



C-583-852  
Sunset Review  
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March 2, 2020

**MEMORANDUM TO:** Jeffrey I. Kessler  
Assistant Secretary  
for Enforcement and Compliance

**FROM:** James Maeder  
Deputy Assistant Secretary  
for Antidumping and Countervailing Duty Operations

**SUBJECT:** Issues and Decision Memorandum for the Expedited Sunset Review of  
the Countervailing Duty (CVD) Order on Non-Oriented Electrical Steel  
(NOES) from Taiwan

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## I. Summary

We have analyzed the substantive response of the domestic interested parties participating in the sunset review of the CVD order on NOES from Taiwan.<sup>1</sup> We did not receive a response from the Taiwan Authorities (TA), nor from any other interested party. Accordingly, we conducted an expedited (120-day) sunset review pursuant to section 751(c)(3)(B) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.218(e)(1)(ii)(C)(2). We recommend that you approve the positions we have developed in the “Discussion of the Issues” section of this memorandum. Below is the complete list of the issues that the Department of Commerce (Commerce) is addressing in this expedited sunset review:

1. Likelihood of continuation or recurrence of a countervailable subsidy
2. Net countervailable subsidy likely to prevail
3. Nature of the subsidy

## II. Background

On November 1, 2019, Commerce published the notice of initiation of the first sunset review of the *Order*, in accordance with section 751(c) of the Act.<sup>2</sup> On November 15, 2019, Commerce received a notice of intent to participate from AK Steel 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

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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).

<sup>3</sup> See Domestic Producer’s Letter, “Five-Year (‘Sunset’) Review Of Countervailing Duty Order On Non-Oriented

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*.

### III. Scope of the *Order*

The merchandise subject to the *Order* consists of 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 term "substantially equal" means that the cross grain direction of core loss is no more than 1.5 times the straight grain direction (i.e., the rolling direction) of core loss. NOES has a magnetic permeability that does not exceed 1.65 Tesla when tested at a field of 800 A/m (equivalent to 10 Oersteds) along (i.e., parallel to) the rolling direction of the sheet (i.e., B800 value). NOES contains by weight more than 1.00 percent of silicon but less than 3.5 percent of silicon, not more than 0.08 percent of carbon, and not more than 1.5 percent of aluminum. NOES has a surface oxide coating, to which an insulation coating may be applied.

NOES is subject to the *Order* whether it is fully processed (i.e., fully annealed to develop final magnetic properties) or semi-processed (i.e., finished to final thickness and physical form but not fully annealed to develop final magnetic properties). Fully processed NOES is typically made to the requirements of ASTM specification A 677, Japanese Industrial Standards (JIS) specification C 2552, and/or International Electrotechnical Commission (IEC) specification 60404-8-4. Semi-processed NOES is typically made to the requirements of ASTM specification A683. However, the scope of the *Order* is not limited to merchandise meeting the ASTM, JIS and IEC specifications noted immediately above.

NOES is sometimes referred to as cold-rolled non-oriented (CRNO), non-grain oriented (NGO), non-oriented (NO), or cold-rolled non-grain oriented (CRNGO) electrical steel. These terms are interchangeable.

Excluded from the scope of the *Order* are flat-rolled products not in coils that, prior to importation into the United States, have been cut to a shape and undergone all punching, coating, or other operations necessary for classification in Chapter 85 of the Harmonized Tariff Schedule

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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 (Domestic Producer's Substantive Response).

<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.

of the United States (HTSUS) as a part (*i.e.*, lamination) for use in a device such as a motor, generator, or transformer.

The subject merchandise is provided for in subheadings 7225.19.0000, 7226.19.1000, and 7226.19.9000 of the HTSUS. Subject merchandise may also be entered under subheadings 7225.50.8085, 7225.99.0090, 7226.92.5000, 7226.92.7050, 7226.92.8050, 7226.99.0180 of the HTSUS. Although HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope is dispositive.

