DEPARTMENT OF COMMERCE

International Trade Administration

[C–570–136]

Certain Chassis and Subassemblies Thereof From the People's Republic of China: Final Affirmative Countervailing Duty Determination

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

SUMMARY: The Department of Commerce (Commerce) determines that countervailable subsidies are being provided to producers and exporters of certain chassis and subassemblies thereof (chassis) from the People's Republic of China (China). The period of investigation is January 1, 2019, through December 31, 2019.

DATES: Applicable March 22, 2021.

FOR FURTHER INFORMATION CONTACT: William Langley or Nicholas Czajkowski, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482–3861 or (202) 482–1395, respectively.

SUPPLEMENTARY INFORMATION:

Background

The petitioner in this investigation is the Coalition of American Chassis Manufacturers. In addition to the Government of China (GOC), the selected mandatory respondents are Qingdao CIMC Special Vehicles Co., Ltd. (QCVC) and Dongguan CIMC Vehicle Co., Ltd. (DCVC) (collectively, with other cross-owned companies, CIMC).

On January 4, 2021 Commerce published in the **Federal Register** the *Preliminary Determination* of this investigation.[1] A summary of the events that occurred since Commerce published the *Preliminary Determination,* as well as a full discussion of the issues raised by parties for this final determination, may be found in the Issues and Decision Memorandum.[2] The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at *http://access.trade.gov.* In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at *http://enforcement.trade.gov/frn/.*

Scope of the Investigation

The products covered by this investigation are certain chassis and subassemblies thereof from China. For a complete description of the scope of this investigation, *see* Appendix I.

Scope Comments

During the course of this and the concurrent antidumping duty (AD) investigation, Commerce received scope comments from interested parties. Commerce issued a Preliminary Scope Decision Memorandum to address these comments.[3] Subsequently, we received comments from interested parties on the Preliminary Scope Decision Memorandum, which we address in the Final Scope Decision Memorandum, dated contemporaneously with, and hereby adopted by, this final determination.[4] Commerce is modifying the scope language as it appeared in the *Preliminary Determination. See* Appendix I for the final scope of this investigation.

Analysis of Subsidy Programs and Comments Received

The subsidy programs under investigation and the issues raised in the case and rebuttal briefs by parties in this investigation are discussed in the Issues and Decision Memorandum. A list of the issues raised by parties raised is attached to this notice at Appendix II.

Methodology

Commerce conducted this investigation in accordance with section 701 of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, Commerce determines that there is a subsidy, *i.e.,* a financial contribution by an ''authority'' that gives rise to a benefit to the recipient, and that the subsidy is specific.[5] For a full description of the methodology underlying our final determination, *see* the Issues and Decision Memorandum.

In making this final determination, Commerce is relying, in part, on facts otherwise available, including adverse facts available (AFA), pursuant to sections 776(a) and (b) of the Act. For a full discussion of our application of AFA, *see* the *Preliminary Determination* and the section ''Use of Facts Otherwise Available and Adverse Inference'' in the accompanying Issues and Decision Memorandum.[6]

Changes Since the Preliminary Determination

Based on our review and analysis of the comments received from parties, as well as additional information collected in questionnaires issued subsequent to the *Preliminary Determination,* we made certain changes to CIMC's subsidy rate calculations. For a discussion of these changes, *see* the Issues and Decision Memorandum.

Verification

Commerce was unable to conduct on-site verification of the information relied upon in making its final determination in this investigation. However, we took additional steps in lieu of an on-site verification to verify the information relied upon in making this final determination, in accordance with section 782(i) of the Act.[7]

All-Others Rate

As discussed in the *Preliminary Determination,* Commerce selected the all-others rate using the countervailable subsidy rate calculated for the mandatory respondent in accordance with section 705(c)(5)(A) of the Act.[8] Section 705(c)(5)(A) of the Act provides that this rate shall be an amount equal to the weighted average of the estimated subsidy rates established for those companies individually examined, excluding any zero and *de minimis* rates and any rates based entirely under section 776 of the Act.

In this investigation, Commerce calculated a rate for CIMC that is not

[1] *See Certain Chassis and Subassemblies Thereof from the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination,* 86 FR 56 (January 4, 2021) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum.

