



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-149]

Gas Powered Pressure Washers from the People's Republic of China: Final Affirmative  
Countervailing Duty Determination and Final Affirmative Critical Circumstances Determination,  
in Part

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

SUMMARY: The U.S. Department of Commerce (Commerce) determines that countervailable  
subsidies are being provided to producers and exporters of gas powered pressure washers  
(pressure washers) from the People's Republic of China (China). The period of investigation is  
January 1, 2021, through December 31, 2021.

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

FOR FURTHER INFORMATION CONTACT: Theodore Pearson, AD/CVD Operations,  
Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of  
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2631.

SUPPLEMENTARY INFORMATION:

Background

On June 5, 2023, Commerce published its *Preliminary Determination*<sup>1</sup> in the *Federal  
Register*. Commerce invited parties to comment on the *Preliminary Determination*.<sup>2</sup>

For a complete description of the events that followed the *Preliminary Determination*,  
*see* the Issues and Decision Memorandum.<sup>3</sup> The Issues and Decision Memorandum is a public

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<sup>1</sup> See *Gas Powered Pressure Washers from the People's Republic of China: Preliminary Affirmative Countervailing  
Duty Determination, Preliminary Affirmative Critical Circumstances Determination, in Part, and Alignment of  
Final Determination with Final Antidumping Duty Determination*, 88 FR 36531 (June 5, 2023) (*Preliminary  
Determination*), and accompanying Preliminary Decision Memorandum (PDM).

<sup>2</sup> *Id.*

<sup>3</sup> See Memorandum, "Decision Memorandum for the Final Affirmative Determination in the Countervailing Duty  
Investigation of Gas Powered Pressure Washers from the People's Republic of China," dated concurrently with, and  
hereby adopted by, this notice (Issues and Decision Memorandum).

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 Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

### Scope of the Investigation

The products covered by this investigation are pressure washers from China. For a complete description of the scope of this investigation, *see* Appendix I.

### Scope Comments

During the investigation, Commerce received scope comments from interested parties. Commerce issued a Preliminary Scope Memorandum to address these comments and set aside a period of time for parties to address scope issues in scope-specific case and rebuttal briefs.<sup>4</sup> We received comments from interested parties on the Preliminary Scope Memorandum, which we address in the Final Scope Memorandum.<sup>5</sup> We did not make any changes to the scope of this investigation from the scope published in the *Preliminary Determination*, as noted in Appendix I.

### Analysis of Subsidy Programs and Comments Received

The subsidy programs under investigation, and the issues raised in the case and rebuttal briefs that were submitted by parties in this investigation, are discussed in the Issues and Decision Memorandum. For a list of the issues raised by interested parties and addressed in the Issues and Decision Memorandum, *see* Appendix II to this notice.

### Methodology

Commerce conducted this investigation in accordance with section 701 of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found to be countervailable,

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<sup>4</sup> *See* Memorandum, "Preliminary Scope Decision," dated June 8, 2023 (Preliminary Scope Memorandum).

<sup>5</sup> *See* Memorandum, "Final Scope Decision," dated August 22, 2023 (Final Scope Memorandum).

Commerce 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 specific.<sup>6</sup> For a full description of the methodology underlying our final determination, *see* the Issues and Decision Memorandum.

In making this final determination, Commerce relied, in part, on facts otherwise available, including with an adverse inference, pursuant to sections 776(a) and (b) of the Act. For a full discussion of our application of adverse facts available (AFA), *see* the *Preliminary Determination* and the section “Use of Facts Otherwise Available and Application of Adverse Inferences” in the accompanying Issues and Decision Memorandum.<sup>7</sup>

### Verification

Commerce was unable to conduct on-site verification of the information relied on in making its final determination in this investigation. However, in July 2023, we took additional steps in lieu of on-site verifications to verify the information relied upon in making this final determination, in accordance with section 782(i) of the Act by conducting virtual verification of Jiangsu Jianghuai Engine Co., Ltd. (JD Power).

### Final Affirmative Determination of Critical Circumstances, in Part

In accordance with sections 703(e)(1) and 776(a) and (b) of the Act and 19 CFR 351.206, as well as our analysis of comments received regarding our affirmative preliminary determination of critical circumstances,<sup>8</sup> Commerce continues to find that critical circumstances exist with respect to imports of pressure washers from China for JD Power and the non-responsive companies. In addition, we continue to find that critical circumstances do not exist with respect to imports of pressure washers from companies not individually examined. For a full description of the methodology and results of Commerce’s critical circumstances analysis, *see* the Issues and Decision Memorandum.

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<sup>6</sup> *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; *see also* section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

<sup>7</sup> *See Preliminary Determination* PDM at 7-30; *see also* Issues and Decision Memorandum at the section entitled “Use of Facts Otherwise Available and Adverse Inferences.”

