



## DEPARTMENT OF COMMERCE

### International Trade Administration

[C-570-054]

#### **Certain Aluminum Foil 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 producers and exporters of certain aluminum foil (aluminum foil) from the People's Republic of China (China) received countervailable subsidies during the period of review, January 1, 2022, through December 31, 2022.

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

**FOR FURTHER INFORMATION CONTACT:** Natasia Harrison or Harrison Tanchuck, 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) 482-1240 or (202) 482-7421, respectively.

#### **SUPPLEMENTARY INFORMATION:**

##### Background

On June 12, 2023, Commerce published a notice of initiation of an administrative review of the countervailing duty order on aluminum foil from China,<sup>1</sup> covering the requested companies.<sup>2</sup> As explained below, between July 20 and September 11, 2023, certain interested

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<sup>1</sup> See *Certain Aluminum Foil from the People's Republic of China: Amended Final Affirmative Countervailing Duty Determination and Countervailing Duty Order*, 83 FR 17360 (April 19, 2018); see also *Certain Aluminum Foil from the People's Republic of China: Notice of Court Decision Not in Harmony With the Amended Final Determination in the Countervailing Duty Investigation, and Notice of Amended Final Determination and Amended Countervailing Duty Order*, 85 FR 47730 (August 6, 2020) (collectively, *Order*).

<sup>2</sup> See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 88 FR 38021, 38030 (June 12, 2023) (*Initiation Notice*).

parties withdrew their review requests with respect to certain companies.<sup>3</sup> On July 24, 2023, Commerce selected Hangzhou Five Star Aluminium Co., Ltd. (Five Star) and Jiangsu Zhongji Lamination Materials Co., (HK) Limited (Zhongji HK) for individual examination as the mandatory respondents in this administrative review.<sup>4</sup> On November 30, 2023, Commerce extended the deadline for these preliminary results until April 26, 2024.<sup>5</sup>

For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.<sup>6</sup> A list of topics discussed in the Preliminary Decision Memorandum is included as Appendix I 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 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 product covered by the *Order* is aluminum foil from China. For a complete description of the scope of the *Order*, *see* 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 to be countervailable, we preliminarily determine that there is a subsidy, *i.e.*, a financial contribution

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<sup>3</sup> *See* Printpack, Inc.'s Letter, "Withdrawal of Request for Administrative Review (Period of Review 1/1/2022 - 12/31/2022)," dated July 20, 2023; *see also* Novolex Bagcraft Inc.'s Letter, "Withdrawal of Review Requests," dated July 27, 2023; and Sankyu-Thai Co., Ltd.'s Letter, "Withdrawal of Request for Administrative Review," dated September 11, 2023 (collectively, Withdrawals of Review Requests).

<sup>4</sup> *See* Memorandum, "Respondent Selection," dated July 24, 2023.

<sup>5</sup> *See* Memorandum, "Extension of Deadline for Preliminary Results of Countervailing Duty Administrative Review; 2022," dated November 30, 2023.

<sup>6</sup> *See* Memorandum, "Decision Memorandum for the Preliminary Results of the Administrative Review of Countervailing Duty Order on Certain Aluminum Foil from the People's Republic of China; 2022," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

by an “authority” that gives rise to a benefit to the recipient, and that the subsidy is specific.<sup>7</sup> For a full description of the methodology underlying our conclusions, *see* the accompanying Preliminary Decision Memorandum.

Commerce notes that, in making these findings, it relied, in part, on facts available and, because it finds that the Government of China did not act to the best of its ability to respond to Commerce’s requests for certain information, it drew an adverse inference, where appropriate, in selecting from among the facts otherwise available. For further information, *see* the Preliminary Decision Memorandum at the section titled “Use of Facts Otherwise Available and Adverse Inferences.”

#### 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 party or parties that requested a review withdraw the request within 90 days of the publication date of the notice of initiation of the requested review. As noted above certain interested parties timely withdrew their requests for review of specific companies.<sup>8</sup>

Because no other party requested a review of these 11 companies, and in accordance with 19 CFR 351.213(d)(1), we are rescinding the review with respect to these companies (*see* Appendix II).

#### Companies Not Selected for Individual Review

There are 20 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. The statute and Commerce’s regulations do not directly address the establishment of rates to be applied to companies not selected for individual examination where Commerce limits its examination in an administrative review pursuant to section 777A(e)(2) of the Act. However, Commerce normally determines the rates for non-selected companies in reviews in a manner that

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<sup>7</sup> *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.

<sup>8</sup> *See* Withdrawals of Review Requests.

is consistent with section 705(c)(5) of the Act, which provides the basis for calculating the all-others rate in an investigation.

