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DEPARTMENT OF COMMERCE

International Trade Administration

C-570-971

Multilayered Wood Flooring from the People's Republic of China: Final Results and Partial Rescission of Countervailing Duty Administrative Review; 2017

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

SUMMARY: The Department of Commerce (Commerce) continues to determine that Baroque Timber Industries (Baroque Timber) and its cross-owned affiliates (Riverside Plywood Corporation and Suzhou Times Flooring Co., Ltd.), and Jiangsu Guyu International Trading Co., Ltd. (Jiangsu Guyu) and its cross-owned affiliates (Jiangsu Shengyu Flooring Co., Ltd., Siyang County Shunyang Wood Co., Ltd., and Shanghai Woyuan Industrial Co., Ltd.), 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, 2017 through December 31, 2017.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Bob Palmer or Suzanne Lam, 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) 482-9068 or (202) 482-0783, respectively.

SUPPLEMENTARY INFORMATION:

Background

Commerce published the *Preliminary Results* of the administrative review in the *Federal Register* on February 6, 2020.¹ We invited interested parties to comment on the *Preliminary Results*.

On March 13, 2020, we received case briefs from the following interested parties: Baroque Timber, Jiangsu Guyu, Fine Furniture (Shanghai) Limited and Double F Limited (collectively, Fine Furniture), the Government of the People's Republic of China (GOC), and the American Manufacturers of Multilayered Wood Flooring. On March 24, 2020, we received rebuttal case briefs from Baroque Timber, Jiangsu Guyu, the GOC and the American Manufacturers of Multilayered Wood Flooring. For a complete description of the events that occurred since the *Preliminary Results*, see the Issues and Decision Memorandum.²

On April 24, 2020, Commerce exercised its discretion to toll all deadlines in administrative reviews by 50 days.³ On June 5, 2020, we extended the deadline for these final results to September 23, 2020.⁴ On July 21, 2020, Commerce tolled all deadlines in administrative reviews by an additional 60 days.⁵ Accordingly, the revised deadline for the final results of this review is now November 23, 2020.

¹ See *Multilayered Wood Flooring from the People's Republic of China: Preliminary Results of Countervailing Duty Administrative Review, and Intent to Rescind Review, in Part; 2017*, 85 FR 6908 (February 6, 2020) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum.

² See Memorandum, "Issues and Decision Memorandum for the Final Results of the 2017 Countervailing Duty Administrative Review of Multilayered Wood Flooring from the People's Republic of China," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

³ See Memorandum, "Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews in Response to Operational Adjustments Due to COVID-19," dated April 24, 2020.

⁴ See Memorandum, "Administrative Review of the Countervailing Duty Order on Multilayered Wood Flooring from the People's Republic of China: Extension of Deadline for Final Results," dated June 5, 2020. As the actual (tolled) deadline was Saturday, July 25, 2020, we extended the final results deadline 60 days from this date.

⁵ See Memorandum, "Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews," dated April 24, 2020.

Scope of the Order

The product covered by the *Order*⁶ is multilayered wood flooring from the PRC. For a complete description of the scope of the *Order*, see the Issues and Decision Memorandum.

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 <http://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed Issues and Decision Memorandum and the electronic version of the Issues and Decision Memorandum are identical in content.

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*. Specifically, Commerce changed the plywood benchmark calculation for both respondents and adjusted the import duty rates to exclude import duties for HS categories not used in the plywood benchmark calculation. 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

⁶ See *Multilayered Wood Flooring from the People's Republic of China: Countervailing Duty Order*, 76 FR 76693 (December 8, 2011) (*Order*); see also *Multilayered Wood Flooring from the People's Republic of China: Amended Antidumping and Countervailing Duty Orders*, 77 FR 5484 (February 3, 2012) (*Amended Order*); 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).

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.⁷ The 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.

Partial Rescission of Administrative Review

As noted in the *Preliminary Results*, Commerce timely received no-shipment certifications from Anhui Boya Bamboo Ltd., Anhui Yaolong Bamboo and Wood Products Co. Ltd., Armstrong Wood products (Kunshan) Co. Ltd., Changzhou Hawd Flooring Co. Ltd., Dalian Shengyu Science and Technology Development Co. Ltd., Hunchun Forest Wolf Wooden Industry Co. Ltd., Jiashan On-Line Lumber Co. Ltd., Kingman Floors Co. Ltd., Yingyi-Nature (Kunshan) Wood Industry Co. Ltd., and Zhejiang Shiyou Timber Co Ltd. We inquired with U.S. Customs and Border Protection (CBP) whether these companies had shipped merchandise to the United States during the POR, and CBP provided no evidence to contradict the claims of no shipments made by these companies. Accordingly, in the *Preliminary Results*, Commerce stated its intention to rescind the review with respect to these companies in the final results. As the facts have remained the same since the *Preliminary Results*, we are rescinding the administrative review of these companies, pursuant to 19 CFR 351.213(d)(3).

