bed units; 18 (16) certain shoe cabinets; 19 and (17) certain bed bases. 20 Imports of subject merchandise are classified under subheadings 9403.50.9042 and 9403.50.9045 of the HTSUS as “wooden . . . beds” and under subheading 9403.50.9080 of the HTSUS as “other . . . wooden furniture of a kind used in the bedroom.” In addition, wooden headboards for beds, wooden side rails for beds, and wooden canopy frames for beds may be entered under subheadings 9403.90.7080 of the HTSUS. Subject merchandise may also be entered under subheadings 9403.50.9041, 9403.60.808, 9403.20.0018, or 9403.90.8041. Further, framed glass mirrors may be entered under subheading 7009.20.1000 or 7009.20.5000 of the HTSUS as “glass mirrors . . . framed.” The order covers all wooden bedroom furniture meeting the above description, regardless of tariff classification. Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of this proceeding is dispositive.

Filing Requirements

All submissions to Commerce must be filed electronically using ACCESS. An electronically filed document must be received successfully in its entirety by the time and date it is due. Documents exempted from the electronic submission requirements must be filed manually (i.e., in paper form) with Enforcement and Compliance’s APO/ Dockets Unit, Room 18022, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230, and stamped with the date of receipt by the applicable deadlines.

Letters of Appearance and Administrative Protective Order

Interested parties that wish to participate in this segment of the proceeding and be added to the public service list 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 parties 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 January 11, 2018,22 and established the APO service list for use in this segment. Commerce intends to place the business proprietary versions of the documents contained in the covered merchandise referral on the record of this proceeding in ACCESS within five days of publication of this notice.

Interested parties must submit applications for disclosure under the

18 Excluded from the scope are certain enclosable wall bed units, also referred to as Murphy beds, which are composed of the following three major sections: (1) A metal wall frame, which attaches to the wall and uses coils or pistons to support the metal mattress frame; (2) a metal frame, which has euro slots for supporting a mattress and two legs that pivot; and (3) wood panels, which attach to the metal frame to form a cabinet to enclose the wall bed when not in use. Enclosable wall bed units are imported in ready-to-assemble form with all parts necessary for enclosable wall bed units.

19 Excluded from the scope are certain shoe cabinets 31.5–33.5 inches wide by 15.5–17.5 inches deep by 34.5–36.5 inches high. They are designed strictly for store shoes, which are intended to be aligned in rows perpendicular to the wall along which the cabinet is positioned. Shoe cabinets do not have drawers, rods, or other indicia for the storage of clothing other than shoes. The cabinets are not designed, manufactured, or offered for sale in coordinated groups or sets and are made substantially of wood, have two to four shelves inside them, and are covered by doors. The doors often have blinds that are designed to allow air circulation and release of bad odors. The doors themselves may be made of wood or glass. The depth of the shelves does not exceed 14 inches. Each shoe cabinet has doors, adjustable shelving, and ventilation holes.

20 Excluded from the scope are certain bed bases consisting of: (1) A wooden box frame. (2) Three wooden cross beams and one perpendicular center wooden support beam. (3) Wooden slats over the beams. These bed bases are constructed without inner springs and/or coils and do not include a headboard, footboard, side rails, or mattress. The bed bases are imported unassembled.


Verifications

As provided in section 782(i) of the Act, in November 2017, we conducted verification of the questionnaire responses submitted by Dingsheng Aluminum (Hong Kong) Trading Co., Ltd. (Dingsheng HK) and Jiangsu Zhongji Lamination Materials Co., Ltd. (Zhongji). We issued verification reports on November 25, 2017. We used standard verification procedures, including an examination of relevant accounting and financial records, and original source documents provided by Dingsheng HK and Zhongji.

Analysis of Subsidy Programs and Comments Received

The subsidy programs under investigation, and the issues raised in the case and rebuttal briefs submitted by the parties, are discussed in the Issues and Decision Memorandum. A list of the issues that parties raised, and to which we responded in the Issues and Decision Memorandum, is attached to this notice at Appendix I.

