



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-118]

Wood Mouldings and Millwork Products from the People's Republic of China: Final Results and Partial Rescission of Countervailing Duty Administrative Review; 2020-2021

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

SUMMARY: The U.S. Department of Commerce (Commerce) determines that countervailable subsidies were provided to producers and exporters of wood mouldings and millwork products (millwork products) from the People's Republic of China (China) during the period of review (POR) from June 12, 2020, through December 31, 2021. Commerce is also rescinding the review with respect to five companies that had no reviewable entries during the POR.

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

FOR FURTHER INFORMATION CONTACT: Faris Montgomery or Craig Matney, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1537 or (202) 482-2429, respectively.

SUPPLEMENTARY INFORMATION:

Background

On March 7, 2023, Commerce published the *Preliminary Results*.¹ On July 17, 2023, we released the final verification report and invited parties to comment on the *Preliminary Results*.² For a detailed description of the events that occurred subsequent to the *Preliminary Results*, see

¹ See *Wood Mouldings and Millwork Products From the People's Republic of China: Preliminary Results and Partial Rescission of Countervailing Duty Administrative Review; 2020–2021*, 88 FR 14122 (March 7, 2023) (*Preliminary Results*) and accompanying Preliminary Decision Memorandum (PDM).

² See Memoranda, “Verification of the Questionnaire Responses of Fujian Yinfeng Imp & Exp Trading Co., Ltd. and Its Cross-Owned Companies” dated July 17, 2023 (Yinfeng Verification Report); “Verification of the Questionnaire Responses of Fujian Jinquan Trade Co., Ltd. and Its Cross-Owned Producer” dated July 17, 2023 (Jinquan Verification Report); and “Case Brief Schedule,” dated July 17, 2023.

the Issues and Decision Memorandum.³ On June 14, 2023, in accordance with section 751(a)(3)(A) of the Tariff Act of 1930, as amended (the Act), Commerce extended the deadline for issuing the final results until September 1, 2023.⁴

Scope of the Order⁵

The merchandise subject to the *Order* is wood mouldings and millwork products from China, which are primarily classifiable under subheadings 4409.10.0500, 4409.10.1020, 4409.10.1040, 4409.10.1060, 4409.10.1080, 4409.10.4010, 4409.10.4090, 4409.10.4500, 4409.10.5000, 4409.10.9020, 4409.10.9040, 4409.22.0590, 4409.22.1000, 4409.22.4000, 4409.22.5000, 4409.22.5020, 4409.22.5040, 4409.22.5060, 4409.22.5090, 4409.22.9000, 4409.22.9020, 4409.22.9030, 4409.22.9045, 4409.22.9060, 4409.22.9090, 4409.29.0665, 4409.29.1100, 4409.29.4100, 4409.29.5100, 4409.29.9100, 4412.99.5115, 4412.99.9500, 4418.91.9095, and 4421.91.9780 of the of the Harmonized Tariff Schedule of the United States (HTSUS). WMMP may also enter under HTSUS numbers 4409.10.6000, 4409.10.6500, 4409.22.6000, 4409.22.6500, 4409.29.6100, 4409.29.6600, 4412.41.0000, 4412.42.0000, 4412.49.0000, 4412.91.5115, 4412.92.5215, 4412.99.9700, 4418.20.4000, 4418.20.8030, 4418.20.8060, 4418.91.9195, 4418.99.9095, 4418.99.9195, 4421.91.9880, 4421.99.9780, and 4421.99.9880. While the HTSUS subheading and ASTM specification are provided for convenience and for customs purposes, the written description of the subject merchandise is dispositive. A full description of the scope of the *Order* is contained in the Issues and Decision Memorandum.

Rescission of Administrative Review, In Part

³ See Memorandum, “Wood Mouldings and Millwork Products from the People’s Republic of China: Issues and Decision Memorandum for the Final Results of the 2020-2021 Countervailing Duty Administrative Review,” dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

⁴ See Memorandum, “Extension of Deadline for the Final Results of Countervailing Duty Administrative Review; 2020-2021,” dated June 14, 2023.