#### **IV. History of the *Order***

On October 14, 2014, Commerce published its final determination in the CVD investigation of NOES from Taiwan.<sup>7</sup> Commerce determined that benefits that constituted subsidies within the meaning of section 701 of the Act were being provided by the TA to Taiwanese manufacturers, producers, and exporters of this merchandise. In the *Final Determination*, Commerce calculated the following net subsidy rates:

<b>Producer/Exporter</b>	<b>Net Countervailable Subsidy (Percent)</b>
China Steel Corporation (CSC) and its cross-owned affiliates Dragon Steel Corporation (DSC), HiMag Magnetic Corporation (HIMAG) and China Steel Global Trading Corporation (CSGT) (collectively, CSC Companies.)	0.48 ( <i>de minimis</i> )
Leicong Industrial Company, Ltd (Leicong)	17.12
All Others	8.80

On October 14, 2014, Commerce issued the *Order*.<sup>8</sup> Commerce has conducted no administrative reviews since the *Order*.

#### **V. Legal Framework**

In accordance with section 751(c)(1) of the Act, Commerce is conducting this sunset review to determine whether revocation of the *Order* would likely lead to continuation or recurrence of a countervailable subsidy. Section 752(b) of the Act provides that, in making this determination, Commerce shall consider: (1) the net countervailable subsidy, as determined in the investigation and any subsequent reviews, and (2) whether any changes in the programs which gave rise to the net countervailable subsidy have occurred that are likely to affect the net countervailable subsidy. Pursuant to section 752(b)(3) of the Act, Commerce shall provide the ITC with the net countervailable subsidy likely to prevail if the *Order* were revoked. In addition, consistent with section 752(a)(6) of the Act, Commerce shall provide the ITC with information concerning the nature of the subsidy and whether it is a subsidy described in Article 3 or Article 6.1 of the 1994

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<sup>7</sup> See *Non-Oriented Electrical Steel from Taiwan: Final Affirmative Countervailing Duty Determination*, 79 FR 61602 (October 14, 2014) (*Final Determination*) and accompanying Issues and Decision Memorandum (IDM).

<sup>8</sup> See *Order*, 79 FR at 61602.

World Trade Organization Agreement on Subsidies and Countervailing Measures (SCM Agreement).

## VI. Discussion of the Issues

Below we address the comments of the interested party.

### A. Likelihood of Continuation or Recurrence of a Countervailable Subsidy

#### *Domestic Producer Comments*<sup>9</sup>

- An affirmative determination of continuation or recurrence is warranted because the subsidies at issue during the investigation remain in existence and have not been terminated or suspended.
- During the investigation, Commerce found subsidy rates of 17.12% for Leicong Industrial Company, Ltd. and 8.80% for all others.
- The investigation rates remain in place for all exporters because no administrative reviews or new shipper reviews of this *Order* have been conducted.
- In sunset reviews, Commerce presumes that exporters continued to receive subsidies under such circumstances.<sup>10</sup>
- Where respondent interested parties fail to demonstrate, either through participation in administrative reviews or sunset reviews, that (1) all programs have been terminated, and (2) all benefit streams have been fully allocated, Commerce finds that subsidization is likely to continue or recur.<sup>11</sup>
- Here, Commerce determined the following programs to be countervailable in the investigation: (1) “Tariff Exemption for Imported Equipment,” (2) “Income Tax Credit for Upgraded Equipment,” (3) “Shareholder’s Investment Tax Credit for Participation in Infrastructure Projects,” (4) “Shareholder’s Investment Tax Credit for Investment in Newly Emerging, Important and Strategic Industries,” (5) “Conventional Industry Technology Development,” (6) “Self-Evaluation Service,” (7) “Building and Land Value Tax Deduction for Supplying to Major Infrastructure Projects,” and (8) “Major Infrastructure Projects—Land Lease Program.”<sup>12</sup>
- Each of these subsidy programs was recurring,<sup>13</sup> and there has been no demonstration by any exporters that such programs no longer exist.

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<sup>9</sup> See Domestic Producers’ Substantive Response at 3-5.

