C-570-968

POR: 1/01/19 – 12/31/2019

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July 30, 2021

**MEMORANDUM TO:** Christian Marsh

Acting Assistant Secretary

for Enforcement and Compliance

**FROM:** James Maeder

Deputy Assistant Secretary

for Antidumping and Countervailing Duty Operations

**SUBJECT:** Decision Memorandum for the Preliminary Results of the 2019

Countervailing Duty Administrative Review and Intent to Rescind, in Part: Aluminum Extrusions from the People's Republic of

China

#### I. SUMMARY

The Department of Commerce (Commerce) is conducting an administrative review of the countervailing duty (CVD) order on aluminum extrusions from the People's Republic of China (China). The period of review (POR) is January 1, 2019, through December 31, 2019. This administrative review was requested by the Aluminum Extrusions Fair Trade Committee (the petitioner), Kingtom Aluminio SRL (Kingtom), and Global Aluminum Distributor, LLC (Global Aluminum).

This administrative review was initiated with respect to 97 companies<sup>4</sup> based on requests for review by the petitioner, Kingtom, and Global Aluminum.<sup>5</sup> Subsequently, the petitioner withdrew its review requests for certain companies. The following six companies remain under

<sup>&</sup>lt;sup>5</sup> See Petitioner's Review Request; see also Kingtom's Review Request; Global Aluminum's Review Request.



<sup>&</sup>lt;sup>1</sup> See Petitioner's Letter, "Aluminum Extrusions from the People's Republic of China: Request for Administrative Review," dated June 1, 2020 (Petitioner's Review Request). Because the deadline for this submission falls on May 31, 2020, which is a Sunday, this deadline moved to the next business day, i.e., June 1, 2020. See Notice of Clarification: Application of "Next Business Day" Rule for Administrative Determination Deadlines Pursuant to the Tariff Act of 1930, as Amended, 70 FR 24533 (May 10, 2008); see also Petitioner's Letter, "Aluminum Extrusions from the People's Republic of China: Clarification of Request for Administrative Review," dated June 9, 2020.

<sup>2</sup> See Kingtom's Letter, "Aluminum Extrusions from the People's Republic of China, C-570-968 Request for

<sup>&</sup>lt;sup>2</sup> See Kingtom's Letter, "Aluminum Extrusions from the People's Republic of China, C-570-968 Request for Administrative Review," dated May 29, 2020 (Kingtom's Review Request). Kingtom identified itself as an exporter of subject merchandise.

<sup>&</sup>lt;sup>3</sup> See Global Aluminum's Letter, "Aluminum Extrusions from China (C-570-968); Request for Administrative Review," dated May 29, 2020 (Global Aluminum's Review Request). Global Aluminum identified itself as an importer and supplier of subject merchandise from Kingtom.

<sup>&</sup>lt;sup>4</sup> See Initiation of Antidumping and Countervailing Duty Administrative Reviews, 85 FR 41540, 41541 (July 10, 2020) (Initiation Notice).

review: (1) CRRC Changzhou Auto Parts Co. Ltd (CRRC); (2) Jiangsu Asia-Pacific Light Alloy Technology Co Ltd. (Jiangsu Asia-Pacific); (3) Kanal Precision Aluminum Product Co. Ltd (Kanal Precision); (4) Uniton Investment Ltd. (Uniton); (5) Wellste Material (Wellste); and (6) Kingtom.<sup>6</sup>

If these preliminary results are adopted in our final results of review, we will instruct U.S. Customs and Border Protection (CBP) to assess countervailing duties on all appropriate entries of subject merchandise covered by this review. For the 91 companies for which this review is rescinded, we will instruct CBP to assess countervailing duties on all appropriate entries at a rate equal to the cash deposit of estimated countervailing duties required at the time of entry, or withdrawal from warehouse, for consumption, during the period January 1, 2019, through December 31, 2019, in accordance with 19 CFR 351.212(c)(l)(i).

Interested parties are invited to comment on these preliminary results. Unless the deadline is extended pursuant to section 751(a)(3)(A) of the Tariff Act of 1930, as amended (the Act), we intend to issue the final results no later than 120 days after publication of these preliminary results.

#### II. BACKGROUND

On May 26, 2011, we published the CVD *Order* on aluminum extrusions from China. On May 1, 2020, we published a notice of opportunity to request an administrative review of the *Order* for calendar year 2019. Based on timely requests for review of 97 companies, and in accordance with 19 CFR 351.221(c)(1)(i), we published a notice of initiation for this administrative review on July 10, 2020.

In the *Initiation Notice*, we stated our intent to select respondents based on CBP data for U.S. imports during the POR.<sup>11</sup> However, as explained in the *Initiation Notice*,<sup>12</sup> because of data inconsistencies stemming from the wide variety of individual aluminum extrusion products included in the scope of the *Order*, we were precluded from relying on volume data in determining the largest Chinese exporters of subject merchandise. Instead, we issued quantity and value (Q&V) questionnaires to companies accounting for the largest import values, as reflected in the CBP entry data.<sup>13</sup> In addition, we posted the Q&V questionnaire to Commerce's

<sup>12</sup> *Id*.

<sup>&</sup>lt;sup>6</sup> See Petitioner's Letter, "Aluminum Extrusions from the People's Republic of China: Partial Withdrawal of Request for Administrative Review," dated October 08, 2020 (Petitioner's Withdrawal Request).

<sup>&</sup>lt;sup>7</sup> See Aluminum Extrusions from the People's Republic of China: Countervailing Duty Order, 76 FR 30653 (May 26, 2011) (Order).

<sup>&</sup>lt;sup>8</sup> See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review, 85 FR 25394.

<sup>&</sup>lt;sup>9</sup> See Petitioner's Review Request, Kingtom's Review Request, and Global Aluminum's Review Request.

 $<sup>^{\</sup>rm 10}$  See Initiation Notice, 85 FR at 41541.

<sup>&</sup>lt;sup>11</sup> *Id*.

<sup>&</sup>lt;sup>13</sup> See Memorandum, "2019 Administrative Review of the Countervailing Duty Order on Aluminum Extrusions from the People's Republic of China: Electronic U.S. Customs and Border Protection Data," dated August 3, 2020 (CBP Data Memorandum); see also Memorandum, "Aluminum Extrusions from the People's Republic of China: Issuance of Quantity and Value Questionnaire," dated September 14, 2020 (Q&V Issuance Memorandum). The

website, inviting parties not included in the Q&V Issuance Memorandum to file a Q&V response.