Use of Adverse Facts Available (AFA)

For purposes of this final determination, we relied on facts available, and because certain respondents did not act to the best of their ability in responding to Commerce’s requests for information, we drew an adverse inference, where appropriate, in selecting from among the facts otherwise available. The subsidy rates for Loften Aluminum (Hong Kong) Limited and Manakin Industries, LLC, are based totally on AFA. A full discussion of our decision to rely on adverse facts available is presented in the “Use of Facts Otherwise Available and Adverse Inferences” section of the Issues and Decisions Memorandum.

Changes Since the Preliminary Determination

Based on our review and analysis of the comments received from parties, and minor corrections presented at verification, we made certain changes to the respondents’ subsidy rate calculations since the Preliminary Determination. For a discussion of these changes, see the Issues and Decision Memorandum.

All-Others Rate

In accordance with section 705(c)(1)(B)(i) of the Act, we calculated an individual rate for each producer/exporter of the subject merchandise individually investigated.

In accordance with section 705(c)(5)(A) of the Act, for companies not individually investigated, we apply an “all-others” rate, which is normally calculated by weighting the subsidy rates of the individual companies selected as mandatory respondents by those companies’ exports of the subject merchandise to the United States. Under section 705(c)(5)(A)(i) of the Act, the “all-others” rate excludes zero and de minimis rates calculated for the exporters and producers individually investigated as well as rates based entirely on facts otherwise available. Where the rates for the individually investigated companies are zero or de minimis, or determined entirely using facts otherwise available, section 705(c)(5)(A)(ii) of the Act instructs Commerce to establish an “all-others” rate using “any reasonable method.” Pursuant to section 705(c)(5)(A)(i) of the Act, we have calculated the “all-others” rate using the subsidy rates of Dingsheng HK and Zhongji, the only two mandatory respondents not receiving a subsidy rate based totally on section 776 of the Act. However, we have not calculated the “all-others” rate by weight-averaging these two rates because doing so risks disclosure of proprietary information. Therefore, and consistent with Commerce’s practice, for the “all-others” rate, we calculated a simple average of these two mandatory respondents’ subsidy rates.

Final Determination

<table>
<thead>
<tr>
<th>Company</th>
<th>Subsidy rate (percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dingsheng Aluminum Industries (Hong Kong) Trading Co., Ltd.</td>
<td>19.98</td>
</tr>
<tr>
<td>Jiangsu Zhongji Lamination Materials Co., Ltd.</td>
<td>17.14</td>
</tr>
<tr>
<td>Loften Aluminum (Hong Kong) Limited</td>
<td>80.97</td>
</tr>
<tr>
<td>Manakin Industries, LLC</td>
<td>80.97</td>
</tr>
</tbody>
</table>

Disclosure

We intend to disclose to parties in this proceeding the calculations performed for this final determination within five days of the date of public announcement of our final determination, in accordance with 19 CFR 351.224(b).

Suspension of Liquidation

As a result of our Preliminary Determination, and pursuant to sections 703(d)(1)(B) and (2) of the Act, we instructed U.S. Customs and Border Protection (CBP) to suspend liquidation of all entries of merchandise under consideration from the PRC that were entered or withdrawn from warehouse, for consumption, on or after August 14, 2017, the date of publication of the Preliminary Determination in the Federal Register. In accordance with section 703(d) of the Act, on December 12, 2017, we instructed CBP to discontinue the suspension of liquidation of all entries at that time.

If the U.S. International Trade Commission (the ITC) issues a final affirmative injury determination, we will issue a CVD order, will reinstate the suspension of liquidation under section 706(a) of the Act, and will require a cash deposit of estimated CVDs for such entries of subject merchandise in the amounts indicated above. If the ITC determines that material injury, or threat of material injury, does not exist, this proceeding will be terminated and all estimated duties deposited or securities posted as a result of the suspension of liquidation will be refunded or canceled.

