



DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-827]

Certain Cased Pencils from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review, Preliminary Determination of No Shipments, and Rescission of Review, in Part; 2018-2019

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

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that Wah Yuen Stationery Co. Ltd. and Shandong Wah Yuen Stationery Co. Ltd. (collectively, Wah Yuen) had no shipments of certain cased pencils from the People's Republic of China (China) during the period of review (POR) December 1, 2018, through November 30, 2019. Commerce also preliminarily determines that Tianjin Tonghe Stationery Co., Ltd. (Tianjin Tonghe) and Ningbo Homey Union Co., Ltd. (Ningbo Homey) are part of the China-wide entity. Finally, we are rescinding the review with respect to Orient International Holding Shanghai Foreign Trade Co., Ltd. (SFTC). We invite interested parties to comment on these preliminary results.

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

FOR FURTHER INFORMATION CONTACT: Sergio Balbontin, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-6478.

SUPPLEMENTARY INFORMATION:

Background

Commerce published the initiation of this administrative review on February 6, 2020.¹ The POR is December 1, 2018, through November 30, 2019. After publication of the *Initiation*

¹ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 85 FR 6896 (February 6, 2020) (*Initiation Notice*).

Notice, SFTC timely withdrew its request for a review,² and we selected Wah Yuen³ as the sole mandatory respondent.⁴

For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.⁵ A list of topics included in the Preliminary Decision Memorandum is included as an appendix to this notice.

The Preliminary Decision Memorandum is a public document and is on file electronically via the 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 directly on the internet at <http://enforcement.trade.gov/frn/>.

Scope of the Order

The merchandise subject to the order includes certain cased pencils from China. The subject merchandise is currently classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheading 9609.1010. Although the HTSUS subheading is provided for convenience and customs purposes, the written product description is dispositive. For a complete description of the scope of the order, *see* the Preliminary Decision Memorandum.

Partial Rescission of Review

Pursuant to 19 CFR 351.213(d)(1), Commerce will rescind an administrative review, "in whole or in part, if a party that requested a review withdraws the request within 90 days of the

² *See* SFTC's Letter, "Orient International Holding Shanghai Foreign Trade Co., Ltd.'s Withdrawal of Request for Review: Administrative Review of the Antidumping Duty Order on Cased Pencils from the People's Republic of China," dated March 9, 2020.

³ Commerce determined that Wah Yuen Stationery Co. Ltd. and Shandong Wah Yuen Stationery Co. Ltd. are affiliated and should be treated as a single entity in prior administrative reviews. *See Certain Cased Pencils from the People's Republic of China: Preliminary Results of Antidumping Duty New Shipper Review; 2014–2015*, 81 FR 37573 (June 10, 2016), and accompanying Preliminary Decision Memorandum at 9–10, unchanged in *Certain Cased Pencils from the People's Republic of China: Final Results of Antidumping Duty New Shipper Review; 2014–2015*, 81 FR 74764 (October 27, 2016). Consistent with prior determinations, we are continuing to treat these companies as a single entity for purposes of this administrative review.

⁴ *See* Memorandum, "Antidumping Administrative Review of Certain Cased Pencils from the People's Republic of China; 2018-2019: Respondent Selection," dated April 24, 2020.

⁵ *See* Memorandum, "Decision Memorandum for the Preliminary Results of Antidumping Duty Administrative Review: Certain Cases Pencils from the People's Republic of China; 2018-2019," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

date of publication of notice of initiation of the requested review.” SFTC withdrew its request for review within the 90-day limit. Because we received no other requests for review of SFTC, we are rescinding the administrative review with respect to SFTC.

Preliminary Determination of No Shipments

Based on an analysis of U.S. Customs and Border Protection (CBP) information and information provided by Wah Yuen, Commerce preliminarily determines that Wah Yuen had no shipments of subject merchandise during the POR.⁶ For additional information regarding this determination, *see* the Preliminary Decision Memorandum. Consistent with our practice in non-market economy (NME) cases, we intend to complete the review with respect to Wah Yuen and issue appropriate instructions to CBP based on the final results of the review.⁷

China-Wide Entity

Commerce’s policy regarding conditional review of the China-wide entity applies to this administrative review.⁸ Under this policy, the China-wide entity will not be under review unless a party specifically requests, or Commerce self-initiates, a review of the entity. Because no party requested a review of the China-wide entity, the entity is not under review, and the entity’s rate of 114.90 percent is not subject to change.⁹

Aside from Wah Yuen, which we preliminarily find made no shipments, and SFTC, for which the review is being rescinded, Commerce considers all other companies for which a review was requested and which did not demonstrate separate rate eligibility to be part of the

⁶ *See* Wah Yuen’s Letters, “Certain Cased Pencils from the People’s Republic of China: Comments on CBP Entry Summary Documentation,” dated October 12, 2020; and “Certain Cased Pencils from the People’s Republic of China: Comments on CBP Entry Summary Documentation,” dated February 1, 2021.

