



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-118]

Wood Mouldings and Millwork Products from the People's Republic of China:

Preliminary Results and Partial Rescission of Countervailing Duty Administrative Review;

2022

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

SUMMARY: The U.S. Department of Commerce (Commerce) preliminarily determines that countervailable subsidies are being provided to producers and exporters of wood moulding and millwork products (millwork products) 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 this review with respect to 17 companies. Interested parties are invited to comment on these preliminary results of review.

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

FOR FURTHER INFORMATION CONTACT: Craig Matney or Faris Montgomery,
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Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington,
DC 20230; telephone: (202) 482-2429 or (202) 482-1537, respectively.

SUPPLEMENTARY INFORMATION:

Background

On February 16, 2021, Commerce published a countervailing duty (CVD) order on millwork products from China.¹ The Coalition of American Millwork Producers (the petitioner) and other interested parties requested that Commerce conduct an administrative review of the *Order*. On April 11, 2023, Commerce published in the *Federal Register* a notice of initiation of an administrative review of the *Order*.² We initiated an administrative review of 41 producers/exporters of millwork products from China for the POR. On July 10, 2023, Commerce selected Fujian Jinquan Trade Co., Ltd. (Jinquan) and Fujian Yinfeng Imp & Exp Trading Co., Ltd. (Yinfeng) as the mandatory respondents in this administrative review.³

On October 2, 2023, Commerce extended the deadline for the preliminary results of this review to no later than February 28, 2024.⁴

For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.⁵ A list of topics discussed in the Preliminary Decision Memorandum is included at Appendix I. The Preliminary 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 Preliminary Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Scope of the *Order*

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

¹ *See Wood Mouldings and Millwork Products from the People's Republic of China: Countervailing Duty Order*, 86 FR 9484 (February 16, 2021) (*Order*).

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

³ *See* Memorandum, "Respondent Selection," dated July 10, 2023.

⁴ *See* Memorandum, "Extension of Deadline for Preliminary Results of Countervailing Duty Administrative Review; 2022," dated October 2, 2023.

⁵ *See* Memorandum, "Decision Memorandum for the Preliminary Results of the Countervailing Duty Administrative Review of Wood Mouldings and Millwork Products from the People's Republic of China; 2022," dated concurrently with, and hereby adopted by, this notice (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 a party who requested the review withdraws the request within 90 days of the date of publication of notice of initiation of the requested review. On July 7, 2023, Jeld-Wen, Inc. timely withdrew its request for review for two of the eight companies for which it had requested a review.⁶ On July 10, 2023, the petitioner timely withdrew its requests for review of four companies.⁷ For each of the companies for which all requests for review were timely withdrawn and which are not cross-owned with a mandatory respondent, we are rescinding this review, in part, with respect to these companies pursuant to 19 CFR 351.213(d)(1).⁸

On September 14, 2023, Commerce notified interested parties that it intended to rescind this administrative review with respect to certain companies, in the absence of suspended entries during the POR.⁹ Two companies listed in our Intent to Rescind Memorandum, Anji Huaxin Bamboo & Wood Products Co., Ltd. and Composite Technology International, Limited, submitted comments claiming that they had entries of subject merchandise during the POR.¹⁰ As we require more time to fully examine the companies' claims and request additional information, if necessary, we are not rescinding the review of these two companies at this time, and will make a determination in the final results. With respect to the remaining 13 companies noted in our Intent to Rescind Memorandum and for which all review requests were not timely withdrawn,¹¹ we find that there were 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. On May 11, 2023, Homebuild Industries Co., Ltd. (Homebuild) certified that it had

⁶ See Jeld-Wen's Letter, "Withdrawal of Request for Administrative Review," dated July 7, 2023.

⁷ See Petitioner's Letter, "Withdrawal of Request for Administrative Review," dated July 10, 2023.

⁸ See Appendix II for a list of companies for which we are rescinding the review due to the timely withdrawal of the requests for review.

⁹ See Memorandum, "Notice of Intent to Rescind Review, In Part," dated September 14, 2023 (Intent to Rescind Memorandum).

¹⁰ See Anji Huaxin's Letter, "Comments on Notice of Intent to Rescind Review, In Part," dated September 28, 2023; see also Composite Technology International's Letter, "Comments on Notice of Intent to Rescind Review, In Part," dated September 28, 2023.

¹¹ See Appendix III for a list of these 13 companies.

no reviewable entries during the POR.¹² Commerce solicited information from U.S. Customs and Border Protection (CBP) regarding this claim and placed CBP's response on the record on February 15, 2024;¹³ no party commented on this information. We are preliminarily not rescinding this review regarding Homebuild at this time, and will fully examine the record evidence on this issue for the final results.

