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DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

A-570-016

Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review; Preliminary Determination of No Shipments; and Rescission, In Part; 2018-2019

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

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that certain producers and exporters of passenger vehicle and light truck tires (passenger tires) from the People's Republic of China (China) made sales of subject merchandise at prices below normal value (NV) during the period of review (POR) August 1, 2018 through July 31, 2019.

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

FOR FURTHER INFORMATION CONTACT: Thomas Dunne or Toni Page, 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) 482-2328 or (202) 482-1398, respectively.

SUPPLEMENTARY INFORMATION:

Background

On August 10, 2015, Commerce issued an antidumping duty (AD) order on passenger tires from China.¹ Several interested parties requested that Commerce conduct an administrative review of the *AD Order*. On October 7, 2019, Commerce published in the *Federal Register* a

¹ See *Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China: Amended Final Affirmative Antidumping Duty Determination and Antidumping Duty Order; and Amended Final Affirmative Countervailing Duty Determination and Countervailing Duty Order*, 80 FR 47902 (August 10, 2015) (*AD Order*).

notice of initiation of an administrative review of the *AD Order* for 28 companies producers/exporters for the POR.² On April 24, 2020, Commerce tolled all deadlines in administrative reviews by 50 days, thereby extending the deadline for these results until June 22, 2020.³

Scope of the *AD Order*

The products covered by the order are certain passenger vehicle and light truck tires from China. A full description of the scope of the order is contained in the Preliminary Decision Memorandum.⁴

Methodology

Commerce is conducting this review in accordance with section 751(a)(1)(B) of the Tariff Act of 1930, as amended (the Act).

For a full description of the methodology underlying the preliminary results of this review, *see* the Preliminary Decision Memorandum. The Preliminary Decision Memorandum is a public document and is made available to the public 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 Preliminary Decision Memorandum can be accessed at <http://enforcement.trade.gov/frn/>. The signed and electronic versions of the Preliminary Decision Memorandum are identical in content.

Partial Rescission of Administrative Review

² *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 84 FR 53411 (October 7, 2019).

³ *See* Memorandum, "Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews in Response to Operational Adjustments Due to COVID-19," dated April 24, 2020.

⁴ *See* Memorandum, "Decision Memorandum for the Preliminary Results of the Antidumping Duty Administrative Review of Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China, Preliminary Determination of No Shipments; and Rescission, in part; 2018-2019," issued concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

Pursuant to 19 CFR 351.213(d)(1), Commerce will rescind an administrative review, in whole or in part, if the party or parties that requested a review withdraws the request within 90 days of the publication date of the notice of initiation of the requested review. (1) Shandong Wanda Boto Tyre Co., Ltd.; (2) Cooper (Kunshan) Tire Co., Ltd.; (3) Shandong Guofeng Rubber Plastics Co., Ltd.; (4) Hankook Tire China Co., Ltd.; (5) Jiangsu Hankook Tire Co., Ltd.; (6) Haohua Orient International Trade Ltd.; (7) Qingdao Lakesea Tyre Co., Ltd.; (8) Riversun Industry Limited; (9) Windforce Tyre Co., Limited; (10) Qingdao Keter International Co.; (11) Shangdong Hengyu Science & Technology Co., Ltd.; (12) Shangdong New Continent Tire Co., Ltd.; (13) Pirelli Tyre Co., Ltd.; (14) Triangle Tyre Co., Ltd.; (15) Safe & Well (HK) International Trading Limited; and (16) Zhaoqing Junhong Co. Ltd. withdrew their respective requests for an administrative review within 90 days of the publication date of the notice of initiation.

No other parties requested an administrative review of the *AD Order* with respect to the aforementioned companies. Therefore, in accordance with 19 CFR 351.213(d)(1), Commerce is rescinding this review of the *AD Order* on passenger tires from China with respect to the 16 companies listed above.

Preliminary Determination of No Shipments

Based on an analysis of U.S. Customs and Border Protection (CBP) information, Commerce preliminarily determines that one company under review, Shandong Duratti Rubber Corporation Co., Ltd., had no shipments during the POR. Qingdao Fullrun Tyre Corp., Ltd. and Shandong Anchi Tyres Co., Ltd. each filed no-shipment certifications; however, our analysis of CBP information contradicts these claims. For additional information regarding this determination, *see* the Preliminary Decision Memorandum.