On August 10, 2020, we received letters from Sunvast International Trade (Shanghai) Co., Ltd. and Anderson Sunvast Hong Kong Limited (collectively, the Sunvast Companies) and Kingtom, certifying that these companies had no sales, shipments, or entries of subject merchandise during the POR.<sup>14</sup>

From September 18, 2020, through September 23, 2020, we received timely filed Q&V questionnaire responses from the following companies: (1) Tai Ao (Taishan); (2) Kingtom; and (3) Modular Assembly.<sup>15</sup> We received no responses from two companies to which we issued Q&V questionnaires, and for which we confirmed delivery of the questionnaire, *i.e.*, Jiangsu Asia-Pacific and Wellste. Further, delivery of the Q&V questionnaires issued to CRRC, Kanal Precision, and Uniton could not be completed based on the available address information.

On October 10, 2020, the petitioner withdrew its review request for 92 companies, including Tai Ao (Taishan), Modular Assembly, the Sunvast Companies, and Kingtom. However, neither Kingtom nor its U.S. importer, Global Aluminum, withdrew their review requests of Kingtom; therefore, Kingtom remains under administrative review. Consequently, six companies remain under administrative review: (1) CRRC, (2) Jiangsu Asia-Pacific, (3) Kanal Precision, (4) Uniton, (5) Wellste, and (6) Kingtom.

Because all review requests were withdrawn for the companies which submitted Q&V responses and for which our CBP data query showed suspended entries, <sup>17</sup> we did not have sufficient information on the administrative record to select mandatory respondents in this administrative review. On November 9, 2020, we issued the standard CVD questionnaire to the Government of China (GOC); <sup>18</sup> the GOC did not respond to our request for information.

Q&V questionnaire was issued to the following companies: (1) CRRC; (2) Jiangsu Asia-Pacific; (3) Kanal Precision; (4) Modular Assembly; (5) Tai Ao Aluminum (Taishan) Co (Tai Ao (Taishan)); (6) Tai Ao Aluminum Taishan Co (Tai Ao Aluminum); (7) Uniton; and (8) Wellste. While we issued a Q&V questionnaire to Tai Ao Aluminum, which the petitioner indicated shared the same address with Tai Ao (Taishan), we note that we did not initiate an administrative review on Tai Ao Aluminum.

 <sup>&</sup>lt;sup>14</sup> See Sunvast Companies' Letter, "Administrative Review of the Antidumping Duty Order on Aluminum Extrusions from the People's Republic of China 2019: Notice of No Sales of Products Under Review," dated August 10, 2020; see also Kingtom's Letter, "Aluminum Extrusions form the People's Republic of China: Certification of No Sales, Shipments, or Entries," dated August 10, 2020 (Kingtom No-Shipment Letter).
 <sup>15</sup> See Tai Ao (Taishan)'s Letter, "Q&V Response for Tai-Ao in the 2019 Administrative Review of the Countervailing Duty Order on Aluminum Extrusions from the People's Republic of China," dated September 18, 2020; Kingtom's Letter, "Aluminum Extrusions from the People's Republic of China: Quantity and Value Questionnaire," dated September 18, 2020 (Kingtom Q&V Response); and Modular Assembly's Letter, containing its Q&V questionnaire response, dated September 23, 2020. Kingtom's Q&V response claimed that its aluminum extrusions were manufactured in, and exported from, the Dominican Republic, rather than China, and that entries of such merchandise were subject to ongoing investigations by CBP regarding allegations of evasion.

<sup>&</sup>lt;sup>16</sup> See Petitioner's Withdrawal Request.

<sup>&</sup>lt;sup>17</sup> See CBP Data Memorandum.

<sup>&</sup>lt;sup>18</sup> See GOC's Letter, "2019 Administrative Review of the Countervailing Duty Order on Aluminum Extrusions from the People's Republic of China: Countervailing Duty Questionnaire," dated November 9, 2020.

In May 2021, based on Kingtom's No-Shipment Letter, we issued a no-shipments inquiry to U.S. CBP, and in June 2021, we received entry documentation from CBP demonstrating shipments made to the United States by Kingtom during the POR.<sup>19</sup> On June 24, 2021, the petitioner and Kingtom submitted comments on the CBP entry documentation.<sup>20</sup>

On July 21, 2020, Commerce exercised its discretion to toll all deadlines in administrative reviews by 60 days, thereby extending the deadline for these final results until March 29, 2021. On March 29, 2021, and June 3, 2021, Commerce extended the deadline for the preliminary results, which is now July 30, 2021. 22

#### III. SCOPE OF THE ORDER

The merchandise covered by the *Order* is aluminum extrusions which are shapes and forms, produced by an extrusion process, made from aluminum alloys having metallic elements corresponding to the alloy series designations published by The Aluminum Association commencing with the numbers 1, 3, and 6 (or proprietary equivalents or other certifying body equivalents). Specifically, the subject merchandise made from aluminum alloy with an Aluminum Association series designation commencing with the number 1 contains not less than 99 percent aluminum by weight. The subject merchandise made from aluminum alloy with an Aluminum Association series designation commencing with the number 3 contains manganese as the major alloying element, with manganese accounting for not more than 3.0 percent of total materials by weight. The subject merchandise is made from an aluminum alloy with an Aluminum Association series designation commencing with the number 6 contains magnesium and silicon as the major alloying elements, with magnesium accounting for at least 0.1 percent but not more than 2.0 percent of total materials by weight, and silicon accounting for at least 0.1 percent but not more than 3.0 percent of total materials by weight. The subject aluminum extrusions are properly identified by a four-digit alloy series without either a decimal point or leading letter. Illustrative examples from among the approximately 160 registered alloys that may characterize the subject merchandise are as follows: 1350, 3003, and 6060.

Aluminum extrusions are produced and imported in a wide variety of shapes and forms, including, but not limited to, hollow profiles, other solid profiles, pipes, tubes, bars, and rods. Aluminum extrusions that are drawn subsequent to extrusion (drawn aluminum) are also included in the scope.

<sup>&</sup>lt;sup>19</sup> See Memorandum, "2019 Countervailing Duty Administrative Review of Aluminum Extrusions from the People's Republic of China: Entry Information Related to Kingtom Aluminio S.R.L.," dated June 17, 2021.