Section 705(c)(5)(A)(i) of the Act instructs Commerce, as a general rule, to calculate an all-others rate equal to the weighted average of the countervailable subsidy rates established for exporters and/or producers individually examined, excluding any rates that are zero, *de minimis*, or based entirely on facts available. In this review, the preliminary rates calculated for Five Star and Zhongji HK are above *de minimis* and not based entirely on facts available. Therefore, we are applying to the non-selected companies the average of the net subsidy rates calculated for Five Star and Zhongji HK, which we calculated using the publicly-ranged sales data submitted by Five Star and Zhongji HK.<sup>9</sup> This methodology to establish the rate for the non-selected companies uses section 705(c)(5)(A) of the Act, which governs the calculation of the “all-others” rate in an investigation, as guidance. 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 III to this notice.

#### Preliminary Results of Review

Commerce preliminarily determines that the following countervailable subsidy rates exist for the period January 1, 2022, through December 31, 2022:

<b>Company</b>	<b>Subsidy Rate (percent <i>ad valorem</i>)</b>
Hangzhou Five Star Aluminium Co., Ltd. <sup>10</sup>	30.66

<sup>9</sup> With two respondents under examination, Commerce normally calculates: (A) a weighted-average of the estimated subsidy rates calculated for the examined respondents; (B) a simple average of the estimated subsidy rates calculated for the examined respondents; and (C) a weighted-average of the estimated subsidy rates calculated for the examined respondents using each company’s publicly-ranged U.S. sale quantities for the merchandise under consideration. Commerce then compares (B) and (C) to (A) and selects the rate closest to (A) as the most appropriate rate for all other producers and exporters. *See, e.g., Ball Bearings and Parts Thereof from France, Germany, Italy, Japan, and the United Kingdom: Final Results of Antidumping Duty Administrative Reviews, Final Results of Changed-Circumstances Review, and Revocation of an Order in Part*, 75 FR 53661, 53663 (September 1, 2010).

<sup>10</sup> As discussed in the Preliminary Decision Memorandum, Commerce finds the following companies to be to be cross-owned with Five Star: Jiangsu Dingsheng New Materials Joint-Stock Co., Ltd. (Jiangsu Dingsheng); Dingsheng Aluminium Industries (Hong Kong) Trading Co.; Limited or Dingsheng Aluminium Industries (Hong

Jiangsu Zhongji Lamination Materials Co., (HK) Limited <sup>11</sup>	19.23
Non-Selected Companies Under Review <sup>12</sup>	24.95

### Assessment Rates

Consistent with section 751(a)(2)(C) of the Act, upon issuance of the final results, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries covered by this 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).

For the companies for which this review is rescinded with these preliminary results, 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 appropriate assessment instructions directly to CBP no later than 35 days after publication of this notice in the *Federal Register*.

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Kong) Trading Co., Ltd. (Dingsheng HK); Hangzhou Dingsheng Import & Export Co., Ltd. or Hangzhou Dingsheng Import and Export Co., Ltd. (Dingsheng IE); Hangzhou Teemful Aluminium Co., Ltd. (Teemful); Inner Mongolia Liansheng New Energy Material Joint-Stock Co., Ltd. (Liansheng); Inner Mongolia Xinxing New Material Co., Ltd. (Xinxing); Hangzhou Dingsheng Industrial Group Co., Ltd. (Dingsheng Group); Hangzhou Dingcheng Aluminium Co., Ltd. (Dingcheng); Luoyang Longding Aluminium Co., Ltd. (Longding); and Walson (HK) Trading Co., Limited (Walson HK). Longding and Walson HK were listed separately in the *Initiation Notice*.

<sup>11</sup> As discussed in the Preliminary Decision Memorandum, Commerce finds the following companies to be to be cross-owned with Zhongji HK: Jiangsu Zhongji Lamination Materials Co., Ltd. (Zhongji) (FKA Jiangsu Zhongji Lamination Materials Co., Ltd.); Jiangsu Huafeng Aluminium Industry Co., Ltd. (Jiangsu Huafeng); Shantou Wanshun New Material Group Co., Ltd. (Shantou Wanshun) (FKA Shantou Wanshun Package Material Stock Co., Ltd.); Anhui Zhongji Battery Foil Sci&Tech Co., Ltd. (Anhui Zhongji) (FKA Anhui Maximum Aluminium Industries Company Limited); and Sichuan Wanshun Zhongji Aluminium Industry Co., Ltd. (Sichuan Wanshun). Anhui Zhongji, Anhui Maximum Aluminium Industries Company Limited, Jiangsu Huafeng, Zhongji, and Shantou Wanshun Package Material Stock Co., Ltd. were listed separately in the *Initiation Notice*. See Preliminary Decision Memorandum at the “Attribution” section for further discussion regarding Zhongji, Shantou Wanshun and Anhui Zhongji’s company name changes.

