



C-570-011
Sunset Reviews
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May 1, 2020

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

FROM: James Maeder
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations

SUBJECT: Issues and Decision Memorandum for the Final Results of the First Expedited Sunset Review of the Countervailing Duty Order on Certain Crystalline Silicon Photovoltaic Products from the People's Republic of China

I. SUMMARY

The Department of Commerce (Commerce) analyzed the substantive responses of the interested parties in the sunset review of the countervailing duty (CVD) order covering certain crystalline silicon photovoltaic products (certain solar products) from the People's Republic of China (China).¹ No respondent interested party submitted a substantive response. As a result, pursuant to section 751(c)(3)(B) of Tariff Act of 1930, as amended (the Act), and 19 CFR 351.218(e)(1)(ii)(C)(2), Commerce conducted an expedited (120-day) sunset review of the *Order*.² We recommend that you approve the positions described in the "Discussion of the Issues" section of this memorandum. Below is the complete list of the issues in these sunset reviews for which the Department of Commerce (Commerce) received substantive responses:

1. Likelihood of Continuation or Recurrence of a Countervailable Subsidy
2. Net Countervailable Subsidy Rates Likely to Prevail
3. Nature of the Subsidy

¹ See *Certain Crystalline Silicon Photovoltaic Products From the People's Republic of China: Antidumping Duty Order; and Amended Final Affirmative Countervailing Duty Determination and Countervailing Duty Order*, 80 FR 8592 (February 18, 2015) (*Order*); see also *Initiation of Five-Year (Sunset) Reviews*, 85 FR 67 (January 2, 2020) (*Initiation of Sunset Review*).

² See *Procedures for Conduction Five-Year (Sunset) Reviews of Antidumping and Countervailing Duty Orders*, 70 FR 62061 (October 28, 2005) (Commerce normally will conduct an expedited sunset review where respondent interested parties provide an inadequate response).

II. BACKGROUND

On December 23, 2014, and February 18, 2015, Commerce published the *Final Determination*³ and the *Order*,⁴ respectively, of the CVD investigation covering certain solar products from China. Subsequently, on November 13, 2017, Commerce published a notice amending the subsidy rates from the *Order* pursuant to a remand from the United States Court of International Trade (CIT).⁵

On January 2, 2020, Commerce initiated this first sunset review of the *Order*, pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.218(c).⁶ On January 13, 2020, and January 17, 2020, we received notices of intent to participate in the sunset review from SunPower Manufacturing Oregon, LLC (SunPower) and Hanwha Q CELLS USA, Inc. (Q Cells), respectively, both of which are manufacturers of domestic like product in the United States and claimed interested parties status under section 771(9)(C) of the Act.⁷ On February 3, 2020, we received adequate substantive responses from SunPower and Q Cells within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i).⁸ We did not receive a substantive response from the Government of China (GOC) or any Chinese producer or exporter of subject merchandise.

In accordance with section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C), because Commerce did not receive any substantive responses from the GOC, pursuant to 19 CFR 351.218(e)(1)(ii)(B), or from a respondent interested party, pursuant to 19 CFR 351.218(e)(1)(ii)(C), we deem that the respondent interested parties did not provide an adequate response to the notice of initiation. Therefore, consistent with 19 CFR 351.218(e)(1)(ii)(B)(2) and 19 CFR 351.218(e)(1)(ii)(C)(2), we conducted an expedited sunset review of the *Order* and are issuing the final results of review no later than 120 days after the publication of the notice of initiation.

III. SCOPE OF THE ORDER

³ See *Countervailing Duty Investigation of Certain Crystalline Silicon Photovoltaic Products From the People's Republic of China: Final Affirmative Countervailing Duty Determination*, 79 FR 76962 (December 23, 2014) (*Final Determination*) and accompanying Issues and Decision Memorandum (IDM).

⁴ See *Order*.

⁵ See *Certain Crystalline Silicon Photovoltaic Products From the People's Republic of China: Notice of Court Decision Not in Harmony With Amended Final Affirmative Countervailing Duty Determination*, 82 FR 52276 (November 13, 2017) (*Solar Products Timken Notice*).

⁶ See *Initiation of Sunset Review*.

⁷ See SunPower's Letter, "Crystalline Silicon Photovoltaic Products from China and Taiwan: Intent to Participate in Sunset Reviews," dated January 13, 2020; see also Q Cells' Letter, "Crystalline Silicon Photovoltaic Products from People Republic of China and Taiwan: Hanwha Q CELLS USA, Inc.'s Notice of Intent to Participate in Sunset Reviews," dated January 17, 2020.