<sup>&</sup>lt;sup>20</sup> See Petitioner's Letter, "Aluminum Extrusions from the People's Republic of China: Comments on Entry Information Related to Kingtom Aluminio S.R.L.," dated June 24, 2021 (Petitioner Entry Information Comments); see also Kingtom's Letter, "Aluminum Extrusions from the People's Republic of China, Case No. C-570-968: Kingtom Comments on Entry Information," dated June 24, 2021.

<sup>&</sup>lt;sup>21</sup> See Memorandum, "Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews," dated July 21, 2020.

<sup>&</sup>lt;sup>22</sup> See Memorandum, "Aluminum Extrusions from the People's Republic of China: Extension of Time Limit for Preliminary Results of Countervailing Duty Administrative Review," dated March 29, 2021; see also Memorandum, "Aluminum Extrusions from the People's Republic of China: Extension of Time Limit for Preliminary Results of Countervailing Duty Administrative Review," dated June 3, 2021.

Aluminum extrusions are produced and imported with a variety of finishes (both coatings and surface treatments), and types of fabrication. The types of coatings and treatments applied to subject aluminum extrusions include, but are not limited to, extrusions that are mill finished (*i.e.*, without any coating or further finishing), brushed, buffed, polished, anodized (including brightdip anodized), liquid painted, or powder coated. Aluminum extrusions may also be fabricated, *i.e.*, prepared for assembly. Such operations would include, but are not limited to, extrusions that are cut-to-length, machined, drilled, punched, notched, bent, stretched, knurled, swedged, mitered, chamfered, threaded, and spun. The subject merchandise includes aluminum extrusions that are finished (coated, painted, *etc.*), fabricated, or any combination thereof.

Subject aluminum extrusions may be described at the time of importation as parts for final finished products that are assembled after importation, including, but not limited to, window frames, door frames, solar panels, curtain walls, or furniture. Such parts that otherwise meet the definition of aluminum extrusions are included in the scope. The scope includes the aluminum extrusion components that are attached (e.g., by welding or fasteners) to form subassemblies, i.e., partially assembled merchandise unless imported as part of the finished goods 'kit' defined further below. The scope does not include the non-aluminum extrusion components of subassemblies or subject kits.

Subject extrusions may be identified with reference to their end use, such as fence posts, electrical conduits, door thresholds, carpet trim, or heat sinks (that do not meet the finished heat sink exclusionary language below). Such goods are subject merchandise if they otherwise meet the scope definition, regardless of whether they are ready for use at the time of importation. The following aluminum extrusion products are excluded: aluminum extrusions made from aluminum alloy with an Aluminum Association series designations commencing with the number 2 and containing in excess of 1.5 percent copper by weight; aluminum extrusions made from aluminum alloy with an Aluminum Association series designation commencing with the number 5 and containing in excess of 1.0 percent magnesium by weight; and aluminum extrusions made from aluminum alloy with an Aluminum Association series designation commencing with the number 7 and containing in excess of 2.0 percent zinc by weight.

The scope also excludes finished merchandise containing aluminum extrusions as parts that are fully and permanently assembled and completed at the time of entry, such as finished windows with glass, doors with glass or vinyl, picture frames with glass pane and backing material, and solar panels. The scope also excludes finished goods containing aluminum extrusions that are entered unassembled in a "finished goods kit." A finished goods kit is understood to mean a packaged combination of parts that contains, at the time of importation, all of the necessary parts to fully assemble a final finished good and requires no further finishing or fabrication, such as cutting or punching, and is assembled "as is" into a finished product. An imported product will not be considered a "finished goods kit" and therefore excluded from the scope of the *Order* merely by including fasteners such as screws, bolts, *etc.* in the packaging with an aluminum extrusion product.

The scope also excludes aluminum alloy sheet or plates produced by other than the extrusion process, such as aluminum products produced by a method of casting. Cast aluminum products are properly identified by four digits with a decimal point between the third and fourth digit. A

letter may also precede the four digits. The following Aluminum Association designations are representative of aluminum alloys for casting: 208.0, 295.0, 308.0, 355.0, C355.0, 356.0, A356.0, A357.0, 360.0, 360.0, 380.0, A380.0, 413.0, 443.0, 514.0, 518.1, and 712.0. The scope also excludes pure, unwrought aluminum in any form.

The scope also excludes collapsible tubular containers composed of metallic elements corresponding to alloy code 1080A as designated by the Aluminum Association where the tubular container (excluding the nozzle) meets each of the following dimensional characteristics: (1) length of 37 millimeters ("mm") or 62 mm, (2) outer diameter of 11.0 mm or 12.7 mm, and (3) wall thickness not exceeding 0.13 mm.

Also excluded from the scope of this *Order* are finished heat sinks. Finished heat sinks are fabricated heat sinks made from aluminum extrusions the design and production of which are organized around meeting certain specified thermal performance requirements and which have been fully, albeit not necessarily individually, tested to comply with such requirements.

