



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-199]

Temporary Steel Fencing from the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination, Preliminary Affirmative Critical Circumstances Determination, in Part, and Alignment of Final Determination with the Final Antidumping Determination

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 temporary steel fencing from the People's Republic of China (China). The period of investigation is January 1, 2024, through December 31, 2024.

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

FOR FURTHER INFORMATION CONTACT: Natasia Byrd or Janaé Martin, 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) 482-0238, respectively.

SUPPLEMENTARY INFORMATION:

Background

This preliminary determination is made in accordance with section 703(b) of the Tariff Act of 1930, as amended (the Act). Commerce published the notice of initiation of this

investigation on February 11, 2025.¹ On March 24, 2025, Commerce postponed the preliminary determination in this investigation to June 16, 2025.²

For a complete description of the events that followed the initiation of this investigation, *see* the Preliminary Decision Memorandum.³ A list of topics discussed in the Preliminary Decision Memorandum is included in Appendix II 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 Investigation

The product covered by this investigation is temporary steel fencing from China. For a complete description of the scope of this investigation, *see* Appendix I.

Scope Comments

In accordance with the *Preamble* to Commerce's regulations,⁴ in the *Initiation Notice* Commerce set aside a period of time for parties to raise issues regarding product coverage (*i.e.*, scope).⁵ Certain interested parties commented on the scope of the less-than-fair-value (LTFV) and countervailing duty (CVD) investigations as it appeared in the *Initiation Notice*. Commerce intends to issue its preliminary decision regarding comments concerning the scope of the LTFV

¹ *See Temporary Steel Fencing from the People's Republic of China: Initiation of Countervailing Duty Investigation*, 90 FR 9311 (February 11, 2025) (*Initiation Notice*)

² *See Temporary Steel Fencing from the People's Republic of China: Postponement of Preliminary Determination of Countervailing Duty Investigation*, 90 FR 13450 (March 24, 2025).

³ *See* Memorandum, "Decision Memorandum for the Preliminary Affirmative Determination of the Countervailing Duty Investigation of Temporary Steel fencing from the People's Republic of China," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁴ *See Antidumping Duties; Countervailing Duties, Final Rule*, 62 FR 27296, 27323 (May 19, 1997) (*Preamble*).

⁵ *See Initiation Notice*, 90 FR at 9311-12.

and CVD investigations on or before the preliminary determination of the companion LTFV investigation.

Methodology

Commerce is conducting this investigation in accordance with section 701 of the Act. For each of the subsidy programs found 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.⁶ For a full description of the methodology underlying our preliminary determination, *see* the Preliminary Decision Memorandum.

Commerce notes that, in making these findings, it relied, in part, on facts available, and, because it finds that one or more respondents did not act to the best of their ability to respond to Commerce’s requests for information, it drew an adverse inference where appropriate in selecting from among the facts otherwise available.⁷ For further information, see the “Use of Facts Otherwise Available and Adverse Inferences” section in the Preliminary Decision Memorandum.

Preliminary Affirmative Determination of Critical Circumstances, in Part

In accordance with section 703(e)(1) of the Act, Commerce preliminarily determines that critical circumstances exist with respect to imports of subject merchandise from the mandatory respondent Hebei Minmetals Co., Ltd. (Hebei Minmetals); with respect to imports of subject merchandise from (1) Anping County Xingpeng Hardware Co., Ltd., (2) Shenzhou Yuelei Metal Products Co., Ltd.; (3) Sichuan Gold-Link Industry, (4) Sourcing Solution Co., Ltd.; and (5) Tianjin Mengsheng Metal Products, which have been assigned a rate based on total adverse fact available (AFA); and, also with respect to all other producers and exporters that enter subject merchandise under the all-others countervailable subsidy rate. Commerce also preliminarily determines that critical circumstances do not exist with respect to imports of subject merchandise

⁶ 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.

⁷ See sections 776(a) and (b) of the Act.

from mandatory respondent Shijiazhuang SD Company Ltd. (Shijiazhuang SD). For a full description of the methodology and the results of Commerce's analysis, *see* the Preliminary Decision Memorandum.

