



DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-135, C-570-136]

Certain Chassis and Subassemblies Thereof from the People's Republic of China: Notice of Covered Merchandise Referral and Initiation of Covered Merchandise Inquiry

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

SUMMARY: The U.S. Department of Commerce (Commerce) has received a covered merchandise referral from U.S. Customs and Border Protection (CBP) in connection with a CBP investigation concerning alleged evasion of the antidumping/countervailing duty (AD/CVD) orders on certain chassis and subassemblies thereof (chassis) from the People's Republic of China (China). Commerce is initiating a covered merchandise inquiry to determine whether the merchandise described in the referral is subject to the AD/CVD orders on chassis from China. Interested parties are invited to comment and submit factual information addressing this initiation.

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

FOR FURTHER INFORMATION CONTACT: Jacob Keller at (202) 482-4849, AD/CVD Operations Office I, Enforcement & Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

Background

Section 517(b)(4)(A)(i) of the Tariff Act of 1930, as amended (the Act), provides a procedure whereby if, during the course of an Enforce and Protect Act (EAPA) investigation, CBP is unable to determine whether the merchandise at issue is covered merchandise within the

meaning of section 517(a)(3) of the Act, it shall refer the matter to Commerce to make such a determination. Section 517(a)(3) of the Act defines covered merchandise as merchandise that is subject to an antidumping duty order issued under section 736 of the Act or a countervailing duty order issued under section 706 of the Act. Section 517(b)(4)(B) of the Act states that Commerce, after receiving a covered merchandise referral from CBP, shall determine whether the merchandise is covered merchandise and promptly transmit its determination to CBP. Commerce's regulations at 19 CFR 351.227 establish procedures for covered merchandise referrals that Commerce receives from CBP in connection with an EAPA investigation.¹

On March 11, 2025, Commerce received a sufficient covered merchandise referral from CBP regarding CBP EAPA Investigation No. 7839² which concerns the *Orders* on chassis from China.³ Specifically, CBP explained that an allegation was filed by SAF-HOLLAND, Inc., alleging U.S. importer AXN Heavy Duty LLC (AXN) evaded the *Orders* on chassis from China.⁴ CBP informed Commerce that CBP is unable to determine whether certain merchandise is covered merchandise subject to the *Orders* on chassis from China.⁵ Thus, CBP has requested that Commerce issue a determination as to whether merchandise imported by AXN from China is covered merchandise subject to the *Orders* on chassis from China.⁶

Initiation of Covered Merchandise Inquiry

In accordance with 19 CFR 351.227(b)(1), Commerce is hereby notifying interested parties that it is initiating a covered merchandise inquiry, to determine whether the merchandise

¹ See *Regulations to Improve Administration and Enforcement of Antidumping and Countervailing Duty Laws*, 86 FR 52300, 52354-62 (September 20, 2021) (final rule promulgating the regulation establishing procedures for covered merchandise referrals).

² See CBP's Letter, "Covered Merchandise Referral Request for EAPA Investigation 7839 Involving the Antidumping and Countervailing Duty Orders on Certain Chassis and Subassemblies Thereof from the People's Republic of China," dated March 11, 2025 (Covered Merchandise Referral Request). The covered merchandise referral and any supporting documents will be made available on Enforcement and Compliance's Antidumping Duty and Countervailing Duty Centralized Electronic Service System (ACCESS).

³ See *Certain Chassis and Subassemblies Thereof from the People's Republic of China: Antidumping Duty Order*, 86 FR 36093 (July 8, 2021) (*AD Order*) and *Certain Chassis and Subassemblies Thereof from the People's Republic of China: Countervailing Duty Order and Amended Final Affirmative Countervailing Duty Determination*, 86 FR 24844 (May 10, 2021) (*CVD Order*), respectively (collectively, the *Orders*).

⁴ See Covered Merchandise Referral Request at 1.

⁵ *Id.* at 5.

