



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-074]

Common Alloy Aluminum Sheet from the People's Republic of China: Preliminary Results of Countervailing Duty Administrative Review and Rescission of Review, in Part; 2022

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

SUMMARY: The U.S. Department of Commerce (Commerce) preliminarily determines that countervailable subsidies were provided to producers and exporters of common alloy aluminum sheet (CAAS) from the People's Republic of China (China) during the period of review (POR), January 1, 2022, through December 31, 2022. In addition, Commerce is rescinding the review in part, with respect to two 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: Scarlet K. Jaldin, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4275.

SUPPLEMENTARY INFORMATION:

Background

On February 6, 2019, Commerce published in the *Federal Register* the countervailing duty (CVD) order on CAAS from China.¹ On April 11, 2023, Commerce published in the

¹ See *Common Alloy Aluminum Sheet from the People's Republic of China: Countervailing Duty Order*, 84 FR 2157 (February 6, 2019) (*Order*).

Federal Register a notice of initiation of an administrative review of the *Order*.² On May 26, 2023, we selected Yinbang Clad Material Co., Ltd. (Yinbang) and Zhengzhou Mingtai Industry Co., Ltd. (Zhengzhou Mingtai) as mandatory respondents.³ Because Zhengzhou Mingtai failed to respond to the Initial Questionnaire, we selected Jiangsu Alcha Aluminum Co., Ltd. as an additional mandatory respondent.⁴ From January 8 through January 26, 2024, we conducted virtual verifications for Yinbang and Jiangsu Alcha Aluminum Co. Ltd. On February 14, 2024, Commerce initiated an investigation on new subsidy and unequityworthiness allegations, which we intend to analyze in a post-preliminary memorandum.⁵ On September 27, 2023, Commerce extended the deadline for completion of these preliminary results until February 28, 2024.⁶

For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.⁷ A list of topics discussed 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 Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Scope of the *Order*

The product covered by the *Order* is CAAS from China. For a complete description of the scope of the *Order*, *see* the Preliminary Decision Memorandum.

² *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 88 FR 21609, 21624 (April 11, 2023) (*Initiation Notice*).

³ *See* Memorandum, "Respondent Selection Memorandum," dated May 26, 2023.

⁴ *See* Memorandum, "Selection of Additional Mandatory Respondent for Individual Examination," dated August 23, 2023.

⁵ *See* Memorandum, "New Subsidy and Unequityworthiness Allegations," dated February 14, 2024.

⁶ *See* Memorandum, "Extension for Preliminary Results of Countervailing Duty Administrative Review; 2022," dated September 27, 2023.

⁷ *See* Memorandum, "Decision Memorandum for the Preliminary Results of the Countervailing Duty Administrative Review and Rescission of Review, in Part: Common Alloy Aluminum Sheet from the People's Republic of China; 2022," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

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 of the subsidy programs preliminarily found to be countervailable, we determine 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).⁸ For a full description of the methodology underlying our preliminary conclusions, including our reliance, in part, on facts available with adverse inferences 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. The requests for review for two companies, Mingtai Aluminum and Henan Mingshen New Material Technology, were timely withdrawn, pursuant to 19 CFR 351.213(d)(1), by the only requesting party.⁹ Because the requests were timely withdrawn, and no other parties requested a review of these companies, in accordance with 19 CFR 351.213(d)(1), Commerce is rescinding this review of the *Order* with respect to these two companies.

Preliminary Results of Review

In accordance with 19 CFR 351.221(b)(4)(i), Commerce calculated a countervailable subsidy rate for the mandatory respondents that are identified below. We determined the countervailable subsidy rate for Zhengzhou Mingtai based entirely on AFA, in accordance with section 776 of the Act. Because there are no other producers or exporters subject to this review

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* Preliminary Decision Memorandum.

that were not selected for individual examination (*i.e.*, non-selected companies), Commerce does not need to establish a rate for such companies in this review.¹⁰

Commerce preliminarily determines the net countervailable subsidy rates for the period January 1, 2022, through December 31, 2022, are as follows:

Producer/Exporter	Subsidy Rate (percent <i>ad valorem</i>)
Jiangsu Alcha Aluminum Co., Ltd., Jiangsu Alcha Aluminium Co., Ltd. (now known as Jiangsu Alcha Aluminium Group Co., Ltd., and Jiangsu Alcha Aluminum Group Co., Ltd.); ¹¹ Alcha International Holdings Limited; Baotou Alcha Aluminium Co., Ltd., Baotou Alcha Aluminum Co., Ltd., Baotou Alcha North Aluminum Co., Ltd., and Baotou Changlv Northern Aluminium Industry Co., Ltd.; ¹² and Jiangsu Alcha New Energy Materials Co., Ltd. ¹³	23.27
Yinbang Clad Material Co., Ltd.. (Yinbang)	29.96
Zhengzhou Mingtai Industry Co., Ltd.	379.60