<sup>10</sup> See, e.g., *Certain Hot-Rolled Carbon Steel Flat Products from India, Indonesia, and Thailand: Final Results of Expedited Sunset Reviews*, 78 FR 16252 (March 14, 2013) and IDM at Comment 1 (“because the Department has not conducted any administrative reviews of the Order since it went into effect, and no party has submitted evidence to demonstrate that the countervailable programs have expired or been terminated. Thus, the Department concludes that Thai producers and exporters can continue to benefit from these countervailable subsidy programs.”).

<sup>11</sup> See, e.g., *Certain Hot-Rolled Carbon Steel Flat Products from India and Indonesia: Final Results of the Expedited Third Sunset Reviews of the Countervailing Duty Orders*, 84 FR 27242 (June 12, 2019) and IDM at Comment 1.

<sup>12</sup> See *Final Determination* IDM at 13-20.

<sup>13</sup> *Id.*

- Accordingly, Commerce should notify the ITC that the aforementioned subsidy programs, as described in Article 3 or Article 6.1 of the WTO Agreement on Subsidies and Countervailing Measures, are likely to continue or recur.

**Commerce's Position:** As stated *supra*, in determining the likelihood of continuation or recurrence of a countervailable subsidy, section 752(b)(1) of the Act directs Commerce to consider the net countervailable subsidy determined in the investigation and subsequent reviews and whether there has been any change in a program found to be countervailable that is likely to affect that net countervailable subsidy. According to the Statement of Administrative Action accompanying the Uruguay Round Agreements Act, Commerce will consider the net countervailable subsidies in effect after the issuance of an order and whether the relevant subsidy programs have been continued, modified, or eliminated.<sup>14</sup> The SAA further states that continuation of a program will be highly probative of the likelihood of continuation or recurrence of countervailable subsidies.<sup>15</sup> The presence of programs that have not been used, but have not been terminated without residual benefits or replacement programs, is also probative of the likelihood of continuation or recurrence of a countervailable subsidy.<sup>16</sup> Where a subsidy program is found to exist, Commerce will normally determine that revocation of the relevant order would likely to lead to continuation or recurrence of a countervailable subsidy, regardless of the level of subsidization.<sup>17</sup>

In the *Final Determination*, Commerce found that countervailable subsidies were being provided to Taiwanese exporters and producers of NOES under the eight programs listed above. Commerce has not conducted an administrative review of the *Order*.<sup>18</sup> However, in the *Final Determination*, Commerce noted that the Income Tax Credit for Upgraded Equipment program was abolished as of December 31, 2009, and that any residual benefits would be exhausted within five years of 2009.<sup>19</sup> Therefore, we find that this program was terminated in 2009 and that any residual benefits ceased as of the beginning of 2015. Accordingly, we find that subsidies under the Income Tax Credit for Upgraded Equipment program are not likely to continue or reoccur in the absence of the *Order*. Concerning the remaining seven programs that Commerce countervailed in the *Final Determination*, no party submitted evidence to demonstrate that these countervailable programs have expired or been terminated, and there is no information on the record of this proceeding indicating any changes to the programs found countervailable during the investigation. Absent argument or evidence to the contrary, we find that these seven countervailable programs continue to exist and be used. Therefore, Commerce determines that there is a likelihood of continuation or recurrence of countervailable subsidies in regard to these seven programs.

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<sup>14</sup> See Statement of Administrative Action Accompanying the Uruguay Round Agreements Act, H.R. Doc. 103-316, vol 1 (1994) at 888 (SAA).

<sup>15</sup> *Id.*

<sup>16</sup> See, e.g., *Certain Hot-Rolled Flat-Rolled Carbon-Quality Steel Products from Brazil: Final Results of Full Sunset Review of Countervailing Duty Order*, 75 FR 75455 (December 3, 2010), and accompanying IDM at Comment 1.

<sup>17</sup> *Id.*

<sup>18</sup> See *Final Determination* IDM at 13-20.

<sup>19</sup> *Id.* at 14-15.