[2] *See* Memorandum, ''Issues and Decision Memorandum for the Final Determination in the Countervailing Duty Investigation of Certain Chassis and Subassemblies Thereof from the People's Republic of China,'' dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

[3] *See* Memorandum, ''Certain Chassis and Subassemblies Thereof from the People's Republic of China: Scope Comments Preliminary Decision Memorandum,'' dated February 9, 2021 (Preliminary Scope Decision Memorandum).

[4] *See* Memorandum, ''Antidumping Duty and Countervailing Duty Investigations of Certain Chassis and Subassemblies Thereof from the People's Republic of China: Scope Comments Decision Memorandum for the Final Determinations,'' dated March 15, 2021 (Final Scope Decision Memorandum).

[5] *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

[6] *See* Preliminary Decision Memorandum at ''Use of Facts Otherwise Available and Adverse Inferences''; *see also* Issues and Decision Memorandum at ''Use of Facts Otherwise Available and Adverse Inference.''

[7] *See* Commerce's Letter, ''Countervailing Duty Investigation of Certain Chassis and Subassemblies Thereof: CIMC Vehicles (Group) Co., Ltd. Verification Questionnaire,'' dated February 3, 2021.

[8] *See Preliminary Determination.*

zero, *de minimis,* or based entirely on facts otherwise available. Consequently, the rate calculated for CIMC is also assigned as the rate for all other producers and exporters.

Final Determination

Commerce determines that the following estimated countervailable subsidy rates exist:

Company	Subsidy rate (percent)
Qingdao CIMC Special Vehicles Co., Ltd. and Dongguan CIMC Vehicles Co., Ltd.[9]	39.14
All Others	39.14

Disclosure

Commerce intends to disclose to interested parties its calculations and analysis performed in this final determination within five days of its public announcement, or if there is no public announcement, within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b).

Continuation of Suspension of Liquidation

As a result of our *Preliminary Determination* and pursuant to section 703(d)(1)(B) and (d)(2) of the Act, we instructed U.S. Customs and Border Protection (CBP) to suspend liquidation of entries of subject merchandise from China that were entered, or withdrawn from warehouse, for consumption, effective January 4, 2020, which is the date of publication of the *Preliminary Determination* in the **Federal Register**.

In accordance with section 705(c)(1)(C) of the Act, we are directing CBP to continue to suspend liquidation of all imports of the subject merchandise from China that are entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the **Federal Register**. The suspension of liquidation instructions will remain in effect until further notice. We are also directing CBP to collect countervailing duty deposits at the rates described above.

[9] Commerce finds the following companies to be cross-owned with Qingdao CIMC Special Vehicles Co., Ltd. and Dongguan CIMC Vehicle Co., Ltd.: CIMC Vehicles (Group) Co., Ltd.; Shenzhen CIMC Vehicle Co., Ltd.; Zhumadian CIMC Huajun Casting Co., Ltd.; China International Marine Containers (Group) Co., Ltd.; Liangshan CIMC Dongyue Vehicles Co., Ltd.; Shandong Wanshida Special Vehicle Manufacturing Co., Ltd.; Yangzhou CIMC Tonghua Special Vehicles Co., Ltd.; Zhumadian CIMC Huajun Vehicle Co., Ltd.; Gansu CIMC Huajun Vehicles Co., Ltd.; CIMC Vehicles (Liaoning) Co., Ltd.; and Zhumadian CIMC Wanjia Axle Co., Ltd.

If the U.S. International Trade Commission (ITC) issues a final affirmative injury determination, we will issue a CVD order, and continue to require a cash deposit of estimated countervailing duties for such entries of subject merchandise in the amounts indicated above, in accordance with section 706(a) of the Act. If the ITC determines that material injury, or threat of material injury, does not exist, this proceeding will be terminated, and all estimated duties deposited or securities posted as a result of the suspension of liquidation will be refunded or canceled.