⁸ See SunPower's Letter, "Crystalline Silicon Photovoltaic Products from China and Taiwan Sunset Reviews: Substantive Response of SPMOR," dated February 3, 2020 (SunPower's Substantive Response); see also Q Cells' Letter, "Certain Crystalline Silicon Photovoltaic Products from China and Taiwan, Inv. Nos. 701-TA-511 and 731-TA-1246 and 1247 (1st Sunset Review); Hanwha Q CELLS USA, Inc.'s Substantive," dated February 3, 2020 (Q Cells' Substantive Response).

The merchandise covered by the *Order* are modules, laminates and/or panels consisting of crystalline silicon photovoltaic cells, whether or not partially or fully assembled into other products, including building integrated materials. Subject merchandise includes modules, laminates and/or panels assembled in China consisting of crystalline silicon photovoltaic cells produced in a customs territory other than China.

Subject merchandise includes modules, laminates and/or panels assembled in China consisting of crystalline silicon photovoltaic cells of thickness equal to or greater than 20 micrometers, having a p/n junction formed by any means, whether or not the cell has undergone other processing, including, but not limited to, cleaning, etching, coating, and/or addition of materials (including, but not limited to, metallization and conductor patterns) to collect and forward the electricity that is generated by the cell.

Excluded from the scope of this investigation are thin film photovoltaic products produced from amorphous silicon (a-Si), cadmium telluride (CdTe), or copper indium gallium selenide (CIGS). Also excluded from the scope of this investigation are modules, laminates and/or panels assembled in China, consisting of crystalline silicon photovoltaic cells, not exceeding 10,000mm² in surface area, that are permanently integrated into a consumer good whose function is other than power generation and that consumes the electricity generated by the integrated crystalline silicon photovoltaic cells. Where more than one module, laminate and/or panel is permanently integrated into a consumer good, the surface area for purposes of this exclusion shall be the total combined surface area of all modules, laminates and/or panels that are integrated into the consumer good. Further, also excluded from the scope of this investigation are any products covered by the existing antidumping and countervailing duty orders on crystalline silicon photovoltaic cells, whether or not assembled into modules, laminates and/or panels, from China. *See Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, From the People's Republic of China: Amended Final Determination of Sales at Less Than Fair Value, and Antidumping Duty Order, 77 FR 73018 (December 7, 2012); Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, From the People's Republic of China: Countervailing Duty Order, 77 FR 73017 (December 7, 2012).*

Merchandise covered by this investigation is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 8501.61.0000, 8507.20.8030, 8507.20.8040, 8507.20.8060, 8507.20.8090, 8541.40.6020, 8541.40.6030 and 8501.31.8000.

IV. HISTORY OF THE ORDER

On December 23, 2014, Commerce published the *Final Determination* in the CVD investigation of certain solar products from China.⁹ The period of investigation (POI) was January 1, 2012 through December 31, 2012. Commerce calculated a rate of 27.64 percent for Wuxi Suntech Power Co., Ltd. (Wuxi Suntech), 49.79 percent for Changzhou Trina Solar Energy Co., Ltd. (Trina Solar), and 38.72 percent for all others.

⁹ *See Final Determination*, and accompanying IDM.

On February 18, 2015, Commerce published the *Order* covering certain solar products from China, which also amended the subsidy rates for Trina Solar and all others.¹⁰ After correcting for ministerial errors, Commerce calculated an amended subsidy rate of 49.21 percent for Trina Solar and 38.43 percent for all others.¹¹

On November 13, 2017, Commerce published the *Solar Products Timken Order* covering certain solar products from China, further amending the subsidy rates from the *Order* pursuant to litigation.¹² Commerce calculated the revised subsidy rates of 27.65 percent for Wuxi Suntech, 39.50 percent for Trina Solar and 33.58 percent for all others.