<sup>8</sup> *See* Issues and Decision Memorandum at Comment 5.

## Changes Since the Preliminary Determination

Based on our review and analysis of the information at verification and comments received from interested parties, we made no changes to the subsidy rate calculations for JD Power. For a discussion of the comments received, *see* the Issues and Decision Memorandum.

## All-Others Rate

Pursuant to section 705(c)(5)(A)(i) of the Act, Commerce will determine an all-others rate equal to the weighted-average countervailable subsidy rates established for exporters and/or producers individually investigated, excluding any zero and *de minimis* countervailable subsidy rates, and any rates determined entirely under section 776 of the Act. In this investigation, Commerce calculated a total subsidy rate for Chongqing Dajiang Power Equipment Co., Ltd. determined entirely under section 776 of the Act. Therefore, the only rate that is not zero, *de minimis*, or based entirely on facts otherwise available is the rate calculated for JD Power. Consequently, the rate calculated for JD Power is also assigned as the rate for all other producers and exporters.

## Final Determination

Commerce determines that the following estimated countervailable subsidy rates exist:

<b>Company</b>	<b>Subsidy Rate (percent <i>ad valorem</i>)</b>
Jiangsu Jianghuai Engine Co., Ltd. <sup>9</sup>	11.19
Chongqing Dajiang Power Equipment Co., Ltd.	206.57
China GTL Tools Group, Ltd.	206.57
Loncin Motor Co., Ltd.	206.57
Maxworld Home Co., Ltd.	206.57
Ningbo Jugang Machinery Manufacturing Co., Ltd.	206.57
Powerful Machinery & Electronics Technology Developing Co., Ltd.	206.57
Pinghu Biyi Cleaning Equipment Co., Ltd.	206.57
Senci Electric Machinery Co., Ltd.	206.57
Taizhou Bison Machinery Co., Ltd.	206.57
Taizhou Longfa Machinery Co., Ltd.	206.57
Taizhou Newland Machinery Co., Ltd.	206.57
Zhejiang Anlu Cleaning Machinery Co., Ltd.	206.57
Zhejiang Constant Power Machinery Co., Ltd.	206.57

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<sup>9</sup> Commerce finds the following company to be cross-owned with JD Power: Jiangsu Nonghua Intelligent Agriculture Technology Co., Ltd.

Zhejiang Lingben Machinery & Electronics Co., Ltd.	206.57
Zhejiang Xinchang Bigyao Power Tool Co., Ltd.	206.57
Zhejiang Zhinanche Cleaning Equipment Co., Ltd.	206.57
All Others	11.19

### Disclosure

Commerce intends to disclose to interested parties the calculations and analysis performed in this final determination within five days of any public announcement or, if there is no public announcement, within five days of the date of the publication of this notice in the *Federal Register*, in accordance with 19 CFR 351.224(b).<sup>10</sup>

### Continuation of Suspension of Liquidation

As a result of our *Preliminary Determination* and pursuant to section 703(d)(1)(B) and (d)(2) of the Act, we instructed U.S. Customs and Border Protection (CBP) to suspend liquidation of entries of subject merchandise from China that were entered, or withdrawn from warehouse, for consumption, on or after June 5, 2023. Because we preliminarily determined that critical circumstances existed with respect to JD Power and the non-responsive companies, we instructed CBP to suspend such entries on or after March 7, 2023, which is 90 days prior to the date of the publication of the *Preliminary Determination* in the *Federal Register*. In accordance with section 703(d) of the Act, we instructed CBP to discontinue the suspension of liquidation of all entries of subject merchandise entered or withdrawn from warehouse, on or after October 3, 2023, but to continue the suspension of liquidation of all entries of subject merchandise between June 5 and October 2, 2023.

If the U.S. International Trade Commission (ITC) issues a final affirmative injury determination, we will issue a countervailing duty order, reinstate the suspension of liquidation under section 706(a) of the Act, and require a cash deposit of estimated countervailing duties for entries of subject merchandise in the amounts indicated above. If the ITC determines that

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<sup>10</sup> JD Power submitted certain minor corrections during verification that do not affect the *ad valorem* subsidy rates calculated for individual programs or the total *ad valorem* subsidy rate. See Memorandum, “Final Determination Calculations for Jiangsu Jianghuai Engine Co., Ltd.,” dated concurrently with this memorandum.

material injury, or threat of material injury, does not exist, this proceeding will be terminated, and all estimated duties deposited or securities posted as a result of the suspension of liquidation will be refunded or canceled.

