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Dated: June 11, 2020.

Andrew McGilvray,  
Executive Secretary.

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-570-051, C-570-052]

#### Certain Hardwood Plywood Products From the People's Republic of China: Initiation of Anti-Circumvention Inquiries and Scope Inquiries on the Antidumping Duty and Countervailing Duty Orders; Vietnam Assembly

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

**SUMMARY:** In response to allegations of circumvention from the Coalition for Fair Trade in Hardwood Plywood (the petitioner), the Department of Commerce (Commerce) is initiating country-wide anti-circumvention inquiries to determine whether certain hardwood plywood products (plywood) completed in Vietnam using plywood components (face veneer, back veneer, and/or either an assembled core or individual core veneers) manufactured in the People's Republic of China (China), or Chinese components (assembled cores, multi-ply core panels, or individual core veneers) combined in Vietnam with other components (face and/or back veneers) manufactured in Vietnam or third countries, are circumventing the antidumping duty (AD) and countervailing duty (CVD) orders on plywood from China. We are also initiating scope inquiries to determine whether any of the products produced under various production scenarios alleged by the petitioner are covered by the scope of the AD/CVD orders on plywood from China. Finally, we are aligning the deadline for the scope inquiries associated with a covered merchandise referral from U.S. Customs and Border Protection (CBP) under the Enforce and Protect Act of 2015 (EAPA) with the anticircumvention inquiries.

**DATES:** Applicable June 17, 2020.

**FOR FURTHER INFORMATION CONTACT:** Kabir Archuletta, AD/CVD Operations, Office V, Enforcement & Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230, telephone: (202) 482-2593.

**SUPPLEMENTARY INFORMATION:**

#### Background

On January 4, 2018, Commerce issued AD and CVD orders on plywood from China.<sup>1</sup> On September 16, 2019, Commerce received an EAPA covered merchandise referral from CBP.<sup>2</sup> On January 17, 2020, Commerce published a notice of initiation of scope inquiries related to this referral in order to determine whether plywood produced by Vietnam Finewood Company Limited from China-origin materials are covered merchandise subject to the *Orders*.<sup>3</sup>

On February 25, 2020, pursuant to section 781(b) of the Tariff Act of 1930, as amended (the Act) and 19 CFR 351.225(c) and (h), the petitioner requested that Commerce issue a scope ruling, or in the alternative, an anti-circumvention ruling, that plywood completed in Vietnam using plywood components manufactured in China, and imported into the United States as Vietnamese-origin plywood, are either within the scope of the *Orders* or are circumventing the *Orders*. Specifically, the petitioner alleged that Chinese plywood components are undergoing minor assembly and finishing in Vietnam that does not remove the merchandise from coverage of the *Orders*, and that these products are entering the United States as Vietnamese-origin plywood for the express purpose of avoiding AD/CVD duties. In the alternative to a scope ruling, the petitioner requested that Commerce find that these products constitute merchandise completed or assembled in a third country that is circumventing, and should be included within, the scope of the *Orders*.<sup>4</sup>

On March 4, 2020, Commerce accepted the petitioner's scope-ruling and circumvention-ruling request and established deadlines for interested parties to provide comments.<sup>5</sup> Between

<sup>1</sup> See *Certain Hardwood Plywood Products from the People's Republic of China: Amended Final Determination of Sales at Less Than Fair Value, and Antidumping Duty Order*, 83 FR 504 (January 4, 2018); and *Certain Hardwood Plywood Products from the People's Republic of China: Countervailing Duty Order*, 83 FR 513 (January 4, 2018) (collectively, *Orders*).

<sup>2</sup> See *Certain Hardwood Plywood from the People's Republic of China: Notice of Covered Merchandise Referral and Initiation of Scope Inquiry*, 85 FR 3024 (January 17, 2020) (*EAPA Scope Inquiry Initiation*).

<sup>3</sup> *Id.*

<sup>4</sup> See Petitioner's Letter, "Certain Hardwood Plywood Products from the People's Republic of China: Request for Scope Ruling/Anti-Circumvention Ruling," dated February 25, 2020 (Petitioner's Request).

