



DEPARTMENT OF COMMERCE

International Trade Administration

[C-351-867]

High Purity Dissolving Pulp from Brazil: Initiation of Countervailing Duty Investigation

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

DATES: Applicable September 2, 2025.

FOR FURTHER INFORMATION CONTACT: Gorden Struck or Sarah Keith at, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-5969 and (202) 482-0264, respectively.

SUPPLEMENTARY INFORMATION:

The Petition

On August 12, 2025, the U.S. Department of Commerce (Commerce) received a countervailing duty (CVD) petition concerning imports of high purity dissolving pulp from Brazil filed in proper form on behalf of Rayonier Advanced Materials, Inc. (RYAM) and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO (USW) (the petitioners), a domestic producer of high purity dissolving pulp and a certified union, which represents workers engaged in the production of high purity dissolving pulp in the United States.¹ The CVD Petition was accompanied by antidumping duty (AD) petitions concerning imports of high purity dissolving pulp from Brazil and Norway.²

¹ See Petitioners' Letter, "Antidumping and Countervailing Duty Petitions," dated August 12, 2025 (Petition).

² *Id.*

Between August 14 and 21, 2025, Commerce requested supplemental information pertaining to certain aspects of the Petition in supplemental questionnaires.³ Between August 18 and 22, 2025, the petitioners filed timely responses to these requests for additional information.⁴

In accordance with section 702(b)(1) of the Tariff Act of 1930, as amended (the Act), the petitioners allege that the Government of Brazil (GOB) is providing countervailable subsidies, within the meaning of sections 701 and 771(5) of the Act, to producers of high purity dissolving pulp in Brazil, and that such imports are materially injuring, or threatening material injury to, the domestic industry producing high purity dissolving pulp in the United States. Consistent with section 702(b)(1) of the Act and 19 CFR 351.202(b), for those alleged programs on which we are initiating a CVD investigation, the Petition was accompanied by information reasonably available to the petitioners supporting their allegations.

Commerce finds that the petitioners filed the Petition on behalf of the domestic industry, because the petitioners are interested parties, as defined in sections 771(9)(C) and (D) of the Act. Commerce also finds that the petitioners demonstrated sufficient industry support with respect to the initiation of the requested CVD investigation.⁵

Period of Investigation

Because the Petition was filed on August 12, 2025, the period of investigation (POI) for the Brazil CVD investigation is January 1, 2024, through December 31, 2024.⁶

Scope of the Investigation

The product covered by this investigation is high purity dissolving pulp from Brazil. For a full description of the scope of this investigation, *see* the appendix to this notice.

³ See Commerce's Letters, "Supplemental Questions," dated August 14, 2025 (First General Issues Questionnaire); "Supplemental Questions," dated August 14, 2025 (Brazil CVD Questionnaire); and "Second General Issues Supplemental Questions," dated August 21, 2025 (Second General Issues Questionnaire).

⁴ See Petitioners' Letters, "Antidumping and Countervailing Duty Supplemental Questionnaire Response," dated August 18, 2025; "Response to Countervailing Duty Petition Supplemental Questionnaire," dated August 18, 2025 (Brazil CVD Supplement); and "Response to Second General Issues Supplemental Questions," dated August 22, 2025 (Second General Issues Supplement).

⁵ See section on "Determination of Industry Support for the Petition," *infra*.

⁶ See 19 CFR 351.204(b)(2).

Comments on the Scope of the Investigation

On August 14 and 21, 2025, Commerce requested information and clarification from the petitioners regarding the proposed scope to ensure that the scope language in the Petition is an accurate reflection of the products for which the domestic industry is seeking relief.⁷ On August 18 and 22, 2025, the petitioners provided clarifications and revised the scope.⁸ The description of the merchandise covered by this investigation, as described in the appendix to this notice, reflects these clarifications.