⁵ See *Wood Mouldings and Millwork Products from the People's Republic of China: Countervailing Duty Order*, 86 FR 9484 (February 16, 2021) (*Order*).

In the *Preliminary Results*, Commerce stated that we intended to further examine the rescission of this administrative review with respect to five companies, Aventura Inc., China Cornici Co., Ltd., Omni One Co., Limited, Raoping HongRong Handicrafts Co., Ltd. (d.b.a. Chen Chui Global Corp), and Shenzhen Xinjintai Industrial Co., Ltd., that submitted comments claiming that they had entries of subject merchandise during the POR in response to Commerce’s memorandum stating our intent to rescind the administrative review with respect to these companies in the absence of evidence of suspended entries during the POR.⁶ We find that these companies have no reviewable entries of subject merchandise during the POR. As a result, we are rescinding this review, pursuant to 19 CFR 351.213(d)(3), with respect to these companies.

For further information regarding this determination, *see* “Final Rescission of Administrative Review, In Part” section in the Issues and Decision Memorandum.

Analysis of Comments Received

All issues raised by interested parties in briefs are addressed in the Issues and Decision Memorandum. A list of the issues addressed in the Issues and Decision Memorandum is provided in Appendix I of this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance’s Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Changes Since the *Preliminary Results*

⁶ *See Preliminary Results* PDM at 5-6; *see also* Memorandum, “Notice of Intent to Rescind Review, In Part,” dated June 29, 2022; Aventura Inc.’s Letter, “Comments on Notice of Intent to Rescind Review, In Part,” dated July 13, 2022; China Cornici Co., Ltd.’s Letter, “Comments on Notice of Intent to Rescind Review, In Part,” dated July 13, 2022; Omni One Co., Limited’s Letter, “Comments on Notice of Intent to Rescind Review, In Part,” July 13, 2022; Raoping HongRong Handicrafts Co., Ltd.’s Letter, “Comments on Notice of Intent to Rescind Review, In Part,” dated July 13, 2022; Shenzhen Xinjintai Industrial Co., Ltd.’s Letter, “Comments on Notice of Intent to Rescind Review, In Part,” dated July 13, 2022.

Based on our review of the record and comments received from interested parties regarding our *Preliminary Results*, we made certain revisions to the countervailable subsidy rate calculations for Fujian Jinqun Trade Co., Ltd. (Jinqun) and Fujian Yinfeng Imp & Exp Trading Co., Ltd. (Yinfeng).⁷ As a result of the changes to Jinqun and Yinfeng's program rates, the final rate for the 23 non-selected companies under review also changed.⁸ These changes are explained in the Issues and Decision Memorandum.

Methodology

Commerce conducted this review in accordance with section 751(a)(1)(A) of the Act. For each of the subsidy programs found countervailable, 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.⁹ The Issues and Decision Memorandum contains a full description of the methodology underlying Commerce's conclusions, including any determination that relied upon the use of adverse facts available pursuant to sections 776(a) and (b) of the Act.

Verification

Pursuant to section 782(i) of the Act, and 19 CFR 351.307(b)(iv), we conducted verification of the questionnaire responses of Jinqun and Yinfeng.¹⁰

Companies Not Selected for Individual Review

The statute and Commerce's regulations do not address the establishment of a rate to be applied to companies 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 705(c)(5) of the Act, which provides instructions for determining the all-others rate in an investigation, for guidance when calculating the rate for companies which were not selected for individual examination in an administrative review. Under section

⁷ See Memoranda, "Final Results Calculations for Fujian Jinqun Trade Co., Ltd.," and "Final Results Calculations for Fujian Yinfeng Imp & Exp Trading Co., Ltd." dated concurrently with this notice.

⁸ The 23 non-selected companies under review are listed in Appendix III of this notice.

⁹ 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.

¹⁰ See Yinfeng Verification Report and Jinqun Verification Report.

705(c)(5)(A) of the Act, the all-others rate is normally an amount equal to the weighted average of the countervailable subsidy rates established for exporters and producers individually investigated, excluding any zero or *de minimis* countervailable subsidy rates, and any rates determined entirely on the basis of facts available.