International Trade Commission Notification

In accordance with section 705(d) of the Act, we will notify the ITC of our determination. In addition, we are making available to the ITC all non-privileged and non-proprietary information related to this investigation. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under an administrative protective order (APO), without the written consent of the Assistant Secretary for Enforcement and Compliance.

Notification Regarding Administrative Protective Orders

This notice also serves as a reminder to parties subject to administrative protective orders (APOs) of their responsibility concerning the disposition 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 the terms of an APO is a sanctionable violation.

Return or Destruction of Proprietary Information

In the event the ITC issues a final negative injury determination, this notice serves as the only reminder to parties subject to an 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 the terms of an APO is a sanctionable violation.

Notification to Interested Parties

a As discussed in the Preliminary Decision Memorandum, Commerce has found the following companies to be cross-owned with Dingsheng HK: Jiangsu Dingsheng New Materials Joint-Stock Co., Ltd.; Hangzhou Five Star Aluminum Co., Ltd.; Hangzhou BingCheng Aluminum Co., Ltd.; Luoyang Longding Aluminum Co., Ltd.; Hangzhou Dingsheng Industrial Group Co., Ltd.; Hangzhou Dingsheng Import & Export Co., Ltd.; and Watson (HK) Trading Co., Limited.

b As discussed in the Preliminary Decision Memorandum, Commerce has found the following companies to be cross-owned with Zhongji: Shantou Wanshan Package Material Stock Co., Ltd.; Jiangsu Huafeng Aluminum Industry Co., Ltd.; and Jiangsu Zhongji Lamination Materials Co., (HK) Ltd.

c As discussed in the Preliminary Decision Memorandum, Commerce finds that Manakin Industries and Suzhou Manakin Aluminum Processing Technology Co., Ltd., effectively function by joint operation as a trading company. Therefore, the rate for Manakin Industries also applies to Suzhou Manakin Aluminum Processing Technology Co., Ltd. For additional information, see Preliminary Decision Memorandum and Issues and Decision Memorandum.

IV. Scope Comments

V. Application of the Countervailing Duty Law to Imports from the PRC

VI. Subsidies Valuation Information

VII. Benchmarks and Discount Rates

VIII. Use of Facts Otherwise Available and Adverse Inference

IX. Analysis of Programs

X. Analysis of Comments

Comment 1: Whether Commerce Erred in Its Treatment of Manakin

Comment 2: Whether the Record Supports a Finding of Policy Lending

Comment 3: Whether Chinese Commercial Banks Are Government Authorities

Comment 4: Whether Commerce’s Policy Lending Benchmark Interest Rate Computations Are Supported by the Record and Lawful

Comment 5: Whether Commerce’s Investigation of Uninitiated Programs Is Lawful

Comment 6: Whether Commerce Should Change Its Export Buyer’s Credit Determination

Comment 7: Whether Commerce Should Use the USD Interest Rate Benchmark for Hong Kong Loans

Comment 8: Whether Loans Issued in Hong Kong to Hong Kong Companies Are Countervailable

Comment 9: Whether Commerce Should Revise Dingsheng’s Sales Denominator

Comment 10: Whether Commerce Should Correct Calculation Errors for Dingsheng’s Loans

Comment 11: Whether Commerce Should Correct Calculation Errors for Dingsheng’s Aluminum and Coal Purchases

Comment 12: Whether Commerce Should Place Interest Rate Benchmarks on the Record That Are Contemporaneous to the POI

Comment 13: Whether Commerce Should Rely on AFA for Subsidies Discovered at Zhongji’s Verification

Comment 14: Whether Commerce Should Grant Zhongji an Export Value Adjustment

Comment 15: Whether Commerce Improperly Rejected Dingsheng’s Benchmark Data

Comment 16: Whether Commerce Should Revise the Benchmarks for Primary Aluminum

Comment 17: Whether the GOC Provided Sufficient Evidence to Find That Input Suppliers Were Not Government Authorities

