SEMI-ANNUAL REPORT UNDER ARTICLE 25.11  
OF THE AGREEMENT

China

Reproduced herewith is the semi-annual report for the period 1 January-30 June 2022 from **China**.

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Reporting Member: CHINA**[[1]](#footnote-1)**

SEMI-ANNUAL REPORT OF COUNTERVAILING DUTY ACTIONS[[2]](#footnote-2)

For the period 1 January-30 June 2022

Original Investigations

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Country or customs territory** | **Product** | **Initiation** | **Provisional measures and preliminary**  **determinations** | **Final measures** | | **No final measures/ termination** | **Other** | **Trade data**  **(from published report(s))** | | **Countervailed programme(s)** |
| **Definitive duty** | **Undertaking** |
| Description; HS 6-digit category covering investigated product[[3]](#footnote-3); ID number; (\*) if investigation of >1 country | Date; period of investigation (S-subsidization I-injury) | Date of measures; range of individual amounts of subsidy; "other" rates; [range of applied rates if different, reason] | Date of duties; range of individual amounts of subsidy; "other" rates; [range of applied rates if different, reason] | Date of application; range of individual amounts of subsidy  or minimum prices | Date,  reason | Date, explanation | Import volume or value (units/ currency); product coverage, period, if different from cols. 2/3 | Import volume as % of apparent domestic consumption or as % of total imports | Name(s) of the subsidy programme(s) countervailed |
| **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** | **9** | **10** | **11** |
| United States | Polyphenylene ether  39072990[[4]](#footnote-4)  20-0001 | 14.08.2020  S: 01.01.2019-31.12.2019  I: 01.01.2017-31.12.2019 | Preliminary determination: 14.10.2021  Affirmative  Measure imposed  Gazette 2021 No. 31  P: 14.10.2021  C: 15.10.2021  17.7%  All other rates: 17.7% | **-** | **-** | Final determination: 06.01.2022  Negative  No measure imposed Gazette 2022 No. 02 *de minimis* | The investigation time limit was extended to 14.02.2022 according to Gazette 2021 No. 18, 23.07.2021 | 21,848 tons  (01.01.2019-31.12.2019) | SIPDC:  15.18% | 1. Upstream Subsidies  (a) Upstream subsidy programs provided by the federal government: Innovative Technology Loan Guarantee Program; Fossil Energy Research and Development; Expensing of Intangible Drilling Costs/Expensing Exploration and Development Costs for Oil, Gas and other Fuels; Percentage Depletion for Oil and Natural Gas Wells/Excess of Percentage over Cost Depletion for Oil, Gas and other Fuels; |
| **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** | **9** | **10** | **11** |
| United States (Cont'd) |  |  |  |  |  |  |  |  |  | Two Year Amortization Period for Geological and Geophysical Expenditures; Percentage Depletion for Hard Mineral Fossil Fuels; Expensing of Exploration and Development Costs for Hard Mineral Fuels; Enhanced Oil Recovery Credit; Corporate Income Tax Exemption for Fossil Fuel Publicly Traded Partnerships.  (b) Upstream subsidy programs provided by local governments: LNG Storage Facility Credit; Gross Value Reduction; Oil and Gas Industry Service Expenditures Credit; In-State Refinery Tax Credit; Qualified Capital Expenditure Credit; Development Credit for Small Producers and New Areas; Alternative Credit for Exploration; Percentage Depletion of Mineral and other Resources; Severance-Tax Exemption for Stripper Wells/Severance-Tax Reductions for Low-Volume Wells; Severance-Tax Oil and Gas Ad valorem Credit; Severance-Tax Exemption for Low-Volume Oil-Shale Production; Reduced Value for Certain Mineral Properties; Sales-Tax Exclusion for Installation of Board Roads in Oil-Fields; Sales Tax Exclusion on Drilling Rigs/Sales Tax Exemption for Repairs and Materials Used on Drilling Rigs; Excess of Percentage over Cost Depletion; Natural Gas Severance Tax Suspension for Horizontal Wells; Natural Gas Severance Tax Suspension for Inactive Wells; Natural Gas Severance Tax Suspension for Deep Wells; |