<sup>5</sup> See Memorandum, "Certain Hardwood Plywood Products from the People's Republic of China: Deadline for Comments on the Vietnam Assembly Scope Ruling Request," dated March 4, 2020.

March 18, 2020 and May 1, 2020, we received comments from interested parties in response to the allegations made by the petitioner.<sup>6</sup>

On April 14, 2020, Commerce extended the deadline for either issuing a final scope and/or anti-circumvention ruling or initiating a formal scope and/or anti-circumvention inquiry to June 2, 2020.<sup>7</sup> On May 8, 2020, we requested additional information from the petitioner,<sup>8</sup> and on May 13, 2020, the petitioner submitted its response to this request.<sup>9</sup> In this response, the petitioner requested that Commerce expand its inquiry to determine whether plywood assembled in Vietnam from mainly Chinese components, but also including face and/or back veneers from Vietnam or third countries, are within the scope or are circumventing the *Orders*.<sup>10</sup>

On June 2, 2020, we again extended the deadline to either issue a final scope and/or anti-circumvention ruling or

<sup>6</sup> See Vietnam Timber and Forest Product Association's Letter, "Certain Hardwood Plywood Products from the People's Republic of China: Response Comments to Scope/Anti-Circumvention Inquiry Requests," dated March 18, 2020; see also Truong Son Industrial Wood JSC's Letter, "The Petitioner's Request for Determining Range of Products/Anti-Circumvention Investigation into Certain Hardwood Plywood Products," dated March 20, 2020; VietBac Plywood JSC and Plywood Source LLC's Letter, "Certain Hardwood Plywood Products from the People's Republic of China: Response Comments to Scope/Anti-Circumvention Inquiry Requests," dated March 20, 2020; TL Trung Viet Co., Ltd.'s Letter, "Letter of Request to Consider about Tax Imposition," dated March 20, 2020; Thanh Hoa Wood Industry Co., Ltd.'s Letter, "The Petitioner's Request for Determining Range of Products/Anti-Circumvention Investigation into Certain Hardwood Plywood Products," dated March 20, 2020; DH Respondent Letter, "Hardwood Plywood from the People's Republic of China: Comments to Petitioner's Request for Scope/Anti-Circumvention Inquiry," dated March 20, 2020; Importers Alliance's Letter, "Investigation of the Antidumping and Countervailing Duty Orders on Hardwood Plywood Products from the People's Republic of China, Scope-Vietnam Assembly: Objection to Request for Scope and Anti-Circumvention Inquiry," dated March 20, 2020; Vietnam Ministry of Industry and Trade's Letter, "The Petitioner's Request for Scope of Ruling/Anti-Circumvention Ruling for Hardwood Plywood Products," dated March 25, 2020; and Ike Trading Co., Ltd.'s Letter, "Certain Hardwood Plywood Products from the People's Republic of China: Resubmission of Ike Trading's Scope Comments," dated May 1, 2020.

<sup>7</sup> See Commerce's Letter, "Certain Hardwood Plywood Products from the People's Republic of China: Extension of Deadline," dated April 14, 2020.

<sup>8</sup> See Commerce's Letter, "Certain Hardwood Plywood from the People's Republic of China: Clarification of Scope Ruling/Anticircumvention Ruling Request," dated May 8, 2020.

<sup>9</sup> See Petitioner's Letter, "Hardwood Plywood Products from the People's Republic of China: Coalition's Response to Request for Clarification," dated May 12, 2020 (Petitioner's Clarification).

<sup>10</sup> *Id.*

initiate a formal scope and/or anti-circumvention inquiry to June 9, 2020.<sup>11</sup>

### Scope of the Orders

The product covered by the *Orders* is hardwood and decorative plywood from China. For a complete description of the scope of the orders, see Appendix.

