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-subsidizationI-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 subsidyor minimum prices | Date,reason | Date, explanation | Import volume or value (units/ currency); product coverage, period, if different fromcols. 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 ether39072990[[4]](#footnote-4)20-0001 | 14.08.2020S: 01.01.2019-31.12.2019I: 01.01.2017-31.12.2019 | Preliminary determination: 14.10.2021AffirmativeMeasure imposed Gazette 2021 No. 31P: 14.10.2021C: 15.10.202117.7%All other rates: 17.7% | **-** | **-** | Final determination: 06.01.2022NegativeNo 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 subsidiesProgram 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 glycol29094400, 2909499020-0003 | 14.09.2020S: 01.01.2019-31.12.2019I: 01.01.2016-31.12.2019 | Preliminary determination: 18.09.202116.8%All others: 16.8%Affirmative No measure imposed Gazette 2021 No. 26 | - | - | Final determination: 10.01.2022AffirmativeP: 10.01.2022No measure imposedGazette 2022 No. 04Due 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 Costs2. Percentage Depletion for Oil and Natural Gas Wells3. Two Year Amortization Period for Geological & Geophysical Expenditures4. Percentage Depletion for Hard Mineral Fossil Fuels5. Deduction for Tertiary Injectants6. Exception to Passive Loss Limitation for Working Interests in Oil and Natural Gas Properties7. Enhanced Oil Recovery Credit8. Corporate Income Tax Exemption for Fossil Fuel Publicly Traded Partnerships9. 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**Alaska1. LNG Storage Facility Credit 2. Gross Value Reduction3. Oil and Gas Industry Service Expenditures Credit 4. In-State Refinery Tax Credit 5. Qualified Capital Expenditure Credit6. Development Credit for Small Producers and New Areas7. Alternative Credit for Exploration8. Taxable Per Barrel CreditCalifornia1. Percentage Depletion of Mineral and Other ResourcesColorado1. Severance-Tax Exemption for Stripper Wells/Severance-Tax Reductions for Low-Volume Wells2. Severance-Tax Oil and Gas Ad Valorem Credit3. Severance-Tax Exemption for Low-Volume Oil-Shale Production4. Reduced Value for Certain Mineral PropertiesLouisiana1. Sales-Tax Exclusion for Installation of Board Roads in Oil-fields2. Sales-Tax Exclusion on Drilling Rigs/Sales-Tax Exemption for Repairs and Materials Used on Drilling Rigs 3. Excess of Percentage over Cost Depletion4. Natural Gas Severance Tax Suspension for Horizontal Wells5. Natural Gas Severance Tax Suspension for Inactive Wells6. Natural Gas Severance Tax Suspension for Deep Wells7. Reduced Severance Tax on Incapable Oil Well Gas8.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 Wells11. Severance Tax Suspension on Oil from Inactive Wells12. Severance Tax Suspension on Oil from Deep Wells13. Severance Tax Suspension on Oil from Tertiary Recover14. Reduced Severance Tax Rate on Incapable Oil Wells 15. Reduced Severance Tax Rate on Oil from Stripper Wells16. Severance Tax Exclusion on Flared or Vented Natural Gas17. Severance Tax Exclusion for Natural Gas Used in Field OperationsNorth Dakota1. Gas Gross Production Tax Exemptions + Oil Extraction Tax Exemptions/Reduced Tax Rate for Certain Wells Outside the Bakken and Three Forks Region2. Sales tax exemption for oil/Sales tax exemption for CO2 used for enhance oil recovery/Sales tax exemption for natural gas Oklahoma1. Sales Tax Exemption for Electricity Used in Enhanced Oil Recovery2. Cost of Complying with Sulphur Regulations3. 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 Deduction6. 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 Government8. Gas Marketing Deduction Against Gross Production Tax9. Gross Production Tax Rebate for Horizontally Drilled Wells10. Gross Production Tax Rebate for New Discovery Wells Pennsylvania 1. Realty-Transfer Tax Exemption for Resource Leases Texas1. Sales Tax Exemption for Oil & Gas Equipment 2. Severance Tax Exemptions for Crude Oil and Natural Gas West Virginia1. 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 WellsDirect Subsidies:1. Research and development grants of DOE2. Texas Economic Development Act3. Texas Enterprise Fund4. Centers of Energy Excellence Program5. Industrial Tax Exemption Program6. MEGA Job Creation Tax Credits7.Industrial Facilities Exemption-P.A.1988. Payment in Lieu of Tax, PILOT9. 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 solubles2303300016-0001 | 12.01.2022Sunset/Expiry reviewS: 01.07.2020-30.06.2021I: 01.01.2017-30.06.2021 | - | - | - | - | Duty remains in force pending the outcome of the review11.01.2022 (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,investigationID number** | **Measure(s)** | **Date of original imposition; publication reference** | **Date(s) of extension; publication reference(s)** |
| Australia | Barley18-0003 | Duties | 19.05.2020Gazette, 2020 No. 15 of 18.05.2020 | - |
| European Union[[5]](#footnote-5) | Potato starch10-0001 | Duties | 17.09.2011Gazette, 2011 No. 54 of 17.09.2011 | 15.09.2017Gazette, 2017 No. 38 of 15.09.2017 |
| India | Ortho chloro para nitroaniline17-0001 | Duties | 13.02.2018Gazette, 2018 No. 18 of 13.02.2018 | - |
| United Kingdom | Potato starch10-0001-UK[[6]](#footnote-6) | Duties | 01.01.2021Gazette, 2011 No. 54 of 01.01.2021 | - |
| United States | Solar-grade polysilicon12-0007 | Duties | 20.01.2014Gazette, 2014 No. 04 of 20.01.2014 | 20.01.2020Gazette, 2020 No. 02 of 20.01.2020 |
|  | Distillers dried grains with or without solubles16-0001 | Duties | 12.01.2017Gazette, 2016 No. 80 of 12.01.2017 | 12.01.2022\*Gazette, 2022 No. 06 of 11.01.2022 |
|  | n-Propanol (NPA)19-0001 | Duties | 18.11.2020Gazette, 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)