



DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-119]

Certain Large Vertical Shaft Engines Between 225cc and 999cc, and Parts Thereof, from the People's Republic of China: Amended Final Antidumping Duty Determination and Antidumping Duty Order

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

SUMMARY: Based on affirmative final determinations by the Department of Commerce (Commerce) and the International Trade Commission (ITC), Commerce is issuing an antidumping duty (AD) order on certain large vertical shaft engines between 225cc and 999cc, and parts thereof (large vertical shaft engines) from the People's Republic of China (China). In addition, Commerce is amending its final determination to correct a ministerial error with respect to the final dumping rate determination for Loncin Motor Co., Ltd. (Loncin) and, therefore, is also amending its final determination as to the rate applicable to the separate rate companies.

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

FOR FURTHER INFORMATION CONTACT: Leo Ayala 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) 482-3945.

SUPPLEMENTARY INFORMATION:

Background

In accordance with sections 735(d) and 777(i)(1) of the Tariff Act, as amended (the Act), on January 11, 2021, Commerce published its *Final Determination* in the less-than-fair-value

(LTFV) investigation of imports of large vertical shaft engines from China.¹ On January 12, 2021, Commerce received ministerial error allegations with respect to Loncin in the *Final Determination*.² No other party made an allegation of ministerial errors. See the “Analysis of Ministerial Error Allegations” section of this notice for further discussion. After reviewing the allegations, we determine that the *Final Determination* included a ministerial error with respect to Loncin’s final rate determination. Therefore, we made certain changes, as described below, to the *Final Determination*.

On February 24, 2021, the ITC notified Commerce of its final determination, pursuant to section 735(d) of the Act, that an industry in the United States is materially injured within the meaning of section 735(b)(1)(A)(i) of the Act by reason of LTFV imports of large vertical shaft engines from China.³

Scope of the Order

The products covered by this order are large vertical shaft engines from China. For a complete description of the scope of this order, see the appendix to this notice.

Amendment to Final Determination

A ministerial error is defined in 19 CFR 351.224(f) as “an error in addition, subtraction, or other arithmetic function, clerical error resulting from inaccurate copying, duplication, or the like, and any other similar type of unintentional error which the Secretary considers ministerial.”⁴ Pursuant to 19 CFR 351.224(e), and as explained further in the Ministerial Error Memorandum⁵ issued concurrently with this notice, Commerce is amending the *Final Determination* to reflect the correction of a ministerial error in the final estimated weighted-

¹ See *Certain Large Vertical Shaft Engines Between 225cc and 999cc, and Parts Thereof, from the People’s Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value and Final Affirmative Critical Circumstances Determination*, 86 FR 1936 (January 11, 2021) (*Final Determination*), and accompanying Issues and Decision Memorandum (IDM).

² *Id.*

³ See ITC Notification Letter, Investigation No. 701-TA-637 and 731-TA-1471 (Final), dated February 24, 2021 (ITC Notification Letter).

⁴ See section 735(e) of the Act; see also 19 CFR 351.224(f).

⁵ See Memorandum, “Antidumping Duty Investigation of Certain Vertical Shaft Engines Between 225cc and 999cc, and Parts Thereof, from China: Allegation of Ministerial Errors in Final Determination of AD Investigation,” dated concurrently with, and hereby adopted by, this notice (Ministerial Error Memorandum).

average dumping margin calculated for Loncin.⁶ Correction of this error changes the final rate determined for Loncin, and also changes the rate applicable to the separate rate companies.

AD Order

On February 24, 2021, in accordance with section 735(d) of the Act, the ITC notified Commerce of its final determination in this investigation, in which it found that an industry in the United States is materially injured by reason of imports of large vertical shaft engines from China.⁷ Therefore, in accordance with section 735(c)(2) of the Act, Commerce is issuing this AD order. Because the ITC determined that large vertical shaft engines from China are materially injuring a U.S. industry, unliquidated entries of such merchandise from China, entered or withdrawn from warehouse for consumption, are subject to the assessment of antidumping duties. Therefore, in accordance with section 736(a)(1) of the Act, Commerce will direct U.S. Customs and Border Protection (CBP) to assess, upon further instruction by Commerce, antidumping duties equal to the amount by which the normal value of the merchandise exceeds the export price (or constructed export price) of the merchandise, for all relevant entries of large vertical shaft engines from China. In addition, the ITC made a negative finding concerning critical circumstances with regard to imports of large vertical engines from China that are sold in the United States at LTFV. As a result, these imports will not be subject to retroactive antidumping duties.⁸ With the exception of entries occurring after the expiration of the provisional measures period and before publication of the ITC's final affirmative injury determinations, as further described below, antidumping duties will be assessed on unliquidated entries of large vertical shaft engines entered, or withdrawn from warehouse, for consumption, on or after August 19, 2020, the date of publication of the *Preliminary Determination*.⁹

⁶ *Id.*

⁷ See ITC Notification Letter.

⁸ *Id.*

⁹ See *Certain Vertical Shaft Engines Between 225cc and 999cc, and Parts Thereof, From the People's Republic of China: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Preliminary Affirmative Determination of Critical Circumstances, Postponement of Final Determination, and Extension of Provisional Measures*, 85 FR 51015 (August 19, 2020) (*Preliminary Determination*).

Suspension of Liquidation

Except as noted in the “Provisional Measures” section of this notice, in accordance with section 735(c)(1)(B) of the Act, Commerce will instruct CBP to continue to suspend liquidation on all relevant entries of large vertical shaft engines from China. These instructions suspending liquidation will remain in effect until further notice.

