Commerce is issuing and publishing these results in accordance with sections 751(a)(1) and 777(j) of the Act and 19 CFR 351.221(b)(5).

Dated: October 9, 2018.

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

Appendix

List of Topics Discussed in the Final Decision Memorandum

I. Summary
II. Background
III. Scope of the Order
IV. List of Comments
V. Discussion of Comments

Comment 1: Treatment of Suzano’s Sales to an U.S. Foreign Trade Zone (FTZ)
Comment 2: Treatment of Suzano’s Credit Expenses
Comment 3: Treatment of INSS Taxes
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VI. Recommendation

[FR Doc. 2018–22720 Filed 10–17–18; 8:45 am]
BILLING CODE 3510–05–P

DEPARTMENT OF COMMERCE
International Trade Administration

[C–570–096]

Aluminum Wire and Cable From the People’s Republic of China: Initiation of Countervailing Duty Investigation

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

DATES: Applicable October 11, 2018.


SUPPLEMENTARY INFORMATION:

The Petition

On September 21, 2018, the U.S. Department of Commerce (Commerce) received a countervailing duty (CVD) Petition concerning imports of aluminum wire and cable from the People’s Republic of China (China), filed in proper form on behalf of Encore Wire Corporation and Southwire Company, LLC (the petitioners), which are domestic producers of aluminum wire and cable.2 The CVD Petition was accompanied by an antidumping duty (AD) Petition concerning imports of aluminum wire and cable from China. On September 25 and 26, 2018, Commerce requested supplemental information pertaining to certain aspects of the Petition in two separate supplemental questionnaires, one dealing with general issues with the Petition and the other with issues related to Volume III of the Petition (i.e., the CVD allegation).3 The petitioners filed their combined response to the supplemental questionnaires on September 28, 2018.4

In accordance with section 702(b)(1) of the Tariff Act of 1930, as amended (the Act), the petitioners allege that the Government of China (GOC) is providing countervailable subsidies, within the meaning of sections 701 and 771(S) of the Act, to producers of aluminum wire and cable in China and that imports of such products are materially injuring, or threatening material injury to, the domestic industry producing aluminum wire and cable in the United States. Consistent with section 702(b)(1) of the Act and 19 CFR 351.202(b), for those alleged programs on which we are initiating a CVD investigation, the Petition is accompanied by information reasonably available to the petitioners supporting their allegations.

Commerce finds that the petitioners filed the Petition on behalf of the domestic industry because the petitioners are an interested party as defined in section 771(9)(C) of the Act. Commerce also finds that the petitioners demonstrated sufficient industry support necessary for the initiation of the requested CVD investigation.4

Period of Investigation

Because the Petition was filed on September 28, 2018, the period of investigation is January 1, 2017, through December 31, 2017.

Scope of the Investigation

The product covered by this investigation is aluminum wire and cable from China. For a full description of the scope of this investigation, see the Appendix to this notice.

Scope Comments

During our review of the Petition, Commerce contacted the petitioners regarding the proposed scope language to ensure that the scope language in the Petition is an accurate reflection of the products for which the domestic industry is seeking relief.5 As a result of the petitioners’ submission, the scope of the Petition was modified to clarify the description of merchandise covered by the Petition. The description of the merchandise covered by this initiation, as described in the Appendix to this notice, reflects these clarifications.

As discussed in the Preamble to Commerce’s regulations, we are setting aside a period for interested parties to raise issues regarding product coverage (scope).6 Commerce will consider all comments received from interested parties and, if necessary, will consult with interested parties prior to the issuance of the preliminary determination. If scope comments include factual information,7 all such factual information should be limited to public information. To facilitate preparation of its questionnaires, Commerce requests that all interested parties submit such comments by 5:00 p.m. Eastern Time (ET) on October 31, 2018, which is 20 calendar days from the signature date of this notice. Any rebuttal comments, which may include factual information, must be filed by 5:00 p.m. ET on November 13, 2018.8

Commerce requests that any factual information parties consider relevant to the scope of the investigation be submitted during this period. However, if a party subsequently finds that additional factual information pertaining to the scope of the investigation may be relevant, the party may contact Commerce and request