#### ITC Notification

In accordance with section 705(d) of the Act, we will notify the ITC of our final affirmative determination that countervailable subsidies are being provided to producers and exporters of pressure washers from China. Because the final determination in this proceeding is affirmative, in accordance with section 705(b) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports of pressure washers from China no later than 45 days after our final determination. In addition, we are making available to the ITC all non-privileged and nonproprietary information related to this investigation. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under an administrative protective order (APO), without the written consent of the Assistant Secretary for Enforcement and Compliance. If the ITC determines that material injury or threat of material injury does not exist, this proceeding will be terminated and all cash deposits will be refunded. If the ITC determines that such injury does exist, Commerce will issue a countervailing duty order directing CBP to assess, upon further instruction by Commerce, countervailing duties on all imports of the subject merchandise that are entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation, as discussed above in the “Continuation of Suspension of Liquidation” section.

#### Administrative Protective Order

In the event that the ITC issues a final negative injury determination, this notice will serve as the only reminder to parties subject to an APO of their responsibility concerning the destruction of proprietary information disclosed under APO, in accordance with 19 CFR

351.305(a)(3). Timely written notification of the return/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.

Notification to Interested Parties

This determination is issued and published pursuant to sections 705(d) and 777(i) of the Act, and 19 CFR 351.210(c).

Dated: December 18, 2023

*/S/ James Maeder*

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James Maeder  
Deputy Assistant Secretary  
for Antidumping and Countervailing Duty Operations

## Appendix I

### Scope of the Investigation

The merchandise covered by this investigation is cold water gas powered pressure washers (also commonly known as power washers), which are machines that clean surfaces using water pressure that are powered by an internal combustion engine, air-cooled with a power take-off shaft, in combination with a positive displacement pump. This combination of components (*i.e.*, the internal combustion engine, the power take-off shaft, and the positive displacement pump) is defined as the “power unit.” The scope of this investigation covers cold water gas powered pressure washers, whether finished or unfinished, whether assembled or unassembled, and whether or not containing any additional parts or accessories to assist in the function of the “power unit,” including, but not limited to, spray guns, hoses, lances, and nozzles. The scope of this investigation covers cold water gas powered pressure washers, whether or not assembled or packaged with a frame, cart, or trolley, with or without wheels attached.

For purposes of this investigation, an unfinished and/or unassembled cold water gas powered pressure washer consists of, at a minimum, the power unit or components of the power unit, packaged or imported together. Importation of the power unit whether or not accompanied by, or attached to, additional components including, but not limited to a frame, spray guns, hoses, lances, and nozzles constitutes an unfinished cold water gas powered pressure washer for purposes of this scope. The inclusion in a third country of any components other than the power unit does not remove the cold water gas powered pressure washer from the scope. A cold water gas powered pressure washer is within the scope of this investigation regardless of the origin of its engine. Subject merchandise also includes finished and unfinished cold water gas powered pressure washers that are further processed in a third country or in the United States, including, but not limited to, assembly or any other processing that would not otherwise remove the merchandise from the scope of this investigation if performed in the country of manufacture of the in-scope cold water gas powered pressure washers.

The scope excludes hot water gas powered pressure washers, which are pressure washers that include a heating element used to heat the water sprayed from the machine. Also specifically excluded from the scope of this investigation is merchandise covered by the scope of the antidumping and countervailing duty orders on certain vertical shaft engines between 99cc and up to 225cc, and parts thereof from the People’s Republic of China. *See Certain Vertical Shaft Engines Between 99 cc and Up to 225cc, and Parts Thereof from the People’s Republic of China: Antidumping and Countervailing Duty Orders*, 86 FR 023675 (May 4, 2021).

The cold water gas powered pressure washers subject to this investigation are classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheadings 8424.30.9000 and 8424.90.9040. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope is dispositive

## Appendix II

### List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Final Critical Circumstances Determination
- IV. Use of Facts Otherwise Available and Application of Adverse Inferences
- V. Subsidies Valuation Information
- VI. Interest Rate, Discount Rate, Hot-Rolled Steel, and Electricity Benchmarks
- VII. Analysis of Programs
- VIII. Discussion of the Issues
  - Comment 1: Export Buyer's Credit (EBC) Program
  - Comment 2: Whether the Application of Adverse Facts Available (AFA) for the Provision of Hot-Rolled Steel for Less Than Adequate Remuneration (LTAR) Is Appropriate
  - Comment 3: Whether the Application of AFA to the Provision of Electricity for LTAR Is Appropriate
  - Comment 4: Whether the Application of AFA to Other Subsidies Is Appropriate
  - Comment 5: Whether Critical Circumstances Exist with Regard to JD Power
  - Comment 6: Whether JD Power Used the Provision of Hot-Rolled Steel for LTAR Program
- IX. Recommendation

[FR Doc. 2023-28282 Filed: 12/21/2023 8:45 am; Publication Date: 12/22/2023]