



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-971]

Multilayered Wood Flooring from the People's Republic of China: Final Results of Countervailing Duty Administrative Review; 2021

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

SUMMARY: The U.S. Department of Commerce (Commerce) continues to determine that the
mandatory respondents, Riverside Plywood Corporation (Riverside) and Jiangsu Senmao
Bamboo and Wood Industry Co., Ltd. (Jiangsu Senmao), and 12 other producers and/or
exporters of multilayered wood flooring (wood flooring) from the People's Republic of China
(China), received countervailable subsidies during the period of review (POR) January 1, 2021,
through December 31, 2021.

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

FOR FURTHER INFORMATION CONTACT: Craig Matney or Jonathan Schueler,
AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade
Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington,
DC 20230; telephone: (202) 482-2429 or (202) 482-9175, respectively.

SUPPLEMENTARY INFORMATION:

Background

Commerce published the *Preliminary Results* of this administrative review in the *Federal
Register* on December 28, 2023, and invited interested parties to comment.¹ On February 8,

¹ See *Multilayered Wood Flooring from the People's Republic of China: Preliminary Results and Partial Rescission of Countervailing Duty Administrative Review; 2021*, 88 FR 89664 (December 28, 2023) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum (PDM).

2024, we received case briefs from the following interested parties: Riverside,² Jiangsu Senmao, the Government of the People’s Republic of China (GOC), and the American Manufacturers of Multilayered Wood Flooring (AMMWF).³ In addition, Commerce received a letter from Anhui Longhua Bamboo Product Co., Ltd.; Benxi Flooring Factory (General Partnership); Benxi Wood Company; Dalian Jiahong Wood Industry Co., Ltd.; Dalian Shengyu Science and Technology Development Co., Ltd.; Dongtai Fuan Universal Dynamics, LLC; HaiLin LinJing Wooden Products Co., Ltd.; Jiangsu Mingle Flooring Co., Ltd.; Jiangsu Simba Flooring Co., Ltd.; Jiangsu Yuhui International Trade Co., Ltd.; Jiashan On-Line Lumber Co., Ltd.; Kingman Wood Industry Co., Ltd.; Pingge Timber Manufacturing (Zhejiang) Co., Ltd.; Suzhou Dongda Wood Co., Ltd.; Tongxiang Jisheng Import and Export Co., Ltd.; Yihua Lifestyle Technology Co., Ltd.; Zhejiang Shiyou Timber Co., Ltd.; and Lumber Liquidators Services, LLC (collectively, CH Respondents) supporting arguments made by the mandatory respondents and the GOC.⁴ On February 20, 2024, AMMWF, Riverside, and Jiangsu Senmao submitted timely rebuttal briefs.⁵ Also on February 20, 2024, Commerce received a letter from the CH Respondents supporting the arguments presented in the rebuttal briefs by the GOC and the mandatory respondents.⁶

² We previously determined Baroque Timber (Zhongshan) Industries, Suzhou Times Flooring Co., Ltd., and Zhongshan Lianjia Flooring Co., Ltd. to be cross-owned affiliates of Riverside. *See, e.g., Multilayered Wood Flooring from the People’s Republic of China: Final Results of Countervailing Duty Administrative Review; 2020, 88 FR 34828 (May 31, 2023).*

³ *See* AMMWF’s Letter, “Case Brief,” dated February 8, 2024; *see also* GOC’s Letter, “GOC Case Brief,” dated February 8, 2024; Riverside’s Letter, “Administrative Case Brief,” dated February 8, 2024; and Jiangsu Senmao’s Letter, “Case Brief on behalf of Jiangsu Senmao Bamboo and Wood Industry Co., Ltd.,” dated February 8, 2024.

⁴ *See* CH Respondents’ Letter, “Letter in Lieu of Case Brief,” dated February 8, 2024.

⁵ *See* AMMWF’s Letter, “Rebuttal Brief,” dated February 20, 2024; *see also* Riverside’s Letter, “Rebuttal Brief,” dated February 20, 2024; and Jiangsu Senmao’s Letter, “Rebuttal Brief,” dated February 20, 2024.