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3 See letter from the petitioners, “Aluminum Wire and Cable from China: Amendment of Petitions and Response to Commerce’s Supplemental Questions” dated September 28, 2018 (Petition Supplement).
4 See “Determination of Industry Support for the Petition” section, infra.
5 See Supplemental Questionnaire Response at 7–8 and Exhibit I (Revised Scope).
6 See Antidumping Duties; Countervailing Duties, Final Rule, 62 FR 27296, 27323 (May 19, 1997) (Preamble).
7 See 19 CFR 351.102(b)(21) (defining “factual information”).
8 See 19 CFR 351.303(b). Rebuttal comments are normally due 10 days after the comment deadline. In this case, 10 calendar days from the initial comments deadline falls on Saturday, November 10, 2018. Commerce’s practice dictates that where a deadline falls on a weekend or federal holiday, the appropriate deadline is the next business day. 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, 2005).
permission to submit the additional information. All such submissions must be filed on the records of the concurrent AD and CVD investigations.

Filing Requirements

All submissions to Commerce must be filed electronically using Enforcement and Compliance’s Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). An electronically filed document must be received successfully in its entirety by the time and date it is due. Documents exempted from the electronic submission requirements must be filed manually (i.e., in paper form) with Enforcement and Compliance’s APO/Dockets Unit, Room 18022, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230, and stamped with the date and time of receipt by the applicable deadlines.

Consultations

Pursuant to sections 702(b)(4)(A)(i) and (ii) of the Act, Commerce notified representatives of the GOC of the receipt of the Petition and provided them the opportunity for consultations with respect to the CVD Petition. The GOC did not request consultations.

Determination of Industry Support for the Petition

Section 702(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 702(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) At least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 702(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, Commerce shall: (i) Poll the industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A); or (ii) determine industry support using a statistically valid sampling method to poll the “industry.”

Section 771(4)(A) of the Act defines the “industry” as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs Commerce to look to producers and workers who produce the domestic like product. The International Trade Commission (ITC), which is responsible for determining whether “the domestic industry” has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both Commerce and the ITC must apply the same statutory definition regarding the domestic like product, they do so for different purposes and pursuant to a separate and distinct authority. In addition, Commerce’s determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to law.

Section 771(10) of the Act defines the domestic like product as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title.” Thus, the reference point from which the domestic like product analysis begins is “the article subject to an investigation” (i.e., the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition).

With regard to the domestic like product, the petitioners do not offer a definition of the domestic like product distinct from the scope of the investigation. Based on our analysis of the information submitted on the record, we have determined that aluminum wire and cable, as defined in the scope, constitutes a single domestic like product, and we have analyzed industry support in terms of that domestic like product.

In determining whether the petitioners have standing under section 702(c)(4)(A) of the Act, we considered the industry support data contained in the Petition with reference to the domestic like product as defined in the “Scope of the Investigation,” in the Appendix to this notice. To establish industry support, the petitioners provided their own shipment values of the domestic like product in 2017 and compared this to the estimated total shipment value of the domestic like product for the entire industry. Because total 2017 production volume data for the domestic like product for the entire domestic industry are not reasonably available to the petitioners, and the petitioners have established that shipment values are a reasonable proxy for production data, we have relied on the data the petitioners provided for purposes of measuring industry support.

Our review of the data provided in the Petition, the Petition Supplement, and other information readily available to Commerce indicates that the petitioners have established industry support for the Petition. First, the Petition established support from domestic producers (or workers) accounting for more than 50 percent of the total production of the domestic like product and, as such, Commerce is not required to take further action in order to evaluate industry support (e.g., polling). Second, the domestic producers (or workers) have met the statutory criteria for industry support under section 702(c)(4)(A)(i) of the Act because the domestic producers (or workers) who support the petition account for at least 25 percent of the total production of the domestic like product.

Finally, the domestic producers (or workers) have met the statutory criteria for industry support under section 702(c)(4)(A)(ii) of the Act because the domestic producers (or workers) who support the petition account for at least 25 percent of the total production of the domestic like product.


See also Enforcement and Compliance: Change of Electronic Filing System Name, 79 FR 69046 (November 20, 2014) for details of Commerce’s electronic filing requirements, which went into effect on August 5, 2011.


9 An electronically filed document must be received successfully in its entirety by the time and date it is due. Documents exempted from the electronic submission requirements must be filed manually (i.e., in paper form) with Enforcement and Compliance’s APO/Dockets Unit, Room 18022, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230, and stamped with the date and time of receipt by the applicable deadlines.

