



DEPARTMENT OF COMMERCE

International Trade Administration

[C-557-822]

Utility Scale Wind Towers from Malaysia: Countervailing 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 the countervailing duty order on utility scale wind towers (wind towers) from Malaysia.

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

FOR FURTHER INFORMATION CONTACT: Nathan James or Kelsie Hohenberger, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-5305 and (202) 482-2517, respectively.

SUPPLEMENTARY INFORMATION:

Background

In accordance with section 705(d) of the Tariff Act of 1930, as amended (the Act), on June 9, 2021, Commerce published its affirmative final determination in the countervailing duty investigation of wind towers from Malaysia.¹ On July 26, 2021, the ITC notified Commerce of its affirmative final determination that an industry in the United States is materially injured within the meaning of section 705(b)(1)(A)(i) of the Act, by reason of subsidized imports of subject merchandise from Malaysia.²

¹ See *Utility Scale Wind Towers from Malaysia: Final Affirmative Countervailing Duty Determination*, 86 FR 30593 (June 9, 2021).

² See ITC Letter, “Notification of ITC Final Determinations,” dated July 26, 2021.

Scope of the Order

The products covered by this order are wind towers from Malaysia. For a complete description of the scope of the order, *see* the appendix to this notice.

Countervailing Duty Order

As noted above, on July 26, 2021, in accordance with section 705(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 subsidized imports of wind towers from Malaysia.³ Therefore, in accordance with section 705(c)(2) of the Act, Commerce is issuing this countervailing duty order. Because the ITC determined that imports of wind towers from Malaysia are materially injuring a U.S. industry, unliquidated entries of such merchandise from Malaysia, entered or withdrawn from warehouse for consumption, are subject to the assessment of countervailing duties.

In accordance with section 706(a) of the Act, Commerce will direct U.S. Customs and Border Protection (CBP) to assess, upon further instruction by Commerce, countervailing duties for all relevant entries of wind towers from Malaysia. With the exception of entries occurring after the expiration of the provisional measures period and before the publication of the ITC's final affirmative injury determination, as further described below, countervailing duties will be assessed on unliquidated entries of wind towers from Malaysia entered, or withdrawn from warehouse, for consumption on or after March 25, 2021, the date of publication of the *Preliminary Determination*.⁴

Suspension of Liquidation and Cash Deposits

In accordance with section 706 of the Act, Commerce will instruct CBP to reinstitute the suspension of liquidation of wind towers from Malaysia, as described in the appendix to this notice, effective on the date of publication of the ITC's final affirmative injury determination in

³ *Id.*

⁴ *See Utility Scale Wind Towers from Malaysia: Preliminary Affirmative Countervailing Duty Determination*, 86 FR 15887 (March 25, 2021) (*Preliminary Determination*).

the *Federal Register*, and to assess, upon further instruction by Commerce, pursuant to section 706(a)(1) of the Act, countervailing duties for each entry of the subject merchandise in an amount based on the net countervailable subsidy rates below. On or after the date of publication of the ITC's final injury determination in the *Federal Register*, CBP must require, at the same time as importers would deposit estimated normal customs duties on this merchandise, a cash deposit equal to the rates listed in the table below. The all-others rate applies to all producers or exporters not specifically listed, as appropriate.

Company	Subsidy Rate (percent)
CS Wind Malaysia Sdn Bhd	6.42
All Others	6.42

Provisional Measures

Section 703(d) of the Act states that instructions issued pursuant to an affirmative preliminary determination may not remain in effect for more than four months. In the underlying investigation, Commerce published the *Preliminary Determination* on March 25, 2021. Therefore, the four-month period beginning on the date of the publication of the *Preliminary Determination* ended on July 22, 2021.

In accordance with section 703(d) of the Act, we will instruct CBP to terminate the suspension of liquidation and to liquidate, without regard to countervailing duties, unliquidated entries of wind towers from Malaysia entered, or withdrawn from warehouse, for consumption after July 22, 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 injury determination in the *Federal Register*. Suspension of liquidation will resume on the date of publication of the ITC's final determination in the *Federal Register*.

Notification to Interested Parties

This notice constitutes the countervailing duty order with respect to wind towers from

Malaysia pursuant to section 706(a) of the Act. Interested parties can find a list of countervailing duty orders currently in effect at <http://enforcement.trade.gov/stats/iastats1.html>.

This order is issued and published in accordance with section 706(a) of the Act and 19 CFR 351.211(b).

Dated: July 28, 2021.

Christian Marsh,

Acting Assistant Secretary

for Enforcement and Compliance.

Appendix

Scope of the Order

The merchandise covered by this order consists of certain wind towers, whether or not tapered, and sections thereof. Certain wind towers support the nacelle and rotor blades in a wind turbine with a minimum rated electrical power generation capacity in excess of 100 kilowatts and with a minimum height of 50 meters measured from the base of the tower to the bottom of the nacelle (*i.e.*, where the top of the tower and nacelle are joined) when fully assembled.

A wind tower section consists of, at a minimum, multiple steel plates rolled into cylindrical or conical shapes and welded together (or otherwise attached) to form a steel shell, regardless of coating, end-finish, painting, treatment, or method of manufacture, and with or without flanges, doors, or internal or external components (*e.g.*, flooring/decking, ladders, lifts, electrical buss boxes, electrical cabling, conduit, cable harness for nacelle generator, interior lighting, tool and storage lockers) attached to the wind tower section. Several wind tower sections are normally required to form a completed wind tower.

Wind towers and sections thereof are included within the scope whether or not they are joined with nonsubject merchandise, such as nacelles or rotor blades, and whether or not they have internal or external components attached to the subject merchandise.

Specifically excluded from the scope are nacelles and rotor blades, regardless of whether they are attached to the wind tower. Also excluded are any internal or external components which are not attached to the wind towers or sections thereof, unless those components are shipped with the tower sections.

Merchandise covered by this order is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheading 7308.20.0020 or 8502.31.0000. Wind towers of iron or steel are classified under HTSUS 7308.20.0020 when imported separately as a tower or tower section(s). Wind towers may be classified under HTSUS 8502.31.0000 when imported as combination goods with a wind turbine (*i.e.*, accompanying nacelles and/or rotor blades). While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this order is dispositive.

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