Commerce will also instruct CBP to require cash deposits equal to the estimated weighted-average dumping margin indicated in the tables below. Accordingly, effective on the date of publication in the *Federal Register* of the notice of the ITC’s final affirmative injury determination, CBP will require, at the same time as importers would normally deposit estimated duties on subject merchandise, a cash deposit equal to the rates listed below.

Provisional Measures

Section 733(d) of the Act states that suspension of liquidation pursuant to an affirmative preliminary determination may not remain in effect for more than four months, except where exporters representing a significant proportion of exports of the subject merchandise request that Commerce extend the four-month period to no more than six months. At the request of exporters that account for a significant proportion of large vertical shaft engines from China, Commerce extended the four-month period to six months in this investigation. Commerce published the *Preliminary Determination* in this investigation on August 19, 2020.¹⁰

The extended provisional measures period, beginning on the date of publication of the preliminary determination, ended on January 4, 2021. Therefore, in accordance with section 733(d) of the Act and our practice,¹¹ Commerce will instruct CBP to terminate the suspension of liquidation and to liquidate, without regard to antidumping duties, unliquidated entries of large vertical shaft engines from China entered, or withdrawn from warehouse, for consumption after

¹⁰ See *Preliminary Determination*.

¹¹ See, e.g., *Certain Corrosion-Resistant Steel Products from India, India, the People’s Republic of China, the Republic of Korea and Taiwan: Amended Final Affirmative Antidumping Determination for India and Taiwan, and Antidumping Duty Orders*, 81 FR 48390, 48392 (July 25, 2016).

January 4, 2021, the final day on which the provisional measures were in effect, until and through the day preceding the date of publication of the ITC's final affirmative injury determination in the *Federal Register*. Suspension of liquidation and the collection of cash deposits will resume on the date of publication of the ITC's final determination in the *Federal Register*.

Estimated Weighted-Average Dumping Margins

The estimated weighted-average dumping margins are as follows:

Producer	Exporter	Estimated Weighted-Average Dumping Margin (percent)	Cash Deposit Rate (Adjusted for Export Subsidy Offset) (percent)
Loncin Motor Co., Ltd.	Loncin Motor Co. Ltd.	185.65	173.42
Chongqing Zongshen General Power Machine Co., Ltd.	Chongqing Zongshen General Power Machine Co., Ltd.	336.26	323.91
Chongqing Rato Technology Co., Ltd.	Chongqing Rato Technology Co., Ltd.	274.24	261.93
Jialing-Honda Motors Co., Ltd.	Jialing-Honda Motors Co., Ltd.	274.24	261.93
Yamaha Motor Powered Products Jiangsu Co., Ltd.	Yamaha Motor Powered Products Jiangsu Co., Ltd.	274.24	261.93
China-Wide Entity		468.33	456.1

Notification to Interested Parties

This notice constitutes the AD order with respect to large vertical shaft engines from China pursuant to section 736(a) of the Act. Interested parties can find a list of AD orders currently in effect at <http://enforcement.trade.gov/stats/iastats1.html>.

This amended final determination and AD order is published in accordance with sections 735(e) and 736(a) of the Act, and 19 CFR 351.224(e) and 19 CFR 351.211(b).

Dated: February 26, 2021.

Christian Marsh,
Acting Assistant Secretary for Enforcement and Compliance.

APPENDIX

Scope of the Order

The merchandise covered by this order consists of spark-ignited, non-road, vertical shaft engines, whether finished or unfinished, whether assembled or unassembled, primarily for riding lawn mowers and zero-turn radius lawn mowers. Engines meeting this physical description may also be for other non-hand-held outdoor power equipment such as, including but not limited to, tow-behind brush mowers, grinders, and vertical shaft generators. The subject engines are spark ignition, single or multiple cylinder, air cooled, internal combustion engines with vertical power take off shafts with a minimum displacement of 225 cubic centimeters (cc) and a maximum displacement of 999cc. Typically, engines with displacements of this size generate gross power of between 6.7 kilowatts (kw) to 42 kw.

Engines covered by this scope normally must comply with and be certified under Environmental Protection Agency (EPA) air pollution controls title 40, chapter I, subchapter U, part 1054 of the Code of Federal Regulations standards for small non-road spark-ignition engines and equipment. Engines that otherwise meet the physical description of the scope but are not certified under 40 CFR part 1054 and are not certified under other parts of subchapter U of the EPA air pollution controls are not excluded from the scope of this proceeding. Engines that may be certified under both 40 CFR part 1054 as well as other parts of subchapter U remain subject to the scope of this proceeding.

For purposes of this order, an unfinished engine covers at a minimum a sub-assembly comprised of, but not limited to, the following components: crankcase, crankshaft, camshaft, piston(s), and connecting rod(s). Importation of these components together, whether assembled or unassembled, and whether or not accompanied by additional components such as an oil pan, manifold, cylinder head(s), valve train, or valve cover(s), constitutes an unfinished engine for purposes of this order. The inclusion of other products such as spark plugs fitted into the cylinder head or electrical devices (*e.g.*, ignition modules, ignition coils) for synchronizing with the motor to supply tension current does not remove the product from the scope. The inclusion of any other components not identified as comprising the unfinished engine subassembly in a third country does not remove the engine from the scope.

The engines subject to this order are typically classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheadings: 8407.90.1020, 8407.90.1060, and 8407.90.1080. The engine subassemblies that are subject to this order enter under HTSUS 8409.91.9990. Engines subject to this order may also enter under HTSUS 8407.90.9060 and 8407.90.9080. The HTSUS subheadings are provided for convenience and customs purposes only, and the written description of the merchandise subject to this order is dispositive.