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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-920, C-570-921]

Lightweight Thermal Paper from the People's Republic of China: Continuation of Antidumping and Countervailing Duty Orders

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

SUMMARY: As a result of the determinations by the Department of Commerce (Commerce) and the International Trade Commission (ITC) that revocation of the antidumping duty (AD) and countervailing duty (CVD) orders on lightweight thermal paper (LWTP) from the People's Republic of China (China) would likely lead to continuation or recurrence of dumping, countervailable subsidies, and material injury to an industry in the United States, Commerce is publishing a notice of continuation of the AD and CVD orders.

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

FOR FURTHER INFORMATION CONTACT: Kyle Clahane at (202) 482-5449 (AD) and Dusten Hom or Mary Kolberg at (202) 482-5075 or (202) 482-1785, respectively (CVD); AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482-5449.

SUPPLEMENTARY INFORMATION:

Background

On, November 24, 2008 Commerce published the AD and CVD orders on LWTP from China.¹ On October 1, 2013, Commerce initiated the first five-year (sunset) review of the *Orders* on LWTP from China, pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act).² As a result of its reviews, Commerce determined that revocation of the *Orders* on LWTP from China would likely lead to a continuation or recurrence of dumping and countervailable subsidies and, therefore, notified the ITC of the magnitude of the margins and net countervailable subsidy rates likely to prevail should the orders be revoked.³ The ITC determined, pursuant to section 751(c) of the Act, that revocation of the *Orders* on LWTP from China would lead to a continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.⁴ Accordingly, the continuation of the *Orders* was published on January 30, 2015, at the conclusion of the first five-year (sunset) reviews.⁵

On December 2, 2019, Commerce published the notice of initiation of the second sunset reviews of the *Orders* on LWTP from China, pursuant to section 751(c)(2) of the Act.⁶ Also on December 2, 2019, the ITC instituted its five-year review of the *Orders*.⁷ Commerce conducted these sunset reviews on an expedited (120-day) basis, pursuant to section 751(c)(3)(B) of the Act

¹ See *Antidumping Duty Orders: Lightweight Thermal Paper from Germany and the People's Republic of China*, 73 FR 70959 (November 24, 2008); see also *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) (collectively, *Orders*).

² See *Initiation of Five-Year ("Sunset") Review*, 78 FR 60253 (October 1, 2013).

³ See *Lightweight Thermal Paper from the People's Republic of China: Final Results of Expedited First Sunset Review of the Antidumping Duty Order*, 79 FR 9879 (February 21, 2014); see also *Lightweight Thermal Paper from the People's Republic of China: Final Results of the Expedited First Sunset Review of the Countervailing Duty Order*, 79 FR 10477 (February 25, 2014).

⁴ See *Lightweight Thermal Paper from China And Germany; Determination*, 80 FR 3252 (January 22, 2015).

⁵ See *Lightweight Thermal Paper from the People's Republic of China and Germany: Continuation of the Antidumping and Countervailing Duty Orders on the People's Republic of China, Revocation of the Antidumping Duty Order on Germany*, 80 FR 5083 (January 30, 2015).

⁶ See *Initiation of Five-Year (Sunset) Reviews*, 84 FR 65968 (December 2, 2019).

⁷ See *Lightweight Thermal Paper From China; Institution of Five-Year Reviews*, 84 FR 66012 (December 2, 2019).

and 19 CFR 351.218(e)(1)(ii)(C)(2), because it received complete, timely, and adequate responses from Appvion Operations, Inc. and Kanzaki Specialty Papers Inc. (collectively, domestic interested parties).⁸ Commerce did not receive substantive responses from respondent interested parties.