⁶ *Id.* at 6.

subject to the referral is covered merchandise within the meaning of section 517(a)(3) of the Act. Additionally, Commerce intends to provide interested parties with the opportunity to participate in this segment of the proceeding, including through the submission of comments and factual information, and, if appropriate, verification. In accordance with 19 CFR 351.227(m)(2), Commerce is initiating a single inquiry regarding the merchandise described in the covered merchandise referral on the record of the antidumping duty proceeding. Upon issuance of a final covered merchandise determination, Commerce will include a copy of the determination on the record of the countervailing duty proceeding.

In accordance with 19 CFR 351.227(d)(1), within 30 days of the date of publication of this notice, interested parties are permitted one opportunity to submit comment and factual information addressing the initiation. Within 14 days of the filing of such comments, any interested party is permitted one opportunity to submit comment and factual information to rebut, clarify, or correct factual information submitted by the other interested parties.

In accordance with 19 CFR 351.227(d)(2), following initiation of a covered merchandise inquiry, Commerce may also issue questionnaires and verify submissions received, where appropriate. Commerce may limit issuance of questionnaires to a reasonable number of respondents. Questionnaire responses are due on the date specified by Commerce. Within 14 days after a questionnaire response has been filed with Commerce, an interested party other than the original submitter is permitted one opportunity to submit comment and factual information to rebut, clarify, or correct factual information contained in the questionnaire response. Within seven days of the filing of such rebuttal, clarification, or correction, the original submitter is permitted one opportunity to submit comment and factual information to rebut, clarify, or correct factual information submitted in the interested party's rebuttal, clarification, or correction.

In certain circumstances, Commerce may issue a preliminary determination as to whether there is a reasonable basis to believe or suspect that the product that is subject to the covered merchandise inquiry is covered by the scope of the order. Pursuant to 19 CFR 351.227(c),

Commerce intends to issue a final determination within 120 days of the publication of this notice (this deadline may be extended if Commerce determines that good cause exists to warrant an extension). Promptly after publication of Commerce's final determination, Commerce will convey a copy of the final determination in the manner prescribed by section 516A(a)(2)(A)(ii) of the Act to all parties to the proceeding and Commerce will transmit its final determination to CBP in accordance with section 517(b)(4)(B) of the Act.⁷

Pursuant to 19 CFR 351.227(d)(5), during the pendency of this proceeding, Commerce may rescind, in whole or in part, a covered merchandise inquiry. Situations in which Commerce may rescind a covered merchandise inquiry include if CBP withdraws its covered merchandise referral or if Commerce determines that it can address CBP's covered merchandise referral in another segment of the proceeding. In accordance with 19 CFR 351.227(c)(3), Commerce may align the deadlines of this covered merchandise inquiry with the deadlines of another segment of the proceeding if it determines it is appropriate to do so.

Parties are hereby notified that this may be the only notice that Commerce publishes in the *Federal Register* concerning this covered merchandise referral. Except as indicated below, interested parties that wish to participate in this segment of the proceeding and receive notice of the final determination, must submit their letters of appearance as discussed below. Further, any representative of an interested party desiring access to business proprietary information in this segment of the proceeding must file an application for access to business proprietary information under administrative protective order (APO), as discussed below.

Scope of the Orders

The merchandise covered by the *Orders* consists of chassis and subassemblies thereof, whether finished or unfinished, whether assembled or unassembled, whether coated or uncoated, regardless of the number of axles, for carriage of containers, or other payloads (including self-supporting payloads) for road, marine roll-on/roll-off (RORO) and/or rail transport. Chassis are

⁷ See also 19 CFR 351.227(e)(2).

typically, but are not limited to, rectangular framed trailers with a suspension and axle system, wheels and tires, brakes, a lighting and electrical system, a coupling for towing behind a truck tractor, and a locking system or systems to secure the shipping container or containers to the chassis using twistlocks, slide pins or similar attachment devices to engage the corner fittings on the container or other payload.

