



BILLING CODE: 3510-DS-P

## DEPARTMENT OF COMMERCE

### International Trade Administration

[C-570-096]

#### **Aluminum Wire and Cable 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 aluminum wire and cable from the People's Republic of China (China).

**DATES:** Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

**FOR FURTHER INFORMATION CONTACT:** Caitlin Monks or Nancy Decker, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: 202-482-2670 or 202-482-0196, respectively.

#### **SUPPLEMENTARY INFORMATION:**

##### Background

The petitioners in this investigation are Encore Wire Corporation (Encore) and Southwire Company, LLC (Southwire) (the petitioners). In addition to the Government of China (GOC), the mandatory respondents in this investigation are Shanghai Silin Special Equipment Co., Ltd. (Silin), Changfeng Wire & Cable Co., Ltd. (Changfeng), and Shanghai Yang Pu Qu Gong (Qu Gong). Qu Gong did not respond to our requests for information.

On April 8, 2019, Commerce published in the *Federal Register* the *Preliminary Determination* of this investigation.<sup>1</sup> On September 11, 2019, Commerce issued its Post-Preliminary Analysis.<sup>2</sup>

A summary of events that occurred since Commerce published the *Preliminary Determination*, as well as a full discussion of comments from interested parties for this final determination, is provided in the Issues and Decision Memorandum.<sup>3</sup> 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 <https://access.trade.gov> and is available to all parties in the Central Records Unit, Room B8024 of the main Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <http://enforcement.trade.gov>. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

### Scope of the Investigation

The products covered by this investigation are aluminum wire and cable. For a complete description of the scope of this investigation, *see* Appendix I.

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<sup>1</sup> *See Aluminum Wire and Cable from the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination, and Alignment of Final Determination with Final Antidumping Duty Determination*, 84 FR 13886 (April 8, 2019) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum (PDM).

<sup>2</sup> *See* Memorandum, "Post-Preliminary Analysis of Countervailing Duty Investigation: Aluminum Wire and Cable from the People's Republic of China," dated September 11, 2019.

<sup>3</sup> *See* Memorandum, "Issues and Decision Memorandum for the Final Determination in the Countervailing Duty Investigation of Aluminum Wire and Cable from the People's Republic of China," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

### Period of Investigation

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

### Use of Adverse Facts Available

In making this final determination, Commerce is relying on facts otherwise available, including adverse facts available (AFA), pursuant to section 776(a) of the Tariff Act of 1930, as amended (the Act). For a full discussion of our application of AFA, *see* the *Preliminary Determination* and the Issues and Decision Memorandum.<sup>4</sup>

### Analysis of Comments Received

In the Issues and Decision Memorandum, we address all issues raised in parties' case and rebuttal briefs. A list of the issues that parties raised, and to which we responded, is attached to this notice as Appendix II.

### Changes Since the Preliminary Determination

Based on our review and analysis of the comments received from parties, minor corrections presented at verification, and our verification findings, we made changes to Changfeng's subsidy rate calculation, and we have now assigned Silin a rate based entirely on AFA. For a discussion of these changes, *see* the Issues and Decision Memorandum.

### Final Determination

In accordance with section 705(c)(1)(B)(i)(I) of the Tariff Act of 1930, as amended (the Act), we calculated an individual estimated subsidy rate for Changfeng and assigned to Qu Gong and Silin rates based entirely on AFA pursuant to section 776 of the Act.

Section 705(c)(5)(A) of the Act provides that in the final determination, Commerce shall determine an estimated all-others rate for companies not individually examined. This rate shall

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<sup>4</sup> *See Preliminary Determination* PDM at "Use of Facts Otherwise Available and Adverse Inferences;" *see also* Issues and Decision Memorandum at "Use of Facts Otherwise Available and Adverse Inferences."

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. Changfeng is the only respondent for which we calculated an estimated weighted-average subsidy rate that is not zero, *de minimis*, or based entirely on facts otherwise available. Therefore, for purposes of determining the all-others rate, and pursuant to section 705(c)(5)(A) of the Act, we are using the subsidy rate calculated for Changfeng.