For further information regarding this determination, *see* "Final Rescission of Administrative Review, In Part" section in the Preliminary Decision Memorandum.

Methodology

Commerce is conducting this 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 found countervailable, we preliminarily determine that there is a subsidy, *i.e.*, a financial contribution by an "authority" that confers a benefit to the recipient, and that the subsidy is specific.¹⁴ For a full description of the methodology underlying our preliminary conclusions, including our reliance, in part, on adverse facts available pursuant to sections 776(a) and (b) of the Act, *see* the Preliminary Decision Memorandum.

Preliminary Rate for Non-Selected Companies Under Review

As discussed above, Commerce initiated this administrative review with respect to 41 producers/exporters. We are rescinding the review for four companies for which all requests for administrative review were timely withdrawn and for 13 companies that had no suspended entries during the POR. Commerce selected two mandatory respondents, Jinquan and Yinfeng, for individual examination.¹⁵ For the remaining 21 non-selected companies subject to this review, because the rates calculated for mandatory respondents Jinquan and Yinfeng were above

¹² See Homebuild Industries Letter, "Certification of No Sales, Shipments, or Entries," dated May 11, 2023.

¹³ See Memorandum, "Entry Documents Requested," dated February 15, 2024, at Attachments 1 and 2.

¹⁴ 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.

¹⁵ As discussed in the Preliminary Decision Memorandum, Commerce preliminarily finds that Fujian Province Youxi City Mangrove Wood Machining Co., Ltd., which was listed separately in the *Initiation Notice*, is cross-owned with Yinfeng.

de minimis and not based entirely on facts available, we applied a preliminary 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 further information on the calculation of the non-selected respondent rate, refer to the section in the Preliminary Decision Memorandum entitled “Non-Selected Companies Under Review.” For a list of the non-selected companies, *see* Appendix IV to this notice.

Preliminary Results of Review

In accordance with 19 CFR 351.221(b)(4)(i), we calculated a countervailable subsidy rate for each of the mandatory respondents, Jinquan and Yinfeng, and their cross-owned affiliates, where applicable. We preliminarily find the following estimated countervailable subsidy rates exist:

Producer/Exporter	Subsidy Rate (percent <i>ad valorem</i>)
Fujian Jinquan Trade Co., Ltd. ¹⁶	20.65
Fujian Yinfeng Imp & Exp Trading Co., Ltd. ¹⁷	23.22
Non-Selected Companies Under Review ¹⁸	22.82

Verification

Commerce received a timely request from the petitioner to verify the information submitted in this administrative review, pursuant to 19 CFR 351.307(b)(1)(iv).¹⁹ Commerce

¹⁶ As discussed in the Preliminary Decision Memorandum, consistent with the prior administrative review, Commerce continues to find Fujian Province Youxi County Baiyuan Wood Machining Co., Ltd. to be cross-owned with Jinquan. Fujian Province Youxi County Baiyuan Wood Machining Co., Ltd. was listed separately in the *Initiation Notice*.

¹⁷ As discussed in the Preliminary Decision Memorandum, Commerce preliminarily finds the following companies to be 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 Youxi City Mangrove Wood Machining Co., Ltd. was listed separately in the *Initiation Notice*.

¹⁸ *See* Appendix IV for a list of the non-selected companies under review.

¹⁹ *See* Petitioner’s Letter, “Request for Verification,” dated July 20, 2023.

does not intend to verify the information submitted by the mandatory respondents in the course of this administrative review.²⁰

Disclosure and Public Comment

We intend to disclose the calculations performed to parties within five days after the date of publication of this notice.²¹ Pursuant to 19 CFR 351.309(c)(1)(ii), interested parties may submit case briefs to Commerce no later than 30 days after the date of the publication of this notice.²² 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.²³ 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.²⁴

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.²⁵ 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).²⁶

²⁰ Commerce conducted verification in the previous administrative review. *See Wood Mouldings and Millwork Products from the People's Republic of China: Final Results and Partial Rescission of Countervailing Duty Administrative Review; 2020-2021*, 88 FR 62319 (September 11, 2023).

²¹ *See* 19 CFR 351.224(b).

²² *See* 19 CFR 351.309.

²³ *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*).

²⁴ *See* 19 CFR 351.309(c)(2) and (d)(2).

²⁵ We use the term “issue” here to describe an argument that Commerce would normally address in a comment of the Issues and Decision Memorandum.

²⁶ *See APO and Service Final 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.

Final Results

Unless the deadline is 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).