Imports of the subject merchandise are provided for under the following categories of the Harmonized Tariff Schedule of the United States (HTSUS): 7604.29.3060; 7604.29.3090; 7604.29.5050; 7604.29.5090; 8541.90.00.00, 8708.10.30.50, 8708.99.68.90, 6603.90.8100, 7616.99.51, 8479.89.94, 8481.90.9060, 8481.90.9085, 9031.90.9195, 8424.90.9080, 9405.99.4020, 9031.90.90.95, 7616.10.90.90, 7609.00.00, 7610.10.00, 7610.90.00, 7615.10.30, 7615.10.71, 7615.10.91, 7615.19.10, 7615.19.30, 7615.19.50, 7615.19.70, 7615.19.90, 7615.20.00, 7616.99.10, 7616.99.50, 8479.89.98, 8479.90.94, 8513.90.20, 9403.10.00, 9403.20.00, 7604.21.00.00, 7604.29.10.00, 7604.29.30.10, 7604.29.30.50, 7604.29.50.30, 7604.29.50.60, 7608.20.00.30, 7608.20.00.90, 8302.10.30.00, 8302.10.60.30, 8302.10.60.60, 8302.10.60.90, 8302.20.00.00, 8302.30.30.10, 8302.30.30.60, 8302.41.30.00, 8302.41.60.15, 8302.41.60.45, 8302.41.60.50, 8302.41.60.80, 8302.42.30.10, 8302.42.30.15, 8302.42.30.65, 8302.49.60.35, 8302.49.60.45, 8302.49.60.55, 8302.49.60.85, 8302.50.00.00, 8302.60.90.00, 8305.10.00.50, 8306.30.00.00, 8414.59.60.90, 8415.90.80.45, 8418.99.80.05, 8418.99.80.50, 8418.99.80.60, 8419.90.10.00, 8422.90.06.40, 8473.30.20.00, 8473.30.51.00, 8479.90.85.00, 8486.90.00.00, 8487.90.00.80, 8503.00.95.20, 8508.70.00.00, 8515.90.20.00, 8516.90.50.00, 8516.90.80.50, 8517.70.00.00, 8529.90.73.00, 8529.90.97.60, 8536.90.80.85, 8538.10.00.00, 8543.90.88.80, 8708.29.50.60, 8708.80.65.90, 8803.30.00.60, 9013.90.50.00, 9013.90.90.00, 9401.90.50.81, 9403.90.10.40, 9403.90.10.50, 9403.90.10.85, 9403.90.25.40, 9403.90.25.80, 9403.90.40.05, 9403.90.40.10, 9403.90.40.60, 9403.90.50.05, 9403.90.50.10, 9403.90.50.80, 9403.90.60.05, 9403.90.60.10, 9403.90.60.80, 9403.90.70.05, 9403.90.70.10, 9403.90.70.80, 9403.90.80.10, 9403.90.80.15, 9403.90.80.20, 9403.90.80.41, 9403.90.80.51, 9403.90.80.61, 9506.11.40.80, 9506.51.40.00, 9506.51.60.00, 9506.59.40.40, 9506.70.20.90, 9506.91.00.10, 9506.91.00.20, 9506.91.00.30, 9506.99.05.10, 9506.99.05.20, 9506.99.05.30, 9506.99.15.00, 9506.99.20.00, 9506.99.25.80, 9506.99.28.00, 9506.99.55.00, 9506.99.60.80, 9507.30.20.00, 9507.30.40.00, 9507.30.60.00, 9507.90.60.00, and 9603.90.80.50.

The subject merchandise entered as parts of other aluminum products may be classifiable under the following additional Chapter 76 subheadings: 7610.10, 7610.90, 7615.19, 7615.20, and 7616.99, as well as under other HTSUS chapters. In addition, fin evaporator coils may be classifiable under HTSUS numbers: 8418.99.80.50 and 8418.99.80.60. While HTSUS

subheadings are provided for convenience and customs purposes, the written description of the scope of this *Order* is dispositive.

There have been numerous scope rulings issued with regard to this *Order*. For further information, refer to the listing of these scopes rulings at the webpage entitled, Final Scope Rulings on the website of Enforcement and Compliance located at <a href="http://enforcement.trade.gov/download/prc-ae/scope/prc-ae-scope-index.html">http://enforcement.trade.gov/download/prc-ae/scope/prc-ae-scope-index.html</a>.

## IV. INTENT TO RESCIND THE REVIEW, IN PART

For the 91 companies for which all review requests were timely withdrawn, we intend to rescind the administrative review, pursuant to 19 CFR 351.213(d)(1). These companies are listed in Attachment II of the *Federal Register* notice issued concurrently with this decision memorandum.

## V. NON-SELECTED COMPANIES

In September 2020, we issued Q&V questionnaires via FedEx to eight companies using addresses provided by the petitioner. As indicated in the Q&V Delivery Status Memorandum,<sup>23</sup> FedEx identified as invalid the addresses for CRRC, Kanal Precision, and Uniton. Because we did not have a valid address on the record of this review for these companies, delivery of the Q&V questionnaire could not be completed. Therefore, for these preliminary results, we have assigned a non-selected company rate to CRRC, Kanal Precision, and Uniton.

The statute and Commerce's regulations do not directly address the establishment of rates to be applied to companies not selected for individual examination where Commerce limits its examination in an administrative review pursuant to section 777A(e)(2) of the Act. However, Commerce normally determines the rates for non-selected companies in reviews in a manner that is consistent with section 705(c)(5) of the Act, which provides instructions for calculating the all-others rate in an investigation. Section 705(c)(5)(A)(i) of the Act instructs Commerce to use the average of the individually calculated rates as the all-others rate, excluding rates which are zero, *de minimis*, or based entirely on facts available. Accordingly, Commerce's usual practice in administrative reviews for determining the rate for respondents not selected for individual examination has been to average the weighted-average net subsidy rates for the selected companies, excluding rates that are zero, *de minimis*, or based entirely on facts available. However, section 705(c)(5)(A)(ii) of the Act provides that, where all the individually calculated rates are zero, *de minimis*, or based entirely on facts available, we may use "any reasonable method" for assigning the all-others rate, including averaging the estimated weighted-average net subsidy rates determined for the exporters and producers individually investigated.

For the preliminary results of this review, we have no individually calculated rates. Therefore, for the rate applicable to companies not selected for individual examination, we are applying the

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<sup>&</sup>lt;sup>23</sup> See Memorandum, "Aluminum Extrusions from the People's Republic of China: Quantity and Value Questionnaire Delivery Status," dated January April 21, 2021 (Q&V Delivery Status Memorandum).

<sup>24</sup> See, e.g., Certain Pasta from Italy: Final Results of the 13th (2008) Countervailing Duty Administrative Review, 75 FR 37386, 37387 (June 29, 2010).

above-*de minimis*, non-AFA net subsidy rate from the most recently completed administrative review of the *Order*, in which we calculated a subsidy rate for an individual mandatory respondent, *i.e.*, the 2014 administrative review of this *Order*.<sup>25</sup> This is consistent with the approach followed by Commerce in other proceedings under similar circumstances.<sup>26</sup>

#### VI. USE OF FACTS OTHERWISE AVAILABLE AND ADVERSE INFERENCES

Section 776(a) of the Act provides that Commerce shall, subject to section 782(d) of the Act, shall select from the "facts otherwise available" if: (1) necessary information is not on the record; or (2) an interested party or any other person withholds information that has been requested; fails to provide information within the deadlines established, or in the form and manner requested by Commerce, subject to subsections (c)(1) and (e) of section 782 of the Act; significantly impedes a proceeding; or 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 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 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.<sup>27</sup> Further, 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.<sup>28</sup>

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.<sup>29</sup> Secondary information is defined as information derived from the petition that gave rise to the investigation, the determination concerning the subject merchandise, or any previous review under section 751 of the Act concerning the subject merchandise.<sup>30</sup>

<sup>&</sup>lt;sup>25</sup> See Aluminum Extrusions from the People's Republic of China: Final Results and Partial Rescission of Countervailing Duty Administrative Review; 2014, 81 FR 92778 (December 20, 2016).

