



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-039]

Certain Amorphous Silica Fabric from the People's Republic of China: Countervailing Duty Order

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

SUMMARY: Based on affirmative final determinations by the Department of Commerce (the Department) and the International Trade Commission (ITC), the Department is issuing a countervailing duty (CVD) order on certain amorphous silica fabric from the People's Republic of China (PRC).

DATES: Effective [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Emily Maloof or John Corrigan, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-5649 or (202) 482-7438, respectively.

SUPPLEMENTARY INFORMATION:

Background

In accordance with sections 705(d) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.210(c), on January 25, 2017, the Department published its affirmative final determination in the countervailing duty investigation of certain amorphous silica fabric from the

PRC.<sup>1</sup> On March 10, 2017, the ITC notified the Department of its final determination pursuant, to section 705(d) of the Act, that an industry in the United States is materially injured within the meaning of section 705(b)(1)(A)(i) of the Act by reason of subsidized imports of certain amorphous silica fabric from the PRC.<sup>2</sup>

### Scope of the Order

The product covered by this order is woven (whether from yarns or rovings) industrial grade amorphous silica fabric, which contains a minimum of 90 percent silica (SiO<sub>2</sub>) by nominal weight, and a nominal width in excess of 8 inches. The order covers industrial grade amorphous silica fabric regardless of other materials contained in the fabric, regardless of whether in roll form or cut-to-length, regardless of weight, width (except as noted above), or length. The order covers industrial grade amorphous silica fabric regardless of whether the product is approved by a standards testing body (such as being Factory Mutual (FM) Approved), or regardless of whether it meets any governmental specification.

Industrial grade amorphous silica fabric may be produced in various colors. The order covers industrial grade amorphous silica fabric regardless of whether the fabric is colored. Industrial grade amorphous silica fabric may be coated or treated with materials that include, but are not limited to, oils, vermiculite, acrylic latex compound, silicone, aluminized polyester (Mylar®) film, pressure-sensitive adhesive, or other coatings and treatments. The order covers industrial grade amorphous silica fabric regardless of whether the fabric is coated or treated, and regardless of coating or treatment weight as a percentage of total product weight. Industrial

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<sup>1</sup> See *Countervailing Duty Investigation of Certain Amorphous Silica Fabric from the People's Republic of China: Final Affirmative Determination*, 82 FR 8405 (January 25, 2017) (*Final Determination*), and accompanying Issues and Decision Memorandum (IDM).

<sup>2</sup> See Letter from ITC concerning Amorphous Silica Fabric from the PRC USITC Investigation Nos. 701-TA-555 and 731-TA-1310 (Final), USITC Publication 731-1310 (March 2017) (ITC Letter).

grade amorphous silica fabric may be heat-cleaned. The order covers industrial grade amorphous silica fabric regardless of whether the fabric is heat-cleaned.

Industrial grade amorphous silica fabric may be imported in rolls or may be cut-to-length and then further fabricated to make welding curtains, welding blankets, welding pads, fire blankets, fire pads, or fire screens. Regardless of the name, all industrial grade amorphous silica fabric that has been further cut-to-length or cut-to-width or further finished by finishing the edges and/or adding grommets, is included within the scope of this order.

Subject merchandise also includes (1) any industrial grade amorphous silica fabric that has been converted into industrial grade amorphous silica fabric in China from fiberglass cloth produced in a third country; and (2) any industrial grade amorphous silica fabric that has been further processed in a third country prior to export to the United States, including but not limited to treating, coating, slitting, cutting to length, cutting to width, finishing the edges, adding grommets, or any other processing that would not otherwise remove the merchandise from the scope of the order if performed in the country of manufacture of the in-scope industrial grade amorphous silica fabric.