Assessment Rates

In accordance with 19 CFR 351.221(b)(4)(i), we preliminarily assigned subsidy rates in the amounts 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, Commerce 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 for these companies no earlier than 35 days after the publication of the preliminary results of this review in the *Federal Register*.

For the companies for which this review is not rescinded, 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 Requirements

In accordance with section 751(a)(1) 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 shown for each of the respective companies listed above and in Appendix IV 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. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits at the most recent company-specific or all-others rate applicable to the company. These cash deposit requirements, when imposed, shall remain in effect until further notice.

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 351.221(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 I

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Final Rescission of Review, in Part
- IV. Non-Selected Companies Under Review
- V. Scope of the *Order*
- VI. Diversification of China's Economy
- VII. Use of Facts Otherwise Available and Application of Adverse Inferences
- VIII. Subsidies Valuation
- IX. Interest Rate Benchmarks, Discount Rates, Inputs, Land-Use and Electricity Benchmarks
- X. Analysis of Programs
- XI. Recommendation

Appendix II

Companies for Which All Review Requests Were Timely Withdrawn²⁷

1. Fujian Sanming City Donglai Wood Co., Ltd.
2. Xiamen Jinxi Building Material Co., Ltd.
3. Zhangzhou Green Wood Industry and Trade Co., Ltd.
4. Zhejiang Senya Board Industry Co., Ltd.

²⁷ Commerce received timely requests to withdraw the review for Fujian Province Youxi County Baiyuan Wood Machining Co., Ltd. (Baiyuan) and Suqian Sulu Import & Export Trading Co., Ltd. (Sulu). As discussed above, Baiyuan is the cross-owned affiliate of mandatory respondent Jinquan. In addition, Commerce received review requests for Sulu from both the petitioner and Sulu; but only the petitioner's request was withdrawn. Accordingly, we are not rescinding this review for either Baiyuan or Sulu.

Appendix III

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

1. Aventura Inc.
2. Baixing Import and Export Trading Co., Ltd Youxi Fujian
3. Bel Trade Wood Industrial Co.
4. Bel Trade Wood Industrial Co., Ltd Youxi Fujian
5. Cao County Hengda Wood Products Co., Ltd.
6. China Cornici Co. Ltd.
7. Fujian Shunchang Shengsheng Wood Industry Limited Company
8. Fujian Zhangping Kimura Forestry Products Co., Ltd.
9. Jiangsu Chensheng Forestry Development Co., Ltd.
10. Omni One Co., Limited
11. Raoping HongRong Handicrafts Co., Ltd. (d.b.a. Chen Chui Global Corp.)
12. Shenzhen Xinjintai Industrial Co., Ltd.
13. Wuxi Boda Bamboo & Wood Industrial Co., Ltd.

Appendix IV

Non-Selected Companies under Review

1. Anji Huaxin Bamboo & Wood Products Co., Ltd.
2. Composite Technology International, Limited²⁸
3. Fotiou Frames Limited²⁹
4. Fujian Hongjia Craft Products Co., Ltd.
5. Fujian Wangbin Decorative Material Co., Ltd.
6. Fujian Youxi Best Arts & Crafts Co. Ltd.
7. Homebuild Industries Co., Ltd.
8. Huaan Longda Wood Industry Co., Ltd.
9. Jiangsu Wenfeng Wood Co., Ltd.
10. Longquan Jiefeng Trade Co., Ltd.
11. Nanping Huatai Wood & Bamboo Co., Ltd.
12. Nanping Huatai Wood and Bamboo Co., Ltd.
13. Putian Yihong Wood Industry Co., Ltd.
14. Shandong Miting Household Co., Ltd.
15. Shaxian Hengtong Wood Industry Co., Ltd.
16. Shaxian Shiyiwood, Ltd.
17. Shuyang Kevin International Co., Ltd.
18. Shuyang Zhongding Decoration Materials Co., Ltd.
19. Suqian Sulu Import & Export Trading Co., Ltd.
20. Zhangzhou Wangjiamei Industry & Trade Co., Ltd.
21. Zhangzhou Yihong Industrial Co., Ltd.

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²⁸ As discussed in the Preliminary Decision Memorandum, this company objected to Commerce's Intent to Rescind Memorandum; Commerce will continue to consider this company's entry claim and whether or not it is appropriate to rescind the review with respect to this company for the final results.

²⁹ As discussed in the Preliminary Decision Memorandum, this company objected to Commerce's Intent to Rescind Memorandum; Commerce will continue to consider this company's entry claim and whether or not it is appropriate to rescind the review with respect to this company for the final results.