### Merchandise Subject to the Anti-Circumvention Inquiries

These anti-circumvention inquiries cover plywood completed in Vietnam using plywood components (face veneer, back veneer, and/or either an assembled core or individual core veneers) manufactured in China, or Chinese components (assembled cores, multi-ply core panels, or individual core veneers) combined in Vietnam with other components (face and/or back veneers) manufactured in Vietnam or third countries, and subsequently exported to the United States.<sup>12</sup>

### Initiation of Anti-Circumvention Inquiry Proceedings

Section 781(b) of the Act and 19 CFR 351.225(h) provide that Commerce may find circumvention of an AD or CVD order when merchandise of the same class or kind subject to the order is completed or assembled in another foreign country before being exported to the United States. In conducting anti-circumvention inquiries under section 781(b)(1) of the Act, Commerce relies upon the following criteria: (A) Merchandise imported into the United States is of the same class or kind as merchandise produced in a foreign country that is the subject of an AD or CVD order or finding; (B) before importation into the United States, such imported merchandise is completed or

assembled in another foreign country from merchandise which is produced in the foreign country that is subject to the order; (C) the process of assembly or completion in another foreign country is minor or insignificant; (D) the value of the merchandise produced in the foreign country to which the AD or CVD order applies is a significant portion of the total value of the merchandise exported to the United States; and (E) Commerce determines that action is appropriate to prevent evasion of such order or finding. As discussed below, the petitioner provides evidence with respect to these criteria.

#### A. Merchandise of the Same Class or Kind

The petitioner states that, pursuant to section 781(b)(1)(A) of the Act, the inquiry merchandise being completed in Vietnam and imported into the United States is of the same class or kind as the merchandise subject to the *Orders*.<sup>13</sup> The petitioner further argues that the products being completed in Vietnam are identical to the subject merchandise produced in China and are entering the United States under the same Harmonized Tariff Schedule subheadings as subject plywood from China.<sup>14</sup>

#### B. Completion of Merchandise in Another Foreign Country

The petitioner contends that section 781(b)(1)(B)(ii) of the Act covers the completion of plywood in Vietnam, because the main components in the production of plywood are manufactured in China, the country to which the *Orders* apply.<sup>15</sup> The petitioner also asserts that fully- or partially-assembled cores, or individual core veneers, produced in China that are combined in Vietnam with face and/or back veneers produced in Vietnam or a third country should be covered by the *Orders*; according to the petitioner, the vast majority of the cost of the finished plywood, in terms of materials, labor, and investment, is related to the production of the Chinese components (including core veneers in particular).<sup>16</sup>

#### C. Minor or Insignificant Process

Under sections 781(b)(1)(C) and 781(b)(2) of the Act, Commerce will take into account five factors to determine whether the process of assembly or completion of merchandise in other

foreign countries is minor or insignificant. Specifically, Commerce will consider: (A) The level of investment in the foreign country; (B) the level of research and development in the foreign country; (C) the nature of the production process in the foreign country; (D) the extent of production facilities in the foreign country; and (E) whether the value of processing performed in the foreign country represents a small portion of the value of the merchandise imported into the United States. However, no single factor, by itself, controls Commerce's determination of whether the process of assembly or completion in a third country is minor or insignificant.<sup>17</sup> Accordingly, it is Commerce's practice to evaluate each of these five factors as they exist in the third country, depending on the totality of the circumstances of the particular anti-circumvention inquiry.<sup>18</sup>

#### 1. Level of Investment in the Foreign Country

The petitioner states that, based on the production steps that are occurring in China and Vietnam, the relative investment in Vietnam for the assembly operations at issue is likely minimal. According to the petitioner, with respect to the plywood produced solely from wooden components of Chinese origin, the circumvention involves assembling face and back veneers and/or a core (assembled or individual core veneers) that were manufactured in China, which accounts for the vast majority of the cost of production for plywood. The petitioner asserts that the vast majority of the production process, up through the production of the wooden veneers, occurs in China, and that these parts of the production process require more complex equipment, as well as much more plant space, than the later production processes that occur in Vietnam.

With respect to the plywood assembled in Vietnam from Chinese components and non-Chinese face and/or back veneers, the petitioner claims that the cost and production related to the face and back veneers is minimal relative to the production of core veneers. In particular, the petitioner claims that the majority of the veneers in any given plywood product are used

<sup>11</sup> See Commerce's Letter, "Certain Hardwood Plywood Products from the People's Republic of China: Extension of Deadline," dated June 2, 2020.