<sup>&</sup>lt;sup>26</sup> See, e.g., Passenger Vehicle and Light Truck Tires from the People's Republic of China: Final Results and Partial Rescission of Countervailing Duty Administrative Review; 2018, 86 FR 21275, 21276 (April 22, 2021). <sup>27</sup> See section 776(b)(1)(B) of the Act.

<sup>&</sup>lt;sup>28</sup> See also 19 CFR 351.308(c).

<sup>&</sup>lt;sup>29</sup> See also 19 CFR 351.308(d).

<sup>&</sup>lt;sup>30</sup> See Statement of Administrative Action, H.R. Doc. No. 316, 103rd Congress, 2d Session (1994) (SAA) at 870.

Finally, under section 776(d) of the Act, when using an adverse inference when selecting from the facts otherwise available, 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.<sup>31</sup> When selecting from the facts otherwise available with an adverse inference, 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.<sup>32</sup>

For purposes of these preliminary results, as discussed below, we have relied on adverse facts available (AFA) in determining subsidy rates for Jiangsu Asia-Pacific, Wellste, and Kingtom.

## **Application of AFA**

#### Jiangsu Asia-Pacific and Wellste

As discussed above, we issued Q&V questionnaires to eight companies using the address information submitted by the petitioner.<sup>33</sup> Information from FedEx confirmed delivery of the Q&V questionnaires to Jiangsu Asia-Pacific and Wellste; neither of these companies submitted a Q&V response.<sup>34</sup>

Because Jiangsu Asia-Pacific and Wellste did not respond to our Q&V questionnaire, we do not have the information necessary to determine whether shipments were made by those companies to the United States, and thus, we are precluded from determining the appropriate countervailable subsidies received by each of these companies. Therefore, we preliminarily determine that necessary information is not on the record, within the meaning of section 776(a)(1). Moreover, we preliminarily determine that, because Jiangsu Asia-Pacific and Wellste did not respond to our Q&V questionnaire, they withheld information that was requested of them within the meaning of section 776(a)(2)(A) of the Act and failed to provide information within the deadlines established and failed to provide information in the form and manner requested by Commerce within the meaning of section 776(a)(2)(B) of the Act. Finally, we preliminarily determine that, by not responding to our questionnaire, Jiangsu Asia-Pacific and Wellste significantly impeded this review within the meaning of section 776(a)(2)(C) of the Act. Accordingly, given their failure to respond to Commerce's requests for information, Commerce must rely on the facts otherwise available in making its preliminary determination with respect to all countervailable subsidy programs that Jiangsu Asia-Pacific and Wellste could have used, in accordance with sections 776(a)(1) and 776(a)(2)(A)-(C) of the Act.

<sup>&</sup>lt;sup>31</sup> See Section 776(d)(1) of the Act.

<sup>&</sup>lt;sup>32</sup> See section 776(d)(3) of the Act.

<sup>&</sup>lt;sup>33</sup> See Petitioner's Company Addresses Letter.

<sup>&</sup>lt;sup>34</sup> See Q&V Delivery Status Memorandum. The Q&V Questionnaire was also delivered to Modular Assembly, Tai Ao (Taishan), Tai Ao Aluminum Taishan; however, none of these companies remain under review. See Petitioner's Withdrawal Request.

Furthermore, we preliminarily determine that AFA is warranted, pursuant to section 776(b) of the Act, because, by not responding to Commerce's questionnaires, Jiangsu Asia-Pacific and Wellste failed to cooperate to the best of their ability to comply with Commerce's requests for information in this administrative review.<sup>35</sup>

# **Kingtom**

On August 3, 2020, we placed the results of our CBP data query on the record of this review.<sup>36</sup> On August 10, 2020, Kingtom submitted a certification claiming "in good faith, Kingtom reports no entries, exports or sales of subject merchandise to the United States during the {POR}."<sup>37</sup> On September 18, 2020, Kingtom submitted a response to the Q&V questionnaire identifying quantities and values regarding its "sales of merchandise manufactured and exported from the Dominican Republic."<sup>38</sup> Kingtom continued to refute that its merchandise, allegedly produced in the Dominican Republic, was subject merchandise (*i.e.*, produced in China) despite admitting that it was subject to ongoing investigations of evasion by CBP under Title IV, Section 421 of the Trade Facilitation and Trade Enforcement Act of 2015 (also referred to as the Enforce and Protect Act or EAPA).<sup>39</sup>

Under EAPA, Congress added section 517 of the Act, which authorized CBP to determine, as part of its evasion proceedings, that merchandise has evaded an AD or CVD order, and to reclassify the country of origin of that merchandise pursuant to such a determination. Here, CBP has, through its EAPA proceedings, determined that there has been both evasion of countervailing duties regarding the entries covered by those investigations and transshipment. Here, we have relied upon CBP's determination that the entries of aluminum extrusions by Kingtom during the periods covered by the EAPA proceedings (which overlap with the POR here) are subject to the *Order*. It is our understanding that Congress intended for both AD/CVD trade remedy laws and CBP's evasion laws to be implemented and enforced in tandem, to prevent and address injurious dumping and subsidies, as well as to prevent and

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<sup>&</sup>lt;sup>35</sup> See, e.g., Aluminum Extrusions from the People's Republic of China: Preliminary Results of Countervailing Duty Administrative Review, Rescission of Review, in Part, and Intent to Rescind, in Part; 2018, 85 FR 47349 (August 5, 2020) (Aluminum Extrusions 2018 Preliminary Results), and accompanying Preliminary Decision Memorandum (PDM), unchanged in Aluminum Extrusions From the People's Republic of China: Final Results of Countervailing Duty Administrative Review; 2018, 86 FR 8593 (February 6, 2021) (Aluminum Extrusions 2018 Final Results); Aluminum Extrusions from the People's Republic of China: Preliminary Results of Countervailing Duty Administrative Review, Rescission of Review, in Part, and Intent to Rescind, in Part; 2017, 84 FR 9485 (March 15, 2019), and accompanying PDM, unchanged in Aluminum Extrusions From the People's Republic of China: Final Results of Countervailing Duty Administrative Review; 2017, 84 FR 35069, (July 22, 2019) (Aluminum Extrusions 2017 Final Results), and accompanying Issues and Decision Memorandum (IDM); Aluminum Extrusions from the People's Republic of China: Preliminary Results of Countervailing Duty Administrative Review, Rescission of Review, in Part, and Intent to Rescind, in Part; 2016, 83 FR 11501, (March 15, 2018) and accompanying PDM, unchanged in Aluminum Extrusions from the People's Republic of China: Final Results of Countervailing Duty Administrative Review; 2016, 83 FR 35208 (July 25, 2018) and accompanying IDM.