The following programs were found to confer countervailable benefits in the investigation:¹³

1. The Golden Sun Demonstration Program
2. Discovered Subsidies
3. Provision of Polysilicon for Less than Adequate Renumeration (LTAR)
4. Provision of Aluminum Extrusions for LTAR
5. Provision of Electricity for LTAR
6. Provision of Solar Glass for LTAR
7. Provision for Land for LTAR
8. Preferential Loans and Directed Credit
9. Tax Offsets for Research and Development (R&D) under the Enterprise Income Tax Law
10. Preferential Tax Programs for High or New Technology Enterprises (HNTEs)
11. VAT Rebates on FIE Purchases of Chinese-Made Equipment
12. Export Guarantees and Insurance for Green Technology
13. Export Buyer's Credits

Since the issuance of the *Order*, Commerce has completed two administrative reviews¹⁴ and initiated, but rescinded in full, two other administrative reviews.¹⁵ Commerce has also issued two scope rulings: the first scope ruling found that solar modules assembled in China using solar cells produced in the United States are covered by the *Order*;¹⁶ and the second scope ruling found

¹¹ See *Order*.

¹² See *Solar Products Timken Notice*.

¹³ See *Final Determination IDM*, at 17-30.

¹⁴ See *Certain Crystalline Silicon Photovoltaic Products From the People's Republic of China: Final Results of Countervailing Duty Administrative Review, and Partial Rescission of Countervailing Duty Administrative Review; 2014–2015*, 82 FR 42792 (September 12, 2017) (*First Review*); and *Certain Crystalline Silicon Photovoltaic Products From the People's Republic of China: Final Results of Countervailing Duty Administrative Review; 2017*, 84 FR 56765 (October 23, 2019) (*Second Review*).

¹⁵ See *Certain Crystalline Silicon Photovoltaic Products From the People's Republic of China: Notice of Rescission of Countervailing Duty Administrative Review; 2016*, 82 FR 51392 (November 6, 2017); and *Crystalline Silicon Photovoltaic Products From the People's Republic of China: Rescission of Countervailing Duty Administrative Review; 2018*, 84 FR 57846 (October 29, 2019).

¹⁶ See Memorandum, "Crystalline Silicon Photovoltaic Products from People's Republic Of China: Scope Ruling on Aireko Construction LLC's Solar Modules Composed of U.S.-origin Cells," dated November 12, 2015; see also *Notice of Scope Rulings*, 81 FR 69784 (October 7, 2016).

that certain solar cells imported from Vietnam are not covered by the *Order*.¹⁷ Additionally, Commerce conducted a changed circumstance review that warranted a revocation of the *Order*, in part.¹⁸

V. LEGAL FRAMEWORK

In accordance with section 751(c)(1) of the Act, Commerce conducted this sunset review to determine whether revocation of the *Order* would be likely to lead to continuation or recurrence of a countervailable subsidy. Section 752(b) of the Act provides that, in making this determination, Commerce shall consider: (1) the net countervailable subsidy determined in the investigation and any subsequent reviews, and (2) whether any changes in the programs which gave rise to the net countervailable subsidy have occurred that are likely to affect the net countervailable subsidy.

Pursuant to section 752(b)(3) of the Act, Commerce shall provide to the International Trade Commission (ITC) the net countervailable subsidy rate likely to prevail if the *Order* were revoked. In addition, consistent with section 752(a)(6) of the Act, Commerce shall provide the ITC with information concerning the nature of the subsidy and whether it is a subsidy described in Article 3 or Article 6.1 of the 1994 World Trade Organization Agreement on Subsidies and Countervailing Measures (ASCM).

VI. DISCUSSION OF THE ISSUES

Below we address the comments of the domestic interested parties, SunPower and Q Cells.

1. Likelihood of Continuation or Recurrence of a Countervailable Subsidy

Domestic Interested Parties' Comments:

The domestic interested parties argue that subsidization of certain solar products from China would likely continue or recur if the *Order* were revoked because the subsidy programs countervailed in the initial CVD investigation remain in existence.¹⁹ They state that Commerce determined significant countervailable subsidy rates in the initial investigation based on several subsidy programs, which have continued, as evidenced by the increased subsidy rates in the most recent administrative review.²⁰ They note that Commerce normally will determine that revocation of a CVD order is likely to lead to the continuation or recurrence of countervailable subsidization where a subsidy program continues.²¹

¹⁷ See Memorandum, "Antidumping and Countervailing Duty Orders on Crystalline Silicon Photovoltaic Products from the People's Republic of China: SunSpark Technology Inc. Scope Ruling," dated January 23, 2020.

¹⁸ See *Certain Crystalline Silicon Photovoltaic Products From the People's Republic of China and From Taiwan: Final Results of Changed Circumstances Reviews, and Revocation of Antidumping Duty Orders and Countervailing Duty Order, in Part*, 82 FR 16573 (April 5, 2017).