<sup>12</sup> Specifically, these inquiries will cover plywood completed in Vietnam using: (1) Face veneer, back veneer, and assembled core components manufactured in China; and (2) face veneer, back veneer, and individual core veneers produced in China. Additionally, these inquiries will also examine, should such production scenarios exist, plywood completed in Vietnam using: (1) Fully assembled veneer core platforms manufactured in China and face and/or back veneers produced in Vietnam or third countries; (2) multi-ply panels of glued core veneers manufactured in China that are combined in Vietnam to produce veneer core platforms and combined with either a face and/or back veneer produced in China, Vietnam, or a third country; and (3) core veneers manufactured in China and processed into a veneer core platform in Vietnam and combined with a face and/or back veneer produced in Vietnam or other third country. A veneer core platform is defined as two or more wood veneers that form the core of an otherwise completed hardwood plywood product (*i.e.*, a hardwood plywood product to which the outer (face and back) veneers have not yet been affixed (see Petitioner's Request at Exhibit 11).

<sup>13</sup> See Petitioner's Request at 33–34.

<sup>14</sup> *Id.* According to the petitioner, the main components of plywood include face and back veneers, and/or either an assembled core or individual core veneers.

<sup>15</sup> *Id.* at 34–35.

<sup>16</sup> See Petitioner's Clarification at 2–6.

<sup>17</sup> See Statement of Administrative Action accompanying the Uruguay Round Agreements Act (SAA), H.R. Doc. No. 103–316, vol. 1 (1994) at 893.

<sup>18</sup> See *Uncovered Innerspring Units from the People's Republic of China: Final Affirmative Determination of Circumvention of the Antidumping Duty Order*, 83 FR 65626 (December 21, 2018), and accompanying Issues and Decision Memorandum at 4.

for the core while the face and back veneers each constitute only a single veneer.<sup>19</sup> Therefore, the petitioner contends that, to the extent that Commerce examines production scenarios described above that involve a combination of assembled cores, or individual core veneers, produced in China and face/back veneers produced in Vietnam or third countries, the cost, production, and value remains in the Chinese components (and in the core veneers in particular). As a result, the petitioner maintains that the minor processing that occurs in Vietnam also likely requires a minimal investment in Vietnam.<sup>20</sup>

## 2. Level of Research and Development in the Foreign Country

The petitioner states that there is likely no research and development occurring in Vietnam because in some cases the Vietnamese producers are just completing the end of the plywood production process. The petitioner asserts that, while the research and development required for setting up a production facility for plywood in China would be substantial, the level of research and development, if any, required for setting up an assembly facility in Vietnam would be very minimal.<sup>21</sup> The petitioner estimates that, for a fully integrated facility, approximately 90 percent of the research and development costs would relate to veneer production, with the vast majority of the veneers used for the core, while only 10 percent of the research and development costs would relate to assembly operations.<sup>22</sup>

## 3. Nature of the Production Process in the Foreign Country

The petitioner states that the process in Vietnam to complete the assembly of Chinese face and back veneers and Chinese core into plywood, or to apply Vietnamese or third-country face and back veneers to a Chinese core, or core veneers, involves very minimal processing compared to the production steps in China. The production steps that occur in China entail the majority and most significant portion of the production process (*i.e.*, the production of wooden veneers from logs, the vast majority of which are used for the core). The petitioner asserts that in certain

cases the only production steps occurring in Vietnam are the layup of the veneers as necessary, and the application of glue and the assembly of the veneers using a cold and hot press, as well as any final trimming, sanding, and/or finishing.<sup>23</sup> Moreover, the petitioner asserts that adding additional veneers to an in-scope veneer core is minor further processing that does not move the completed merchandise out of the scope.<sup>24</sup>

## 4. Extent of Production Facilities in the Foreign Country

According to the petitioner, the extent of the facilities in Vietnam is necessarily limited because the companies in Vietnam are simply assembling into finished plywood the face and back veneers and/or the core (assembled core or individual core veneers), which are manufactured by Chinese producers. Moreover, the petitioner cites information indicating that there has been no increase in production facilities in Vietnam, despite the massive increase in exports of plywood to the United States.<sup>25</sup> The petitioner also explains that the production facilities required for veneer production, with the vast majority of the veneers used for the core, are substantial compared to those required to assemble face and back veneers and cores (assembled core or individual core veneers).<sup>26</sup>