Disclosure and Public Comment

We will disclose to interested parties the calculations performed for these preliminary results within five days of the date of publication of this notice.¹⁴ Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance. Commerce will notify interested parties of the deadline for submission of case briefs. 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.¹⁵ 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.¹⁶

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

¹⁰ In the *Initiation Notice*, Commerce also initiated a review on Jiangsu Alcha Aluminium Group, Ltd. and Jiangsu Alcha Aluminum Group Co., Ltd. The respondent reported that Jiangsu Alcha Aluminium Group Co., Ltd. is the current legal name of the company, but is used interchangeably with Jiangsu Alcha Aluminum Group Co., Ltd. The respondent also reported that due to the recent change, Jiangsu Alcha Aluminum Co., Ltd. and Jiangsu Alcha Aluminium Group Co., Ltd. refer to the same entity.

¹¹ See *supra*, n. 11; see also Preliminary Decision Memorandum.

¹² See Preliminary Decision Memorandum at Section II, “Background.”

¹³ *Id.* at Section “B. Attribution of Subsidies” under “V. Subsidies Valuation.”

¹⁴ See 19 CFR 351.224(b)

¹⁵ 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 Service Final Rule*).

¹⁶ See 19 CFR 351.309(c)(2) and (d)(2).

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.¹⁷ 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 determination in this investigation. 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).¹⁸

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 written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, filed electronically, using ACCESS. Hearing requests should contain the party's name, address, and telephone number, the number of participants, and a list of the issues to be discussed. Issues raised in the hearing will be limited to those raised in the case and rebuttal briefs. An electronically filed request must be received successfully in its entirety by ACCESS by 5:00 p.m. Eastern Time, within 30 days of the publication date of this notice. If a request for a hearing is made, parties will be notified of the time and date of the hearing.¹⁹

Assessment Rates

In accordance with 751(a)(2)(C) of the Act and 19 CFR 351.221(b)(4)(i), we preliminarily assigned subsidy rates in the amounts for the producers/exporters shown above. Upon completion of the administrative review, consistent with section 751(a)(1) of the Act and

¹⁷ We use the term "issue" here to describe an argument that Commerce would normally address in a comment of the Issues and Decision Memorandum.

¹⁸ See *APO and Service Final Rule*.

¹⁹ See 19 CFR 351.310(d).

19 CFR 351.212(b)(2), Commerce shall determine, and CBP shall assess, countervailing duties on all appropriate entries covered by this review.

With regard to Jiangsu Alcha, we intend to instruct CBP to assess countervailing duties on all appropriate entries covered by this review under both its old and new names (*i.e.*, Jiangsu Alcha Aluminum Group Co., Ltd., Jiangsu Alcha Aluminium Group Co., Ltd., Jiangsu Alcha Aluminum Co., Ltd. and Jiangsu Alcha Aluminium Co., Ltd.). Concerning Baotou Alcha, we intend to instruct CBP to assess countervailing duties on all appropriate entries covered by this review for all of its names identified in this notice.

For Mingtai Aluminum and Henan Mingshen New Material Technology, the companies for which this review is being 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, 2022, through December 31, 2022, 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 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 Rates

In accordance with section 751(a)(2)(C) of the Act, Commerce intends, upon publication of the final results, to instruct CBP to collect cash deposits of estimated countervailing duties in the amounts indicated for the producers/exporters 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 review. With regard to Jiangsu Alcha, we intend to instruct CBP to collect cash deposits of estimated countervailing duties under all of its name variations

identified in this notice. Concerning Baotou Alcha, we intend to instruct CBP to collect cash deposits of estimated countervailing duties under all of its names identified in this notice. 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 final results of this review. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Final Results

Unless the deadline is extended, we intend to issue the final results of this administrative review, which will include our analysis of the issues raised in the case briefs, within 120 days after the date 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 are issued and published pursuant to sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.213 and 351.221(b)(4).

Dated: February 28, 2024.

Ryan Majerus,

Deputy Assistant Secretary

for Policy and Negotiations,

performing the non-exclusive functions and duties

of the Assistant Secretary for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. New Subsidy Allegation
- IV. Rescission of Administrative Review, In Part
- V. Scope of the *Order*
- VI. Diversification of China's Economy
- VII. Subsidies Valuation
- VIII. Interest Rate Benchmarks, Discount Rates, and Benchmarks for Measuring Adequacy of Remuneration
- IX. Use of Facts Otherwise Available and Application of Adverse Inferences
- X. Analysis of Programs
- XI. Recommendation

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