10 Pursuant to sections 702(b)(4)(A)(i) and (ii) of the Act, Commerce notified representatives of the GOC of the receipt of the Petition and provided them the opportunity for consultations with respect to the CVD Petition. The GOC did not request consultations.

11 Section 771(10) of the Act defines the domestic like product as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title.” Thus, the reference point from which the domestic like product analysis begins is “the article subject to an investigation” (i.e., the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition).

12 With regard to the domestic like product, the petitioners do not offer a definition of the domestic like product distinct from the scope of the investigation. Based on our analysis of the information submitted on the record, we have determined that aluminum wire and cable, as defined in the scope, constitutes a single domestic like product, and we have analyzed industry support in terms of that domestic like product.

13 See section 771(10) of the Act.


15 See Volume I of the Petition, at 5–6 and Exhibits GEN–02 through GEN–04; see also Petition Supplement, at 8–11 and Exhibit K.

16 Id.

17 Id. For further discussion, see China CVD Initiation Checklist, at Attachment II.

18 See China CVD Initiation Checklist, at Attachment II.

19 See Antidumping and Countervailing Duty Petitions Covering Aluminum Wire and Cable from the People’s Republic of China (Attachment II). This checklist is dated concurrently with, and hereby adopted by, this notice and is available in the Central Records Unit, Room B8024 of the main Department of Commerce building. Access to documents filed via ACCESS is also available in the Central Records Unit, Room B8024 of the main Department of Commerce building.

20 See Volume I of the Petition, at 5–6 and Exhibits GEN–02 through GEN–04; see also Petition Supplement, at 8–11 and Exhibit K.
workers) who support the Petition account for more than 50 percent of the  
production of the domestic like product  
produced by that portion of the industry  
expressing support for, or opposition to,  
the Petition.21 Accordingly, Commerce  
determines that the Petition was filed on  
behalf of the domestic industry within  
the meaning of section 702(b)(1) of the  
Act.

Commerce finds that the petitioners filed  
the Petition on behalf of the  
domestic industry because they are  
interested parties as defined in section  
771(9)(C) of the Act, and they have  
demonstrated sufficient industry  
support with respect to the CVD  
investigation that they are requesting  
that Commerce initiate.22

Injury Test

Because China is a “Subsidies  
Agreement Country” within the  
meaning of section 701(b) of the Act,  
section 701(a)(2) of the Act applies to  
this investigation. Accordingly, the ITC  
must determine whether imports of the  
subject merchandise from China  
materially injure, or threaten material  
injury to, a U.S. industry.

Allegations and Evidence of Material  
Injury and Causation

The petitioners allege that imports of  
the subject merchandise are benefitting  
from countervailable subsidies and that  
such imports are causing, or threaten to  
cause, material injury to the U.S.  
industry producing the domestic like  
product. In addition, the petitioners  
subject that subject imports exceed the  
negligibility threshold provided for  
under section 771(24)(A) of the Act.23

The petitioners contend that the  
industry’s injured condition is  
illustrated by a significant and  
increasing volume of subject imports;  
underselling and price depression or  
suppression; depressed absolute level of  
capacity utilization; decline in the  
domestic industry’s financial  
performance; and lost sales and  
revenues.24 We have assessed the  
allegations and supporting evidence  
regarding material injury, threat of  
material injury, and causation, and we  
have determined that these allegations  
are properly supported by adequate  
evidence, and meet the statutory  
requirements for initiation.25

Initiation of CVD Investigation

Based on the examination of the  
Petition, we find that the Petition meets  
the requirements of section 702 of the  
Act. Therefore, we are initiating a CVD  
investigation to determine whether  
imports of aluminum wire and cable  
from China benefit from countervailable  
subsidies conferred by the GOC. In  
accordance with section 703(b)(1) of the  
Act and 19 CFR 351.205(b)(1), unless  
postponed, we will make our  
preliminary determination no later than  
65 days after the date of this initiation.

Based on our review of the Petition,  
we find that there is sufficient  
information to initiate a CVD  
investigation on all of the subsidy  
programs alleged in the Petition, with  
certain limitations. For a full discussion  
of the basis for our decision to initiate  
on each program, see China CVD  
Initiation Checklist. A public version of  
the initiation checklist for this  
investigation is available on ACCESS.