¹⁹ See SunPower's Substantive Response, at 8-9, and Q Cells' Substantive Response, at 9-10.

²⁰ *Id.*

²¹ *Id.*

Commerce's Position:

In determining the likelihood of continuation or recurrence of a countervailable subsidy, section 752(b)(1) of the Act directs Commerce to consider the net countervailable subsidy determined in the investigation and subsequent reviews and whether there has been any change in a program found to be countervailable that is likely to affect that net countervailable subsidy. According to the Statement of Administrative Action (SAA) accompanying the Uruguay Round Agreements Act, Commerce will consider the net countervailable subsidies in effect after the issuance of an order and whether the relevant subsidy programs have been continued, modified, or eliminated.²² The SAA states that “{c}ontinuation of a program will be highly probative of the likelihood of continuation or recurrence of countervailable subsidies.”²³ The continual existence of programs that have not been used, and have not been terminated without residual benefits or replaced, is also probative of the likelihood of continuation or recurrence of a countervailable subsidy.²⁴ Where a subsidy program is found to exist, Commerce normally will determine that revocation of the CVD order is likely to lead to continuation or recurrence of a countervailable subsidy, regardless of the level of subsidization.²⁵

As Commerce stated in prior sunset determinations, two conditions must be met in order for a subsidy program not to be included in determining the likelihood of continued or recurring subsidization: (1) the program must be terminated; and (2) any benefit stream must be fully allocated.²⁶ To determine whether a program has been terminated, “Commerce will consider the legal method by which the government eliminated the program and whether the government is likely to reinstate the program.”²⁷ Commerce normally expects a program to be terminated by means of the same legal mechanism used to institute it.²⁸ Where a subsidy is not bestowed pursuant to a statute, regulation or decree, Commerce may find no likelihood of continued or recurring subsidization if the subsidy in question was a one-time, company-specific occurrence that was not part of a broader, government program.²⁹

Based on the facts on the record and because no party has submitted evidence to demonstrate

²² See Statement of Administrative Action accompanying the Uruguay Round Agreements Act (SAA), H.R. Doc. 103-316, vol. 1 (1994), at 888.

²³ *Id.*

²⁴ See, e.g., *Certain Hot-Rolled Flat-Rolled Carbon-Quality Steel Products from Brazil: Final Results of Full Sunset Review of Countervailing Duty Order*, 75 FR 75455 (December 3, 2010) (*Hot-Rolled Steel from Brazil*), and accompanying IDM at Comment 1.

²⁵ *Id.*

²⁶ See, e.g., *Preliminary Results of Full Sunset Review: Certain Corrosion-Resistant Carbon Steel Flat Products from France*, 71 FR 30875 (May 31, 2006), and accompanying Preliminary Decision Memorandum at 5-7, unchanged in *Corrosion-Resistant Carbon Steel Flat Products from France: Final Results of Full Sunset Review*, 71 FR 58584 (October 4, 2006); *Fresh and Chilled Atlantic Salmon from Norway: Final Results of Full Third Sunset Review of Countervailing Duty Order*, 75 FR 70411 (November 14, 2011) (*Salmon from Norway*), and accompanying IDM at Comment 1.

²⁷ See SAA at 888; see, e.g., *Salmon from Norway*, and accompanying IDM at Comment 1; *Hot-Rolled Steel from Brazil*, and accompanying IDM at Comment 1.

²⁸ See, e.g., *Final Affirmative Countervailing Duty Determination: Certain Hot-Rolled Carbon Steel Flat Products from India*, 66 FR 49635 (September 28, 2001), and accompanying IDM at Comment 7.

²⁹ See, e.g., *Stainless Steel Plate in Coils from Belgium: Final Results of Full Sunset Review and Revocation of the Countervailing Duty Order*, 76 FR 25666 (May 5, 2011), and accompanying IDM at Comment 1.

that the countervailable programs have expired or been terminated without any residual benefits, Commerce determines that the subsidy programs found countervailable during the investigation continue to exist. Because the continuation of programs is highly probative of the likelihood of the continuation or recurrence of countervailable subsidies, we determine that the revocation of the *Order* would likely lead to continuation or recurrence of countervailable subsidies for certain solar products from China.