<sup>&</sup>lt;sup>36</sup> See CBP Data Query Memorandum.

<sup>&</sup>lt;sup>37</sup> See Kingtom No-Shipment Letter at 2.

<sup>&</sup>lt;sup>38</sup> See Kingtom Q&V Response.

<sup>39</sup> Id

<sup>&</sup>lt;sup>40</sup> See section 571(d) of the Act.

<sup>&</sup>lt;sup>41</sup> See Petitioner Entry Information Comments, Exhibits 1-3.

address evasion and transshipment. Consequently, we preliminarily find that Kingtom's statement of no shipments conflicts with CBP's EAPA Final Determinations.<sup>42</sup>

Moreover, because Kingtom did not report to CBP any shipments of subject merchandise during the POR, Kingtom did not appear in our CBP data query as having any suspended entries. However, based on the aforementioned results of CBP's EAPA investigations and information provided by CBP in response to our no-shipment inquiry, 43 we find that Kingtom should have reported shipments of subject merchandise during the POR to both CBP and Commerce.

Thus, we preliminarily determine that Kingtom significantly impeded this review within the meaning of section 776(a)(2)(C) of the Act.<sup>44</sup> Because Kingtom reported all of its POR shipments as non-subject merchandise to both CBP and Commerce, and Kingtom's representations resulted in our CBP data query results showing that it had no suspended entries, consistent with our practice in administrative reviews, we did not select Kingtom for individual examination.<sup>45</sup> As a result, Commerce was prevented from examining subsidization and gathering information with which to determine a subsidy rate for Kingtom. Accordingly, we find that we must rely on "facts available" in making our preliminary determination with respect to all countervailable subsidy programs that Kingtom could have used, in accordance with section 776(a)(2)(C) of the Act.

Furthermore, we preliminarily determine that AFA is warranted with respect to Kingtom, pursuant to section 776(b) of the Act. For the same reasons that Kingtom significantly impeded the proceeding, we find that Kingtom failed to cooperate to the best of its ability in this administrative review.<sup>46</sup>

## **Selection of AFA Rate**

In applying AFA, we find that Jiangsu Asia-Pacific, Wellste, and Kingtom used and benefited from each of the programs that were previously found to be countervailable in prior segments of this preceding, unless we have subsequently found the program not to be countervailable.<sup>47</sup> We

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<sup>&</sup>lt;sup>42</sup> See Petitioner Entry Information Comments, Exhibits 1-3.

<sup>&</sup>lt;sup>43</sup> See Petitioner Entry Information Comments, Exhibits 1-3; see also Memorandum, "2019 Countervailing Duty Administrative Review of Aluminum Extrusions from the People's Republic of China: Entry Information Related to Kingtom Aluminio S.R.L.," dated June 17, 2021.

<sup>&</sup>lt;sup>44</sup> The record information supporting these determinations constitutes Business Proprietary Information. *See* Memorandum, "Aluminum Extrusions from the People's Republic of China: Application of Adverse Facts Available to Kingtom Aluminio SRL," dated concurrently with this memorandum (Kingtom AFA Memorandum). <sup>45</sup> *See, e.g., Aluminum Extrusions from the People's Republic of China: Final Results of Countervailing Duty Administrative Review; 2010 and 2011*, 79 FR 106 (January 2, 2014) and accompanying IDM at Comment 5 ("... we requested evidence of a Type 3 suspended entry from companies in order to be considered as a mandatory respondent in the review. Because {the company} did not present evidence of a Type 3 entry, it was not considered as a mandatory respondent.").

<sup>&</sup>lt;sup>46</sup> See Kingtom AFA Memorandum.

<sup>&</sup>lt;sup>47</sup> See, e.g., Aluminum Extrusions 2018 Final Results; Aluminum Extrusions 2017 Final Results; see also Certain Cold-Rolled Carbon Steel Flat Products from Korea; Final Affirmative CVD Determination, 67 FR 62102 (October 3, 2002), and accompanying IDM at "Methodology and Background Information;" see also Coated Free Sheet Paper from the People's Republic of China: Final Affirmative Countervailing Duty Determination, 72 FR 60645 (October 25, 2017) at 60646-47.

are, therefore, including these programs among those we look to in determining the AFA rate.<sup>48</sup> Further, we selected an AFA rate for each such program consistent with our CVD AFA hierarchy in determining the AFA subsidy rate that we applied to Jiangsu Asia-Pacific, Wellste, and Kingtom.

For the purpose of calculating the AFA rate for the preliminary results of review, Commerce preliminarily finds that all programs that have been previously countervailed in prior segments of this proceeding, remain countervailable—that is, they provide a financial contribution within the meaning of sections 771(5)(B)(i) and (D) of the Act, confer a benefit within the meaning of section 771(5)(B) of the Act, and are specific within the meaning of 771(5A) of the Act.

Additionally, consistent with section 776(d) of the Act and our established practice, we selected the highest calculated rate for the same or similar program as the AFA rate in this review. <sup>49</sup> When selecting rates in an administrative review, we first determine if there is an identical program from any segment of the proceeding and use the highest calculated rate for any respondent for the identical program (excluding *de minimis* rates). <sup>50</sup> If no such identical program exists, we then determine if there is a similar or comparable program (based on the treatment of the benefit) within the same proceeding and apply the highest calculated rate for the similar program, excluding *de minimis* rates. Where there is no similar or comparable program in the proceeding at issue, we look outside the proceeding (but within the same country) for the highest non-*de minimis* calculated rate for the identical program. If there is no identical program in any other CVD proceeding involving the same country, we look for the highest non-*de minimis* rate for a similar/comparable program from another proceeding. If that option is not available, we apply the highest calculated rate from any non-company specific program, but we do not use a rate from a program if the industry in the proceeding cannot use that program. <sup>51</sup>

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

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<sup>&</sup>lt;sup>48</sup> See Section VII, below.