<sup>12</sup> See Appendix III for a list of the non-selected companies under review.

## Cash Deposit Requirements

Pursuant to section 751(a)(1) of the Act, upon issuance of the final results, Commerce intends to instruct CBP to collect cash deposits of estimated countervailing duties for each of the 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, except where the rate calculated in the final results is zero or *de minimis*, no cash deposit will be required. For all non-reviewed firms, 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 instructions, when imposed, shall remain in effect until further notice.

## Disclosure and Public Comment

We intend to disclose the calculations performed for these preliminary results to interested parties within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b).

Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance no later than 30 days after the date of publication of these preliminary results of review in the *Federal Register*.<sup>13</sup> Rebuttal briefs, limited to issues raised in the case briefs, may be filed not later than five days after the deadline for filing case briefs.<sup>14</sup> 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.<sup>15</sup>

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

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<sup>13</sup> See 19 CFR 351.309(c)(1)(ii).

<sup>14</sup> 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*).

<sup>15</sup> See 19 CFR 351.309(c)(2) and (d)(2).

parties provide at the beginning of their briefs a public, executive summary for each issue raised in their briefs.<sup>16</sup> 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).<sup>17</sup>

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, U.S. Department of Commerce, filed electronically via ACCESS. An electronically-filed request must be received successfully, and in its entirety, by ACCESS within 30 days after the date of publication of this notice. 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. All submissions, including case and rebuttal briefs, as well as hearing requests, should be filed using ACCESS.<sup>18</sup> An electronically-filed document must be received successfully in its entirety by ACCESS by 5:00 p.m. Eastern Time on the established deadline.

### Final Results

Unless the deadline is extended pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h)(2), Commerce intends to issue the final results of this administrative review, including the results of its analysis of the issues raised by the parties in any written briefs, no later than 120 days after the date of publication of these preliminary results.

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<sup>16</sup> We use the term "issue" here to describe an argument that Commerce would normally address in a comment of the Issues and Decision Memorandum.

<sup>17</sup> See *APO and Service Final Rule*.

<sup>18</sup> See 19 CFR 351.303.

Notification to Interested Parties

This administrative review and notice are in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213 and 351.221(b)(4).

Dated: April 26, 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. Rescission of Administrative Review, in Part
- IV. Non-Selected Companies Under Review
- V. Scope of the *Order*
- VI. Diversification of China's Economy
- VII. Subsidies Valuation
- VIII. Interest Rate Benchmarks, Discount Rates, and Benchmarks For Measuring the Adequacy of Remuneration
- IX. Use of Facts Otherwise Available and Adverse Inferences
- X. Analysis of Programs
- XI. Recommendation

## **Appendix II**

### **Companies Rescinded from the Review**

1. Aluminum Corporation of China Limited
2. Dong-IL Aluminium Co., Ltd.
3. Dongwon Systems Corp.
4. Eastern Valley Co. Ltd.
5. Henan Mingtai Al. Industrial
6. Lotte Aluminium Co., Ltd.
7. SAM-A Aluminum Co., Ltd.
8. Sankyu-Thai Co., Ltd.
9. Shandong Nanshan Aluminium Co., Ltd.
10. Shanghai Sunho Aluminum Foil Co., Ltd.
11. Zhejiang Yongjie Aluminum Co., Ltd.

## Appendix III

### Non-Selected Companies Under Review

1. Alcha International Holdings Limited
  2. Baotou Alcha Aluminum Co., Ltd.
  3. Dingheng New Materials Co., Ltd.
  4. Grānges Aluminum (Shanghai) Co., Ltd.
  5. Guangxi Baise Xinghe Aluminum Industry Co., Ltd.
  6. Hunan Suntown Marketing Limited
  7. Jiangyin Dolphin Pack Ltd. Co.
  8. Luoyang Longding Aluminium Industries Co., Ltd.
  9. Shandong Yuanrui Metal Material Co., Ltd.
  10. Shanghai Huaфон Aluminium Corporation
  11. Shanghai Shenhua Aluminium Foil Co., Ltd.
  12. Shanghai Shenyang Packaging Materials Co., Ltd.
  13. SNTO International Trade Limited
  14. Suntown Technology Group Corporation Limited
  15. Thai Ding Li New Materials Co., Ltd .
  16. Xiamen Xiashun Aluminium Foil Co. Ltd.
  17. Yangtai Jintai International Trade Co., Ltd.
  18. Yantai Donghai Aluminum Co., Ltd.
  19. Yinbang Clad Material Co., Ltd.
  20. Zhejiang Zhongjin Aluminum Industry Co., Ltd.
- [FR Doc. 2024-09587 Filed: 5/1/2024 8:45 am; Publication Date: 5/2/2024]