Commerce determines the total estimated net countervailable subsidy rates to be the following:

<b>Producer/Exporter</b>	<b>Subsidy Rate (Percent)</b>
Shanghai Silin Special Equipment Co., Ltd. <sup>5</sup>	165.63
Changfeng Wire & Cable Co., Ltd.	33.44
Shanghai Yang Pu Qu Gong	165.63
All-Others	33.44

Disclosure

We intend to disclose to interested parties under Administrative Protective Order (APO), the calculations performed in connection with this final determination within five days of any public announcement or, if there is no public announcement, within five days of the date of publication of the notice of final determination in the *Federal Register*, in accordance with 19 CFR 351.224(b).

Continuation of Suspension of Liquidation

As a result of our *Preliminary Determination*, and pursuant to sections 703(d)(1)(B) and (2) of the Act, we instructed U.S. Customs and Border Protection (CBP) to suspend liquidation of all entries of merchandise under consideration from China that were entered or withdrawn

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<sup>5</sup> As discussed in the *Preliminary Determination PDM*, Commerce has assigned Silin’s rate to the entity named as cross-owned in its affiliation questionnaire response: Jiangxi Silin International Cable Co., Ltd.

from warehouse, for consumption, on or after April 8, 2019, *i.e.*, the date of publication of the *Preliminary Determination* in the *Federal Register*. In accordance with section 703(d) of the Act, we issued instructions to CBP to discontinue the suspension of liquidation for countervailing duty purposes for subject merchandise entered, or withdrawn from warehouse, on or after August 6, 2019, but to continue the suspension of liquidation of all entries from April 8, 2019 through August 5, 2019.

If the U.S. International Trade Commission (ITC) issues a final affirmative injury determination, we will issue a countervailing duty order, reinstate the suspension of liquidation under section 706(a) of the Act, and will require a cash deposit of estimated countervailing duties for entries of subject merchandise in the amounts indicated above. 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 as a result of the suspension of the suspension of liquidation will be refunded.

#### International Trade Commission Notification

In accordance with section 705(d) of the Act, we will notify the ITC of our determination. Because Commerce's 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 aluminum wire and cable from China no later than 45 days after our final determination. If the ITC determines that material injury or threat of material injury does not exist, the 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 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.

Notification Regarding Administrative Protective Orders

This notice serves as a reminder to the parties subject to an APO of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials or, alternatively, conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and terms of an APO is a violation that is subject to sanction.

Notification to Interested Parties

This determination is issued and published pursuant to sections 705(d) and 777(i) of the Act and 19 CFR 351.210(c).

**Dated:** October 18, 2019.

**Carole Showers,**  
*Executive Director, Office Policy,  
Policy & Negotiations,  
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/B609M), 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 16.5 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 RHW-2, and also conform to Underwriters Laboratories (UL) standards UL-44, UL-83, UL-758, UL-854, UL-1063, 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 aluminum wire and cable products in lengths less than six feet, whether or not included in equipment already assembled at the time of importation.

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.

## Appendix II

### List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope Comments
- IV. Scope of the Investigation
- V. Use of Facts Otherwise Available and Adverse Inferences
- VI. Subsidies Valuation
- VII. Analysis of Programs
- VIII. Analysis of Comments
  - General Issues*
  - Comment 1: Export Buyer's Credits
  - Comment 2: Other Subsidies
  - Comment 3: Benchmark for Aluminum Rod
  - Comment 4: Double Remedies for Aluminum Rod
  - Comment 5: Loan Calculations
  - Issues Related to Silin and its Suppliers/Producers*
  - Comment 6: Whether to Apply AFA to Silin
  - Comment 7: Whether to Apply Partial AFA to Qingdao Cable
  - Comment 8: Xinqi Cable's Electricity Benefit Calculation
  - Issues Related to Changfeng*
  - Comment 9: Whether to Apply AFA to Changfeng
  - Comment 10: Whether to Apply Partial AFA to Changfeng's Policy Loans
- IX. Recommendation

[FR Doc. 2019-23611 Filed: 10/29/2019 8:45 am; Publication Date: 10/30/2019]