## B. Net Countervailable Subsidy Likely to Prevail

### *Domestic Producer Comments*<sup>20</sup>

- The statute requires Commerce to determine the magnitude of the rates likely to prevail if the order is revoked and to provide this information to the ITC.
- The SAA provides that Commerce will normally select the rates determined in the original investigation, “because that is the only calculated rate that reflects the behavior of exporters . . . without the discipline of an order or suspension agreement in place.”<sup>21</sup>
- Commerce has stated that its policy normally is to provide to the ITC the rates determined in the original investigation “regardless of whether the margin was calculated using a company’s own information or based on best information available or the facts available.”<sup>22</sup>
- Accordingly, Commerce should find that the likely countervailing duty rates in the event of revocation of the order are 17.12% for Leicong Industrial Company, Ltd. and 8.80% for all others.<sup>23</sup>

**Commerce’s Position:** Consistent with the SAA and legislative history, Commerce will normally provide the ITC with the net countervailable subsidy that was determined in the investigation as the subsidy rate likely to prevail if the order is revoked because, as noted by the domestic producers, it is the only calculated rate that reflects the behavior of exporters and foreign governments without the discipline of an order in place.<sup>24</sup> Section 752(b)(1)(B) of the Act, however, provides that Commerce will consider whether any change in the programs which gave rise to the net countervailable subsidy determination in the investigation or subsequent reviews has occurred that is likely to affect the net countervailable subsidy. Therefore, a rate calculated in the investigation may not be the most appropriate if, for example, the rate was derived, in whole or part, from subsidy programs subsequently found to be terminated, there has been a program-wide change, or the rate ignores a program found to be countervailable in a subsequent administrative review.<sup>25</sup>

As noted above, we find that the Income Tax Credit for Upgraded Equipment program was abolished and, thus, we have not included subsidy rates for this program when determining the subsidy rates likely to prevail upon revocation of the *Order*. In the *Final Determination*, Commerce determined that the China Steel Corporation (CSC) Companies received a net subsidy rate of 0.38 percent *ad valorem* under the program and that Leicong Industrial Company, Ltd (Leicong) did not use the program.<sup>26</sup> In the *Final Determination*, Commerce calculated a total net subsidy rate of 0.48 percent *ad valorem* for the CSC Companies, which is *de minimis*.<sup>27</sup> Thus, we have not included the *de minimis* rate calculated for the CSC Companies under this

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<sup>20</sup> See Domestic Producers’ Substantive Response at 5-6.

<sup>21</sup> See SAA at 890.

<sup>22</sup> See *Policies Regarding the Conduct of Five-Year (“Sunset”) Reviews of Antidumping and Countervailing Duty Orders*; Policy Bulletin 98.3, 63 FR 18871, 18875-18876 (April 16, 1998).

<sup>23</sup> See *Order*, 79 FR at 71751.

<sup>24</sup> See SAA at 890; see also H.R. Rep. No. 103-826 (1994) at 64.

<sup>25</sup> See, e.g., *Stainless Steel Sheet and Strip in Coils from the Republic of Korea: Final Results of Expedited Second Sunset Review*, 75 FR 62101 (October 7, 2010), and IDM at Comment 2.

<sup>26</sup> See *Final Determination* IDM at 15.

<sup>27</sup> See *Final Determination*, 79 FR at 6604.

program when reporting the subsidy rates likely to prevail upon revocation of the *Order*. In the *Final Determination*, Commerce calculated the all others rate of 8.80 percent *ad valorem* by averaging the total *de minimis* rate of 0.48 percent *ad valorem* calculated for the CSC Companies and the total AFA rate of 17.12 percent *ad valorem* assigned to Leicong.<sup>28</sup> Thus, the all-others rate is a partial function of the subsidy rate calculated for the CSC Companies under the Income Tax Credit for Upgraded Equipment program. Since we have determined not to include subsidy rates for this program when reporting the subsidies likely to prevail upon revocation of the *Order*, we have, for purposes of this expedited sunset review, recalculated the all-others rate as follows:

CSC Companies Total Net Subsidy Rate:	$0.48 - 0.38 = 0.10$
Leicong Total Net Subsidy Rate:	17.12
All Others Rate:	$(0.10 + 17.12) / 2 = 8.61$

Concerning the seven remaining programs found countervailable in the *Final Determination*, absent an administrative review, we determine the company-specific countervailable subsidy rates likely to prevail are the rates determined in the *Final Determination*. The countervailable subsidy rates, which Commerce determines are likely to prevail upon revocation of the *Order*, are provided in the “Final Results of Review” section of this memorandum.

