



DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[B-63-2023]

Foreign-Trade Zone (FTZ) 17, Notification of Proposed Production Activity; Panasonic Energy Corporation of North America; (Lithium-Ion Battery Cells); De Soto, Kansas

Panasonic Energy Corporation of North America submitted a notification of proposed production activity to the FTZ Board (the Board) for its facilities in De Soto, Kansas within FTZ 17. The notification conforming to the requirements of the Board's regulations (15 CFR 400.22) was received on December 11, 2023.

Pursuant to 15 CFR 400.14(b), FTZ production activity would be limited to the specific foreign-status material(s)/components and specific finished product described in the submitted notification (summarized below) and subsequently authorized by the Board. The benefits that may stem from conducting production activity under FTZ procedures are explained in the background section of the Board's website – accessible via www.trade.gov/ftz.

The proposed finished product is finished lithium-ion battery cells (duty rate is 3.4%).

The proposed foreign-status materials and components include: graphite components (natural; synthetic; natural and synthetic blend); sealants; N-methyl-2-pyrrolidone (NMP); N-methylpyrrolidone with carbon black conductive agent; lithiated nickel oxide; silicon monoxide; lithiated silicate; silicon composite material; poly(vinylidene fluoride) binder (PVDF); polyacrylamide; sodium carboxymethyl cellulose thickener; polypropylene components (film with acrylic adhesive tape; gaskets; insulator); polyimide adhesive tape; polyethylene separators; styrene butadiene rubber

latex; copper foil; nickel clad copper negative tabs; and, aluminum components (rolls; foil; rupture discs; cathode tabs) (duty rate ranges from duty-free to 6.5%). The request indicates that some components are subject to an antidumping/countervailing duty (AD/CVD) order/investigation if imported from certain countries. The Board's regulations (15 CFR 400.14(e)) require that merchandise subject to AD/CVD orders, or items which would be otherwise subject to suspension of liquidation under AD/CVD procedures if they entered U.S. customs territory, be admitted to the zone in privileged foreign (PF) status (19 CFR 146.41). The request also indicates that certain materials/components are subject to duties under section 232 of the Trade Expansion Act of 1962 (section 232) or section 301 of the Trade Act of 1974 (section 301), depending on the country of origin. The applicable section 232 and section 301 decisions require subject merchandise to be admitted to FTZs in PF status.

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary and sent to: ftz@trade.gov. The closing period for their receipt is **[INSERT DATE 40 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

A copy of the notification will be available for public inspection in the "Online FTZ Information System" section of the Board's website.

For further information, contact Juanita Chen at juanita.chen@trade.gov.

Dated: December 12, 2023.

Juanita Chen,
Acting Executive Secretary.