Excluded from the scope of the order is amorphous silica fabric that is subjected to controlled shrinkage, which is also called “pre-shrunk” or “aerospace grade” amorphous silica fabric. In order to be excluded as a pre-shrunk or aerospace grade amorphous silica fabric, the amorphous silica fabric must meet the following exclusion criteria: (1) the amorphous silica fabric must contain a minimum of 98 percent silica (SiO<sub>2</sub>) by nominal weight; (2) the amorphous silica fabric must have an areal shrinkage of 4 percent or less; (3) the amorphous silica fabric must contain no coatings or treatments; and (4) the amorphous silica fabric must be white in color. For purposes of this scope, “areal shrinkage” refers to the extent to which a

specimen of amorphous silica fabric shrinks while subjected to heating at 1800 degrees F for 30 minutes.<sup>3</sup>

Also excluded from the scope are amorphous silica fabric rope and tubing (or sleeving). Amorphous silica fabric rope is a knitted or braided product made from amorphous silica yarns. Silica tubing (or sleeving) is braided into a hollow sleeve from amorphous silica yarns.

The subject imports are normally classified in subheadings 7019.59.4021, 7019.59.4096, 7019.59.9021, and 7019.59.9096 of the Harmonized Tariff Schedule of the United States (HTSUS), but may also enter under HTSUS subheadings 7019.40.4030, 7019.40.4060, 7019.40.9030, 7019.40.9060, 7019.51.9010, 7019.51.9090, 7019.52.9010, 7019.52.9021, 7019.52.9096 and 7019.90.1000. HTSUS subheadings are provided for convenience and customs purposes only; the written description of the scope of this order is dispositive.

#### Countervailing Duty Order

In accordance with section 705(d) of the Act, the ITC notified the Department of its final determination in this investigation, in which it found that imports of certain amorphous silica fabric from the PRC are materially injuring, within the meaning of section 705(b)(1)(A)(i) of the Act, a U.S. industry.<sup>4</sup> Therefore, in accordance with section 705(c)(2) of the Act, we are publishing this CVD order. Because the ITC determined that imports of certain amorphous silica fabric from the PRC are materially injuring a U.S. industry, unliquidated entries of such merchandise from the PRC, entered or withdrawn from warehouse for consumption, are subject to the assessment of countervailing duties.

As a result of the ITC's final determination, in accordance with section 706(a) of the Act, the Department will direct U.S. Customs and Border Protection (CBP) to assess, upon further

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<sup>3</sup> Areal shrinkage is expressed as the following percentage:  
((Fired Area, cm<sup>2</sup> – Initial Area, cm<sup>2</sup>) / Initial Area, cm<sup>2</sup>) X 100 = Areal Shrinkage, %

<sup>4</sup> See ITC Letter.

instruction by the Department, countervailing duties on unliquidated entries of certain amorphous silica fabric from the PRC. Countervailing duties will be assessed on unliquidated entries of certain amorphous silica fabric from the PRC entered, or withdrawn from warehouse, for consumption on or after July 5, 2016, the date of publication of the *Preliminary Determination*,<sup>5</sup> but will not include entries occurring after the expiration of the provisional measures period and before publication of the ITC's final injury determination.

Section 703(d) of the Act states that the suspension of liquidation pursuant to an affirmative preliminary determination may not remain in effect for more than four months. In the underlying investigation, the Department published the *Preliminary Determination* on July 5, 2016. Therefore, the four-month period beginning on the date of the publication of the *Preliminary Determination* ended on November 1, 2016. Furthermore, section 737(b) of the Act states that definitive duties are to begin on the date of publication of the ITC's final injury determination. Therefore, in accordance with section 703(d) of the Act and our practice, we instructed CBP to terminate the suspension of liquidation and to liquidate, without regard to duties, unliquidated entries of amorphous silica fabric from the PRC made on or after November 2, 2016. Suspension of liquidation will resume on the date of publication of the ITC's final determination in the *Federal Register*.

#### Suspension of Liquidation

In accordance with section 706 of the Act, the Department will instruct CBP to reinstitute the suspension of liquidation on all entries of subject merchandise from the PRC, effective the date of publication of the ITC's notice of final affirmative injury determination in the *Federal Register*, and to assess, upon further instruction by the Department pursuant to 706(a)(1) of the

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<sup>5</sup> See *Countervailing Duty Investigation of Certain Amorphous Silica Fabric from the People's Republic of China: Preliminary Determination and Alignment of Final Determination with Final Antidumping Duty Determination*, 81 FR 43579 (July 5, 2016) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum.