As discussed in the *Preamble* to Commerce's regulations, we are setting aside a period for interested parties to raise issues regarding product coverage (*i.e.*, scope).⁹ Commerce will consider all comments received from interested parties and, if necessary, will consult with interested parties prior to the issuance of the preliminary determination. If scope comments include factual information, all such factual information should be limited to public information.¹⁰ Commerce requests that interested parties provide at the beginning of their scope comments a public executive summary for each comment or issue raised in their submission. Commerce further requests that interested parties limit their public executive summary of each comment or issue to no more than 450 words, not including citations. Commerce intends to use the public executive summaries as the basis of the comment summaries included in the analysis of scope comments. To facilitate preparation of its questionnaires, Commerce requests that scope comments be submitted by 5:00 p.m. Eastern Time (ET) on September 22, 2025, which is 20 calendar days from the signature date of this notice. Any rebuttal comments must be filed by 5:00 p.m. ET on October 2, 2025, which is 10 calendar days from the initial comment deadline.

⁷ See First General Issues Supplemental Questionnaire at 3-4; *see also* Second General Issues Supplemental Questionnaire at 3.

⁸ See First General Issues Supplement at 3-6 and Exhibits I-Supp-2; *see also* Second General Issues Supplement at 2-6.

⁹ See *Antidumping Duties; Countervailing Duties; Final Rule*, 62 FR 27296, 27323 (May 19, 1997) (*Preamble*); *see also* 19 CFR 351.312.

¹⁰ See 19 CFR 351.102(b)(21) (defining "factual information").

Commerce requests that any factual information that parties consider relevant to the scope of this investigation be submitted during that time period. However, if a party subsequently finds that additional factual information pertaining to the scope of the investigation may be relevant, the party must contact Commerce and request permission to submit the additional information. All scope comments must be filed simultaneously on the records of the concurrent AD and CVD investigations.

Filing Requirements

All submissions to Commerce must be filed electronically via Enforcement and Compliance's Antidumping Duty and Countervailing Duty Centralized Electronic Service System (ACCESS), unless an exception applies.¹¹ An electronically filed document must be received successfully in its entirety by the time and date it is due.

Consultations

Pursuant to sections 702(b)(4)(A)(i) and (ii) of the Act, Commerce notified the GOB of the receipt of the Petition and provided an opportunity for consultations with respect to the Petition.¹² Commerce held consultations with the GOB on August 28, 2025.¹³

Determination of Industry Support for the Petition

Section 702(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 702(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) at least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 702(c)(4)(D) of the Act provides that, if the

¹¹ See *Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures*, 76 FR 39263 (July 6, 2011); see also *Enforcement and Compliance; Change of Electronic Filing System Name*, 79 FR 69046 (November 20, 2014), for details of Commerce's electronic filing requirements, effective August 5, 2011. Information on using ACCESS can be found at <https://access.trade.gov/help.aspx> and a handbook can be found at https://access.trade.gov/help/Handbook_on_Electronic_Filing_Procedures.pdf.

¹² See Commerce's Letter, "Invitation for Consultations to Discuss the Countervailing Duty Petition," dated August 12, 2025.

¹³ See Memorandum, "Consultations with the Government of Brazil," dated September 2, 2025.

petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, Commerce shall: (i) poll the industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A); or (ii) determine industry support using a statistically valid sampling method to poll the “industry.”

Section 771(4)(A) of the Act defines the “industry” as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs Commerce to look to producers and workers who produce the domestic like product. The U.S. International Trade Commission (ITC), which is responsible for determining whether “the domestic industry” has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both Commerce and the ITC must apply the same statutory definition regarding the domestic like product,¹⁴ they do so for different purposes and pursuant to a separate and distinct authority. In addition, Commerce’s determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to law.¹⁵

Section 771(10) of the Act defines the domestic like product as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title.” Thus, the reference point from which the domestic like product analysis begins is “the article subject to an investigation” (*i.e.*, the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition).

¹⁴ See section 771(10) of the Act.

¹⁵ See *USEC, Inc. v. United States*, 132 F. Supp. 2d 1, 8 (CIT 2001) (citing *Algoma Steel Corp., Ltd. v. United States*, 688 F. Supp. 639, 644 (CIT 1988), *aff’d Algoma Steel Corp., Ltd. v. United States*, 865 F.2d 240 (Fed. Cir. 1989)).

