



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-094]

Refillable Stainless Steel Kegs from the People's Republic of China: Preliminary Results of Countervailing Duty Administrative Review and Rescission of Administrative Review, in Part; 2021

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

SUMMARY: The U.S. Department of Commerce (Commerce) preliminarily determines that subsidies are being provided to producers and exporters of refillable stainless steel kegs (kegs) from the People's Republic of China (China) during the period of review (POR) from January 1, 2021, through December 31, 2021. In addition, we are rescinding the review with respect to 40 companies. Interested parties are invited to comment on these preliminary results.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Theodore Pearson or Jacob Keller, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2631 or (202) 482-4849, respectively.

SUPPLEMENTARY INFORMATION:

Background

On December 16, 2019, Commerce published in the *Federal Register* the countervailing duty order on kegs from China.¹ On December 1, 2022, we published a notice of opportunity to request an administrative review of the *Order*.² On February 2, 2023, based on timely requests

¹ See *Refillable Stainless Steel Kegs from the People's Republic of China: Countervailing Duty Order*, 84 FR 68400 (December 16, 2019) (*Order*).

² See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review and Join Annual Inquiry Service List*, 87 FR 73752 (December 1, 2022).

for an administrative review, Commerce published the notice of initiation of an administrative review of the *Order*.³ On April 7, 2023, Commerce selected Guangzhou Ulix Industrial & Trading Co., Ltd. (Ulix) and Ningbo Master International Trade Co., Ltd. (Ningbo Master) as the mandatory respondents in this administrative review.⁴ On August 14, 2023, Commerce extended the deadline for the preliminary results of this review until December 1, 2023.⁵

For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.⁶ A list of topics discussed in the Preliminary Decision Memorandum is attached as the Appendix I to this notice. 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 <https://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum is available at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Scope of the *Order*

The products covered by the *Order* are kegs from China. For a complete description of the scope of the *Order*, *see* the Preliminary Decision Memorandum.⁷

Methodology

Commerce is conducting this administrative review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each subsidy program found countervailable, Commerce preliminarily determines that there is a subsidy, (*i.e.*, a financial contribution by an “authority” that gives rise to a benefit to the recipient, and that the subsidy is

³ *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 88 FR 7060 (February 2, 2023) (*Initiation Notice*) *see also Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 88 FR 15642 (March 14, 2023), correcting *Initiation Notice* to include an additional company. In total, Commerce initiated review with regard to 42 companies.

⁴ *See* Memorandum, “Respondent Selection,” dated April 7, 2023.

⁵ *See* Memorandum, “Extension of Deadline,” dated August 14, 2023.

⁶ *See* Memorandum, “Decision Memorandum for the Preliminary Results of Countervailing Duty Administrative Review and Rescission of Review in Part, 2021: Refillable Stainless Steel Kegs from the People’s Republic of China,” dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁷ *See* Preliminary Decision Memorandum.

specific).⁸ For a full description of the methodology underlying our conclusions, including our reliance, in part, on facts otherwise available pursuant to sections 776(a) and (b) of the Act, *see* the Preliminary Decision Memorandum.

Rescission of Administrative Review, in Part

Pursuant to 19 CFR 351.213(d)(1), Commerce will rescind an administrative review, in whole or in part, if the parties that requested a review withdraw the request within 90 days of the date of publication of the notice of initiation. Commerce received a timely-filed withdrawal request with respect to all 42 companies from American Keg Company (the petitioner).⁹ Of the 42 companies, Ningbo Master and Ulix also had other requests for review which were not withdrawn.¹⁰ Because the withdrawal request from the petitioner was timely filed, and no other parties requested a review of the other 40 companies, in accordance with 19 CFR 351.213(d)(1), Commerce is rescinding this review of the *Order* with respect to the 40 companies. For a complete list of the companies, *see* Appendix II to this notice.