## 5. Value of Processing Performed in the Foreign Country

The petitioner asserts that the value of processing in Vietnam represents a minority of the value of the merchandise imported into the United States. According to the petitioner, the production steps that take place in China make up the most significant portion of the production process and the cost of goods sold (COGS) for the plywood. The petitioner also cites to the investigation by the U.S. International Trade Commission (ITC), which found that the percentage of COGS accounted for by raw materials alone ranged from 78.8 percent to 79.4 percent from 2014 through 2016, and that the major raw material costs are the veneer, with the vast majority of the veneers used for the core, and other plywood used in the production of plywood.<sup>27</sup>

The petitioner also provided proprietary data to demonstrate that the most significant portion of the

production costs is incurred in China from the production of veneers, and that a very small proportion of the value is accounted for by the assembly of the veneers in Vietnam.<sup>28</sup> The petitioner stated that, to the extent that assembled cores, or individual core veneers, produced in China that are being combined with Vietnam or third-country origin face/back veneers, the cost and production related to the face/back veneers is minimal relative to the production of core veneers and, thus, the vast majority of the cost, production, and value would still remain with the core veneers.<sup>29</sup>

## D. Value of Merchandise Produced in the Foreign Country Is a Significant Portion of the Value of the Merchandise

The petitioner emphasizes that the overwhelming majority of the production and costs are accounted for by the raw materials (*i.e.*, the wooden veneers and core that are produced in China and shipped to Vietnam for assembly). According to the petitioner, this demonstrates that the value of the merchandise produced in China, which include the face veneer, back veneer, and/or core (assembled or individual core veneers), accounts for a significant portion of the total value of the merchandise ultimately exported to the United States.<sup>30</sup>

As noted above, the petitioner stated that, for plywood made from core veneers produced in China and further processed and combined with face and/or back veneers produced in Vietnam or a third country, the vast majority of the value of the merchandise exported remains in the core veneers from China.<sup>31</sup>

## E. Factors To Consider in Determining Whether Action Is Necessary

Section 781(b)(1)(E) of the Act states that Commerce will determine whether action is appropriate to prevent evasion of an AD or CVD order, and section 781(b)(3) of the Act identifies additional factors that Commerce shall consider in determining whether to include parts or components in an AD or CVD order as part of an anti-circumvention inquiry, including: (A) The pattern of trade, including sourcing patterns; (B) whether the manufacturer or exporter of the merchandise described in section 781(b)(1)(B) of the Act is affiliated with the person who uses the merchandise described in (1)(B) to assemble or complete in the foreign country the

<sup>19</sup> See Petitioner's Clarification at 5–6.

<sup>20</sup> See Petitioner's Request at 36–37; *see also* Petitioner's Clarification at 9–10 and Exhibits 1 and 3.

<sup>21</sup> See Petitioner's Request at 38; *see also* Petitioner's Clarification at 10–11 and Exhibits 1 and 3.

<sup>22</sup> See Petitioner's Clarification at 11 and Exhibit 3.

<sup>23</sup> See Petitioner's Request at 38–39.

<sup>24</sup> See Petitioner's Clarification at 4.

<sup>25</sup> *Id.* at 40; *see also* Petitioner's Clarification at 12–13 and Exhibits 1 and 4.

<sup>26</sup> See Petitioner's Clarification at 12–13 and Exhibits 1 and 4.

<sup>27</sup> See Petitioner's Request at 41.

<sup>28</sup> *Id.* at 42.

<sup>29</sup> See Petitioner's Clarification at 5–6.

<sup>30</sup> *Id.* at 44.

<sup>31</sup> See Petitioner's Clarification at 5–6.

merchandise that is subsequently imported in the United States; and (C) whether imports into the foreign country of the merchandise described in (1)(B) have increased after initiation of the investigation which resulted in the issuance of such order or finding.