ITC Notification

In accordance with section 705(d) of the Act, we will notify the ITC of its final affirmative determination that countervailable subsidies are being provided to producers and exporters of chassis from China. Because the final determination in this proceeding is affirmative, in accordance with section 705(b) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports of corrosion inhibitors from China no later than 45 days after our final determination. In addition, we are making available to the ITC all non-privileged and nonproprietary information related to this investigation. If the ITC determines that material injury or threat of material injury does not exist, this proceeding will be terminated and all cash deposits will be refunded. If the ITC determines that such injury does exist, Commerce will issue a countervailing duty order directing CBP to assess, upon further instruction by Commerce, countervailing duties on all imports of the subject merchandise that are entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation, as discussed above in the ''Continuation of Suspension of Liquidation'' section. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under an administrative protective order (APO), without the written consent of the Assistant Secretary for Enforcement and Compliance.

Notification Regarding APO

In the event that the ITC issues a final negative injury determination, this notice will serve as the only reminder to parties subject to the APO of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

Notification to Interested Parties

This determination is issued and published pursuant to sections 705(d) and 771(i) of the Act, and 19 CFR 351.210(c).

Dated: March 15, 2021.

Christian Marsh,

Acting Assistant Secretary for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The merchandise covered by this investigation is chassis and subassemblies thereof, whether finished or unfinished, whether assembled or unassembled, whether coated or uncoated, regardless of the number of axles, for carriage of containers, or other payloads (including self-supporting payloads) for road, marine roll-on/roll-off (RORO) and/or rail transport. Chassis are typically, but are not limited to, rectangular framed trailers with a suspension and axle system, wheels and tires, brakes, a lighting and electrical system, a coupling for towing behind a truck tractor, and a locking system or systems to secure the shipping container or containers to the chassis using twistlocks, slide pins or similar attachment devices to engage the corner fittings on the container or other payload.

Subject merchandise includes, but is not limited to, the following subassemblies:

- Chassis frames, or sections of chassis frames, including kingpin assemblies, bolsters consisting of transverse beams with locking or support mechanisms, goosenecks, drop assemblies, extension mechanisms and/or rear impact guards;
- Running gear assemblies or axle assemblies for connection to the chassis frame, whether fixed in nature or capable of sliding fore and aft or lifting up and lowering down, which may or may not include suspension(s) (mechanical or pneumatic), wheel end components, slack adjusters, axles, brake chambers, locking pins, and tires and wheels;
- Landing gear assemblies, for connection to the chassis frame, capable of supporting the chassis when it is not engaged to a tractor; and
- Assemblies that connect to the chassis frame or a section of the chassis frame, such as, but not limited to, pintle hooks or B-trains (which include a fifth wheel), which are capable of connecting a chassis to a converter dolly or another chassis.

Importation of any of these subassemblies, whether assembled or unassembled, constitutes an unfinished chassis for purposes of this investigation.

Subject merchandise also includes chassis, whether finished or unfinished, entered with or for further assembly with components such as, but not limited to: Hub and drum assemblies, brake assemblies (either drum or disc), axles, brake chambers, suspensions and suspension components, wheel end components, landing gear legs, spoke or disc wheels, tires, brake control systems, electrical harnesses and lighting systems.

Processing of finished and unfinished chassis and components such as trimming, cutting, grinding, notching, punching, drilling, painting, coating, staining, finishing, assembly, or any other processing either in the country of manufacture of the in-scope product or in a third country does not remove the product from the scope. Inclusion of other components not identified as comprising the finished or unfinished chassis does not remove the product from the scope.

Individual components entered and sold by themselves are not subject to the investigation, but components entered with or for further assembly with a finished or unfinished chassis are subject merchandise. A finished chassis is ultimately comprised of several different types of subassemblies. Within each subassembly there are numerous components that comprise a given subassembly.

This scope excludes dry van trailers, refrigerated van trailers and flatbed trailers. Dry van trailers are trailers with a wholly enclosed cargo space comprised of fixed sides, nose, floor and roof, with articulated panels (doors) across the rear and occasionally at selected places on the sides, with the cargo space being permanently incorporated in the trailer itself. Refrigerated van trailers are trailers with a wholly enclosed cargo space comprised of fixed sides, nose, floor and roof, with articulated panels (doors) across the rear and occasionally at selected places on the sides, with the cargo space being permanently incorporated in the trailer and being insulated, possessing specific thermal properties intended for use with self-contained refrigeration systems. Flatbed (or platform) trailers consist of load-carrying main frames and a solid, flat or stepped loading deck or floor permanently incorporated with and supported by frame rails and cross members.