As a result of its reviews, Commerce determined, pursuant to sections 751(c)(1) and 752(b) and (c) of the Act, that revocation of the *Orders* would likely lead to continuation or recurrence of dumping and countervailable subsidies.⁹ Commerce also notified the ITC of the magnitude of the dumping margins and net countervailable subsidy rates likely to prevail should the *Orders* be revoked.¹⁰ On June 29, 2020, the ITC published its determination, pursuant to sections 751(c) and 752(a) of the Act, that revocation of the *Orders* would likely lead to a continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.¹¹

Scope of the *Orders*

The products covered by these orders include certain lightweight thermal paper, which is thermal paper with a basis weight of 70 grams per square meter (g/m²) (with a tolerance of ± 4.0

⁸ Commerce received a complete substantive response for the review from the domestic producers within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i). See Domestic Interested Parties' Letter, "Five-Year (Sunset) Review of Antidumping Order on Lightweight Thermal Paper from the People's Republic of China: Domestic Industry Substantive Response," dated December 23, 2019; see also Domestic Interested Parties' 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.

⁹ See *Lightweight Thermal Paper from the People's Republic of China: Final Results of Expedited Second Sunset Review of the Antidumping Duty Order*, 85 FR 16328 (March 23, 2020); see also *Lightweight Thermal Paper from the People's Republic of China: Final Results of the Expedited Second Sunset Review of the Countervailing Duty Order*, 85 FR 16059 (March 20, 2020).

¹⁰ See *Lightweight Thermal Paper from the People's Republic of China: Final Results of Expedited Second Sunset Review of the Antidumping Duty Order*, 85 FR 16328 (March 23, 2020) and accompanying Issues and Decision Memorandum (IDM); see also *Lightweight Thermal Paper from the People's Republic of China: Final Results of the Expedited Second Sunset Review of the Countervailing Duty Order*, 85 FR 16059 (March 20, 2020) and accompanying IDM.

¹¹ See *Lightweight Thermal Paper from China; Determination*, 85 FR 38922 (June 29, 2020).

g/m²) or less; irrespective of dimensions;¹² with or without a base coat¹³ on one or both sides; with thermal active coating(s)¹⁴ 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;¹⁵ 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 these orders may be classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 3703.10.60, 4811.59.20, 4811.90.8040, 4811.90.9090, 4820.10.20, 4823.40.00, 4811.90.8030, 4811.90.8050, 4811.90.9030, and 4811.90.9050.^{16,17} Although HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of these orders is dispositive.

Continuation of the Orders

As a result of the determinations by Commerce and the ITC that revocation of the *Orders* would likely lead to a continuation or recurrence of dumping, countervailable subsidies, and

¹² LWTP 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 these orders.

¹³ A base coat, when applied, is typically made of clay and/or latex and like materials and is intended to cover the rough surface of the paper substrate and to provide insulating value.

¹⁴ A thermal active coating is typically made of sensitizer, dye, and co-reactant.

¹⁵ 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.

¹⁶ HTSUS subheading 4811.90.8000 was a classification used for LWTP until January 1, 2007. Effective that date, subheading 4811.90.8000 was replaced with 4811.90.8020 (for gift wrap, a non-subject product) and 4811.90.8040 (for “other” including LWTP). HTSUS subheading 4811.90.9000 was a classification for LWTP 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 LWTP).

¹⁷ As of January 1, 2009, the ITC 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 HTSUS (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.

material injury to an industry in the United States, pursuant to sections 751(c) and 751(d)(2) of the Act, Commerce hereby orders the continuation of the *Orders* on LWTP from China.

U.S. Customs and Border Protection will continue to collect AD and CVD cash deposits at the rates in effect at the time of entry for all imports of subject merchandise. The effective date of the continuation of the *Orders* will be the date of publication in the *Federal Register* of this notice of continuation. Pursuant to section 751(c)(2) of the Act and 19 CFR 351.218(c)(2), Commerce intends to initiate the next five-year review of the orders not later than 30 days prior to the fifth anniversary of the effective date of continuation.

Notification of Interested Parties

These five-year sunset reviews and this notice are in accordance with section 751(c) of the Act and published pursuant to section 777(i)(1) of the Act and 19 CFR 351.218(f)(4).

Dated: June 29, 2020.

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

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