<sup>&</sup>lt;sup>49</sup> See, e.g., Chlorinated Isocyanurates from the People's Republic of China: Preliminary Results of Countervailing Duty Administrative Review; 2015 82 FR 57209 (December 4, 2017) and accompanying PDM at 5, unchanged in Chlorinated Isocyanurates from the People's Republic of China: Final Results of Countervailing Duty Administrative Review; 2015 (June 11, 2018) 83 FR 26954 and accompanying Decision Memorandum (Isos 2015 Final Results); see also Shrimp from China and accompanying IDM at 13; see also Essar Steel Ltd. (upholding "hierarchical methodology for selecting an AFA rate").

<sup>&</sup>lt;sup>50</sup> For purposes of selecting AFA program rates, we normally treat rates less than 0.5 percent as *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 "Grant Under the Tertiary Technological Renovation Grants for Discounts Program" and "Grant Under the Elimination of Backward Production Capacity Award Fund."

<sup>&</sup>lt;sup>51</sup> See, e.g., Aluminum Extrusions from the People's Republic of China: Final Results of Countervailing Duty Administrative Review; 2012, 79 FR 78788 (December 31, 2014), and accompanying IDM at 15-16; see also Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled into Modules, from the People's Republic of China: Final Results of Countervailing Duty Administrative Review; 2012, 80 FR 41003 (July 14, 2015), and accompanying IDM at 14.

any previous review under section 751 concerning the subject merchandise."<sup>52</sup> The SAA provides that to "corroborate" secondary information, Commerce will satisfy itself that the secondary information to be used has probative value.<sup>53</sup> However, Commerce is not required to corroborate any CVD rate applied in a separate segment of the same proceeding.<sup>54</sup>

The SAA emphasizes that Commerce need not prove that the selected facts available are the best alternative information.<sup>55</sup> Furthermore, 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.<sup>56</sup>

Because we have found it appropriate to apply AFA to Jiangsu Asia-Pacific, Wellste, and Kingtom due to their failure to cooperate in providing information in this proceeding, we have selected AFA rates for all subsidy programs listed below according to Commerce's CVD AFA hierarchy.<sup>57</sup> The rates selected in this review as AFA rates were also selected as AFA rates in the last administrative review and were previously corroborated to the extent practicable.<sup>58</sup> We are using those same rates as the AFA rates in this review. Because we are selecting CVD rates that were applied in a separate segment of the same proceeding, pursuant to section 776(c)(2) of the Act, we are not required to corroborate those rates in this review.<sup>59</sup>

#### VII. SUBSIDY PROGRAMS SUBJECT TO COUNTERVAILING DUTIES

#### **Loan Programs**

Export Buyer's Credit

Export Seller's Credit

Loans and Interest Subsidies Provided Pursuant to the Northeast Revitalization Program Policy Loans to Chinese Aluminum Extrusions Producers

#### **Provision of Goods and Services for LTAR**

Allocated Land-Use Rights for SOEs

Provision of Aluminum Extrusions for LTAR

Provision of Electricity for LTAR to FIEs Located in the Nanhai District of Foshan City Provision of Glass for LTAR

Provision of Land-Use Rights and Fee Exemptions to Enterprises Located in the Zhaoqing New and High-Tech Industrial Development Zone (ZHTDZ) for LTAR

Provision of Land-Use Rights for LTAR for Enterprises Located in the Yongji Circular Economic Park

<sup>54</sup> See section 776(c)(2) of the Act; see also section 502(2) of the TPEA.

<sup>&</sup>lt;sup>52</sup> See SAA at 870.

<sup>&</sup>lt;sup>53</sup> *Id.* at 870.

<sup>&</sup>lt;sup>55</sup> *Id.* at 869-870.

<sup>&</sup>lt;sup>56</sup> See section 776(d) of the Act.

<sup>&</sup>lt;sup>57</sup> See Memorandum "Administrative Review of Countervailing Duty Order on Aluminum Extrusions from the People's Republic of China: AFA Calculation Memorandum for the 2016 Final Results of Review," dated concurrently with this memorandum.

<sup>&</sup>lt;sup>58</sup> See Aluminum Extrusions 2018 Preliminary Results; see also Aluminum Extrusions 2018 Final Results.

<sup>&</sup>lt;sup>59</sup> See section 776(c)(2) of the Act; see also section 502(2) of the TPEA.

Provision of Land-Use Rights in the Liaoyang High-Tech Industry Development Zone Provision of Land-Use Rights to Enterprises Located in the South Sanshui Science & Technology Industrial Park for LTAR Provision of Primary Aluminum for LTAR Provision of Steam Coal for LTAR

#### Purchase of Goods and Services for More than Adequate Remuneration (MTAR)

Purchases of Aluminum Extrusions for MTAR

## **Income Tax Programs**

Preferential Tax Policies for the Development of Western Regions of China (aka, Go West Campaign)

Preferential Tax Policies for the Opening and Development of Beibu Gulf Economic Zone of Guangxi Zhuang Autonomous Region (Local Income Tax Exemption)

Preferential Tax Program for FIEs Recognized as HNTEs

Preferential Tax Program for High or New Technology Enterprises

Provincial Tax Exemptions and Reductions for "Productive" FIEs

Tax Reduction for Export-Oriented FIEs

Tax Reductions for FIEs in Designated Geographic Locations

Tax Reductions for FIEs Purchasing Chinese-Made Equipment

Tax Reductions for Technology – or Knowledge-Intensive FIEs

#### **Tax Credit and Tax Rebate Programs**

Accelerated Depreciation for Enterprises Located in the Northeast Region

Forgiveness of Tax Arrears for Enterprises in the Old Industrial Bases of Northeast China Tax Offset for Research & Development

Tax Refunds for Enterprises Located in the ZHTDZ

Tax Refunds for Tax Refunds for Reinvesting of FIE Profits in Export-Oriented Enterprises

