



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

C-570-057

Certain Tool Chests and Cabinets from the People's Republic of China: Final Results of Countervailing Duty Administrative Review; 2017-2018

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

SUMMARY: The Department of Commerce (Commerce) has completed its administrative review of the countervailing duty (CVD) order on certain tool chests and cabinets (tool chests) from the People's Republic of China (China). The period of review (POR) is September 15, 2017 through December 31, 2018. We have determined that Zhongshan Geelong Manufacturing Co. Ltd. (Geelong), the sole producer subject to this administrative review, received countervailable subsidies during the POR.

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

FOR FURTHER INFORMATION CONTACT: Thomas Schauer, 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) 482-0410.

SUPPLEMENTARY INFORMATION:

Background

On October 9, 2019, Commerce published the *Preliminary Results* of this CVD

administrative review in the *Federal Register*.<sup>1</sup> For a description of the events that occurred since the *Preliminary Results*, see the Issues and Decision Memorandum.<sup>2</sup>

### Scope of the Order

A full description of the scope of the order is contained in the Issues and Decision Memorandum.<sup>3</sup>

### Analysis of Comments Received

Only the Government of China (GOC) submitted a case brief in this proceeding, while Geelong submitted a letter in lieu of a case brief expressing agreement with the *Preliminary Results*.<sup>4</sup> The issues raised by the GOC, and Commerce's analysis thereof, are identified in the Appendix to this notice and addressed in the Issues and Decision Memorandum.<sup>5</sup> The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and CVD Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>; the Issues and Decision Memorandum 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 on the internet <http://enforcement.trade.gov/frn/>. The signed and

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<sup>1</sup> See *Certain Tool Chests and Cabinets from the People's Republic of China: Preliminary Results of Countervailing Duty Administrative Review; 2017–2018*, 84 FR 54115 (October 9, 2019) (*Preliminary Results*) and accompanying Preliminary Decision Memorandum.

<sup>2</sup> See Memorandum, "Issues and Decision Memorandum for the Final Results of Countervailing Duty Administrative Review of Certain Tool Chests and Cabinets from the People's Republic of China; 2017-2018," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

<sup>3</sup> *Id.*

<sup>4</sup> See GOC's Letter, "Certain Tool Chests and Cabinets from the People's Republic of China, Case No. C-570-057: Case Brief," dated November 8, 2019, see also Geelong's Letter, "Administrative Review of the Countervailing Duty Order on Certain Tool Chests and Cabinets from the People's Republic of China: Letter in Lieu of Case Brief," dated November 8, 2019.

<sup>5</sup> See GOC's Letter, "Certain Tool Chests and Cabinets from the People's Republic of China, Case No. C-570-057: Case Brief," dated November 8, 2019, see also Geelong's Letter, "Administrative Review of the Countervailing Duty Order on Certain Tool Chests and Cabinets from the People's Republic of China: Letter in Lieu of Case Brief," dated November 8, 2019.

electronic versions of the Issues and Decision Memorandum are identical in content.

### Methodology

We conducted this review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found to be countervailable during the POR, we find that there is a subsidy, *i.e.*, a government-provided financial contribution that gives rise to a benefit to the recipient, and that the subsidy is specific.<sup>6</sup> For a full description of the methodology underlying our conclusions, *see* the Issues and Decision Memorandum.

### Changes Since the Preliminary Results

Based on the comments received from the GOC, we made no changes to our subsidy rate calculations. For a discussion of these issues, see the Issues and Decision Memorandum.

### Final Results of the Review

In accordance with 19 CFR 351.221(b)(5), we determine the following net countervailable subsidy rates for the sole respondent, Geelong, for the period September 15, 2017 through December 31, 2018:

<b>Company</b>	<b>Subsidy Rate – 2017 (percent <i>ad valorem</i>)</b>	<b>Subsidy Rate – 2018 (percent <i>ad valorem</i>)</b>
Zhongshan Geelong Manufacturing Co. Ltd.	1.27	1.15

### Assessment Rates

In accordance with 19 CFR 351.212(b)(2), Commerce intends to issue appropriate assessment instructions to U.S. Customs and Border Protection (CBP) 15 days after publication of these final results of review, to liquidate shipments of subject merchandise produced by and/or

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<sup>6</sup> *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.

exported by Geelong, entered, or withdrawn from warehouse, for consumption on or after September 15, 2017 through December 31, 2018, at the *ad valorem* rates listed above.

#### Cash Deposit Requirements

In accordance with section 751(a)(1) of the Act, we intend to instruct CBP to collect cash deposits of estimated countervailing duties in the amount shown above for Geelong for 2018 (*i.e.*, 1.15 percent *ad valorem*), on shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits at the most recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposit requirements, when imposed, shall remain in effect until further notice.

#### Administrative Protective Orders

This notice also serves as a reminder to parties subject to an administrative protective order (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 conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

We are issuing and publishing these final results of review in accordance with sections 751(a)(1) and 777(i) of the Act.

Dated: February 5, 2020

Jeffrey I. Kessler  
Assistant Secretary  
for Enforcement and Compliance

## **Appendix**

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

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Use of Facts Otherwise Available and Application of Adverse Inferences
  
- V. Subsidies Valuation Information
- VI. Analysis of Programs
- VII. Analysis of Comments
  - Comment 1: Provision of Cold-Rolled Steel for Less Than Adequate Remuneration (LTAR)
  - Comment 2: Provision of Electricity for LTAR
  - Comment 3: Export Buyer's Credit (EBC Program)
  - Comment 4: Other Subsidies
- VIII. Recommendation

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