2. Net Countervailable Subsidy Rates Likely to Prevail

Domestic Interested Parties' Comments:

The domestic interested parties state that Commerce should follow the SAA and *Policy Bulletin* instructions, which indicate that Commerce should choose the subsidy rates from the original investigation because such rates reflect the behavior of exporters and foreign governments without the discipline of an order in place, but that Commerce should take the changes in subsidy programs reflected in the first administrative review into account.³⁰ They state that Commerce should find that the following net countervailable subsidy rates are likely to prevail in the event of revocation of the *Order*: 27.64 percent for Wuxi Suntech, 49.21 percent for Trina Solar, and 38.43 percent for all others.³¹

Commerce's Position:

Commerce normally will provide to the ITC the net countervailable subsidy rates that were determined in the investigation as the rates likely to prevail if the order is revoked because these are the only calculated rates that reflect the behavior of exporters and foreign governments without the discipline of the order in place.³² Section 752(b)(1)(B) of the Act provides, however, that Commerce will consider whether any change in the program which gave rise to the net countervailable subsidy determination in the investigation or subsequent reviews has occurred that is likely to affect the net countervailable subsidy rate. Therefore, although the SAA provides that Commerce normally will select a rate from the investigation, this rate may not be the most appropriate if, for example, the rate was derived (in whole or in part) from subsidy programs which were found in subsequent reviews to be terminated, there has been a program-wide change, or the rate ignores a program found to be countervailable in a subsequent administrative review.³³

As an initial matter, the subsidy rates that were determined in the initial investigation and amended by the *Order* were subsequently amended again in the *Solar Products Timken Notice*. As a result, pursuant to SAA instructions, the rates from the *Solar Products Timken Notice* are the rates likely to prevail if the *Order* is revoked because these are the most accurate calculated

³⁰ See SunPower's Substantive Response, at 9-19, and Q Cells' Substantive Response, at 11-13.

³¹ *Id.*

³² See SAA at 890; see also Uruguay Round Implementation bill, H.R. Rep. No. 103-826 (1994) at 64.

³³ See e.g., *Stainless Steel Sheet and Strip in Coils from the Republic of Korea: Final Results of Expedited Second Sunset Review*, 75 FR 62101 (October 7, 2010), and accompanying IDM at Comment 2.

rates that reflect the behavior of exporters and the GOC without the discipline of the *Order* in place.

There have not been any additional programs subsequently found to be countervailable during the first and second administrative reviews.³⁴ Likewise, Commerce has not found any programs that have been terminated in the subsequent administrative reviews.³⁵ Thus, the rates likely to prevail in this determination are those identified in the *Solar Products Timken Notice*: 27.65 percent for Wuxi Suntech, 39.50 percent for Trina Solar and 33.58 percent for all others.

3. Nature of the Subsidy

Consistent with section 752(a)(6) of the Act, Commerce is providing the following information to the ITC concerning the nature of the subsidies and whether the subsidies are prohibited subsidies as described in Article 3, or subsidies described in Article 6.1 of the ASCM. We note that Article 6.1 of the ASCM expired effective January 1, 2000.

Article 3

In this sunset review there are three programs that fall under Article 3.1 of the SCM Agreement, which states that the following subsidies shall be prohibited: (a) subsidies contingent, in law or in fact, whether solely or as one of several other conditions, upon export performance, and (b) subsidies contingent, whether solely or as one of several other conditions, upon the use of domestic over imported goods.

1. *VAT Rebates on FIE Purchases of Chinese-Made Equipment*³⁶

Under this program, the GOC refunds the VAT on purchases of domestically-produced equipment by FIEs if the equipment does not fall into the non-duty exemptible catalog and if the value of the equipment does not exceed the total investment limit of an FIE.

2. *Export Guarantees and Insurance for Green Technology*³⁷

This program is designed to promote the export of high-tech products, optimize the structure of export products, and improve the quality, grade, and benefits of export products. Specifically, the China Export & Credit Insurance Corporation (SINOSURE) provides export credit insurance to policyholders.

³⁴ See *First Review*, and accompanying IDM, and *Second Review*, and accompanying IDM.

³⁵ *Id.*

³⁶ See *Final Determination* IDM, at 28.

³⁷ *Id.* at 29-30.

3. *Export Buyer's Credits*³⁸

Through this program, the Export-Import Bank of China (Ex-Im Bank) provides loans at preferential rates for the purchase of exported goods from the PRC.

