failure to provide a response concerning each of these programs, Commerce has corroborated the rates it selected to use as AFA to the extent practicable for this preliminary determination.

V. ANALYSIS OF PROGRAMS

As facts available, based on our analysis of the petition, as reflected in the Initiation Checklist, we are preliminarily finding that all of the 21 programs detailed above are countervailable. Specifically, we are determining for all 21 of these programs, as AFA, that these programs constitute financial contributions, are specific, and confer a benefit upon the recipients within the meaning of the Act.

VI. CALCULATION OF THE ALL-OTHERS RATE

In the event of an affirmative preliminary determination, section 703(d)(1)(A)(i) of the Act directs Commerce to determine an estimated all-others rate for all exporters and producers not individually investigation. Section 705(c)(5)(A)(i) of the Act states that the all-others rate shall be an amount equal to the weighted-average countervailable subsidy rates established for exporters and producers individually investigated, excluding any rates that are zero, *de minimis*, or any rates determined entirely on facts available. Section 705(c)(5)(A)(ii) of the Act, however, provides that, if the countervailable subsidy rates established for all individually-examined exporters and producers are zero, *de minimis*, or based entirely on facts available, Commerce may use any reasonable method to establish an all-others rate for exporters and producers that were not individually examined, including averaging the weighted-average countervailable subsidy rates determined for the individually-examined exporters and producers.

In this investigation, all rates for the individually-investigated respondents are based entirely on facts available, pursuant to section 776 of the Act. Accordingly, we are using "any reasonable method" to establish the all-others rate. We find that it is reasonable to rely on the rate established for the mandatory respondents, particularly as there is no other information on the record that can be used to determine the

[38] *See, e.g., Fresh Cut Flowers from Mexico; Final Results of Antidumping Duty Administrative Review,* 61 FR 6812 (February 22, 1996).
[39] Specifically, Commerce examined information in the Petition regarding each alleged program and compared its description with that of programs examined in other cases. *See* Petition and Initiation Checklist.

all-others rate. Commerce has taken this approach to calculating the all-others rate in other CVD investigations.[40]

VII. CONCLUSION

We recommend that you approve the preliminary findings described above.

☒	☐
_________	_________
Agree	Disagree

8/27/2018

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Signed by: GARY TAVERMAN

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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

[40] *See, e.g.*, *Countervailing Duty investigation of Stainless Steel Flanges from the People's Republic of China: Preliminary Affirmative Determination*, 83 FR 3124 (January 23, 2018), and accompanying PDM at "Calculating of the All-Others Rate," unchanged in *Countervailing Duty Investigation of Stainless Steel Flanges from the People's Republic of China: Final Affirmative Determination*, 83 FR 15790 (April 12, 2018); and *Countervailing Duty Investigation of Ammonium Sulfate from the People's Republic of China: Preliminary Affirmative Determination*, 81 FR 76332 (November 2, 2016), and accompanying PDM at "Calculation of the All-Other Rates," unchanged in *Ammonium Sulfate from the People's Republic of China: Final Affirmative Countervailing Duty Determination*, 82 FR 4850 (January 17, 2017).

APPENDIX

AFA Rate Calculation

Programs	AFA Rate (%)
A. Preferential Lending	
1. Policy Loans to the Glycine Industry	10.54[41]
2. Preferential Loans for State-Owned Enterprises (SOEs)	10.54[42]
3. Export Loans from Chinese State-Owned Banks	10.54[43]
4. Treasury Bond Loans	10.54[44]
5. Preferential Lending to Glycine Producers and Exporters Classified as "Honorable Enterprises"	10.54[45]
6. Loan or Interest Forgiveness for SOEs	10.54[46]
7. Shandong Province Policy Loans	0.36[47]
8. Jiangxi Province Preferential Lending	10.54[48]
B. Income Tax Programs	25[49]
9. Income Tax Reduction for High or New Technology Enterprises	
10. Income Tax Deductions for Research and Development Expenses Under the Enterprise Income Tax Law	