The finished and unfinished chassis subject to this investigation are typically classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheadings: 8716.39.0090 and 8716.90.5060. Imports of finished and unfinished chassis may also enter under HTSUS subheading 8716.90.5010. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Appendix II

List of Topics Discussed in the Final Decision Memorandum

I. Summary
II. Background
III. Subsidies Valuation
IV. Use of Facts Otherwise Available and Adverse Inferences
V. Analysis of Programs
VI. Analysis of Comments
Comment 1: Whether CIMC and Its Cross-Owned Affiliates are State-Owned
Comment 2: Whether the Provision of International Ocean Shipping Services for LTAR is Countervailable
Comment 3: Whether Shipping Services Provided by Non-Chinese Firms and For Merchandise Not Subject to the Investigation are Countervailable
Comment 4: Whether the Application of Adverse Facts Available to the Export Buyer's Credit Program is Warranted
Comment 5: Whether the Application of Adverse Facts Available is Warranted in Finding the Provision of Electricity for LTAR Countervailable
Comment 6: Whether Electricity Surcharges are Countervailable
Comment 7: Whether Commerce Should use Alternative Benchmark Rates for Land-Use Rights
Comment 8: Whether Intercompany Loans are Countervailable
Comment 9: Whether Commercial Loans are Countervailable
Comment 10: Whether Subsidies to Huajun Casting's Production are Attributable to Chassis Production
Comment 11: Whether Commerce Should Have Initiated an Investigation into Currency Undervaluation
Comment 12: Whether CIMC Failed Verification with Respect to Reported Input Purchases
VII. Recommendation

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DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–126]

Non-Refillable Steel Cylinders from the People's Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value

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

SUMMARY: The Department of Commerce (Commerce) determines that non-refillable steel cylinders (non-refillable cylinders) from the People's Republic of China (China) are being, or are likely to be, sold in the United States at less than fair value (LTFV). The period of investigation (POI) is July 1, 2019, through December 31, 2019.

DATES: Applicable March 22, 2021.

FOR FURTHER INFORMATION CONTACT: Katherine Sliney and Joy Zhang, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482–2437 and (202) 482–1168, respectively.

SUPPLEMENTARY INFORMATION:

Background

On October 30, 2020, Commerce published its *Preliminary Determination* in the antidumping duty investigation of non-refillable cylinders from China.[1] A summary of the events that occurred since Commerce published the *Preliminary Determination,* as well as a full discussion of the issues raised by parties for this final determination, may be found in the Issues and Decision Memorandum.[2]

Period of Investigation

The POI is July 1, 2019, through December 31, 2019.

Scope of the Investigation

The products covered by this investigation are certain non-refillable steel cylinders from China. For a complete description of the scope of this investigation, *see Appendix I.*

Scope Comments

On October 23, 2020, we issued the Preliminary Scope Decision Memorandum.[3] We received no scope case briefs from interested parties. Therefore, Commerce has made no changes to the scope of this investigation since the *Preliminary Determination.*

Analysis of Comments Received

All issues raised in the case briefs and rebuttal briefs submitted by interested parties in this proceeding are discussed in the Issues and Decision Memorandum. A list of the issues raised by parties and responded to by Commerce in the Issues and Decision Memorandum is attached to this notice as Appendix II. The Issues and Decision Memorandum is a public document and is available electronically via Enforcement and Compliance's

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[1] *See Certain Non-Refillable Steel Cylinders from the People's Republic of China: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination and Extension of Provisional Measures,* 85 FR 68852 (October 30, 2020) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum (PDM).

[2] *See* Memorandum, ''Certain Non-Refillable Steel Cylinders from the People's Republic of China: Decision Memorandum for the Final Affirmative Determination of Sales at Less-Than-Fair-Value,'' dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

[3] *See* Memorandum, ''Antidumping Duty and Countervailing Duty Investigations on Certain Non-Refillable Steel Cylinders from the People's Republic of China: Preliminary Scope Decision Memorandum,'' dated October 23, 2020 (Preliminary Scope Decision Memorandum).