Subject merchandise includes, but is not limited to, the following subassemblies:

- Chassis frames, or sections of chassis frames, including kingpin assemblies, bolsters consisting of transverse beams with locking or support mechanisms, goosenecks, drop assemblies, extension mechanisms and/or rear impact guards;
- Running gear assemblies or axle assemblies for connection to the chassis frame, whether fixed in nature or capable of sliding fore and aft or lifting up and lowering down, which may or may not include suspension(s) (mechanical or pneumatic), wheel end components, slack adjusters, axles, brake chambers, locking pins, and tires and wheels;
- Landing gear assemblies, for connection to the chassis frame, capable of supporting the chassis when it is not engaged to a tractor; and
- Assemblies that connect to the chassis frame or a section of the chassis frame, such as, but not limited to, pintle hooks or B-trains (which include a fifth wheel), which are capable of connecting a chassis to a converter dolly or another chassis.

Importation of any of these subassemblies, whether assembled or unassembled, constitutes an unfinished chassis for purposes of these *Orders*.

Subject merchandise also includes chassis, whether finished or unfinished, entered with or for further assembly with components such as, but not limited to: hub and drum assemblies, brake assemblies (either drum or disc), axles, brake chambers, suspensions and suspension components, wheel end components, landing gear legs, spoke or disc wheels, tires, brake control systems, electrical harnesses and lighting systems.

Processing of finished and unfinished chassis and components such as trimming, cutting, grinding, notching, punching, drilling, painting, coating, staining, finishing, assembly, or any other processing either in the country of manufacture of the in-scope product or in a third country does not remove the product from the scope. Inclusion of other components not identified as comprising the finished or unfinished chassis does not remove the product from the scope.

Individual components entered and sold by themselves are not subject to these *Orders*, but components entered with or for further assembly with a finished or unfinished chassis are subject merchandise. A finished chassis is ultimately comprised of several different types of subassemblies. Within each subassembly there are numerous components that comprise a given subassembly.

This scope excludes dry van trailers, refrigerated van trailers and flatbed trailers. Dry van trailers are trailers with a wholly enclosed cargo space comprised of fixed sides, nose, floor and roof, with articulated panels (doors) across the rear and occasionally at selected places on the sides, with the cargo space being permanently incorporated in the trailer itself. Refrigerated van trailers are trailers with a wholly enclosed cargo space comprised of fixed sides, nose, floor and roof, with articulated panels (doors) across the rear and occasionally at selected places on the sides, with the cargo space being permanently incorporated in the trailer and being insulated, possessing specific thermal properties intended for use with self-contained refrigeration systems. Flatbed (or platform) trailers consist of load-carrying main frames and a solid, flat or stepped loading deck or floor permanently incorporated with and supported by frame rails and cross members.

The finished and unfinished chassis subject to these *Orders* are typically classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheadings: 8716.39.0090 and 8716.90.5060. Imports of finished and unfinished chassis may also enter under HTSUS subheading 8716.90.5010. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under the *Orders* is dispositive.

Merchandise Subject to the Covered Merchandise Inquiry

The covered merchandise inquiry will address whether the scope covers certain merchandise imported by AXN from China.⁸ Pursuant to 19 CFR 351.227(m)(1), Commerce will consider, based on the available record evidence, whether the final determination in the covered merchandise inquiry should be applied on a (i) producer-specific, exporter-specific, importer-specific basis, or some combination thereof; or (ii) on a country-wide basis, regardless of the producer, exporter, or importer, to all products from the same country with the same relevant physical characteristics as the product at issue.

Filing Requirements

All submissions to Commerce must be filed electronically via Enforcement and Compliance (E&C)'s Antidumping Duty and Countervailing Duty Centralized Electronic Service System (ACCESS), unless an exception applies.⁹ An electronically filed document must be received successfully in its entirety by the applicable deadline. Each submission must be placed on the record of the segment of the proceeding for the *AD Order* (A-570-135), ACCESS Covered Merchandise Inquiry segment "EAPA 7839".