Alignment

In accordance with section 705(a)(1) of the Act and 19 CFR 351.210(b)(4), Commerce is aligning the final determination in this investigation with the final determination in the concurrent LTFV investigation of temporary steel fencing from China based on a request made by ZND US Inc. (the petitioner).⁸ Consequently, the final CVD determination will be issued on the same date as the final determination in the LTFV investigation, which is currently scheduled to be issued no later than October, 27, 2025, unless postponed.

All-Others Rate

Sections 703(d) and 705(c)(5)(A) of the Act provide that in the preliminary determination, Commerce shall determine an estimated all-others rate for companies not individually examined. This rate shall be an amount equal to the weighted average of the estimated subsidy rates established for those companies individually examined, excluding any zero and *de minimis* rates and any rates determined entirely under section 776 of the Act.

Commerce preliminarily calculated individual estimated countervailable subsidy rates for Hebei Minmetals and Shijiazhuang SD that are not zero, *de minimis*, or based entirely on facts otherwise available. Because publicly-ranged sales values of exports of subject merchandise to the United States for all mandatory respondents are not on the record of this investigation, for the preliminary determination, we calculated the countervailable subsidy rate applicable to all other companies as the simple average of the countervailable subsidy rates calculated for Hanwha Hebei Minmetals and Shijiazhuang SD.⁹

⁸ *See* Petitioner's Letter, "Temporary Steel Fencing from the People's Republic of China: Request for Alignment," dated June 5, 2025.

⁹ 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 values for the merchandise under

Rate for Non-Responsive Companies

The following five exporters and/or producers of temporary steel fencing from China refused delivery of and/or did not respond to the quantity and value (Q&V) questionnaire: (1) Anping County Xingpeng Hardware Co., Ltd.; (2) Shenzhou Yuelei Metal Products Co., Ltd.; (3) Sichuan Gold-Link Industry; (4) Sourcing Solution Co., Ltd.; and (5) Tianjin Mengsheng Metal Products (collectively, the non-responsive companies). We find that, by not responding to the Q&V questionnaire, these companies withheld requested information and significantly impeded this proceeding. Thus, in reaching our preliminary determination, pursuant sections 776(a)(2)(A) and (C) of the Act, we are basing the countervailable subsidy rate for the non-responsive companies on facts otherwise available.

In addition, we preliminary determine that an adverse inference is warranted, pursuant to section 776(b) of the Act. By failing to submit responses to Commerce's Q&V questionnaire, these companies did not cooperate to the best of their ability in this investigation. Accordingly, we preliminarily find that an adverse inference is warranted to ensure that the non-responsive companies will not obtain a more favorable result than had they fully complied with our request for information. For more information on the application of adverse facts available, *see* "Use of Facts Otherwise Available and Adverse Inferences" in the Preliminary Decision Memorandum.

Preliminary Determination

Commerce preliminarily determines that the following estimated countervailable subsidy rates exist:

Company	Subsidy Rate (percent <i>ad valorem</i>)
Hebei Minmetals Co., Ltd.	33.27
Shijiazhuang SD Company Ltd.	139.20
Anping County Xingpeng Hardware Co., Ltd.	301.83*

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, 53662 (September 1, 2010), and accompanying Issues and Decision Memorandum at Comment 1. However, because complete publicly ranged sales data were not available, Commerce based the all-others rate on the simple average of the countervailable subsidy rates calculated for the mandatory respondents. *See* Memorandum, "Calculation of the All-Others Rate for the Preliminary Determination," dated concurrently with this notice.

Shenzhou Yuelei Metal Products Co., Ltd.	301.83*
Sichuan Gold-Link Industry	301.83*
Sourcing Solution Co., Ltd.	301.83*
Tianjin Mengsheng Metal Products	301.83*
All-Others	86.24

*Rate is based on facts available with adverse inferences.