| **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** | **9** | **10** | **11** |
| United States (Cont'd) |  |  |  |  |  |  |  |  |  | Reduced Severance Tax on Incapable Oil Well Gas; Reduced Severance Tax on Incapable Gas Well Gas; Oil Deduction Severance Tax on Transportation Fees; Severance Tax Suspension on Oil from Horizontal Wells; Severance Tax Suspension on Oil from Inactive Wells; Severance Tax Suspension on Oil from Deep Wells; Severance Tax Suspension on Oil from Tertiary Recovery; Reduced Severance Tax Rate on Incapable Oil Wells; Reduced Severance Tax Rate on Oil from Stripper Wells; Severance Tax Exclusion on Flared or Vented Natural Gas; Severance Tax Exclusion for Natural Gas Used in Field Operations; Gas Gross Production Tax Exemptions and Oil Extraction Tax Exemptions/Reduced Tax Rate for Certain Wells Outside the Bakken and Three Forks Region; Sales Tax Exemption for Oil/Sales Tax Exemption for CO2 Used for Enhanced Oil Recovery/Sales Tax Exemption for Natural Gas; Sales Tax Exemption for Electricity Used in Enhanced Oil Recovery; Cost of Complying with Sulphur Regulations; Full Expensing of Capital Investments in Qualified New Refinery Capacity; Gross Production Tax Rebate for Re-established Production; |
| **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** | **9** | **10** | **11** |
| United States (Cont'd) |  |  |  |  |  |  |  |  |  | Gross Production Tax Rebate for Production Enhancement/Enhanced Oil Recovery Deduction; Realty-Transfer Tax Exemption for Resource Leases; Sales Tax Exemption for Oil and Gas Equipment; Severance Tax Exemptions for Crude Oil and Natural Gas/Texas Shale Gas Production Tax Relief; Sales-Tax Exemption for Transporting Drilling Rigs/Sales-Tax Exemption for Certain Well Services/Sales-Tax Exemption for CO2 Used in Tertiary Production.  2. Direct subsidies  Program of low-price power supply by the U.S. Government; Program of low-price water supply by the U.S. Government. |
|  | Certain monoalkyl ethers of ethylene glycol and propylene glycol  29094400, 29094990  20-0003 | 14.09.2020  S: 01.01.2019-31.12.2019  I: 01.01.2016-31.12.2019 | Preliminary determination: 18.09.2021  16.8%  All others: 16.8%  Affirmative  No measure imposed  Gazette 2021 No. 26 | - | - | Final determination: 10.01.2022  Affirmative  P: 10.01.2022  No measure imposed  Gazette 2022 No. 04  Due to specific circumstances of the case, China has decided not to impose a definitive measure for now. (Gazette 2022 No. 04, 10.01.2022) | The investigation time limit was extended to 14.03.2022 according to Gazette 2021 No. 20, 27.08.2021 | 30,507 tons  (01.2019-12.2019) | SIPDC:  30.08% | Upstream Subsidies:  **Federal**  1. Expensing of Intangible Drilling Costs  2. Percentage Depletion for Oil and Natural Gas Wells  3. Two Year Amortization Period for Geological & Geophysical Expenditures  4. Percentage Depletion for Hard Mineral Fossil Fuels  5. Deduction for Tertiary Injectants  6. Exception to Passive Loss Limitation for Working Interests in Oil and Natural Gas Properties  7. Enhanced Oil Recovery Credit  8. Corporate Income Tax Exemption for Fossil Fuel Publicly Traded Partnerships  9. Natural gas distribution pipelines treated as 15-year property |
| **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** | **9** | **10** | **11** |