[41] *See* Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses from the People's Republic of China: Amended Final Affirmative Countervailing Duty Determination and Countervailing Duty Order, 75 FR 70201 (November 17, 2010) (Coated Paper from China Investigation Amended Final) and accompanying Ministerial Error Memorandum at "Revised Net Subsidy Rate for the Gold Companies" (regarding "Preferential Lending to the Coated Paper Industry").
[42] *Id.*
[43] *Id.*
[44] *Id.*
[45] *Id.*
[46] *Id.*
[47] *See* Citric Acid and Certain Citrate Salts: Final Results of Countervailing Duty Administrative Review; 2013, 80 FR 77318 (December 14, 2015) and the accompanying Issues and Decision Memorandum at 19.
[48] *See* Coated Paper from China Investigation Amended Final and accompanying Ministerial Error Memorandum at "Revised Net Subsidy Rate for the Gold Companies" (regarding "Preferential Lending to the Coated Paper Industry")
[49] The standard income tax rate for corporations in the PRC during the period of investigation was 25 percent. Thus, the highest possible benefit for all income tax reduction or exemption programs combined is 25 percent. Therefore, we are applying a CVD rate of 25 percent on an overall basis for the following income tax programs. *See* Petition, Exhibit CC-11 (Enterprise Income Tax Law) at 2.

11. Income Tax Credits for Domestically-Owned Companies Purchasing Domestically-Produced Equipment	
12. Reduction in or Exemption from Fixed Assets Investment Orientation Regulatory Tax	
13. Reduced Income Tax Rate for HNTEs	
14. Income Tax Benefits for Domestically-Owned Enterprises Engaging in R&D	
15. Jiangxi Province Reduced Income Tax Rate for HNTEs	
C. Indirect Tax Programs	
16. Import Tariff and VAT Exemptions for Foreign Invested Enterprises (FIEs) and Certain Domestic Enterprises Using Imported Equipment in Encouraged Industries	9.71[50]
D. Government Provision of Goods and Services for LTAR	
17. Provision of Land in Industrial Zones for LTAR	13.36[51]
18. Provision of Electricity for LTAR	20.06[52]
E. Grant Programs	
19. Government of China and Sub-Central Government Subsidies for the Development of Famous Brands and China World Top Brands	0.58[53]
20. Export Assistance Grants from Local Governments	0.58[54]
21. Jiangxi Province Strategic Fund for Developing Strategic Emerging Industries	0.58[55]
TOTAL	144.01%

[50] *See* New Pneumatic Off-the-Road Tires from the People's Republic of China: Preliminary Results of Countervailing Duty Administrative Review, 75 FR 64268, 64275 (October 19, 2010) at "C. VAT and Import Duty Exemptions on Imported Material," unchanged in New Pneumatic Off-the-Road Tires from the People's Republic of China: Final Results of Countervailing Duty Administrative Review, 76 FR 23286 (April 26, 2011).
[51] *See* Laminated Woven Sacks from the People's Republic of China: Final Affirmative Countervailing Duty Determination and Final Affirmative Determination, in Part, of Critical Circumstances, 73 FR 35639 (June 24, 2008), and accompanying IDM at "Government Provision of Land for Less Than Adequate Remuneration."
[52] *See* Chlorinated Isocyanurates from the People's Republic of China: Final Affirmative Countervailing Duty Determination; 2012, 79 FR 56560 (September 22, 2014) (Chlorinated Isocyanurates Investigation) and accompanying IDM at "Electricity for LTAR."
[53] *See* Chlorinated Isocyanurates Investigation and accompanying IDM at "Special Fund for Energy Saving Technology."
[54] *Id.*
[55] *See* Chlorinated Isocyanurates Investigation and accompanying IDM at "Special Fund for Energy Saving Technology."