Comment 18: Whether CCP Affiliations or Activities by Company Officials Make a Company a Government Authority

Comment 19: Whether the Primary Aluminum and Steam Coal for LTAR Programs Are Specific

Comment 20: Whether Commerce Must Use a Tier-One Benchmark for the Primary Aluminum and Steam Coal for LTAR Programs

Comment 21: Whether Dingsheng’s Income Tax Deductions for R&D Expenses Are Understated

Comment 22: Whether Commerce Selected the Highest Electricity Rate Benchmarks

Comment 23: Whether Commerce Should Apply AFA for Electricity

Appendix I

List of Topics Discussed in the Issues and Decision Memorandum

I. Summary

II. Background

III. Scope of the Investigation
SUMMARY: Pursuant to the Enforce and Protect Act of 2015 (EAPA), the Department of Commerce (Commerce) received a covered merchandise referral from U.S. Customs and Border Protection (CBP) in connection with a CBP Enforce and Protect Act (EAPA) investigation concerning the antidumping duty (AD) order on hydrofluorocarbon (HFC) blends from the People’s Republic of China (China). In accordance with EAPA, Commerce intends to determine whether the merchandise subject to the referral is covered by the scope of the order and promptly transmit its determination to CBP. Commerce is providing notice of the referral and inviting participation from interested parties.

DATES: Applicable March 5, 2018.


SUPPLEMENTARY INFORMATION:

Background

On February 24, 2016, the Trade Facilitation and Trade Enforcement Act of 2015 was signed into law, which contains Title IV—Prevention of Evasion of Antidumping and Countervailing Duty Orders (short title “Enforce and Protect Act of 2015” or “EAPA”) (Pub. L. 114—125, 130 Stat. 122, 155, Feb. 24, 2016). Effective August 22, 2016, section 421 of the EAPA added section 517 to the Tariff Act of 1930, as amended (the Act), which establishes a formal process for CBP to investigate allegations of the evasion of antidumping and countervailing duty (AD/CVD) orders. Section 517(b)(4)(A) of the Act provides a procedure whereby if, during the course of an 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. The Act does not establish a deadline within which Commerce must issue its determination.

On December 4, 2017, Commerce received a covered merchandise referral from CBP regarding CBP EAPA Investigation No. 72121 which concerns the AD order on HFCs from China.2 Specifically, based on an allegation by RMS of Georgia d/b/a Choice Refrigerants, CBP has requested that Commerce issue a determination as to whether certain merchandise imported by LM Supply, Inc. (LM Supply) is subject to the AD order on HFCs from China. Specifically, CBP asked Commerce to clarify: (1) If the scope exclusion for Choice® R–421A is limited to only merchandise that is licensed by the rights holder or does it apply to any HFC blends that satisfy the terms of the patents, and (2) if the scope exclusion is limited to only that merchandise that also carries the trademarks indicated in the scope exclusion.

Notification to Interested Parties

Commerce is hereby notifying interested parties that it has received the covered merchandise referral referenced above, will begin a new segment of the proceeding, and intends to issue a determination regarding whether the merchandise 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, if appropriate, new factual information and verification.

Specifically, Commerce will notify parties on the segment-specific service list for this segment of the proceeding of a schedule for comments. In addition, Commerce may request factual information from any person to assist in making its determination and may verify submissions of factual information. If Commerce determines that such verification is appropriate, Commerce intends to issue a final determination within 120 days of the publication of this notice (this deadline

1 See Letter from CBP, “EAPA Case Number: 7212; Scope Referral Request for merchandise under EAPA Investigation 7212, imported by LM Supply, Inc. and concerning investigation of evasion of the antidumping duty order on hydrofluorocarbon blends from the People’s Republic of China (A–570–028),” dated December 4, 2017. This document and any supporting documents will be available electronically on Enforcement and Compliance’s Antidumping Duty and Countervailing Duty Centralized Electronic Service System (ACCESS) within five days of publication of this notice.