Suspension of Liquidation

In accordance with 19 CFR 351.227(l)(1), Commerce will notify CBP of the initiation of the covered merchandise inquiry and direct CBP to continue to suspend liquidation of entries of

⁸ Specifically, CBP requests that Commerce address whether the following are covered by the scope of the *Orders*: (1) the axle beams imported by AXN that can be used on chassis, whether (a) incorporated into an axle assembly by AXN by adding Chinese-origin parts; (b) incorporated into an axle assembly by AXN by adding domestically (*i.e.*, U.S.) sourced parts; (c) incorporated into an axle assembly by AXN by adding a mix of Chinese-origin and domestically sourced parts; and/or (d) not incorporated into an axle assembly by AXN (*i.e.*, as imported); (2) The slider boxes that can be used on chassis, as imported by AXN; (3) Landing gear sets, as imported by AXN; and (4) Any merchandise imported by AXN that can be used on chassis, including, but not limited to, axle beams, slider boxes, and landing gear leg components/landing gear sets, that, even if considered individual components, were imported by AXN "with or for further assembly with a finished or unfinished chassis" by virtue of their intended sale by AXN to manufacturers for use in the production of completed trailers.

⁹ See *Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures*, 76 FR 39263 (July 6, 2011), as amended in *Enforcement and Compliance; Change of Electronic Filing System Name*, 79 FR 69046 (November 20, 2014) for details of Commerce's electronic filing requirements, effective August 5, 2011. Information on help using ACCESS can be found at <https://access.trade.gov/help.aspx> and a handbook can be found at <https://access.trade.gov/help/Handbook%20on%20Electronic%20Filing%20Procedures.pdf>.

products subject to the covered merchandise inquiry that were already subject to the suspension of liquidation, and to apply the cash deposit rate that would be applicable if the product were determined to be covered by the scope of the *Orders*. Should Commerce issue preliminary or final covered merchandise determinations, Commerce will follow the suspension of liquidation rules under 19 CFR 351.227(1)(2) through (4). In accordance with 19 CFR 351.227(1)(5), nothing in this section affects CBP's authority to take any additional action with respect to the suspension of liquidation or related measures.

Notification to Interested Parties

Interested parties that wish to participate in this segment of the proceeding and be added to the public service list(s) for this segment of the proceeding must file a letter of appearance in accordance with 19 CFR 351.103(d)(1), with one exception: the relevant parties to CBP's EAPA investigation publicly identified by CBP in the covered merchandise referral referenced above are not required to submit a letter of appearance, and will be added to the public service list for this segment of the proceeding by Commerce.

Commerce placed an APO on the record on March 19, 2025.¹⁰ Commerce intends to place the business proprietary versions of the documents (if any) contained in the covered merchandise referral on the record of this proceeding in ACCESS.

Representatives of interested parties must submit applications for disclosure under the APO in accordance with the procedures outlined in Commerce's regulations at 19 CFR 351.305. Those procedures apply to this segment of the proceeding, with one exception: APO applicants representing the parties that have been identified by CBP as an importer in the covered merchandise referral (referenced above) are exempt from the additional filing requirements for importers pursuant to 19 CFR 351.305(d).

¹⁰ See the Administrative Protective Order "Request for Establishment of Administrative Protective Order Certain Chassis and Subassemblies Thereof from the People's Republic of China (A-570-135)," dated March 19, 2025.

This notice is issued and published pursuant to section 517(b)(4) of the Act and 19 CFR
351.227(b).

Dated: March 31, 2025.

Scot Fullerton,
Acting Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations.

[FR Doc. 2025-05746 Filed: 4/2/2025 8:45 am; Publication Date: 4/3/2025]