Consistent with an announced refinement to its assessment practice in NME cases, Commerce is not rescinding this review, in part, but intends to complete the review with respect to the companies for which it has preliminarily found no shipments and issue appropriate instructions to CBP based on the final results of the review.⁵

China-Wide Entity

Under Commerce's current policy regarding the conditional review of the China-wide entity, the China-wide entity will not be under review unless a party specifically requests, or Commerce self-initiates, a review of the entity.⁶ Because no party requested a review of the China-wide entity in this review, the entity is not under review and the entity's rate is not subject to change (*i.e.*, 76.46 percent).⁷

Separate Rates

Commerce finds that: (1) Qingdao Odyking Tyre Co., Ltd. (Qingdao Odyking); (2) Shandong Longyue Rubber Co., Ltd. DBA ZODO Tire Co., Ltd. (Shandong Longyue); (3) Shandong Anchi Tyres Co., Ltd.; and (4) Qingdao Fullrun Tyre Corp., Ltd. have not established their eligibility for a separate rate and are considered to be part of the China-wide entity for these preliminary results.

The statute and Commerce's regulations do not address what rate to apply to respondents who are not selected for individual examination when Commerce limits its examination in an administrative review pursuant to section 777A(c)(2) of the Act. Generally, Commerce looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in an

⁵ See *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694, 65694-95 (October 24, 2011); and the "Assessment Rates" section, below.

⁶ See *Antidumping Proceedings: Announcement of Change in Department Practice for Respondent Selection in Antidumping Duty Proceedings and Conditional Review of the Nonmarket Economy Entity in NME Antidumping Duty Proceedings*, 78 FR 65963 (November 4, 2013).

⁷ See *AD Order*, 80 FR at 47904, n.19.

investigation, for guidance when calculating the rate for non-selected respondents that are not examined individually in an administrative review. Section 735(c)(5)(A) of the Act states that the all-others rate should be calculated by averaging the weighted-average dumping margins for individually-examined respondents, excluding rates that are zero, *de minimis*, or based entirely on facts available. Section 735(c)(5)(B) of the Act provides that where all rates are zero, *de minimis*, or based entirely on facts available, Commerce may use “any reasonable method” for assigning a rate to non-examined respondents.

However, for these preliminary results, we have not calculated any individual rates or assigned a rate based on facts available. Therefore, consistent with our recent practice,⁸ we preliminarily assigned to the non-individually examined companies that demonstrated their eligibility for a separate rate the most recently assigned separate rate in this proceeding (*i.e.*, 0.00 percent).⁹

Preliminary Results of Review

Commerce preliminarily determines that the following weighted-average dumping margins exist for the period August 1, 2018 through July 31, 2019:

Exporter	Weighted-Average Dumping Margin (percent)
Qingdao Fullrun Tyre Tech Corp., Ltd.	0.00
Qingdao Powerich Tyre Co., Ltd.	0.00
Qingdao Sentury Tire Co., Ltd.	0.00
Shandong Linglong Tyre Co., Ltd.	0.00

⁸ See, e.g., *Certain Frozen Warmwater Shrimp from the Socialist Republic of Vietnam: Preliminary Results of Antidumping Duty Administrative Review; 2015-2016*, 81 FR 62717 (September 12, 2016), and accompanying Preliminary Decision Memorandum at 10-11, unchanged in *Certain Frozen Warmwater Shrimp from the Socialist Republic of Vietnam: Final Results of Antidumping Duty Administrative Review; 2015-2016*, 82 FR 11431 (February 23, 2017).

⁹ See *Certain Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Final Results of Antidumping Duty Administrative Review; 2017-2018*, 85 FR 22396 (April 22, 2020).

Shandong Province Sanli Tire Manufactured Co., Ltd.	0.00
Shandong Yongsheng Rubber Group Co., Ltd.	0.00
Shouguang Firemax Tyre Co., Ltd.	0.00

Disclosure and Public Comment

Normally, Commerce will disclose the calculations used in our analysis to parties in this review within five days of the date of publication of the notice of preliminary results in the *Federal Register*, in accordance with 19 CFR 351.224(b). However, here, Commerce preliminary applied a separate rate¹⁰ and the China-wide rate¹¹ that were established in prior segments of the proceeding. Thus, there are no calculations on this record to disclose.

