



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-921]

Lightweight Thermal Paper from the People's Republic of China: Final Results of the Expedited Second Sunset Review of the Countervailing Duty Order

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

SUMMARY: The Department of Commerce (Commerce) finds that revocation of the countervailing duty (CVD) order on lightweight thermal paper from the People's Republic of China (PRC) would be likely to lead to continuation or recurrence of countervailable subsidies.

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

FOR FURTHER INFORMATION CONTACT: Dusten Hom or Mary Kolberg, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone (202) 482-5075 or (202) 482-1785, respectively.

SUPPLEMENTARY INFORMATION:

Background

On November 24, 2008, Commerce published the countervailing duty order on lightweight thermal paper from the People's Republic of China.¹ On December 2, 2019, Commerce published the initiation of the second sunset review of this order, pursuant to section

¹ See *Lightweight Thermal Paper from the People's Republic of China: Notice of Amended Final Affirmative Countervailing Duty Determination and Notice of Countervailing Duty Order*, 73 FR 70958 (November 24, 2008) (CVD Order).

751(c) of the Tariff Act of 1930, as amended (the Act).² On December 13, 2019, Commerce received a notice of intent to participate from Appvion Operations, Inc. (Appvion) and Kanzaki Specialty Papers Inc. (Kanzaki) within the deadline specified in 19 CFR 351.218(d)(1)(i).³ Appvion and Kanzaki (domestic interested parties) claimed interested party status under section 771(9)(C) of the Act as producers of lightweight thermal paper in the United States.

On December 23, 2019, Commerce received an adequate substantive response from the domestic interested parties within the 30-day deadline specified in 19 CFR 351.218(d)(3).⁴ Commerce did not receive any submissions from any other interested parties. Because Commerce did not receive a substantive response from either the Government of China (GOC) or the respondent interested parties who are producers or exporters of lightweight thermal paper, we determined that respondent interested parties provided inadequate responses to Commerce's notice of initiation.

On December 23, 2019, Commerce notified the U.S. International Trade Commission that it did not receive an adequate substantive response from respondent interested parties.⁵ As a result, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(B)-(C), Commerce is conducting an expedited (120-day) sunset review of the *CVD Order*.

Scope of the Order

Imports covered by the *Order* are shipments of certain lightweight thermal paper, which is thermal paper with a basis weight of 70 grams per square meter (g/m²) (with a tolerance of ±

² See *Initiation of Five-Year ("Sunset") Review*, 84 FR 65968 (December 2, 2019).

³ See Appvion's and Kanzaki's Letter, "Five-Year ('Sunset') Review of Countervailing Duty Order on Lightweight Thermal Paper from the People's Republic of China: Domestic Industry Notice of Intent to Participate," dated December 13, 2019.

⁴ See Appvion's and Kanzaki's Letter, "Five-Year ('Sunset') Review of Countervailing Duty Order on Lightweight Thermal Paper from the People's Republic of China: Domestic Industry Substantive Response," dated December 23, 2019.

⁵ See Commerce's Letter, "Sunset Reviews Initiated December 2, 2019," dated December 23, 2019.

4.0 g/m²) or less; irrespective of dimensions;⁶ with or without a base coat⁷ on one or both sides; with thermal active coating(s)⁸ on one or both sides that is a mixture of the dye and the developer that react and form an image when heat is applied; with or without a top coat;⁹ and without an adhesive backing. Certain lightweight thermal paper is typically (but not exclusively) used in point-of-sale applications such as ATM receipts, credit card receipts, gas pump receipts, and retail store receipts.

The merchandise subject to this order may be classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 4811.90.9035, 4811.90.9080, 4811.59.2000, 4820.10.20, 4823.40.0000, 3703.10.60, 4811.90.8030, 4811.90.8040, 4811.90.8050, 4811.90.9030, 4811.90.9050, and 4811.90.9090.^{10, 11} Although HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this order is dispositive.

Analysis of Comments Received

⁶ Lightweight thermal paper is typically produced in jumbo rolls that are slit to the specifications of the converting equipment and then converted into finished slit rolls. Both jumbo and converted rolls (as well as LWTP in any other form, presentation, or dimension) are covered by the scope of this order.

⁷ A base coat, when applied is typically made of clay and/or latex like materials and is intended to cover the rough surface of the paper substrate and to provide insulating value.

⁸ A thermal active coating is typically made of sensitizer, dye, and co-reactant.

⁹ A top coat, when applied is typically made of polyvinyl acetone, polyvinyl alcohol, and/or like materials and is intended to provide environmental protection, an improved surface for press printing, and/or wear protection for the thermal print head.

¹⁰ HTSUS subheading 4811.90.8000 was a classification used for lightweight thermal paper until January 1, 2007. Effective that date, subheading 4811.90.8000 was replaced with 4811.90.8020 (for gift wrap, anon-subject product) and 4811.90.8040 (for “other” including lightweight thermal paper). HTSUS subheading 4811.90.8000 was a classification for lightweight thermal paper until July 1, 2005. Effective that date, subheading 4811.90.9000 was replaced with 4811.90.9010 (for tissue paper, a non-subject product) and 4811.90.9090 (for “other”, including lightweight thermal paper).

¹¹ As of January 1, 2009, the International Trade Commission deleted HTSUS subheadings 4811.90.8040 and 4811.90.9090 and added HTSUS subheadings 4811.90.8030, 4811.90.8050, 4811.90.9030, and 4811.90.9050 to the Harmonized Tariff Schedule of the United States (2009). *See* Harmonized Tariff Schedule of the United States (2009), available at www.usitc.gov. These HTSUS subheadings were added to the scope of the order in lightweight thermal paper’s LTFV investigation.

All issues raised in this review are addressed in the Issues and Decision Memorandum,¹² which is dated concurrently with and 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 likely to prevail if the 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 <http://access.trade.gov> and to all parties in the Central Records Unit, Room B8024 of the main Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn>. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

Final Results of Review

Pursuant to sections 751(c)(1) and 752(b)(1) and (3) of the Act, we determine that revocation of the *CVD Order* would be likely to lead to continuation or recurrence of countervailable subsidies at the following net countervailable subsidy rates:

Manufacturers/Producers/Exporters	Net Subsidy Rate (Percent)
Guangdong Guanbao High-Tech Co., Ltd.	13.63
Shenzhen Yuanming Industrial Development Co., Ltd.	138.53
MDCN Technology Co., Ltd.	124.93
Xiamen Anne Paper Co., Ltd.	124.93
All Others	13.63

Administrative Protective Order (APO)

This notice also serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the return or destruction of proprietary

¹² See Memorandum, “Issues and Decision Memorandum for the Final Results of the Second Expedited Five-Year Sunset Review of the Countervailing Duty Order on certain Lightweight Thermal Paper from the People’s Republic of China,” dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

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 orders is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

Notification to Interested Parties

We are issuing and publishing these results and notice in accordance with sections 751(c), 752(b), and 777(i)(1) of the Act and 19 CFR 351.218.

Dated: March 16, 2020.

Jeffrey I. Kessler,
Assistant Secretary
for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Issues and Decision Memorandum

1. Summary
2. History of the Order
3. Background
4. Scope of the Order
5. Discussion of the Issues
 - a. Likelihood of Continuation or Recurrence of a Countervailable Subsidy
 - b. Net Countervailable Subsidy Likely to Prevail
 - c. Nature of the Subsidies
6. Final Results of Review
7. Recommendation

[FR Doc. 2020-05930 Filed: 3/19/2020 8:45 am; Publication Date: 3/20/2020]