Suspension of Liquidation

Section 703(e)(2) of the Act provides that, given an affirmative determination of critical circumstances, any suspension of liquidation shall apply to unliquidated entries of merchandise entered, or withdrawn from warehouse, for consumption on or after the later of: (a) the date which is 90 days before the date on which the suspension of liquidation was first ordered; or (b) the date on which notice of initiation of the investigation was published. Commerce preliminarily finds that critical circumstances exist for imports of subject merchandise produced and/or exported by Hebei Minmetals, the non-responsive companies (*i.e.*, (1) Anping County Xingpeng Hardware Co., Ltd., (2) Shenzhou Yuelei Metal Products Co., Ltd.; (3) Sichuan Gold-Link Industry, (4) Sourcing Solution Co., Ltd.; and (5) Tianjin Mengsheng Metal Products) and all other producers and exporters whose imports enter under the all-others countervailable subsidy rate. Pursuant to section 703(d)(1)(B) and (d)(2) of the Act, Commerce will direct U.S. Customs and Border Protection (CBP) to suspend the liquidation of entries of subject merchandise, as described in the scope of the investigation, entered, or withdrawn from warehouse, for consumption on or after the date which is 90 days before the publication of this notice, in accordance with section 703(e)(2)(A) of the Act. Further, Commerce will instruct CBP to require a cash deposit rate equal to the rates indicated above.

With regard Shijiazhuang SD, as a result of the preliminary negative determination of critical circumstances, in accordance with sections 703(d)(1)(B) and (d)(2) of the Act, Commerce will direct U.S. Customs and Border Protection (CBP) to suspend liquidation of entries of subject merchandise as described in the scope of the investigation entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in

the *Federal Register*. Further, pursuant to 19 CFR 351.205(d), Commerce will instruct CBP to require a cash deposit equal to the rates indicated above.

Disclosure

Commerce intends to disclose to interested parties the calculations and analysis performed in this preliminary determination within five days of its public announcement, or if there is no public announcement, within five days of the publication of this notice in the *Federal Register* in accordance with 19 CFR 351.224(b).

Consistent with 19 CFR 224(e), Commerce will analyze and, if appropriate, correct any timely-filed allegations of significant ministerial errors by amending the preliminary determination. However, consistent with 19 CFR 351.224(d), Commerce will not consider incomplete allegations that do not address the significance standard under 19 CFR 351.224(g) following the preliminary determination. Instead, Commerce will address such allegations in the final determination together with issues raised in case briefs or other written comments.

Verification

As provided in section 782(i)(1) of the Act, Commerce intends to verify the information relied upon in making its final determination.

Public Comment

All interested parties will have the opportunity to submit scope case and rebuttal briefs on the preliminary decision regarding the scope of the LTFV and CVD investigations. The deadlines to submit scope case and rebuttal briefs will be provided in the preliminary scope decision memorandum accompanying the preliminary determination of the LTFV investigation. For all scope case and rebuttal briefs, parties must file identical documents simultaneously on the records of the concurrent LTFV and CVD investigations. No new factual information or business proprietary information may be included in either scope case or rebuttal briefs.

Case briefs or other written comments on non-scope issues may be submitted to the Assistant Secretary for Enforcement and Compliance no later than seven days after the date on

which the last verification report is issued in this investigation. Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than five days after the date for filing case briefs.¹⁰ 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.¹¹

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 investigation, we instead request that interested parties provide at the beginning of their briefs a public executive summary for each issue raised in their briefs.¹² 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 determination in this investigation. 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).¹³

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce 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 whether any participant is a foreign national; and (3) a list of the issues to be discussed. If a request for a hearing is made, Commerce intends to hold the hearing at a date and time to be determined. Parties should

¹⁰ 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*).

¹¹ See 19 CFR 351.309(c)(2) and (d)(2).

¹² We use the term "issue" here to describe an argument that Commerce would normally address in a comment of the Issues and Decision Memorandum.