Act, countervailing duties for each entry of the subject merchandise in an amount based on the net countervailable subsidy rates for the subject merchandise. We will also instruct CBP to require cash deposits for each entry of subject merchandise equal to the amounts as indicated below. These instructions suspending liquidation will remain in effect until further notice. The all-others rate applies to all producers or exporters not specifically listed, as appropriate.

Exporter/Producer	Subsidy Rate (Percent)
ACIT (Pinghu) Inc. ACIT (Shanghai) Inc.	48.94
Nanjing Tianyuan Fiberglass Material Co., Ltd.	79.90
Acmetex Co., Ltd.,* Beijing Great Pack Materials, Co. Ltd.,* Beijing Landingji Engineering Tech Co., Ltd.,* Changshu Yaoxing Fiberglass Insulation Products Co., Ltd.,* Changzhou Kingze Composite Materials Co., Ltd.,* Changzhou Utek Composite Co.,* Chengdu Chang Yuan Shun Co., Ltd.,* China Beihai Fiberglass Co., Ltd.,* China Yangzhou Guo Tai Fiberglass Co., Ltd.,* Chongqing Polycomp International Corp.,* Chongqing Yangkai Import & Export Trade Co., Ltd.,* Cixi Sunrise Sealing Material Co., Ltd.,* Fujian Minshan Fire-Fighting Co., Ltd.,* Grand Fiberglass Co., Ltd.* Haining Jieta Fiberglass Fabric Co., Ltd.,* Hebei Yuniu Fiberglass Manufacturing Co., Ltd.,* Hebei Yuyin Trade Co., Ltd.,* Hengshui Aohong International Trading Co., Ltd.,* Hitex Insulation (Ningbo) Co., Ltd.,* Mowco Industry Limited,* Nanjing Debeili New Materials Co., Ltd.,* Ningbo Fitow High Strength Composites Co., Ltd.,* Ningbo Universal Star Industry & Trade Limited,* Ningguo BST Thermal Protection Products Co., Ltd.,* Qingdao Feelongda Industry & Trade Co., Ltd.,* Qingdao Shishuo Industry Co., Ltd.,* Rugao City Ouhua Composite Material Co., Ltd.,* Rugao Nebola Fiberglass Co., Ltd.,* Shanghai Bonthe Insulative Material Co., Ltd.,* Shanghai Horse Construction Co., Ltd.,* Shanghai Liankun Electronics Material Co., Ltd.,* Shanghai Suita Environmental Protection Technology Co., Ltd.,* Shangqui Huanyu Fiberglass Co., Ltd.,*	165.39

Shengzhou Top-Tech New Material Co., Ltd.,* Shenzhen Songxin Silicone Products Co., Ltd.,* Taixing Chuanda Plastic Co., Ltd.,* Taixing Vichen Composite Material Co., Ltd.,* TaiZhou Xinxing Fiberglass Products Co., Ltd.,* Tenglong Sealing Products Manufactory Yuyao,* Texaspro (China) Company,* Wallean Industries Co., Ltd.,* Wuxi First Special-Type Fiberglass Co., Ltd.,* Wuxi Xingxiao Hi-Tech Material Co., Ltd.,* Yuyao Feida Insulation Sealing Factory,* Yuyao Tianyi Special Carbon Fiber Co., Ltd.,* Zibo Irvine Trading Co., Ltd.,* Zibo Yao Xing Fire-Resistant and Heat-Preservation Material Co., Ltd.,* Zibo Yuntai Furnace Technology Co., Ltd.*	
All-Others	64.42

\* Non-cooperative company to which an AFA rate is being applied. See Issues and Decision Memorandum and Preliminary Decision Memorandum for additional information.

Notification to Interested Parties

This notice constitutes the CVD order with respect to certain amorphous silica fabric from the PRC pursuant to section 706(a) of the Act. Interested parties may find an updated list of CVD orders currently in effect <http://enforcement.trade.gov/enforcement>.

This order is issued and published in accordance with section 706(a) of the Act and 19  
CFR 351.211(b).

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Ronald K. Lorentzen  
Acting Assistant Secretary  
for Enforcement and Compliance

March 14, 2017  
Date

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