#### 1. Pattern of Trade

The petitioner argues that the pattern of trade demonstrates circumvention of the *Orders*.<sup>32</sup> The petitioner asserts that, since the investigations and imposition of the *Orders*, Chinese exports of plywood to the United States have decreased substantially. The petitioner further states that U.S imports of plywood from Vietnam have increased by approximately 950 percent while Chinese exports of plywood to Vietnam have effectively doubled since 2015. In addition, trade data submitted by the petitioner indicate that Chinese exports of wood veneers to Vietnam have increased by more than 350 percent over the same period.<sup>33</sup> The petitioner also points out that the Vietnamese government not only has recognized the nature of these trade trends, but it also suspects that the surge in exports of plywood products to the United States from Vietnam is a result of Chinese companies improperly seeking to avoid tariffs.<sup>34</sup>

#### 2. Affiliation

The petitioner asserts that it has reason to believe that some of the Chinese producers/exporters and Vietnamese assembly operators are affiliated. It argues that importers that previously imported Chinese plywood to the United States are now importing significant quantities of plywood from Vietnam from certain Vietnamese producers/exporters. The petitioner claims that this suggests that there may be a relationship between the prior Chinese producers/exporters and the entities that are now importing from Vietnam.<sup>35</sup>

#### 3. Subsequent Import Volume

The petitioner presents evidence indicating that Chinese exports of plywood to the United States have decreased substantially since the implementation of the *Orders*.<sup>36</sup> The evidence also shows that U.S imports of plywood from Vietnam have skyrocketed since 2015, increasing by approximately 950 percent. At the same

time, Chinese exports of plywood to Vietnam have doubled.

#### Conclusion

Based on the available information provided by the petitioner, we determine that there is sufficient basis to initiate anti-circumvention inquiries, pursuant to section 781(b) of the Act and 19 CFR 351.225(h). Commerce will determine whether the merchandise subject to the inquiries (as described in the “Merchandise Subject to the Anti-Circumvention Inquiry” section *supra*) is circumventing the *Orders* such that it should be considered to be within the scope of the *Orders*.

We find that the available information warrants initiating these anti-circumvention inquiries on a country-wide basis.<sup>37</sup> Commerce has taken this approach in prior anti-circumvention inquiries, where the facts warranted initiation on a country-wide basis.<sup>38</sup> Consistent with the approach in these prior anti-circumvention inquiries initiated on a country-wide basis, Commerce intends to request comments from interested parties regarding respondent selection and to issue questionnaires to solicit information from producers and exporters in Vietnam concerning their shipments of plywood to the United States and the origin of any plywood components being processed into completed plywood. A company’s failure to respond completely and timely to Commerce’s requests for information may result in the application of partial or total facts available, pursuant to section 776(a) of the Act, which may include adverse inferences, pursuant to section 776(b) of the Act.

Additionally, as part of these anti-circumvention inquiries, we intend to examine the scope inquiry requests filed by the petitioner under 19 CFR 351.225(c), as discussed below.<sup>39</sup> Our final findings in these anti-circumvention inquiries will include a

<sup>37</sup> *Id.* at Exhibit 6.

<sup>38</sup> See, e.g., *Certain Corrosion-Resistant Steel Products from the Republic of Korea and Taiwan: Initiation of Anti-Circumvention Inquiries on the Antidumping Duty and Countervailing Duty Orders*, 83 FR 37785 (August 2, 2018); *Carbon Steel Butt-Weld Pipe Fittings from the People’s Republic of China: Initiation of Anti-Circumvention Inquiry on the Antidumping Duty Order*, 82 FR 40556, 40560 (August 25, 2017) (stating at initiation that Commerce would evaluate the extent to which a country-wide finding applicable to all exports might be warranted); and *Certain Corrosion-Resistant Steel Products from the People’s Republic of China: Initiation of Anti-Circumvention Inquiries on the Antidumping Duty and Countervailing Duty Orders*, 81 FR 79454, 79458 (November 14, 2016) (stating at initiation that Commerce would evaluate the extent to which a country-wide finding applicable to all exports might be warranted).