Final Results of Administrative Review

In accordance with 19 CFR 351.221(b)(5), we calculated a final countervailable subsidy rate for each of the mandatory respondents, Baroque Timber and Jiangsu Guyu. For the

⁷ 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.

companies subject to this review which were not selected for individual examination, we followed Commerce's practice, which is to base the subsidy rates on an average of the subsidy rates calculated for those companies selected for individual examination, excluding *de minimis* rates or rates based entirely on adverse facts available. In this case, for the non-selected companies, we calculated a rate by weight-averaging the calculated subsidy rates of Baroque Timber and Jiangsu Guyu using their publicly-ranged sales data for exports of subject merchandise to the United States during the POR. We find the countervailable subsidy rates for the producers/exporters under review to be as follows:

Producer/Exporter	Subsidy Rate (Percent)
Baroque Timber Industries (Zhongshan) Co., Ltd. and its Cross-Owned Affiliates ⁸	14.09
Jiangsu Guyu International Trading Co., Ltd. and its Cross-Owned Affiliates ⁹	122.92
Non-Selected Companies Under Review ¹⁰	20.75

Assessment Rates

Pursuant to 19 CFR 351.212(b)(2), Commerce will determine, and 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 15 days after the date of publication of these final results of review.

For the companies for which this review is rescinded, Commerce will instruct CBP to assess countervailing duties on all appropriate entries at a rate equal to the cash deposit of

⁸ Cross-owned affiliates are Riverside Plywood Corp. and Suzhou Times Flooring Co., Ltd.

⁹ Cross-owned affiliates are Jiangsu Shengyu Flooring Co., Ltd.; Siyang County Shunyang Wood Co., Ltd.; and Shanghai Woyuan Industrial Co., Ltd.

¹⁰ See Appendix II.

estimated countervailing duties required at the time of entry, or withdrawal from warehouse, for consumption, during the POR in accordance with 19 CFR 351.212(c)(1)(i).

Cash Deposit Instructions

Commerce also intends to instruct 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, 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 Orders

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.

We are issuing and publishing these final results in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: November 20, 2020

/S/ Joseph A. Laroski Jr.

Joseph A. Laroski Jr.
Deputy Assistant Secretary
for Policy and Negotiations

Appendix I

List of Topics Discussed in the Final Decision Memorandum

- I. Summary
 - II. Background
 - III. Scope of the Order
 - IV. Intent to Rescind the Review, In Part
 - V. Period of Review
 - VI. Subsidies Valuation Information
 - VII. Changes Since the Preliminary Results
 - VIII. Use of Facts Otherwise Available
 - IX. Analysis of Programs
 - X. Analysis of Comments
- Comment 1: Whether Commerce Properly Selected Jiangsu Guyu as a Mandatory Respondent
- Comment 2: Whether Jiangsu Guyu is Affiliated with Jiangsu Shengyu Flooring Co., Ltd. and Siyang County Shunyang Wood Co., Ltd.
- Comment 3: Whether Poplar Core Sheets are Veneers
- Comment 4: Whether Poplar Core Sheet Suppliers are Authorities
- Comment 5: Whether to Apply Partial Adverse Facts Available to Jiangsu Guyu's Wood Products
- Comment 6: Whether to Adjust the Plywood Benchmark
- Comment 7: Whether to Adjust the Ocean Freight Benchmark
- Comment 8: Whether to Adjust the Electricity Calculation
- Comment 9: Whether to Apply Adverse Facts Available to the Export Buyer's Credit Program
- Comment 10: Whether to Limit Countervailability Findings to Subsidies Alleged in the Petition
- XI. Recommendation