Respondent Selection

The petitioners named 27 producers/  
exporters as accounting for the majority  
of exports of aluminum wire and cable  
to the United States from China.26 In the  
event Commerce determines that the  
number of companies is large and it  
cannot individually examine each  
company based upon Commerce’s  
resources, where appropriate,  
Commerce intends to select mandatory  
respondents based on U.S. Customs and  
Border Protection (CBP) data for U.S.  
imports of aluminum wire and cable  
from China during the POI under the  
appropriate Harmonized Tariff Schedule  
of the United States numbers listed in  
the “Scope of the Investigation,” in the  
Appendix. On October 9, 2018, we  
released CBP data under Administrative  
Protective Order (APO) to all parties  
with access to information protected by  
APO and indicated that interested  
parties wishing to comment regarding  
the CBP data and respondent selection  
must do so within three business days  
of the publication date of the notice  
of initiation of this CVD investigation.27  
Commerce will not accept rebuttal  
comments regarding the CBP data or  
respondent selection.

Interested parties must submit  
applications for disclosure under APO  
in accordance with 19 CFR 351.305(b).  
Evidence of Material Injury and Causation for the  
Antidumping and Countervailing Duty Petitions  
Covering Aluminum Wire and Cable from the  
People’s Republic of China (Attachment III).

Instructions for filing such applications  
may be found on the Commerce’s  
website at http://enforcement.trade.gov/  
apo.

Comments regarding respondent  
selection must be filed electronically  
using ACCESS. An electronically filed  
document must be received  
successfully, in its entirety, by ACCESS  
no later than 5:00 p.m. ET on the date  
established by Commerce. We intend to  
finalize our decisions regarding  
respondent selection within 20 days of  
publishing this notice.

Distribution of Copies of the Petition

In accordance with section  
702(b)(4)(A)(i) of the Act and 19 CFR  
351.202(f), copies of the public versions  
of the Petition have been provided to  
the GOC via ACCESS. To the extent  
practicable, we will attempt to provide  
a copy of the public version of the  
Petition to each exporter named in the  
Petition, as provided under 19 CFR  
351.203(c)(2).

ITC Notification

We will notify the ITC of our  
inclusion, as required by section 702(d)  
of the Act.

Preliminary Determination by the ITC

The ITC will preliminarily determine,  
within 45 days after the date on which  
the Petition was filed, whether there is  
a reasonable indication that imports of  
aluminum wire and cable from China  
are materially injuring, or threatening  
material injury to, a U.S. industry.28 A  
negative ITC determination will result  
in the investigation being terminated.29  
Otherwise, this investigation will  
proceed according to statutory and  
regulatory time limits.

Submission of Factual Information

Factual information is defined in  
19 CFR 351.102(b)(21) as: (i) Evidence  
submitted in response to questionnaires;  
(ii) evidence submitted in support of  
allegations; (iii) publicly available  
information to value factors under 19  
CFR 351.511(a)(2); (iv) evidence placed  
on the record by Commerce; and (v)  
evidence other than factual information  
described in (i)–(iv). 19 CFR 351.301(b)  
requires any party, when submitting  
evidence other than factual information  
related to an investigation, to submit  
a memorandum describing the nature  
and content of the evidence. In  
accordance with section  
702(b)(4)(A)(ii) of the Act and 19 CFR  
351.202(f), copies of the public versions  
of the Petition have been provided to  
the GOC via ACCESS. To the extent  
practicable, we will attempt to provide  
a copy of the public version of the  
ITC’s Notice of Initiation to each exporter  
named in the Petition, as provided under 19 CFR  
351.203(c)(2).

ITC Notification

We will notify the ITC of our  
inclusion, as required by section 702(d)  
of the Act.
factual information already on the record, to provide an explanation identifying the information already on the record that the factual information seeks to rebut, clarify, or correct. Time limits for the submission of factual information are addressed in 19 CFR 351.301, which provides specific time limits based on the type of factual information being submitted. Interested parties should review the regulations prior to submitting factual information in this investigation.

Extensions of Time Limits

Parties may require an extension of time limits before the expiration of a time limit established under 19 CFR 351.301, or as otherwise specified by the Secretary. In general, an extension request will be considered untimely if it is filed after the expiration of the time limit established under 19 CFR 351.301. For submissions that are due from multiple parties simultaneously, an extension request will be considered untimely if it is filed after 10:00 a.m. ET on the due date. Under certain circumstances, we may elect to specify a different time limit by which extension requests will be considered untimely for submissions which are due from multiple parties simultaneously. In such a case, we will inform parties in the letter or memorandum of the deadline (including a specified time) by which extension requests must be filed to be considered timely. An extension request must be made in a separate, stand-alone submission; under limited circumstances we will grant untimely-filed requests for the extension of time limits. Parties should review Extension of Time Limits; Final Rule, 76 FR 57790 (September 20, 2013), available at http://www.gpo.gov/fdsys/pkg/FR-2013-09-09/html/2013-22653.htm, prior to submitting factual information in this investigation.