| United States (Cont'd) |  |  |  |  |  |  |  |  |  | **States**  Alaska  1. LNG Storage Facility Credit  2. Gross Value Reduction  3. Oil and Gas Industry Service Expenditures Credit  4. In-State Refinery Tax Credit  5. Qualified Capital Expenditure Credit  6. Development Credit for Small Producers and New Areas  7. Alternative Credit for Exploration  8. Taxable Per Barrel Credit  California  1. Percentage Depletion of Mineral and Other Resources  Colorado  1. Severance-Tax Exemption for Stripper Wells/Severance-Tax Reductions for Low-Volume Wells  2. Severance-Tax Oil and Gas Ad Valorem Credit  3. Severance-Tax Exemption for Low-Volume Oil-Shale Production  4. Reduced Value for Certain Mineral Properties  Louisiana  1. Sales-Tax Exclusion for Installation of Board Roads in Oil-fields  2. Sales-Tax Exclusion on Drilling Rigs/Sales-Tax Exemption for Repairs and Materials Used on Drilling Rigs  3. Excess of Percentage over Cost Depletion  4. Natural Gas Severance Tax Suspension for Horizontal Wells  5. Natural Gas Severance Tax Suspension for Inactive Wells  6. Natural Gas Severance Tax Suspension for Deep Wells  7. Reduced Severance Tax on Incapable Oil Well Gas  8.Reduced Severance Tax on Incapable Gas Well Gas |
| **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** | **9** | **10** | **11** |
| United States (Cont'd) |  |  |  |  |  |  |  |  |  | 9. Oil Deduction Severance Tax on Transportation Fees  10. Severance Tax Suspension on Oil from Horizontal Wells  11. Severance Tax Suspension on Oil from Inactive Wells  12. Severance Tax Suspension on Oil from Deep Wells  13. Severance Tax Suspension on Oil from Tertiary Recover  14. Reduced Severance Tax Rate on Incapable Oil Wells  15. Reduced Severance Tax Rate on Oil from Stripper Wells  16. Severance Tax Exclusion on Flared or Vented Natural Gas  17. Severance Tax Exclusion for Natural Gas Used in Field Operations  North Dakota  1. Gas Gross Production Tax Exemptions + Oil Extraction Tax Exemptions/Reduced Tax Rate for Certain Wells Outside the Bakken and Three Forks Region  2. Sales tax exemption for oil/Sales tax exemption for CO2 used for enhance oil recovery/Sales tax exemption for natural gas  Oklahoma  1. Sales Tax Exemption for Electricity Used in Enhanced Oil Recovery  2. Cost of Complying with Sulphur Regulations  3. Full Expensing of Capital Investments in Qualified New Refinery Capacity  4. Gross Production Tax Rebate for Re-established Production  5. Gross Production Tax Rebate for Production Enhancement/Enhanced Oil Recovery Deduction  6. Gross Production Tax Rebate for 3D Seismic Wells |
| **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** | **9** | **10** | **11** |
| United States (Cont'd) |  |  |  |  |  |  |  |  |  | 7. Gross Production Tax Exemption for O&G Owned by Government  8. Gas Marketing Deduction Against Gross Production Tax  9. Gross Production Tax Rebate for Horizontally Drilled Wells  10. Gross Production Tax Rebate for New Discovery Wells  Pennsylvania  1. Realty-Transfer Tax Exemption for Resource Leases  Texas  1. Sales Tax Exemption for Oil & Gas Equipment  2. Severance Tax Exemptions for Crude Oil and Natural Gas  West Virginia  1. Exclusion of Low Volume Oil & Gas Wells  Wyoming  1. Sales-Tax Exemption for Transporting Drilling Rigs/Sales-Tax Exemption for Certain Well Services/Sales-Tax Exemption for CO2 Used in Tertiary Production  2. Severance-Tax Reduction for Stripper Wells  Direct Subsidies:  1. Research and development grants of DOE  2. Texas Economic Development Act  3. Texas Enterprise Fund  4. Centers of Energy Excellence Program  5. Industrial Tax Exemption Program  6. MEGA Job Creation Tax Credits  7.Industrial Facilities Exemption-P.A.198  8. Payment in Lieu of Tax, PILOT  9. FastTrack Economic Development Fund Grants |