Appendix II

Non-Selected Companies Under Review

1. A&W (Shanghai) Woods Co., Ltd.
2. Anhui Longhua Bamboo Product Co., Ltd.
3. Anhui Suzhou Dongda Wood Co., Ltd.
4. Baishan Huafeng Wooden Product Co., Ltd.
5. Baiying Furniture Manufacturer Co., Ltd.
6. Benxi Flooring Factory (General Partnership)
7. Benxi Wood Company
8. Changbai Mountain Development And Protection Zone Hongtu Wood Industrial Co., Ltd.
9. Cheng Hang Wood Co., Ltd.
10. Chinafloors Timber (China) Co., Ltd.
11. Dalian Dajen Wood Co., Ltd.
12. Dalian Deerfu Wooden Product Co., Ltd.
13. Dalian Huade Wood Product Co., Ltd.
14. Dalian Huilong Wooden Products Co., Ltd.
15. Dalian Jaenmaken Wood Industry Co., Ltd.
16. Dalian Jiahong Wood Industry Co., Ltd.
17. Dalian Jinda Wood Products Corporation
18. Dalian Jiuyuan Wood Industry Co., Ltd.
19. Dalian Kemiao Wood Industry Co., Ltd.
20. Dalian Meisen Woodworking
21. Dalian Penghong Floor Products Co., Ltd.
22. Dalian Qianqiu Wooden Product Co., Ltd.
23. Dalian Shumaike Floor Manufacturing Co., Ltd.
24. Dalian T-Boom Wood Products Co., Ltd.
25. Dalian Xinjinghua Wood Co., Ltd.
26. Dongtai Fuan Universal Dynamics, LLC
27. Dongtai Zhangshi Wood Industry Co. Ltd.
28. Dun Hua Sen Tai Wood Co., Ltd.
29. Dunhua City Dexin Wood Industry Co., Ltd.
30. Dunhua City Hongyuan Wood Industry Co., Ltd.
31. Dunhua City Jisen Wood Industry Co., Ltd.
32. Dunhua City Wanrong Wood Industry Co., Ltd.
33. Dunhua Shengda Wood Industry Co., Ltd.
34. Fine Furniture (Shanghai) Limited
35. Fu Lik Timber (HK) Co., Ltd.
36. Fujian Wuyishan Werner Green Industry Co., Ltd.
37. Furnco International Shanghai Company
38. Fusong Jinlong Wooden Group Co., Ltd.
39. Fusong Jinqiu Wooden Product Co., Ltd.
40. Fusong Qianqiu Wooden Product Co., Ltd.
41. Gaotang Weilong Industry and Trade
42. Gold Seagull Shanghai Flooring

43. GTP International Ltd.
44. Guangdong Fu Lin Timber Technology Limited
45. Guangdong Yihua Timber Industry Co., Ltd.
46. Guangzhou Homebon Timber Manufacturing Co., Ltd.
47. Guangzhou Panyu Kangda Board Co., Ltd.
48. Guangzhou Panyu Southern Star Co., Ltd.
49. HaiLin LinJing Wooden Products, Ltd.
50. HaiLin XinCheng Wooden Products, Ltd.
51. Hangzhou Dazhuang Floor Co., Ltd. (DBA Dasso Industrial Group Co., Ltd.)
52. Hangzhou Hanje Tee Company Limited
53. Hangzhou Huahi Wood Industry Co., Ltd.
54. Hangzhou Zhengtian Industrial Co., Ltd.
55. Henan Xingwangjia Technology Co., Ltd.
56. Hong Kong Chuanshi International
57. Hong Kong Easoon Wood Technology Co., Ltd.
58. Huaxin Jiasheng Wood Co., Ltd.
59. Huber Engineering Wood Corp.
60. Houzhou Chenchang Wood Co., Ltd.
61. Hunchun Xingja Wooden Flooring Inc.
62. Huzhou City Nanxun Guangda Wood Co., Ltd.
63. Huzhou Daruo Import and Export
64. Huzhou Fulinmen Imp. & Exp. Co., Ltd.
65. Huzhou Fuma Wood Co., Ltd.
66. Huzhou Jesonwood Co., Ltd.
67. Huzhou Laike Import and Export Co
68. Huzhou Muyun Wood Co., Ltd.
69. Huzhou Sunergy World Trade Co., Ltd.
70. Innomaster Home (Zhongshan) Co., Ltd.
71. Jesonwood Forest Products ZJ
72. Jiafeng Wood (Suzhou) Co., Ltd.
73. Jiangsu Kentier Wood Co., Ltd.
74. Jiangsu Keri Wood Co., Ltd.
75. Jiangsu Mingle Flooring Co., Ltd.
76. Jiangsu Senmao Bamboo and Wood Industry Co., Ltd.
77. Jiangsu Simba Flooring Co., Ltd.
78. Jiangsu Yuhui International Trade Co., Ltd.
79. Jiashan Fengyun Timber Co., Ltd.
80. Jiashan HuiJiaLe Decoration Material Co., Ltd.
81. Jiaxing Hengtong Wood Co., Ltd.
82. Jilin Forest Industry Jinqiao Flooring Group Co., Ltd.
83. Jilin Xinyuan Wooden Industry Co., Ltd.
84. Karly Wood Product Limited
85. Kember Flooring, Inc.
86. Kemian Wood Industry (Kunshan) Co., Ltd.
87. Kornbest Enterprises Limited
88. Kunming Alston (AST) Wood Products Co., Ltd.