#### C. Nature of the Subsidies

In accordance with section 752(a)(6) of the Act, Commerce is providing the following information to the ITC concerning the nature of these subsidy programs and whether these programs constitute subsidies that fall within Article 3 or Article 6.1 of the SCM Agreement. We note that Article 6.1 of the SCM Agreement expired, effective January 1, 2000.

The programs listed below do not fall within the meaning of Article 3.1 of the SCM Agreement, but they could be subsidies described in Article 6.1 of the SCM Agreement, if the amount of the subsidy exceeds five percent, as measured in accordance with Annex IV of the SCM Agreement. The subsidies could also fall within the meaning of Article 6.1 if they constitute debt forgiveness, grants to cover debt repayment, or subsidies to cover operating losses sustained by an industry or enterprise. However, there is insufficient information on the record of this review for Commerce to make such a determination. Nevertheless, we are providing the ITC with the following program descriptions.

##### 1. Tariff Exemption for Imported Equipment

Under this program, the TA seeks to revitalize non-technology-related industries in Taiwan by allowing certain manufacturers and technical service providers to receive tariff exemptions on the machinery and equipment that they import.<sup>29</sup> Commerce found this program to be *de facto* specific under section 771(5A)(D)(iii)(III) of the Act because the program was used disproportionately by one of the mandatory respondents.<sup>30</sup>

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<sup>28</sup> *Id.*

<sup>29</sup> See *Final Determination* IDM at 13.

<sup>30</sup> *Id.*

## 2. Shareholder's Investment Tax Credit for Participation in Infrastructure Projects

Pursuant to the *Statute for Upgrading Industries*, Article 8, the TA provides investment tax credits for investment in newly emerging, important and strategic industries. The purpose of this program is to encourage the incorporation or expansion of the newly emerging, important and strategic industries that can generate substantial benefits for economic development, or to support high risk industries. The TA reports that a profit-seeking enterprise investor who subscribes for the registered stock issued by a company within the newly emerging, important and strategic industries, and held such stock for a period of three years or longer, may credit up to 20 percent of the price paid for acquisition of such stock against the profit-seeking enterprise income tax or the consolidated income tax payable in each year within a period of five years from the then current year. The paid-in capital or the increase in the paid-in capital of the company qualifying for the newly emerging, important and strategic industries must exceed NT\$200,000,000 (NT\$50,000,000 if the company is engaged in green technology industry), and the amount invested by the company in purchasing new machinery and equipment must exceed NT\$100,000,000 (NT\$15,000,000 if the company invests in certain products in green technology industry).<sup>31</sup> Commerce found this program *de facto* specific under section 771(5A)(D)(iii)(I) of the Act because the number of recipients was limited in number.<sup>32</sup>

## 3. Shareholder's Investment Tax Credit for Investment in Newly Emerging, Important and Strategic Industries

Pursuant to the *Statute for Upgrading Industries*, Article 8, the TA provides investment tax credits for investment in newly emerging, important and strategic industries. The purpose of this program is to encourage the incorporation or expansion of the newly emerging, important and strategic industries that can generate substantial benefits for economic development, or to support high risk industries. The TA reports that a profit-seeking enterprise investor who subscribes for the registered stock issued by a company within the newly emerging, important and strategic industries, and held such stock for a period of three years or longer, may credit up to 20 percent of the price paid for acquisition of such stock against the profit-seeking enterprise income tax or the consolidated income tax payable in each year within a period of five years from the then current year. The paid-in capital or the increase in the paid-in capital of the company qualifying for the newly emerging, important and strategic industries must exceed NT\$200,000,000 (NT\$50,000,000 if the company is engaged in green technology industry), and the amount invested by the company in purchasing new machinery and equipment must exceed NT\$100,000,000 (NT\$15,000,000 if the company invests in certain products in green technology industry).<sup>33</sup> Commerce found this program to be *de facto* specific under section 771(5A)(D)(iii)(I) of the Act because the number of companies receiving exemptions under this program is limited in number.<sup>34</sup>

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<sup>31</sup> See *Final Determination* IDM at 15-16.