With regard to the domestic like product, the petitioners do not offer a definition of the domestic like product distinct from the scope of the investigation.¹⁶ Based on our analysis of the information submitted on the record, we have determined that high purity dissolving pulp, as defined in the scope, constitutes a single domestic like product, and we have analyzed industry support in terms of that domestic like product.¹⁷

In determining whether the petitioners have standing under section 702(c)(4)(A) of the Act, we considered the industry support data contained in the Petition with reference to the domestic like product as defined in the “Scope of the Investigation,” in the appendix to this notice. To establish industry support, the petitioners provided their own production of the domestic like product in 2024.¹⁸ The petitioners identified RYAM as the sole remaining producer of the domestic like product; therefore, the Petition is supported by 100 percent of the U.S. industry.¹⁹ We relied on data provided by the petitioners for purposes of measuring industry support.²⁰

Our review of the data provided in the Petition, the First General Issues Supplement, and other information readily available to Commerce indicates that the petitioners have established industry support for the Petition.²¹ First, the Petition established support from domestic producers (or workers) accounting for more than 50 percent of the total production of the domestic like product and, as such, Commerce is not required to take further action in order to evaluate industry support (*e.g.*, polling).²² Second, the domestic producers (or workers) have met the statutory criteria for industry support under section 702(c)(4)(A)(i) of the Act because

¹⁶ For a discussion of the domestic like product analysis as applied to this case and information regarding industry support, *see* Checklist, “Countervailing Duty Investigation Initiation Checklist: High Purity Dissolving Pulp from Brazil,” dated concurrently with, and hereby adopted by, this notice (Brazil CVD Initiation Checklist), at Attachment II, Analysis of Industry Support for the Antidumping and Countervailing Duty Petitions Covering High Purity Dissolving Pulp from Brazil and Norway (Attachment II). This checklist is on file electronically via ACCESS.

¹⁷ For further discussion, *see* Attachment II of the Brazil CVD Initiation Checklist.

¹⁸ *Id.*

¹⁹ *Id.*

²⁰ *Id.*

²¹ *Id.*

²² *Id.*; *see also* section 702(c)(4)(D) of the Act.

the domestic producers (or workers) who support the Petition account for at least 25 percent of the total production of the domestic like product.²³ Finally, the domestic producers (or workers) have met the statutory criteria for industry support under section 702(c)(4)(A)(ii) of the Act because the domestic producers (or workers) who support the Petition account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the Petition.²⁴ Accordingly, Commerce determines that the Petition was filed on behalf of the domestic industry within the meaning of section 702(b)(1) of the Act.²⁵

Injury Test

Because Brazil is a “Subsidies Agreement Country” within the meaning of section 701(b) of the Act, section 701(a)(2) of the Act applies to this investigation. Accordingly, the ITC must determine whether imports of the subject merchandise from Brazil materially injure, or threaten material injury to, a U.S. industry.

Allegations and Evidence of Material Injury and Causation

The petitioners allege that imports of subject merchandise are benefiting from countervailable subsidies and that such imports are causing, or threaten to cause, material injury to the U.S. industry producing the domestic like product. In addition, the petitioners allege that subject imports exceed the negligibility threshold provided for under section 771(24)(A) of the Act.²⁶

The petitioners contend that the industry’s injured condition is illustrated by the significant volume of subject imports; increased market share of subject imports; underselling and price depression and/or suppression; negative impact on financial performance; lost sales and revenues; and adverse impact on production, capacity utilization, U.S. shipments, and

²³ See Attachment II of the Brazil CVD Initiation Checklist.

²⁴ *Id.*

²⁵ *Id.*

²⁶ For further information regarding negligibility and the injury allegation, see Brazil CVD Initiation Checklist at Attachment III, Analysis of Allegations and Evidence of Material Injury and Causation for the Antidumping Duty and Countervailing Duty Petitions Covering High Purity Dissolving Pulp from Brazil and Norway (Attachment III).

employment variables.²⁷ We assessed the allegations and supporting evidence regarding material injury, threat of material injury, causation, cumulation, as well as negligibility, and we have determined that these allegations are properly supported by adequate evidence and meet the statutory requirements for initiation.²⁸

Initiation of CVD Investigation

Based upon the examination of the Petition and supplemental responses, we find that they meet the requirements of section 702 of the Act. Therefore, we are initiating a CVD investigation to determine whether imports of high purity dissolving pulp from Brazil benefit from countervailable subsidies conferred by the GOB. In accordance with section 703(b)(1) of the Act and 19 CFR 351.205(b)(1), unless postponed, we will make our preliminary determination no later than 65 days after the date of this initiation.