Reviews/Other subsequent proceedings

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Country or customs territory** | **Product** | **Initiation** | **Preliminary results/ determination** | **Final results** | | **Revocation of Measures** | **Other (e.g., procedures not affecting the duty level)** | **Trade Data**  **(if available from published report(s) on proceeding)** | | **Countervailed programme(s)** |
| **Definitive duty** | **Undertaking** |
| Description; HS 6-digit category covering investigated product3; ID number;  (\*) if investigation of >1 country | Date, Type of Review or Procedure (code), Period Covered | Effective date; range of individual amounts of subsidy; "other" rates; [range of applied rates if different, reason] | Effective date, range of individual amounts of subsidy; "other" rates; [range of applied rates if different, reason] | Effective date; range of individual amounts of subsidy or minimum prices; or other outcome (code) | Date,  reason | Date,explanation | Import volume or value (units/ currency); product coverage, period, if different from cols. 2/3 | Import volume as % of apparent domestic consumption or as % of total imports | Name(s) of the subsidy programme(s) countervailed |
| **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** | **9** | **10** | **11** |
| United States | Distillers dried grains with or without solubles  23033000  16-0001 | 12.01.2022  Sunset/Expiry review  S: 01.07.2020-30.06.2021  I: 01.01.2017-30.06.2021 | - | - | - | - | Duty remains in force pending the outcome of the review  11.01.2022 (P)  12.01.2022 (C)  Measure extended up to: 11.01.2023 | - | - | - |

P - Publication date

C - Date of commencement of duty collection

SIPDC - Subsidized imports as % of domestic consumption

ANNEXES

DEFINITIVE COUNTERVAILING MEASURES IN FORCE  
AS of 30 June 2022

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Country/Customs Territory** | **Product, investigation ID number** | **Measure(s)** | **Date of original imposition; publication reference** | **Date(s) of extension; publication reference(s)** |
| Australia | Barley  18-0003 | Duties | 19.05.2020  Gazette, 2020 No. 15 of 18.05.2020 | - |
| European Union[[5]](#footnote-5) | Potato starch  10-0001 | Duties | 17.09.2011  Gazette, 2011 No. 54 of 17.09.2011 | 15.09.2017  Gazette, 2017 No. 38 of 15.09.2017 |
| India | Ortho chloro para nitroaniline  17-0001 | Duties | 13.02.2018  Gazette, 2018 No. 18 of 13.02.2018 | - |
| United Kingdom | Potato starch  10-0001-UK[[6]](#footnote-6) | Duties | 01.01.2021  Gazette, 2011 No. 54 of 01.01.2021 | - |
| United States | Solar-grade polysilicon  12-0007 | Duties | 20.01.2014  Gazette, 2014 No. 04 of 20.01.2014 | 20.01.2020  Gazette, 2020 No. 02 of 20.01.2020 |
|  | Distillers dried grains with or without solubles  16-0001 | Duties | 12.01.2017  Gazette, 2016 No. 80 of 12.01.2017 | 12.01.2022\*  Gazette, 2022 No. 06 of 11.01.2022 |
|  | n-Propanol (NPA)  19-0001 | Duties | 18.11.2020  Gazette, 2020 No. 47 of 17.11.2020 | - |

(\*) Duty extended pending outcome of the final findings of the Sunset Review investigation.

TERMINATION OF MEASURES DURING THE PERIOD  
1 January THROUGH 30 June 2022

|  |  |  |  |
| --- | --- | --- | --- |
| **Country/Customs Territory** | **Product,**  **investigation ID number** | **Date of termination** | **Reason for termination** |
| NIL | | | |

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1. Website address where published reports on investigations are available: <http://cacs.mofcom.gov.cn/index.shtml>. [↑](#footnote-ref-1)
2. All terms and column headings used in this format have the meanings assigned to them in the instructions. [↑](#footnote-ref-2)
3. For reference purposes only. [↑](#footnote-ref-3)
4. According to Customs Import and Export Tariff of People's Republic of China (2022), the HS Code of the investigated product should be adjusted into 39072990. [↑](#footnote-ref-4)
5. European Union (27 member States). [↑](#footnote-ref-5)
6. According to the Public Notice of the Ministry of Commerce of the People's Republic of China (Gazette 2021 No. 03), the trade remedy measures applied to the European Union before 31 December 2020 would continue to apply to the United Kingdom with the implementation period unchanged. [↑](#footnote-ref-6)