



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-017]

Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China: Preliminary Results of Countervailing Duty Administrative Review and Rescission of Review, Part; 2022

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

SUMMARY: The U.S. Department of Commerce (Commerce) preliminarily finds that
countervailable subsidies were provided to producers and exporters of certain passenger vehicles
and light truck tires (PVLТ) 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, in part, with respect to 18 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: Nicholas Czajkowski, AD/CVD Operations,
Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of
Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-
1395.

Background

On August 10, 2015, Commerce published in the *Federal Register* the countervailing
duty (CVD) order on PVLТs from China.¹ On August 2, 2023, Commerce published in the

¹ See *Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China: Amended Final Affirmative Antidumping Duty Determination and Antidumping Duty Order; and Amended Final Affirmative Countervailing Duty Determination and Countervailing Duty Order*, 80 FR 47902 (August 10, 2015) (*Order*).

Federal Register the notice of initiation of an administrative review of the *Order*.² On January 31, 2024, Commerce selected Jiangsu General Science Technology Co., Ltd. (General Science) and Winrun Tyre Co., Ltd. (Winrun) for individual examination as the mandatory respondents in this review. On February 2 and February 22, 2024, Commerce received letters of intent to not participate in the review by General Science³ and Winrun,⁴ respectively. We received no response from the Government of China to the Initial Questionnaire.⁵ Because no other company subject to the review had reviewable entries or all review requests were rescinded for the remaining companies, Commerce did not select additional mandatory respondents.

For a complete description of the events that followed the initiation of this investigation, *see* the Preliminary Decision Memorandum.⁶ 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 <http://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 merchandise covered by the *Order* is PVLTs 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

² *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 88 FR 71829 (October 18, 2023).

³ *See* General Science's Letter, "Intent Not to Respond as a Mandatory Respondent," dated February 2, 2024.

⁴ *See* Winrun's Letter, "Notice of Intent to Not Participate," dated February 22, 2024.

⁵ *See* Commerce's Letter, "Initial Questionnaire," dated December 22, 2023 (Initial Questionnaire).

⁶ *See* Memorandum, "Decision Memorandum for the Preliminary Results of the 2022 Countervailing Duty Administrative Review and Recission, in Part: Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁷ *Id.*

751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found to be 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 specific).⁸ For a full description of the methodology underlying our conclusions, including our reliance on adverse facts available (AFA) pursuant to section 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 timely-filed withdrawal requests with respect to 16 companies, pursuant to 19 CFR 351.213(d)(1).⁹ Because the withdrawal requests were timely filed, 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 16 companies; *see* Appendix II.

Based on our analysis of U.S. Customs and Border Protection (CBP) data, we determine that the following two companies had no entries of subject merchandise during the POR: Shandong Qilun Rubber Co., Ltd. and Shandong Transtone Tyre Co., Ltd. On March 29, 2024, we notified interested parties of our intent to rescind the review for Shandong Qilun Rubber Co., Ltd. and Shandong Transtone Tyre Co., Ltd.¹⁰ No parties commented on our intent to rescind.¹¹ Pursuant to 19 CFR 351.213(d)(3), we are rescinding the administrative review of these two companies. For additional information regarding this determination, *see* the Preliminary Decision Memorandum.

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 at “Partial Rescission of Administrative Review.”

¹⁰ *See* Memorandum, “Notice of Intent to Rescind Review, in Part,” dated March 29, 2024.

¹¹ *Id.*

Preliminary Results of Review

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

Company	Subsidy Rate (percent <i>ad valorem</i>)
Winrun Tyre Co., Ltd.	125.50*
Jiangsu General Science Technology Co., Ltd.	125.50*

*Rate is based on facts available with adverse inferences.

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 CBP to collect 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 producers/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, 2022, through December 31, 2022, 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

Normally, Commerce discloses its calculations and analysis performed in connection with the preliminary results to interested parties within five days of its public announcement, or if there is no public announcement, within five days of the date of publication of this notice, in accordance with 19 CFR 351.224(b). However, because Commerce preliminarily applied total AFA in the calculation of the benefit for Winrun and General Science, and the AFA rates are based on rates calculated in prior segments of the proceeding, there are no calculations to disclose.

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.¹² 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.¹³ Interested parties who submit case or rebuttal briefs in this proceeding must submit: (1) a table of contents listing each issue; and (2) a table of authorities.¹⁴

¹² See 19 CFR 351.309(c)(1)(ii).

¹³ 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*).

¹⁴ See 19 CFR 351.309(c)(2) and (d)(2).

As provided under 19 CFR 351.309(c)(2) and (d)(2), in prior proceedings we have encouraged interested parties to provide a public 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.¹⁵ Further, we request that interested parties limit their public executive summary of each issue to no more than 450 words, not including citations. We intend to use the public 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 public 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).¹⁶ 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 of Review

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).

¹⁵ We use the term "issue" here to describe an argument that Commerce would normally address in a comment of the Issues and Decision Memorandum.

¹⁶ See *APO and Service Final Rule*.

Notification to Interested Parties

These preliminary results and notice are issued and published 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 30, 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. Scope of the *Order*
- IV. Recission of Administrative Review, In Part
- V. Diversification of China's Economy
- VI. Use of Facts Otherwise Available and Application of Adverse Inferences
- VII. Recommendation

Appendix II

List of Companies Which Timely Withdrew Requests for Review

1. Anhui Jichi Tire Co., Ltd.
 2. Anhui Prime Cord Fabrics Company Ltd.; (3) GITI Radial Tire (Anhui) Company Ltd., GITI Steel Cord (Hubei) Company Ltd.; GITI Tire (China) Investment Company Ltd., GITI Tire (Hualin) Company Ltd.; GITI Tire (USA) Ltd.; GITI Tire Global Trading Pte. Ltd.; GITI Tire (Fujian) Co., Ltd. Linyi Bomei Furniture Co., Ltd.
 3. Qingdao Fullrun Tyre Corp., Ltd.
 4. Qingdao Keter International Co., Limited.
 5. Qingdao Lakesea Tyre Co., Ltd.
 6. Qingdao Sentury Tire Co., Ltd.
 7. Qingdao Sunfulcess Tyre Co., Ltd.
 8. Sailun Group Co., Ltd.
 9. Sailun Group (Hong Kong) Co., Ltd.
 10. Shandong Haohua Tire Co., Ltd.
 11. Shandong Hongsheng Rubber Technology Co., Ltd.
 12. Shandong New Continent Tire Co., Ltd.
 13. Shandong Province Sanli Tire Manufacture Co., Ltd.
 14. Sumitomo Rubber (Changshu) Co. Ltd.; Sumitomo Rubber (China) Co., Ltd.; Sumitomo Rubber (Hunan) Co., Ltd.
 15. Sumitomo Rubber Industries, Ltd.
 16. Zhaoqing Junhong Co., Ltd.
- [FR Doc. 2024-09870 Filed: 5/6/2024 8:45 am; Publication Date: 5/7/2024]