Preliminary Results of Review

We preliminarily find the following net countervailable subsidy rates exist for the period January 1, 2021, through December 31, 2021:

Producer/Exporter	Subsidy Rate (percent <i>ad valorem</i>)
Guangzhou Ulix Industrial & Trading Co., Ltd.	2.48
Ningbo Master International Trade Co., Ltd. ¹¹	2.41

Cash Deposit Requirements

In accordance with section 751(a)(2)(C) of the Act, Commerce also intends upon publication of the final results, to instruct U.S. Customs and Border Protection (CBP) to collect

⁸ *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.

⁹ *See* Petitioner's Letter, "Withdrawal of Request for Administrative Review," dated May 3, 2023.

¹⁰ *See* Ningbo Master's Letter, "Request for Administrative Review," dated December 23, 2022; *see also* DBT Holdings LLC, dba Deutsche Beverage's Letter, "Request for Administrative Review," dated December 28, 2022.

¹¹ Commerce finds the following companies to be cross-owned with Ningbo Master: Ningbo Major Draft Beer Equipment Co., Ltd.; and Zhejiang Major Technology Co., Ltd.

cash deposits of the estimated countervailing duties in the amounts calculated in the final results of this review for the respective companies listed above with regard to shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review. If the rate calculated in the final results is zero or *de minimis*, no cash deposit will be required on shipments of the subject merchandise entered or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review.

For all non-reviewed firms, CBP will continue to collect cash deposits of estimated countervailing duties at the all-others rate or the most recent company-specific rate applicable to the company, as appropriate. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Assessment Rates

In accordance with section 751(a)(2)(C) of the Act and 19 CFR 351.221(b)(4)(i), we preliminarily determined subsidy rates in the amounts shown above for the producer/exporters shown above. Upon completion of the administrative review, consistent with section 751(a)(1) of the Act and 19 CFR 351.212(b)(2), Commerce shall determine, and CBP shall assess, countervailing duties on all appropriate entries covered by this review.

For the companies for which this review is rescinded with these preliminary results, we will instruct CBP to assess countervailing duties on all appropriate entries at a rate equal to the cash deposit of estimated countervailing duties required at the time of entry, or withdrawal from warehouse, for consumption, during the period January 1, 2021, through December 31, 2021, in accordance with 19 CFR 351.212(c)(1)(i). For the companies remaining in the review, we intend to issue 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).

Disclosure and Public Comment

We intend to disclose the calculations performed for these preliminary results to interested parties within five days after the date of publication of this notice.¹² Pursuant to 19 CFR 351.309(c), interested parties may submit case briefs to Commerce no later than 30 days after the date of publication of these preliminary results of review.¹³ Rebuttal briefs, limited to issues raised in the case briefs, may be filed not later than five days after the date for filing case briefs.¹⁴ Interested parties who submit case briefs or rebuttal briefs in this proceeding must submit: (1) a table of contents listing each issue; and (2) a table of authorities.¹⁵

As provided under 19 CFR 351.309(c)(2) and (d)(2), in prior proceedings we have encouraged interested parties to provide an executive summary of their brief that should be limited to five pages total, including footnotes. In this review, we instead request that interested parties provide at the beginning of their briefs a public, executive summary for each issue raised in their briefs.¹⁶ Further, we request that interested parties limit their executive summary of each issue to no more than 450 words, not including citations. We intend to use the executive summaries as the basis of the comment summaries included in the issues and decision memorandum that will accompany the final results in this administrative review. We request that interested parties include footnotes for relevant citations in the executive summary of each issue. Note that Commerce has amended certain of its requirements pertaining to the service of documents in 19 CFR 351.303(f).¹⁷

¹² See 19 CFR 351.224(b).

¹³ See 19 CFR 351.309(c)(1)(ii).

¹⁴ See 19 CFR 351.309(d); *see also Administrative Protective Order, Service, and Other Procedures in Antidumping and Countervailing Duty Proceedings*, 88 FR 67069, 67077 (September 29, 2023) (*APO and Final Service Rule*).