⁷ *See Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694, 65694-95 (October 24, 2011).

⁸ *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).

⁹ *See Certain Cased Pencils from the People’s Republic of China: Preliminary Results of Antidumping Duty Administrative Review and Partial Rescission; 2014-2015*, 81 FR 83201, 83202 (November 21, 2016), unchanged in *Certain Cased Pencils from the People’s Republic of China: Final Results of Antidumping Duty Administrative Review; 2014-2015*, 82 FR 24675 (May 30, 2017), and accompanying Issues and Decision Memorandum.

China-wide entity.¹⁰ Accordingly, for the preliminary results, we consider Tianjin Tonghe and Ningbo Homey, neither of which submitted a separate rate application, to be part of the China-wide entity. For additional information, *see* the Preliminary Decision Memorandum.

Disclosure and Public Comment

Normally, Commerce discloses the calculations used in its analysis to parties in a review within five days of the date of publication of the notice of preliminary results, in accordance with 19 CFR 351.224(b). However, in this case, there are no calculations on the 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.¹¹ Rebuttal briefs may be filed no later than seven days after the written comments are filed, and all rebuttal comments must be limited to comments raised in the case briefs.¹² Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in this review are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities. Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice.¹³

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the date of publication of this notice. Requests should contain the party's name, address, telephone number, the number of participants, and a list of the issues to be discussed. If a request for a hearing is made, we intend to hold the hearing at the date and time to be determined.¹⁴ Parties should confirm by telephone the date, time, and location of the hearing two days before the

¹⁰ *See Initiation Notice* (“All firms listed below that wish to qualify for separate rate status in the administrative reviews involving NME countries must complete, as appropriate, either a separate rate application or certification, as described below.”).

¹¹ *See* 19 CFR 351.309(c).

¹² *See* 19 CFR 351.309(d).

¹³ *See Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

¹⁴ *Id.*

scheduled date.

Unless otherwise extended, we intend to issue the final results of this review, which will include the results of our analysis of the issues raised in any briefs, within 120 days of publication of these preliminary results in the *Federal Register*, pursuant to section 751(a)(3)(A) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.213(h).

Assessment Rates

Upon issuance of the final results, Commerce will determine, and CBP shall assess, antidumping (AD) duties on all appropriate entries covered by this review, in accordance with 19 CFR 351.212(b). If Commerce continues to find that Tianjin Tonghe and Ningbo Homey are part of the China-wide entity in the final results, Commerce intends to instruct CBP to liquidate POR entries of subject merchandise from these companies at the China-wide rate. Moreover, if Commerce continues to make a no-shipment finding for Wah Yuen in the final results, any suspended entries of subject merchandise associated with Wah Yuen will also be liquidated at the China-wide rate. Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review.

For the rescinded company SFTC, AD duties shall be assessed at rates equal to the cash deposit of estimated AD 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 assessment instructions to CBP no earlier than 35 days after the date of publication of this notice.

Cash Deposit Requirements

The following cash deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided for by section 751(a)(2)(C) of the Act: (1) Wah Yuen's cash deposit rate will continue to be its existing exporter-specific

rate;¹⁵ (2) for previously investigated or reviewed Chinese and non-Chinese exporters for which a review was not requested and that received a separate rate in a prior segment of this proceeding, the cash deposit rate will continue to be the existing exporter-specific rate; (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; and (4) for all non-Chinese exporters of subject merchandise that have not received their own rate, the cash deposit rate will be the rate applicable to the Chinese exporter that supplied that non-Chinese exporter. These cash 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) to file a certificate regarding the reimbursement of AD duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of AD duties occurred and the subsequent assessment of double AD duties.

Notification to Interested Parties

We are issuing and publishing the preliminary results of this administrative review 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: April 8, 2021.

Christian Marsh,
Acting Assistant Secretary
for Enforcement and Compliance.

¹⁵ See *Certain Cased Pencils from the People's Republic of China: Final Results of Antidumping Duty New Shipper Review; 2014–2015*, 81 FR 74764 (October 27, 2016), and accompanying Issues and Decision Memorandum.

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Period of Review
- IV. Scope of the *Order*
- V. Selection of Respondents
- VI. Preliminary Determination of No Shipments
- VII. Discussion of the Methodology
- VIII. Recommendation

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