<sup>39</sup> See Petitioner’s Request at 21–31.

final finding with regard to the scope inquiries to the extent that they determine whether any of the production scenarios identified by the petitioner are properly considered subject to the scope of the *Orders*. Additionally, Commerce is aligning the deadline to issue a final determination in the EAPA scope inquiries with the deadline associated with these anti-circumvention inquiries.<sup>40</sup>

In accordance with 19 CFR 351.225(l)(2), if Commerce issues preliminary affirmative determinations, we will instruct U.S. Customs and Border Protection to suspend liquidation and require a cash deposit of estimated duties, at the applicable rate, for each unliquidated entry of the merchandise at issue, entered or withdrawn from warehouse for consumption on or after the date of initiation of the inquiries.

Before issuance of any affirmative determination, Commerce intends to notify the ITC of any proposed inclusion of the inquiry merchandise under the scope of the *Orders*, in accordance with section 781(e)(1)(B) of the Act. Pursuant to section 781(f) of the Act, Commerce intends to issue its final determinations within 300 days of the date of publication of this notice of initiation.

#### Initiation of Scope Inquiries

The scope of the *Orders* states that the scope “includes hardwood and decorative plywood that has been further processed in a third country, including but not limited to trimming, cutting, notching, punching, drilling, or any other processing that would not otherwise remove the merchandise from the scope of the *Orders* if performed in the country of manufacture of the in-scope product.”<sup>41</sup>

The petitioner requests that Commerce confirm that, where Chinese producers and/or exporters are shipping the main components of plywood that are manufactured in China, as explained above, to Vietnam for assembly into completed plywood before being imported to the United States, such further processing does not remove the merchandise from the coverage of the *Orders*.<sup>42</sup> Because the scope of the *Orders* provides that certain types of further processing do not remove the merchandise from the *Orders*, we find it appropriate to also initiate scope inquiries, in accordance with 19 CFR 351.225(e), to determine if any of the products made in the production

<sup>40</sup> See *EAPA Scope Inquiry Initiation*.

<sup>41</sup> See Appendix.

<sup>42</sup> See Petitioner’s Request at 21–30.

<sup>32</sup> See Petitioner’s Request at 46–47.

<sup>33</sup> See Petitioner’s Clarification at Exhibit 2.

<sup>34</sup> See Petitioner’s Request at 46–47.

<sup>35</sup> *Id.* at 48.

<sup>36</sup> *Id.* at 49.

scenarios described by the petitioner are covered by the scope of the *Orders*.

### Notification to Interested Parties

This notice is published in accordance with sections 781(b) of the Act and 19 CFR 351.225(e) and (h).

Dated: June 9, 2020.

**Jeffrey I. Kessler,**

*Assistant Secretary for Enforcement and Compliance.*

### Appendix—Scope of the Orders

The merchandise covered by the *Orders* is hardwood and decorative plywood, and certain veneered panels as described below. For purposes of this proceeding, hardwood and decorative plywood is defined as a generally flat, multilayered plywood or other veneered panel, consisting of two or more layers or plies of wood veneers and a core, with the face and/or back veneer made of non-coniferous wood (hardwood) or bamboo. The veneers, along with the core may be glued or otherwise bonded together. Hardwood and decorative plywood may include products that meet the American National Standard for Hardwood and Decorative Plywood, ANSI/HPVA HP-1-2016 (including any revisions to that standard).

For purposes of the *Orders*, a “veneer” is a slice of wood regardless of thickness which is cut, sliced or sawed from a log, bolt, or flitch. The face and back veneers are the outermost veneer of wood on either side of the core irrespective of additional surface coatings or covers as described below.

The core of hardwood and decorative plywood consists of the layer or layers of one or more material(s) that are situated between the face and back veneers. The core may be composed of a range of materials, including but not limited to hardwood, softwood, particleboard, or medium-density fiberboard (MDF).

All hardwood plywood is included within the scope of the *Orders* regardless of whether or not the face and/or back veneers are surface coated or covered and whether or not such surface coating(s) or covers obscures the grain, textures, or markings of the wood. Examples of surface coatings and covers include, but are not limited to: Ultra violet light cured polyurethanes; oil or oil-modified or water based polyurethanes; wax; epoxy-ester finishes; moisture-cured urethanes; paints; stains; paper; aluminum; high pressure laminate; MDF; medium density overlay (MDO); and phenolic film. Additionally, the face veneer of hardwood plywood may be sanded; smoothed or given a “distressed” appearance through such methods as hand-scraping or wire brushing. All hardwood plywood is included within the scope even if it is trimmed; cut-to-size; notched; punched; drilled; or has underwent other forms of minor processing.