¹³ See *APO and Service Final Rule*.

confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

U.S. International Trade Commission (ITC) Notification

In accordance with section 703(f) of the Act, Commerce will notify the ITC of its determination. If the final determination is affirmative, the ITC will determine before the later of 120 days after the date of this preliminary determination or 45 days after the determination whether imports of temporary steel fencing from China are materially injuring, or threatening material injury to, the U.S. industry.

Notification to Interested Parties

This determination is issued and published pursuant to sections 703(f) and 777(i) of the Act, and 19 CFR 351.205(c).

Dated: June 16, 2025.

Christopher Abbott,

Deputy Assistant Secretary

for Policy and Negotiations,

performing the non-exclusive functions and duties

of the Assistant Secretary for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The merchandise subject to this investigation is temporary steel fencing. Temporary steel fencing consists of temporary steel fence panels and temporary steel fence stands. Temporary steel fence panels, when assembled with temporary steel fence stands or other types of stands outside of the scope, with each other, or with posts, create a free-standing fence. Temporary steel fence panels are covered by the scope regardless of whether they attach to a stand or the type of stand to which they connect.

Temporary steel fence panels have a welded frame of steel tubing and an interior consisting of chain link, steel wire mesh, or other steel materials that are not more than 10 millimeters in actual diameter or width. The steel tubing may surround all edges of the temporary steel fence panel or only be attached along two parallel sides of the panel. All temporary steel fence panels with at least two framed sides are covered by the scope, regardless of the number of edges framed with steel tubing.

Temporary steel fence panels are typically between 10 and 12 feet long and six to eight feet high, though all temporary steel fence panels are covered by the scope regardless of dimension or weight as long as a single panel is over six square feet in actual surface area and weighs more than four pounds. Temporary steel fence panels may be square, rectangular, or have rounded edges, and may or may not have gates, doors, wheels, or barbed wire or other features, though all temporary steel fence panels are covered by the scope regardless of shape and other features. Temporary steel fence panels may have one or more horizontal, vertical, or diagonal reinforcement tubes made of steel welded to the inside frame, though all temporary steel fence panels are covered by the scope regardless of the existence, number, or type of reinforcement tubes attached to the panel. Temporary steel fence panels may have extensions, pins, tubes, or holes at the bottom of the panel, but all temporary steel fence panels are covered regardless of the existence of such features.

Steel fence stands are shapes made of steel that stand flat on the ground and have one or two open tubes or solid pins into which temporary steel fence panels are inserted to stand erect. The steel fence stand may be made of welded steel tubing or may be a flat steel plate with one or two tubes or pins welded onto the plate for connecting the panels.

Temporary steel fencing is covered by the scope regardless of coating, painting, or other finish. Both temporary steel fence panels and temporary steel fence stands are covered by the scope, whether imported assembled or unassembled, and whether imported together or separately. Subject merchandise includes material matching the above description that has been finished, assembled, or packaged in a third country, including by coating, painting, assembling, attaching to, or packaging with another product, or any other finishing, assembly, or packaging operation that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the temporary steel fencing.

Temporary steel fencing is included in the scope of this investigation whether or not imported attached to, or in conjunction with, other parts and accessories such as posts, hooks, rings, brackets, couplers, clips, connectors, handles, brackets, or latches. If temporary steel fencing is imported attached to, or in conjunction with, such non-subject merchandise, only the temporary steel fencing is included in the scope.

Merchandise covered by this investigation is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under the subheading 7308.90.9590. Subject

merchandise may also enter under subheadings 7326.90.8688 and 7323.99.9080 of the HTSUS. The HTSUS subheadings set forth above are provided for convenience and U.S. Customs purposes only. The written description of the scope is dispositive.

Appendix II

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Injury Test
- IV. Preliminary Determination of Critical Circumstances
- V. Analysis of China's Financial System
- VI. Diversification of China's Economy
- VII. Use of Facts Otherwise Available and Adverse Inferences
- VIII. Subsidies Valuation
- IX. Benchmarks and Interest Rates
- X. Analysis of Programs
- XI. Recommendation

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