As stated above, there are 23 companies for which a review was requested and not rescinded, and which were not selected as mandatory respondents or found to be cross-owned with a mandatory respondent. For these non-selected companies, because the rates calculated for mandatory respondents Jinquan and Yinfeng were above *de minimis* and not based entirely on facts available, we applied a final subsidy rate based on a weighted average of the rates calculated for the two mandatory respondents using the publicly ranged sales data they submitted on the record. This methodology is consistent with our practice for establishing an all-others subsidy rate pursuant to section 705(c)(5)(A) of the Act. For a list of the non-selected companies, *see* Appendix III to this notice.

Final Results of Review

We find the countervailable subsidy rates for the mandatory and non-selected respondents under review for the period of June 12, 2020, through December 31, 2021, to be as follows:

Producer/Exporter	Subsidy Rate for June 12 to December 31, 2020 (percent <i>ad valorem</i>)	Subsidy Rate for January 1 to December 31, 2021 (percent <i>ad valorem</i>)
Fujian Jinquan Trade Co., Ltd. ¹¹	10.60	15.96
Fujian Yinfeng Imp & Exp Trading Co., Ltd. ¹²	6.63	6.46
Non-Selected Companies Under Review ¹³	7.64	8.89

Disclosure

We intend to disclose the calculations performed in connection with the final results of review to parties in this proceeding within five days of the date of publication of this notice in the *Federal Register* in accordance with 19 CFR 351.224(b).

Assessment Rates

Pursuant to section 751(a)(2)(C) of the Act and 19 CFR 351.212(b), Commerce has determined, and U.S Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries of subject merchandise in accordance with the final results of this review, for the above-listed companies at the applicable *ad valorem* assessment rates listed for the corresponding time periods (*i.e.*, June 12, 2020, to December 31, 2020, and January 1, 2021, to December 31, 2021). For entries made during the gap period (*i.e.*, on or after October 10, 2020, through February 16, 2021), we will continue to instruct CBP to liquidate the entries without regard to countervailing duties pursuant to section 703(d) of the Act. Commerce intends to issue

¹¹ Jinquan is cross-owned with Fujian Province Youxi County Baiyuan Wood Machining Co., Ltd.

¹² The following companies are cross-owned with Yinfeng: Fujian Province Youxi City Mangrove Wood Machining Co., Ltd.; and Fujian Province Youxi City Mangrove Wood Machining Co., Ltd. Youxi Xicheng Branch. Fujian Province.

¹³ See Appendix III.

assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

Cash Deposit Requirements

In accordance with section 751(a)(1) of the Act, Commerce intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amounts shown for 2021, the second year covered by the POR, for each of the respective companies listed above 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 administrative review.¹⁴ For all non-reviewed firms subject to the *Order*, we will instruct CBP to continue to collect cash deposits of estimated countervailing duties at the most recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposit requirements, effective upon publication of the final results of review, shall remain in effect until further notice.

Administrative Protective Order (APO)

This notice also serves as a reminder to parties subject to an APO of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. 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 violation which is subject to sanction.

¹⁴ See Comment 3 in the Issues and Decision Memorandum for further discussion.

Notification to Interested Parties

We are issuing and publishing these final results of administrative review and notice in accordance with sections 751(a)(1) and 777(i) of the Act and 19 CFR 351.221(b)(5).

Dated: September 1, 2023.

Lisa W. Wang,
Assistant Secretary
for Enforcement and Compliance.

