DEPARTMENT OF COMMERCE

International Trade Administration

[C-583-852]

Non-Oriented Electrical Steel from Taiwan: Final Results of the Expedited Five-Year Sunset Review of the Countervailing Duty Order

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

SUMMARY: As a result of this expedited sunset review, the Department of Commerce (Commerce) finds that revocation of this countervailing duty (CVD) order would likely lead to continuation or recurrence of a countervailable subsidy at the levels indicated in the “Final Results of Review” section of this notice.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].


SUPPLEMENTARY INFORMATION:

Background

On November 1, 2019, Commerce published the notice of initiation of the first sunset review of the Order,¹ in accordance with section 751(c) of the Tariff Act of 1930, as amended.² On November 15, 2019, Commerce received a notice of intent to participate from AK Steel

¹ See Notice of Countervailing Duty Order: Non-Oriented Electrical Steel from Taiwan, 79 FR 61602 (October 14, 2014) (Order).
² See Initiation of Five-Year (Sunset) Reviews, 84 FR 58687 (November 1, 2019).
Corporation (AK Steel) (hereinafter referred to as the Domestic Producer), in which the Domestic Producer claimed interested party status under section 771(9)(C) of the Act as a manufacturer of the domestic like product.\(^3\) On November 27, 2019, the Domestic Producer submitted a substantive response within the 30-day deadline specified under 19 CFR 351.218(d)(3)(i).\(^4\) On November 21, 2019, Commerce notified the United States International Trade Commission (ITC) of its receipt of the Domestic Producer’s substantive response.\(^5\) We received no substantive response from any other domestic or interested party in this proceeding, nor was a hearing requested. On December 13, 2019, Commerce notified the ITC that it did not receive an adequate substantive response from respondent interested parties.\(^6\) As a result, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), Commerce conducted an expedited (120-day) sunset review of the Order.

**Scope of the Order**

The merchandise subject to the *Order* is Non-Oriented Electrical Steel (NOES) which includes cold-rolled, flat-rolled, alloy steel products, whether or not in coils, regardless of width, having an actual thickness of 0.20 mm or more, in which the core loss is substantially equal in any direction of magnetization in the plane of the material. The merchandise subject to the order is currently classifiable under items 7225.19.0000, 7226.19.1000, and 7226.19.9000 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings

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are provided for convenience and customs purposes, the written description is dispositive. For a full description of the scope of the order, see the Issues and Decision Memorandum.\(^7\)

**Analysis of Comments Received**

All issues raised in this sunset review are addressed in the Issues and Decision Memorandum, which is hereby adopted by this notice. The issues discussed in the Issues and Decision Memorandum are the likelihood of continuation or recurrence of a countervailable subsidy and the net countervailable subsidy rates likely to prevail if this order were revoked. 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 [https://access.trade.gov](https://access.trade.gov) and in the Central Records Unit, room B8024 of the main Commerce building. A list of topics discussed in the Issues and Decision Memorandum is included as an Appendix to this notice. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at [http://enforcement.trade.gov/frn/](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.

**Final Results of Sunset Review**

Commerce determines that revocation of the *Order* would be likely to lead to the continuation or recurrence of countervailable subsidies at the rates listed below:

<table>
<thead>
<tr>
<th>Producer/Exporter</th>
<th>Net Countervailable Subsidy (percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leicong Industrial Company, Ltd.</td>
<td>17.12</td>
</tr>
<tr>
<td>All Others</td>
<td>8.61</td>
</tr>
</tbody>
</table>

\(^7\) *See* Memorandum, “Issues and Decision Memorandum for the Expedited Sunset Review of the Countervailing Duty (CVD) Order on Non-Oriented Electrical Steel (NOES) from Taiwan,” dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).
Administrative Protective Order (APO)

This notice also serves as the only reminder to parties subject to an APO of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely 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 violation which is subject to sanction.

Notification to Interested Parties

This five-year (sunset) review and notice are in accordance with sections 751(c), 752(b), and 777(i)(1) of the Act and 19 CFR 351.218.


Jeffrey I. Kessler,

Assistant Secretary

for Enforcement and Compliance.
Appendix

List of Topics Discussed in the Issues and Decision Memorandum

I. Summary
II. Background
III. Scope of the Order
IV. History of the Order
V. Legal Framework
VI. Discussion of the Issues
   1. Likelihood of Continuation or Recurrence of a Countervailable Subsidy
   2. Net Countervailable Subsidy Likely to Prevail
   3. Nature of the Subsidies
VII. Final Results of Sunset Review
VIII. Recommendation

[FR Doc. 2020-04626 Filed: 3/5/2020 8:45 am; Publication Date: 3/6/2020]