Article 6.1

The following subsidy programs do not fall within the meaning of Article 3.1 of the SCM Agreement, but may be subsidies described in Article 6.1 of the SCM Agreement if the amount of the subsidy exceeds five percent, as measured in accordance with Annex IV of the SCM Agreement. The subsidies may also fall within the meaning of Article 6.1 if they constitute debt forgiveness, a grant to cover debt repayment, or are subsidies to cover operating losses sustained by an industry or enterprise. However, there is insufficient information on the record to make such a determination. We are, in any case, providing the ITC with the following program descriptions:

1. *The Golden Sun Demonstration Program*³⁹

This program promotes the technological progress and scaled development of the photovoltaic electricity generation industry through government grants.

2. *Discovered Subsidies*⁴⁰

In the initial investigation, Commerce discovered numerous subsidies from the GOC to the respondent companies. Included in the discovered subsidies are 28 programs used by Trina Solar that Commerce uncovered during verification.

3. *Provision of Polysilicon for LTAR*⁴¹

Under this program, producers of polysilicon act as governmental authorities and provide polysilicon for LTAR to companies in specific industries.

4. *Provision of Aluminum Extrusions for LTAR*⁴²

Under this program, producers of aluminum extrusions act as governmental authorities and provide polysilicon for LTAR to companies in specific industries.

5. *Provision of Electricity for LTAR*⁴³

³⁸ *Id.* at 30.

³⁹ *Id.* at 17-18.

⁴⁰ *Id.* at 18-19.

⁴¹ *Id.* at 19-20.

⁴² *Id.* at 20-21.

⁴³ *Id.* at 21-22; *see also* Memorandum to Paul Piquado, "Decision Memorandum for the Preliminary Affirmative Countervailing Duty Determination in the Countervailing Duty Investigation of Certain Crystalline Silicon Photovoltaic Products from the People's Republic of China," dated June 2, 2014 (PDM), at 30-31.

Under this program, particular industries are eligible for discounted electricity rates, which are determined by the GOC.

6. *Provision of Solar Glass for LTAR*⁴⁴

Under this program, producers of solar glass act as governmental authorities and provide polysilicon for LTAR to companies in specific industries.

7. *Provision for Land for LTAR*⁴⁵

Under this program, respondent companies benefited from the provision of land by the GOC at either a discounted rate or for free.

8. *Preferential Loans and Directed Credit*⁴⁶

Under this program, the GOC subsidizes producers of certain solar products through preferential loans and directed credit at interest rates that are considerably lower than market rates. The GOC provides for such preferential lending through the Renewable Energy Law, the Medium and Long-Term Development Plan for Renewable Energy in China, and the Interim Measures for the Administration of Financial Subsidy Fund for Renewable and Energy Saving-Building Materials. The GOC also placed great emphasis on targeting the renewable energy industry, including producers of certain solar products.

9. *Tax Offsets for Research and Development (R&D) under the Enterprise Income Tax Law*⁴⁷

Under the Enterprise Income Tax Law of China, companies may deduct research and development expenses incurred in the development of new technologies, products, or processes from their taxable income. Additionally, solar energy and solar photovoltaic technology are considered R&D and high-technology sectors, which may deduct certain expenditures.

10. *Preferential Tax Programs for High or New Technology Enterprises (HNTEs)*⁴⁸

Under the Enterprise Income Tax Law of China, companies recognized as HNTEs are eligible for a reduced income tax rate of 15 percent, in lieu of the regular rate of 25 percent. HNTEs that qualify for this support includes renewable, clean energy technologies such as solar photovoltaic technologies.

⁴⁴ See *Final Determination IDM*, at 22-23.

⁴⁵ *Id.* at 23. See also *PDM*, at 32-33.

⁴⁶ See *Final Determination IDM*, at 24-25.

⁴⁷ *Id.* at 25-26.

⁴⁸ *Id.* at 26-27.

VII. FINAL RESULTS OF SUNSET REVIEW

We determine that revocation of the countervailing duty *Order* on certain solar products from China would be likely to lead to continuation or recurrence of a countervailing subsidy at the following rates: 27.65 percent for Wuxi Suntech, 39.50 percent for Trina Solar and 33.58 percent for all others.

VIII. RECOMMENDATION

Based on our analysis of the substantive responses received, we recommend adopting all the above positions. If accepted, we will publish the final results of these expedited sunset reviews in the *Federal Register* and notify the ITC of our findings.

Agree

Disagree

5/1/2020

X



Signed by: JOSEPH LAROSKI

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