¹⁵ See 19 CFR 351.309(c)(2) and (d)(2).

¹⁶ We use the term “issue” here to describe an argument that Commerce would normally address in a comment of the Issues and Decision Memorandum.

¹⁷ See *APO and Final Service Rule*.

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, filed electronically via ACCESS. 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 raised in the hearing will be limited to those raised in the respective case briefs. An electronically filed hearing request must be received successfully in its entirety by Commerce's electronic records system, ACCESS, by 5 p.m. Eastern Time within 30 days after the date of publication of this notice.

Unless extended, we intend to issue the final results of this administrative review, which will include the results of our analysis of the issues raised in the case briefs, within 120 days of publication of these preliminary results in the *Federal Register*, pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h)(1).

Notification to Interested Parties

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

Dated: November 30, 2023.

Abdelali Elouaradia,
Deputy Assistant Secretary
for Enforcement and Compliance.

Appendix I

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the *Order*
- IV. Partial Rescission of Administrative Review
- V. Diversification of China's Economy
- VI. Use of Faces Otherwise Available and Application of Adverse Inferences
- VII. Subsidies Valuation Information
- VIII. Interest Rate, Discount Rate, Input, and Electricity Benchmarks
- IX. Analysis of Programs
- X. Recommendation

Appendix II

Companies Rescinded from Review

1. Dalian Yonghseng Metal Structure Co., Ltd. d/b/a DYM Brewing Solutions
2. Equipmentimes (Dalian) E-Commerce Co., Ltd.
3. Guangzhou Jingye Machinery Co., Ltd.
4. Jinan Chenji International Trade Co., Ltd.
5. Jinan Chenji Machinery Equipment Co., Ltd.
6. Jinan HaoLu Machinery Equipment Co., Ltd.
7. Jinjiang Jiaying Import and Export Co., Ltd.
8. NDL Keg Qingdao Inc.
9. Ningbo All In Brew Technology Co.
10. Ningbo Bestfriends Beverage Containers Industry Co., Ltd.
11. Ningbo Chance International Trade Co., Ltd.
12. Ningbo Direct Import & Export Co., Ltd.
13. Ningbo Haishu Direct Import and Export Trade Co., Ltd.
14. Ningbo Haishu Xiangsheng Metal Factory
15. Ningbo Hefeng Container Manufacturer Co., Ltd.
16. Ningbo Hefeng Kitchen Utensils Manufacture Co., Ltd.
17. Ningbo HGM Food Machinery Co., Ltd.
18. Ningbo Jiangbei Bei Fu Industry and Trade Co., Ltd.
19. Ningbo Kegco International Trade Co., Ltd.
20. Ningbo Kegstorm Stainless Steel Co., Ltd.
21. Ningbo Minke Import & Export Co., Ltd.
22. Ningbo Sanfino Import & Export Co., Ltd.
23. Ningbo Shimaotong International Co., Ltd.
24. Ningbo Sunburst International Trading Co., Ltd.
25. Orient Equipment (Taizhou) Co., Ltd.
26. Penglai Jinfu Stainless Steel Products
27. Pera Industry Shanghai Co., Ltd.
28. Qingdao Henka Precision Technology Co., Ltd.
29. Qingdao Xinhe Precision Manufacturing Co., Ltd.
30. Rain Star International Trading Dalian Co., Ltd.
31. Shandong Meto Beer Equipment Co., Ltd.
32. Shandong Tiantai Beer Equipment Co., Ltd.
33. Shandong Tonsen Equipment Co., Ltd.
34. Shandong Yuesheng Beer Equipment Co., Ltd.
35. Shenzhen Wellbom Technology Co., Ltd.
36. Sino Dragon Group, Ltd.
37. Wenzhou Deli Machinery Equipment Co.
38. Wuxi Taihu Lamps and Lanterns Co., Ltd.
39. Yantai Toptech Ltd.
40. Yantai Trano New Material Co., Ltd., d/b/a Trano Keg, d/b/a SS Keg