Based on our review of the Petition, we find that there is sufficient information to initiate a CVD investigation on 27 programs alleged by the petitioners. For a full discussion of the basis for our decision to initiate on each program, *see* the Brazil CVD Initiation Checklist. A public version of the initiation checklist for this investigation is available on ACCESS.

Respondent Selection

In the Petition, the petitioners identified one company in Brazil (*i.e.*, Bracell Bahia Specialty Celulose SA (Bracell)) as a producer and/or an exporter of high purity dissolving pulp.²⁹ We currently know of no additional producers/exports of high purity dissolving pulp from Brazil.

Accordingly, Commerce intends to individually examine the only known producer/exporter in the investigation from Brazil (*i.e.*, Bracell). We invite interested parties to comment on this issue. Such comments may include factual information within the meaning of

²⁷ *Id.*

²⁸ *Id.*

²⁹ *See* Petition at Volume I (page 11 and Exhibit I-4); *see also* First General Issues Supplement at 1 and Exhibits I-Supp-1 through I-Supp-4.

19 CFR 351.102(b)(21). Parties wishing to comment must do so within three business days of the publication of this notice in the *Federal Register*. Comments must be filed electronically using ACCESS. An electronically filed document must be received successfully in its entirety via ACCESS by 5:00 p.m. ET on the specified deadline. Because we intend to examine the only known producer/exporter in Brazil, if no comments are received or if comments received further support the existence of only this producer/exporter in Brazil, we do not intend to conduct respondent selection and will proceed to issuing the initial CVD questionnaire to the company identified. However, if comments are received which create a need for a respondent selection process, we intend to finalize our decisions regarding respondent selection within 20 days of publication of this notice.

Distribution of Copies of the Petition

In accordance with section 702(b)(4)(A) of the Act and 19 CFR 351.202(f), a copy of the public version of the Petition has been provided to the GOB via ACCESS. To the extent practicable, we will attempt to provide a copy of the public version of the Petition to each exporter named in the Petition, as provided under 19 CFR 351.203(c)(2).

ITC Notification

Commerce will notify the ITC of its initiation, as required by section 702(d) of the Act.

Preliminary Determination by the ITC

The ITC will preliminarily determine, within 45 days after the date on which the Petition was filed, whether there is a reasonable indication that imports of high purity dissolving pulp from Brazil are materially injuring, or threatening material injury to, a U.S. industry.³⁰ A negative ITC determination will result in the investigation being terminated.³¹ Otherwise, this CVD investigation will proceed according to statutory and regulatory time limits.

³⁰ See section 703(a)(1) of the Act.

³¹ *Id.*

Submission of Factual Information

Factual information is defined in 19 CFR 351.102(b)(21) as: (i) evidence submitted in response to questionnaires; (ii) evidence submitted in support of allegations; (iii) publicly available information to value factors of production under 19 CFR 351.408(c) or to measure the adequacy of remuneration under 19 CFR 351.511(a)(2); (iv) evidence placed on the record by Commerce; and (v) evidence other than factual information described in (i)-(iv). Section 351.301(b) of Commerce's regulations requires any party, when submitting factual information, to specify under which subsection of 19 CFR 351.102(b)(21) the information is being submitted³² and, if the information is submitted to rebut, clarify, or correct factual information already on the record, to provide an explanation identifying the information already on the record that the factual information seeks to rebut, clarify, or correct.³³ Time limits for the submission of factual information are addressed in 19 CFR 351.301, which provides specific time limits based on the type of factual information being submitted. Interested parties should review the regulations prior to submitting factual information in this investigation.

Extensions of Time Limits

Parties may request an extension of time limits before the expiration of a time limit established under 19 CFR 351.301, or as otherwise specified by Commerce. In general, an extension request will be considered untimely if it is filed after the expiration of the time limit established under 19 CFR 351.301, or as otherwise specified by Commerce.³⁴ For submissions that are due from multiple parties simultaneously, an extension request will be considered untimely if it is filed after 10:00 a.m. ET on the due date. Under certain circumstances, Commerce may elect to specify a different time limit by which extension requests will be considered untimely for submissions which are due from multiple parties simultaneously. In such a case, we will inform parties in a letter or memorandum of the deadline (including a

³² See 19 CFR 351.301(b).

³³ See 19 CFR 351.301(b)(2).