Interested parties may submit case briefs no later than 30 days after the date of publication of these preliminary results of review.¹² Rebuttal briefs may be filed no later than seven days after case briefs are due, and may respond only to arguments raised in the case briefs.¹³ A table of contents, list of authorities used, and an executive summary of issues should accompany any briefs submitted to Commerce. The summary should be limited to five pages total, including footnotes.¹⁴

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, filed electronically via ACCESS within 30 days after the date of publication of this notice.¹⁵ Hearing requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues

¹⁰ *Id.*

¹¹ *See AD Order.*

¹² *See* 19 CFR 351.309(c)(1)(ii).

¹³ *See* 19 CFR 351.309(d).

¹⁴ *See* 19 CFR 351.309(c)(2), (d)(2).

¹⁵ *See* 19 CFR 351.310(c).

raised in the hearing will be limited to issues raised in the briefs. If a request for a hearing is made, parties will be notified of the time and date for the hearing.¹⁶

All submissions, with limited exceptions, must be filed electronically using ACCESS.¹⁷ An electronically filed document must be received successfully in its entirety by Commerce's electronic records system, ACCESS, by 5 p.m. Eastern Time on the due date. Note that Commerce has modified certain of its requirements for serving documents containing business proprietary information until July 17, 2020, unless extended.¹⁸

Unless otherwise extended, Commerce intends to issue the final results of this administrative review, which will include the results of its analysis of issues raised in any briefs, within 120 days of publication of these preliminary results of review, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

Upon issuance of the final results of this review, Commerce will determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review.¹⁹ For the final results, if we continue to treat the following companies as part of China-wide entity, we will instruct CBP to apply an *ad valorem* assessment rate of 76.46 percent to all entries of subject merchandise during the POR that were exported by Qingdao Odyking and Shandong Longyue. For the companies receiving a separate rate, we intend to assign an assessment rate of 0.00 percent, consistent with the methodology described above. Additionally, if Commerce determines that an exporter under review had no shipments of the subject merchandise, any

¹⁶ See 19 CFR 351.310(d).

¹⁷ See generally 19 CFR 351.303.

¹⁸ See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 29615 (May 18, 2020).

¹⁹ See 19 CFR 351.212(b)(1).

suspended entries that entered under that exporter's CBP case number will be liquidated at the rate for the China-wide entity. Commerce intends to issue assessment instructions to CBP 15 days after the publication date of the final results of this review.

For the companies for which this review is rescinded, antidumping duties will be assessed at rates equal to the cash deposit of estimated antidumping duties required at the time of entry, or withdrawal from warehouse, for consumption, in accordance with 19 CFR 351.212(c)(1)(i). Commerce intends to issue appropriate assessment instructions with respect to the companies for which this review is rescinded to CBP 15 days after the publication of this notice.

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise from China entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(2)(C) of the Act: (1) for the exporters listed above, the cash deposit rate will be equal to the weighted-average dumping margin established in the final results of this review (except that, if the rate is *de minimis* (*i.e.*, less than 0.5 percent), then the cash deposit rate will be zero for that exporter); (2) for previously investigated or reviewed Chinese and non-Chinese exporters not listed above that have separate rates, the cash deposit rate will continue to be equal to the exporter-specific weighted-average dumping margin published of the most recently-completed segment of this proceeding; (3) for all Chinese exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be the rate for the China-wide entity, *i.e.*, 76.46 percent; and (4) for all exporters of subject merchandise which are not located in China and which are not eligible for a separate rate, the

cash deposit rate will be the rate applicable to Chinese exporter(s) that supplied that non-Chinese exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties and/or countervailing duties prior to liquidation of the relevant entries during this POR. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties and/or countervailing duties has occurred, and the subsequent assessment of double antidumping duties and/or an increase in the amount of antidumping duties by the amount of the countervailing duties.

Notification to Interested Parties

These preliminary results are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.213 and 351.221(b)(4).

Dated: June 11, 2020

/S/ Jeffrey I. Kessler

Jeffrey I. Kessler
Assistant Secretary
for Enforcement and Compliance

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the *AD Order*
- IV. Partial Rescission of Administrative Review
- V. Discussion of the Methodology
- VI. Recommendation

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