



Billing Code: 3510-DS-P

## 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*].

**FOR FURTHER INFORMATION CONTACT:** Benjamin Smith, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2181.

### SUPPLEMENTARY INFORMATION:

#### Background

On November 1, 2019, Commerce published the notice of initiation of the first sunset review of the *Order*,<sup>1</sup> in accordance with section 751(c) of the Tariff Act of 1930, as amended.<sup>2</sup>

On November 15, 2019, Commerce received a notice of intent to participate from AK Steel

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<sup>1</sup> See *Notice of Countervailing Duty Order: Non-Oriented Electrical Steel from Taiwan*, 79 FR 61602 (October 14, 2014) (*Order*).

<sup>2</sup> 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.<sup>3</sup> 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).<sup>4</sup> On November 21, 2019, Commerce notified the United States International Trade Commission (ITC) of its receipt of the Domestic Producer's substantive response.<sup>5</sup> 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.<sup>6</sup> 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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<sup>3</sup> See Domestic Producer's Letter, "Five-Year ('Sunset') Review Of Countervailing Duty Order On Non-Oriented Electrical Steel from Taiwan: Domestic Interested Party Notice Of Intent To Participate," dated November 15, 2019.

<sup>4</sup> See Domestic Producer's Letter, "Five-Year ('Sunset') Review of Countervailing Duty Order on Non-Oriented Electrical Steel from Taiwan: Domestic Interested Party Substantive Response," dated November 27, 2019.

<sup>5</sup> See Commerce's Letter, "20-Day Letter: Sunset Reviews Initiated on November 1, 2019," dated November 21, 2019.

<sup>6</sup> See Commerce's Letter, "50-Day Letter: Sunset Reviews Initiated on November 1, 2019," dated December 13, 2019.

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.<sup>7</sup>

#### 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> 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/>. 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:

Producer/Exporter	Net Countervailable Subsidy (percent)
Leicong Industrial Company, Ltd. (Leicong)	17.12
All Others	8.61

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<sup>7</sup> *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.

Dated: March 2, 2020.

**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]