Certification Requirements

Any party submitting factual information in an AD or CVD proceeding must certify to the accuracy and completeness of that information. Parties must use the certification formats provided in 19 CFR 351.303(a). Commerce intends to reject submissions that are submitted by parties that do not comply with the applicable certification requirements.

Notification to Interested Parties

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305. On January 22, 2008, Commerce published Antidumping and Countervailing Duty Proceedings: Documents Submission Procedures; APO Procedures, 73 FR 3634 (January 22, 2008). Parties wishing to participate in this investigation should ensure that they meet the requirements of these procedures (e.g., the filing of letters of appearance as discussed at 19 CFR 351.103(d)).

This notice is issued and published pursuant to sections 702 and 777(i) of the Act and 19 CFR 351.203(c).

Dated: October 11, 2018.

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.

Appendix I

Scope of the Investigation

The scope of the investigation covers aluminum wire and cable, which is defined as an assembly of one or more electrical conductors made from 8000 Series Aluminum Alloys (defined in accordance with ASTM B800), Aluminum Alloy 1350 (defined in accordance with ASTM B230/B230M or B609/B609(M), and/or Aluminum Alloy 6201 (defined in accordance with ASTM B398/B398M), provided that: (1) At least one of the electrical conductors is insulated; (2) each insulated electrical conductor has a voltage rating greater than 80 volts and not exceeding 1000 volts; and (3) at least one electrical conductor is stranded and has a size not less than 165 thousand circular mil (kcmil) and not greater than 1000 kcmil. The assembly may: (1) Include a grounding or neutral conductor; (2) be clad with aluminum, steel, or other base metal; or (3) include a steel support center wire, one or more connectors, a tape shield, a jacket or other covering, and/or filler materials.

Most aluminum wire and cable products conform to National Electrical Code (NEC) types THHN, THWN, THWN–2, XHHW–2, USE, USE–2, RHH, RHW, or RW–2, and also conform to Underwriters Laboratories (UL) standards UL–44, UL–83, UL–758, UL–854, UL–10063, UL–1277, UL–1569, UL–1581, or UL–4703, but such conformity is not required for the merchandise to be included within the scope. The scope of the investigation specifically excludes conductors that are included in equipment already assembled at the time of importation. Also excluded are aluminum wire and cable products in actual lengths less than six feet.

The merchandise covered by the investigation is currently classifiable under subheading 8544.49.9000 of the Harmonized Tariff Schedule of the United States (HTSUS). Products subject to the scope may also enter under HTSUS subheading 8544.42.9090. The HTSUS subheadings are provided for convenience and customs purposes. The written description of the scope of the investigation is dispositive.

DEPARTMENT OF COMMERCE
International Trade Administration
Quarterly Update to Annual Listing of Foreign Government Subsidies on Articles of Cheese Subject to an In-Quota Rate of Duty

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

DATES: Applicable October 18, 2018.


SUPPLEMENTARY INFORMATION: On August 8, 2018, the Department of Commerce (Commerce), pursuant to section 702(b) of the Trade Agreements Act of 1979 (as amended) (the Act), published the quarterly update to the annual listing of foreign government subsidies on articles of cheese subject to an in-quota rate of duty covering the period January 1, 2018, through March 31, 2018. In the First Quarter 2018 Update, we requested that any party that has information on foreign government subsidy programs that benefit articles of cheese subject to an in-quota rate of duty submit such information to Commerce. We received no comments, information or requests for consultation from any party.

Pursuant to section 702(b) of the Act, we hereby provide Commerce’s update of subsidies on articles of cheese that were imported during the period April 1, 2018, through June 30, 2018. The appendix to this notice lists the country, the subsidy program or programs, and the gross and net amounts of each subsidy for which information is currently available.

Commerce will incorporate additional programs which are found to constitute subsidies, and additional information on the subsidy programs listed, as the information is developed. Commerce encourages any person having