#### Other Tax Programs

Import Tariff and VAT Exemptions for FIEs and Certain Domestic Enterprises using Imported Equipment in Encouraged Industries

Refund of Value Added Tax on Products Made through Comprehensive Utilization of Resources VAT Rebates on FIE Purchases of Chinese-Made Equipment

#### **Grant Programs**

Advantaged Traditional Manufacturing Industry Transformation and Upgrading Model Enterprise Award (Industry Upgrading Model Award)

Assistance for Science Research and Technology Development Planning Projects of Nanning Municipality

Assistance for R&D projects under Funds of Nanning Municipality for Foreign Trade Development

Assistances for R&D projects under Funds of Nanning Municipality for Foreign Trade Development

Awards of Guangxi Autonomous Region for Advancement of Science and Technology Awards of Guangxi Autonomous Region for Emission Reduction of Main Pollutants Awards of Guangxi Autonomous Region for New Products

Awards of Nanning Municipality for New Products

Awards to Key Enterprises for Large Consumption of Electricity

Beijing Industry Development Fund

Clean Production Technology Fund

Development Assistance Grants from the ZHTDZ Local Authority

Enterprise Technology Center Fund

Exemptions from Administrative Charges for Companies in the ZHTIDZ

Expanding Production and Stabilizing Jobs Fund of Jiangsu Province

**Export Increase Fund** 

Export Rebate for Mechanic, Electronic, and High-Tech Products

Financial Supporting Funds of Nanning Municipality for Technology Renovation for Production Safety

Financial Assistance (interest subsidy) of Nanning Municipality for Key Technology Renovation

Fund for Economic, Scientific, and Technology Development

Fund for SME Bank-Enterprise Cooperation Projects

Funds for Projects of Science and Technology Professionals serving the Enterprises

Funds of Guangxi Autonomous Region for Enterprises' Technology Renovation

Funds of Nanning Municipality for Technology Innovation

GOC and Sub-Central Government Grants, Loans, and Other Incentives for Development of Famous Brands and China World Top Brands

Grants for Listing Shares: Liaoyang City (Guangdong Province), Wenzhou Municipality

(Zhejiang Province), and Quanzhou Municipality (Fujian Province)

Grants to Cover Legal Fees in Trade Remedy Cases in Zhenzhen

Guangxi Awards for Private Enterprises designated as Pilot Innovation-oriented Enterprises Guangxi Technology R&D Funds

Guangzhou Engineering Technology R&D Center Fund

Guangzhou Innovation Enterprise Fund from Guangzhou

Import and Export Credit Insurance Supporting Development Fund for Changzhou

**Industrial Development Fund** 

Intellectual Property Reward

International Market Exploration Fund (SME Fund)

Nanhai District Grants to High and New Technology Enterprises

National Funds for Construction of Ten "Key Energy Saving Projects", "Key Demonstration

Bases for Recycling Economy and Resource Saving" and "Key Industrial Pollution Control Projects"

National Funds for the Industry Revitalization and Technology Renovation of the Key Fields Northeast Region Foreign Trade Development Fund

PGOG Science and Technology Bureau Project Fund (aka, Guangdong Industry, Research, University Cooperating Fund)

PGOG Special Fund for Energy Saving Technology Reform

Private Enterprise Award

Provincial Fund for Fiscal and Technological Innovation

Provincial Loan Discount Special Fund for SMEs

Refund of Land-Use Tax for Firms Located in the ZHTDZ

Special Fund for External Economy

Special Fund for Significant Science and Technology in Guangdong Province

Special Funds for the Development of Five Industries

Special Funds of Guangxi Autonomous Region for Production Safety (Supporting Fund for Eliminating Potential and Seriously Dangerous Projects)

Special Funds of Guangxi Autonomous Region for Small Highland of Talents

Special Funds of Guangxi Beibu Gulf Economic Zone for the Development of Key Industries Special Funds of Nanning Municipality for Academic and Technical Leaders of the New Century

Special Funds of Nanning Municipality for Small Highland of Talents

Special Reward Fund for Industrial Economy Transformation and Upgrading of the Whole District

State Key Technology Renovation Project Fund

Supporting Funds for Trade with the Minority Nationalities and Production of Goods Specially Needs by Minority Nationalities

Supporting Funds of Nanning Municipality for "Informatization-industrialization Integration" and Development of Information Industry

**Technical Standards Awards** 

Technology Innovation Assistance Fund (Niulanshan Industrial Development Center – Technology Products Fund)

Trade Promotion and Brand Building Fund

Working Capital Loans Discount

# VIII. AD VALOREM RATE FOR NON-COOPERATIVE COMPANIES UNDER REVIEW

Based on the methodology described above, we preliminarily determine the AFA countervailable subsidy rate for Jiangsu Asia-Pacific, Wellste, and Kingtom to be 242.15 percent *ad valorem*.<sup>60</sup>

## IX. KINGTOM SCOPE INQUIRY

In its June 24, 2021 comments, Kingtom referenced its request for a scope ruling concerning its extruded aluminum merchandise and argued that Commerce should find in the scope inquiry that Kingtom's aluminum extrusions are outside the scope of the *Order*, and that Commerce should make a finding of no shipments in this administrative review. That scope inquiry is a separate proceeding and, as such, is not on the record of this review. Moreover, because there are ongoing EAPA covered merchandise proceedings covering these entries,<sup>61</sup> we are deferring a decision on initiating or not initiating a scope inquiry in this case until those proceedings are completed. We have placed the letter deferring a decision on initiation of the scope inquiry on the record of this review.<sup>62</sup>

<sup>&</sup>lt;sup>60</sup> See AFA Calculation Memorandum for a table detailing the derivation of the AFA rate applied.

<sup>&</sup>lt;sup>61</sup> See Petitioner Entry Information Comments, Exhibit 4.

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<sup>&</sup>lt;sup>62</sup> See Memorandum, "Administrative Review of the Antidumping Duty Order on Aluminum Extrusions from the People's Republic of China, 2019-2020: Placement of Scope Initiation Deferral Letter on the Record," dated concurrently with this memorandum.

# X. RECOMMENDATION

We recommend applying the above methodology for these preliminary results.	
$\boxtimes$	
Agree	Disagree
7/30/2021 X — Tmst	
Signed by: CHRISTIAN MARSH	

Acting Assistant Secretary for Enforcement and Compliance