Appendix I

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Final Rescission of Review, in Part
- IV. Scope of the *Order*
- V. Diversification of China's Economy
- VI. Use of Facts Otherwise Available and Application of Adverse Inferences
- VII. Subsidies Valuation Information
- VIII. Analysis of Programs
- IX. Discussion of the Issues
 - Comment 1: Whether Commerce Should Change its Preliminary Findings Regarding the Export Buyer's Credit Program (EBCP)
 - Comment 2: Whether Commerce Should Rescind the Administrative Review for Certain Companies
 - Comment 3: Whether Commerce Should Average the Respondents' 2020 and 2021 Total *Ad Valorem* Subsidy Rates for Use as a Cash Deposit Rate
 - Comment 4: Whether Certain Purchases of Upstream Inputs Should Have Been Reported and/or Countervailed
 - Comment 5: Whether Commerce Should Apply Adverse Facts Available (AFA) to Jinquan for Its Cross-Owned Producer's Unreported Purchases of Primer for Less Than Adequate Remuneration (LTAR) and Wood Glues and Adhesives (Adhesives) for LTAR
 - Comment 6: Whether Commerce Should Rely on Certain Inland Freight Data in Calculating Benchmarks for Inputs for LTAR
 - Comment 7: Whether the GOC's Provision of Electricity for LTAR Is Specific
 - Comment 8: Whether Individually Owned Input Suppliers Are Government Authorities
 - Comment 9: Whether Commerce Should Use the Respondents' Revised Sales Data from Verification in the Final Results
 - Comment 10: Whether Commerce Should Make Changes to Its Benchmark Calculations for Ocean Freight
 - A. Whether Commerce Should Use Certain Ocean Freight Data in Calculating Benchmarks
 - B. Whether Commerce Should Adjust Its Averaging Methodology
 - Comment 11: Whether Commerce Should Rely on Certain Land Benchmark Data
 - Comment 12: Whether Commerce Should Adjust Its Calculation of Electricity for LTAR Benefits
 - Comment 13: Whether Commerce Should Correct Certain Errors in Yinfeng's Preliminary Rate Calculation
 - Comment 14: Whether Commerce Should Correct Errors in Jinquan's Preliminary Calculation of Benefit for Land for LTAR
- X. Recommendation

Appendix II

Companies for Which the Review Is Rescinded Due to No Reviewable/Suspended Entries

- 1. Aventura Inc.
- 2. China Cornici Co., Ltd.

3. Omni One Co., Limited
4. Raoping HongRong Handicrafts Co., Ltd. (d.b.a. Chen Chui Global Corp.)
5. Shenzhen Xinjintai Industrial Co., Ltd.

Appendix III

Table of Rates for Non Selected Companies Under Review

Producer/Exporter	Net Countervailable Subsidy Rate for June 12 to December 31, 2020 (percent <i>ad valorem</i>)	Net Countervailable Subsidy Rate for January 1 to December 31, 2021 (percent <i>ad valorem</i>)
Anji Huaxin Bamboo & Wood Products Co., Ltd.	7.64	8.89
Baixing Import and Export Trading Co., Ltd. Youxi Fujian	7.64	8.89
Bel Trade Wood Industrial Co.	7.64	8.89
Bel Trade Wood Industrial Co., Ltd. Youxi Fujian	7.64	8.89
Cao County Hengda Wood Products Co., Ltd.	7.64	8.89
Fotiou Frames Limited	7.64	8.89
Fujian Hongjia Craft Products Co., Ltd.	7.64	8.89
Fujian Shunchang Shengsheng Wood Industry Limited Company	7.64	8.89
Fujian Wangbin Decorative Material Co., Ltd.	7.64	8.89
Fujian Youxi Best Arts & Crafts Co., Ltd.	7.64	8.89
Fujian Zhangping Kimura Forestry Products Co., Ltd.	7.64	8.89
Homebuild Industries Co., Ltd.	7.64	8.89
Jiangsu Chensheng Forestry Development Co., Ltd.	7.64	8.89
Jiangsu Wenfeng Wood Co., Ltd.	7.64	8.89
Longquan Jiefeng Trade Co., Ltd.	7.64	8.89
Nanping Huatai Wood & Bamboo Co., Ltd.	7.64	8.89
Putian Yihong Wood Industry Co., Ltd.	7.64	8.89
Shaxian Hengtong Wood Industry Co., Ltd.	7.64	8.89
Shaxian Shiyiwood, Ltd.	7.64	8.89

Shuyang Kevin International Co., Ltd.	7.64	8.89
Wuxi Boda Bamboo & Wood Industrial Co., Ltd.	7.64	8.89
Zhangzhou Wangjiamei Industry & Trade Co., Ltd.	7.64	8.89
Zhangzhou Yihong Industrial Co., Ltd.	7.64	8.89

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