⁶ *See* CH Respondents’ Letter, “Letter in Lieu of Rebuttal Brief,” dated February 20, 2024.

Scope of the Order

The product covered by the *Order*⁷ is multilayered wood flooring from China. For a complete description of the scope of the *Order*, see the Issues and Decision Memorandum.⁸

Analysis of Comments Received

All issues raised in the parties' briefs are addressed in the Issues and Decision Memorandum. A list of the issues addressed is attached to this notice at Appendix I. The Issues and 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 Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Changes Since the Preliminary Results

Based on our analysis of the case and rebuttal briefs and the evidence on the record, we made certain changes from the *Preliminary Results*, and we revised the net countervailable subsidy rates for Riverside and Jiangsu Senmao. These changes are explained in the Issues and 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 find 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.⁹ The

⁷ See *Multilayered Wood Flooring from the People's Republic of China: Countervailing Duty Order*, 76 FR 76693 (December 8, 2011); see also *Multilayered Wood Flooring from the People's Republic of China: Amended Antidumping and Countervailing Duty Orders*, 77 FR 5484 (February 3, 2012); and *Multilayered Wood Flooring from the People's Republic of China: Final Clarification of the Scope of the Antidumping and Countervailing Duty Orders*, 82 FR 27799 (June 19, 2017) (collectively, *Order*).

⁸ See Memorandum, "Decision Memorandum for the Final Results of the Countervailing Duty Administrative Review of Multilayered Wood Flooring from the People's Republic of China; 2021," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

⁹ 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.

Issues and Decision Memorandum contains a full description of the methodology underlying Commerce's conclusions, including any determination that relied upon the use of adverse facts available pursuant to sections 776(a) and (b) of the Act.

Rate for Non-Selected Companies Under Review

The statute and Commerce's regulations do not address the establishment of a rate to be applied to companies not selected for individual examination when 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 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 the all-others rate equal to the weighted average of the countervailable subsidy rates established for exporters and producers individually investigated, excluding any zero or *de minimis* countervailable subsidy rates, and any rates determined entirely on the basis of facts available.

There are 12 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. Because the rates calculated for the participating mandatory respondents in this review, Riverside and Jiangsu Senmao, were above *de minimis* and not entirely based on facts available, we calculated a rate for these 12 non-selected companies by weight-averaging the calculated subsidy rates of Riverside and Jiangsu Senmao using their publicly ranged sales data for exports of subject merchandise to the United States during the POR.¹⁰

This is the same methodology Commerce applied in the *Preliminary Results* for determining a rate for companies not selected for individual examination. However, due to changes in the calculations for Riverside and Jiangsu Senmao, we revised the non-selected rate

¹⁰ See Memorandum, "Calculation of the Non-Selected Rate for the Final Results," dated concurrently with this notice.

accordingly. Consequently, for the 12 non-selected companies for which a review was requested and not rescinded, we are applying an *ad valorem* subsidy rate of 21.97 percent.

Final Results of Administrative Review

We determine the countervailable subsidy rates for the mandatory and non-selected respondents under review for the period of January 1, 2021, through December 31, 2021, are as follows:

Producer/Exporter	Subsidy Rate (percent <i>ad valorem</i>)
Riverside Plywood Corporation and Its Cross-Owned Affiliate ¹¹	30.85
Jiangsu Senmao Bamboo and Wood Industry Co., Ltd.	5.39
Non-Selected Companies Under Review ¹²	21.97

Disclosure

Commerce intends to disclose the calculations and analysis performed for these final results of review within five days of the date of publication of this notice in the *Federal Register*, in accordance with 19 CFR 351.224(b).

Assessment Rates

Pursuant to 19 CFR 351.212(b)(2), Commerce will determine, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries of subject merchandise in accordance with the final results of this review, for the above-listed companies at the applicable *ad valorem* assessment rates listed. We intend to issue assessment instructions to CBP 35 days after the date of publication of these final results of review. 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 Instructions

In accordance with section 751(a)(2)(C) of the Act, Commerce also intends to instruct

¹¹ Cross-owned affiliates are Baroque Timber (Zhongshan) Industries, Suzhou Times Flooring Co., Ltd., and Zhongshan Lianjia Flooring Co., Ltd.