89. Les Planchers Mercier, Inc.
90. Liaoning Daheng Timber Group
91. Linyi Anying Wood Co., Ltd.
92. Linyi Bonn Flooring Manufacturing Co., Ltd.
93. Linyi Youyou Wood Co., Ltd.
94. Logwin Air and Ocean Hong Kong
95. Max Choice Wood Industry
96. Metropolitan Hardwood Floors, Inc.
97. Mudanjiang Bosen Wood Industry Co., Ltd.
98. Nakahiro Jyou Sei Furniture (Dalian) Co., Ltd.
99. Nanjing Minglin Wooden Industry Co., Ltd.
100. Ningbo Tianyi Bamboo and Wood Products Co., Ltd.
101. Pinge Timber Manufacturing (Zhejiang) Co., Ltd.
102. Power Dekor Group Co., Ltd.
103. Power Dekor North America Inc.
104. PT. Tanjung Kreasi Parquet Industry
105. Qingdao Barry Flooring Co., Ltd.
106. Qingdao Wisdom International
107. Samling Elegant Living Trading (Labuan) Ltd.
108. Samling Riverside Co., Ltd.
109. Scholar Home (Shanghai) New Material Co. Ltd.
110. Shandong Kaiyuan Wood Industry Co., Ltd.
111. Shandong Longteng Wood Co., Ltd.
112. Shandong Puli Trading Co., Ltd.
113. Shanghai Anxin (Weiguang) Timber Co., Ltd.
114. Shanghai Demeija Timber Co., Ltd.
115. Shanghai Eswell Timber Co., Ltd.
116. Shanghai Lairunde Wood Co., Ltd.
117. Shanghai Lizhong Wood Products Co., Ltd. (aka The Lizhong Wood Industry Limited Company of Shanghai)
118. Shanghai New Sihe Wood Co., Ltd.
119. Shanghai Shenlin Corporation
120. Shanghaifloor Timber (Shanghai) Co., Ltd.
121. Shenyang Haobainian Wooden Co., Ltd.
122. Shenyang Sende Wood Co., Ltd.
123. Shenzhenshi Huanwei Woods Co., Ltd.
124. Sino-Maple (Jiangsu) Co., Ltd.
125. Suifenhe Chengfeng Trading Co., Ltd.
126. Sunyoung Wooden Products
127. Suzhou Anxin Weiguang Timber Co., Ltd.
128. Suzhou Dongda Wood Co., Ltd.
129. Tak Wah Building Material (Suzhou) Co.
130. Tech Wood International Ltd.
131. The Greenville Flooring Co., Ltd.
132. Tongxiang Jisheng Import and Export Co., Ltd.
133. Topocean Consolidation Service

134. Vicwood Industry (Suzhou) Co. Ltd.
135. Xiamen Yung De Ornament Co., Ltd.
136. Xuzhou Antop International Trade Co., Ltd.
137. Xuzhou Shenghe Wood Co., Ltd.
138. Yekalon Industry, Inc.
139. Yihua Lifestyle Technology Co., Ltd.
140. Yixing Lion-King Timber Industry
141. Zhejiang Anji Xinfeng Bamboo and Wood Industry Co., Ltd.
142. Zhejiang Biyork Wood Co., Ltd.
143. Zhejiang Dadongwu Auto Elect Motor
144. Zhejiang Dadongwu Green Home Wood Co., Ltd.
145. Zhejiang Desheng Wood Industry Co., Ltd.
146. Zhejiang Fudeli Timber Industry Co., Ltd.
147. Zhejiang Fuerjia Wooden Co., Ltd.
148. Zhejiang Fuma Warm Technology Co., Ltd.
149. Zhejiang Haoyun Wooden Co., Ltd.
150. Zhejiang Jesonwood Co., Ltd.
151. Zhejiang Jiaye Flooring
152. Zhejiang Jiechen Wood Industry Co., Ltd.
153. Zhejiang Longsen Lumbering Co., Ltd.
154. Zhejiang Shuimojiangnan New Material Technology Co., Ltd.
155. Zhejiang Simate Wooden Co., Ltd.
156. Zhejiang Tianzhen Bamboo & Wood Development Co., Ltd.
157. Zhejiang Yongyu Bamboo Joint-Stock Co., Ltd.