<sup>32</sup> *Id.*

<sup>33</sup> *Id.* at 16-17.

<sup>34</sup> *Id.*



#### 4. Conventional Industry Technology Development

The TA implemented this program under the *Act for Industrial Innovation* and Article 2 of the Ministry of Economic Affairs (MOEA) *Regulations on the Funding and Assistance for Industry Innovation Activities*. The Industry Development Bureau (IDB) of the Ministry of Economic Affairs is the entity that administers this program. Under this program, the IDB grants funds to companies to facilitate their projects devoted to research and development (R&D) and improvement of existing skills and products. To be eligible, the recipient must: (1) be incorporated in Taiwan; and (2) operate in the nontechnology related industries. The applications can be divided into three categories: (1) product development; (2) product design, and (3) joint development. Each category has different selection criteria and the maximum amount that may be granted for each application is NT\$10,000,000.<sup>35</sup> Commerce found this program to be *de facto* specific under section 771(5A)(D)(iii)(I) of the Act because the number of companies receiving exemptions under this program is limited in number.<sup>36</sup>

#### 5. Self-Evaluation Service

The “Self-Evaluation Service for Enterprises Seeking Excellent Performance” (the Self-Evaluation Service) is a part of the 2010 “Plan on Promotion of Enterprises’ Excellent Performance” and has been in effect since June 8, 2010. The actual implementation of this program is by the China Productivity Center (CPC), a not-for-profit foundation. For every company for which the CPC performs the evaluation, the TA pays CPC an amount to compensate the CPC for the costs incurred in the provision of the evaluation service, including the fees paid to the consultants and experts and transportation fees.<sup>37</sup> Commerce found this program to be *de facto* specific under section 771(5A)(D)(iii)(I) of the Act because the number of companies receiving exemptions under this program is limited in number.<sup>38</sup>

#### 6. Building and Land Value Tax Deduction for Supplying to Major Infrastructure Projects

The “Building and Land Value Tax Deduction for Supplying to Major Infrastructure Projects” (Building Tax Deduction) is administered under article 39 of the *Act for Promotion of Private Participating in Infrastructure Projects (PIPA)* and has been in effect since October 31, 2001. Under *PIPA*, private institutions participating in the building or operation of a major infrastructure project, *i.e.*, road or harbor construction, are eligible for a reduction or exemption from the land value tax, building tax, or deed tax.<sup>39</sup> Commerce determined that because this program is only available to companies participating in major infrastructure projects, it is *de jure* specific under section 771(5A)(D)(i) of the Act.<sup>40</sup>

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<sup>35</sup> See *Final Determination* IDM at 17-18.

<sup>36</sup> *Id.*

<sup>37</sup> *Id.* at 18-19.

<sup>38</sup> *Id.*

<sup>39</sup> *Id.* at 19-20.

<sup>40</sup> *Id.*

## 7. Major Infrastructure Projects — Land Lease Program

The “Major Infrastructure Projects —Land Lease Program” (Land Lease Program) is administered under Article 46 of the *PIPA* and has been in effect since October 31, 2001. Companies participating in infrastructure projects are eligible for a 40 percent discount off standard lease rates.<sup>41</sup> Commerce determined that because this program is only available to companies participating in major infrastructure projects, it is *de jure* specific under section 771(5A)(D)(i) of the Act.<sup>42</sup>

### FINAL RESULTS OF THE 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

### RECOMMENDATION

Based on our analysis of the substantive response received, we recommend approving all the above positions. If these recommendations are accepted, we will publish the final results of this expedited sunset review in the *Federal Register*.



\_\_\_\_\_  
Agree

\_\_\_\_\_  
Disagree

3/2/2020

**X** 

Signed by: JEFFREY KESSLER

\_\_\_\_\_  
Jeffrey I. Kessler  
Assistant Secretary  
for Enforcement and Compliance

<sup>41</sup> See *Final Determination* IDM at 20.

<sup>42</sup> *Id.*