³⁴ See 19 CFR 351.302.

specified time) by which extension requests must be filed to be considered timely. An extension request must be made in a separate, standalone submission; under limited circumstances we will grant untimely filed requests for the extension of time limits, where we determine, based on 19 CFR 351.302, that extraordinary circumstances exist. Parties should review Commerce's regulations concerning the extension of time limits and the *Time Limits Final Rule* prior to submitting factual information in this investigation.³⁵

Certification Requirements

Any party submitting factual information in an AD or CVD proceeding must certify to the accuracy and completeness of that information.³⁶ Parties must use the certification formats provided in 19 CFR 351.303(g).³⁷ Commerce intends to reject factual submissions if the submitting party does not comply with the applicable certification requirements.

Notification to Interested Parties

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305. Parties wishing to participate in this investigation should ensure that they meet the requirements of 19 CFR 351.103(d) (*e.g.*, by filing the required letters of appearance). Note that Commerce has amended certain of its requirements pertaining to the service of documents in 19 CFR 351.303(f).³⁸

³⁵ See 19 CFR 351.301; *see also* *Extension of Time Limits; Final Rule*, 78 FR 57790 (September 20, 2013) (*Time Limits Final Rule*), available at <https://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm>.

³⁶ See section 782(b) of the Act.

³⁷ See *Certification of Factual Information to Import Administration During Antidumping and Countervailing Duty Proceedings*, 78 FR 42678 (July 17, 2013) (*Final Rule*); *see also* frequently asked questions regarding the *Final Rule*, available at https://enforcement.trade.gov/tlei/notices/factual_info_final_rule_FAQ_07172013.pdf.

³⁸ See *Administrative Protective Order, Service, and Other Procedures in Antidumping and Countervailing Duty Proceedings*, 88 FR 67069 (September 29, 2023).

This notice is issued and published pursuant to sections 702 and 777(i) of the Act, and 19

CFR 351.203(c).

Dated: September 2, 2025.

Christopher Abbott,

Deputy Assistant Secretary

for Policy and Negotiations,

performing the non-exclusive functions and duties

of the Assistant Secretary for Enforcement and Compliance.

Appendix

Scope of the Investigation

The merchandise subject to this investigation is high purity dissolving pulp, which is a dissolving pulp with an alpha cellulose percentage of 90 percent by weight or higher on an oven dry basis, as calculated by: $\text{alpha cellulose percentage} = (100 - S10) + 0.5 * (S10 - S18)$ where S10 and S18 values are determined by International Organization for Standardization (ISO) 692:1982, and having a brightness level of 90 percent or higher, as measured by ISO 2470-1:2016. High purity dissolving pulp may be derived from any virgin or recycled cellulose fiber source (including, but not limited to, those sourced from hardwoods, softwoods, woody crops, agricultural crops/byproducts/residue, and agricultural/industrial/other waste). High purity dissolving pulp may be produced from a chemical pulping process including without limitation a kraft (sulfate) pulping and/or sulfite pulping process.

High purity dissolving pulp can be shipped in any form, including, but not limited to, a liquid slurry or in any dried form such as flakes, powder, granules, pellets, shreds, rolls and sheets.

The scope includes merchandise matching the above description that has been finished, packaged, or otherwise processed in a third country, including but not limited to processes such as commingling, blending, diluting, repackaging, or any other process that would not otherwise remove the merchandise from the scope of the investigation if performed in the subject country. The scope also includes high purity dissolving pulp that is commingled or blended with high purity dissolving pulp from sources not subject to this investigation. Only the subject component of such commingled or blended products is covered by the scope of this investigation.

Excluded from the scope is high purity dissolving pulp with an intrinsic viscosity under 455 milliliters per gram (mL/g), as measured by ISO 5351:2010.

Also excluded from the scope is cotton linters pulp that consists of at least 90 percent by weight, on an oven-dried basis, of cotton linters fibers.

High purity dissolving pulp products are classified under subheadings 4702.00.0020 and 4702.00.0040, of the Harmonized Tariff Schedule of the United States (HTSUS). High purity dissolving pulp products may also enter under subheadings 4706.30.0000 or 4706.92.0100. Reference to the HTSUS classifications is provided for convenience and customs purposes, and the written description of the merchandise under investigation is dispositive.

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