¹² See Appendix II.

CBP to collect cash deposits of estimated countervailing duties in the amounts shown for each of the respective 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. For all non-reviewed firms subject to the *Order*, 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 requirements, effective upon publication of these final results, shall remain in effect until further notice.

Administrative Protective Order

This notice also serves as a reminder to parties subject to administrative protective order (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 or 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 sanctionable violation.

Notification to Interested Parties

We are issuing and publishing these final results in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(5).

Dated: May 7, 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 Final Decision Memorandum

- I. Summary
 - II. Background
 - III. Scope of the *Order*
 - IV. Non-Selected Companies Under Review
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 - VI. Subsidies Valuation Information
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 - VIII. Use of Facts Otherwise Available
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- Comment 1: Whether to Apply Adverse Facts Available (AFA) to the Export Buyer's Credit Program
- Comment 2: Whether to Apply AFA Regarding the Countervailability of the Provision of Electricity for Less Than Adequate Remuneration (LTAR)
- Comment 3: Whether to Apply AFA to Specificity Regarding the Countervailability of the Provision of Inputs for LTAR
- Comment 4: Whether Individually-Owned Suppliers Are Government Authorities
- Comment 5: Whether Commerce Should Exclude Certain International Tropical Timber Organization (ITTO) Data or Weight These Data Differently for the Wood Input Benchmarks
- A. Whether to Exclude Certain ITTO Data
 - B. Whether Commerce Should Rely Only on the Tropical Timber Market Report (TTMR) Grade-Specific Prices to Value Plywood
 - C. Whether to Weight the ITTO's TTMR and Biennial Review Statistics (BRS) Data Using Country-Specific Averages
 - D. Whether to Include Domestic Brazilian Pricing Data in Tier Two World Market Benchmark Prices
- Comment 6: Whether to Revise the Veneer for LTAR Benchmark
- A. Whether to Include Harmonized System (HS) Subheading 4408.31
 - B. Whether to Exclude HS Subheadings 4407.10 and 4407.11
 - C. Whether to Exclude Certain Allegedly Aberrational Data from Singapore
- Comment 7: Whether to Revise the Plywood for LTAR Benchmark
- Comment 8: Whether to Rely on Certain Ocean Freight Benchmark Data Used to Calculate the Ocean Freight Benchmarks
- Comment 9: Whether Loans from Non-Chinese Owned Banks Are Countervailable
- Comment 10: Whether Commerce Made Ministerial Errors in the Subsidy Rate Calculations Pertaining to Various Provision of Inputs for LTAR Programs
- XI. Recommendation

Appendix II

Non-Selected Companies Under Review

1. Dalian Penghong Floor Products Co., Ltd.
2. Dalian Shumaike Floor Manufacturing Co., Ltd.

3. Fine Furniture (Shanghai) Limited¹³
4. Fusong Jinlong Wooden Group Co., Ltd.
5. Fusong Qianqiu Wooden Product Co., Ltd.
6. Huzhou Fulinmen Imp. & Exp. Co., Ltd.
7. Huzhou Jesonwood Co., Ltd.
8. Jiangsu Guyu International Trading Co., Ltd.
9. Jiashan HuiJiaLe Decoration Material Co., Ltd.
10. Metropolitan Hardwood Floors, Inc.
11. Pingze Timber Manufacturing (Zhejiang) Co., Ltd.
12. Zhejiang Fuerjia Wooden Co., Ltd.

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¹³ Commerce previously found Great Wood (Tonghua) Ltd. and Fine Furniture Plantation (Shishou) Ltd. to be cross-owned with Fine Furniture (Shanghai) Limited. See *Multilayered Wood Flooring from the People's Republic of China: Final Affirmative Countervailing Duty Determination*, 76 FR 64313 (October 18, 2011).