All hardwood and decorative plywood is included within the scope of the *Orders*, without regard to dimension (overall thickness, thickness of face veneer, thickness of back veneer, thickness of core, thickness of inner veneers, width, or length). However,

the most common panel sizes of hardwood and decorative plywood are 1,219 x 1,829 mm (48 x 72 inches), 1,219 x 2,438 mm (48 x 96 inches), and 1,219 x 3,048 mm (48 x 120 inches).

Subject merchandise also includes hardwood and decorative plywood that has been further processed in a third country, including but not limited to trimming, cutting, notching, punching, drilling, or any other processing that would not otherwise remove the merchandise from the scope of the *Orders* if performed in the country of manufacture of the in-scope product.

The scope of the orders excludes the following items: (1) Structural plywood (also known as “industrial plywood” or “industrial panels”) that is manufactured to meet U.S. Products Standard PS 1-09, PS 2-09, or PS 2-10 for Structural Plywood (including any revisions to that standard or any substantially equivalent international standard intended for structural plywood), and which has both a face and a back veneer of coniferous wood; (2) products which have a face and back veneer of cork; (3) multilayered wood flooring, as described in the antidumping duty and countervailing duty orders on Multilayered Wood Flooring from the People’s Republic of China, Import Administration, International Trade Administration, *See Multilayered Wood Flooring from the People’s Republic of China*, 76 FR 76690 (December 8, 2011) (amended final determination of sales at less than fair value and antidumping duty order), and *Multilayered Wood Flooring from the People’s Republic of China*, 76 FR 76693 (December 8, 2011) (countervailing duty order), as amended by *Multilayered Wood Flooring from the People’s Republic of China: Amended Antidumping and Countervailing Duty Orders*, 77 FR 5484 (February 3, 2012); (4) multilayered wood flooring with a face veneer of bamboo or composed entirely of bamboo; (5) plywood which has a shape or design other than a flat panel, with the exception of any minor processing described above; (6) products made entirely from bamboo and adhesives (also known as “solid bamboo”); and (7) Phenolic Film Faced Plyform (PFF), also known as Phenolic Surface Film Plywood (PSF), defined as a panel with an “Exterior” or “Exposure 1” bond classification as is defined by The Engineered Wood Association, having an opaque phenolic film layer with a weight equal to or greater than 90g/m<sup>3</sup> permanently bonded on both the face and back veneers and an opaque, moisture resistant coating applied to the edges.

Excluded from the scope of the orders are wooden furniture goods that, at the time of importation, are fully assembled and are ready for their intended uses. Also excluded from the scope of the *Orders* is “ready to assemble” (RTA) furniture. RTA furniture is defined as (A) furniture packaged for sale for ultimate purchase by an end-user that, at the time of importation, includes (1) all wooden components (in finished form) required to assemble a finished unit of furniture, (2) all accessory parts (e.g., screws, washers, dowels, nails, handles, knobs, adhesive glues) required to assemble a finished unit of furniture, and (3) instructions providing

guidance on the assembly of a finished unit of furniture; (B) unassembled bathroom vanity cabinets, having a space for one or more sinks, that are imported with all unassembled hardwood and hardwood plywood components that have been cut-to-final dimensional component shape/size, painted or stained prior to importation, and stacked within a singled shipping package, except for furniture feet which may be packed and shipped separately; or (C) unassembled bathroom vanity linen closets that are imported with all unassembled hardwood and hardwood plywood components that have been cut-to-final dimensional shape/size, painted or stained prior to importation, and stacked within a single shipping package, except for furniture feet which may be packed and shipped separately.

Excluded from the scope of the orders are kitchen cabinets that, at the time of importation, are fully assembled and are ready for their intended uses. Also excluded from the scope of the *Orders* are RTA kitchen cabinets. RTA kitchen cabinets are defined as kitchen cabinets packaged for sale for ultimate purchase by an end-user that, at the time of importation, includes (1) all wooden components (in finished form) required to assemble a finished unit of cabinetry, (2) all accessory parts (e.g., screws, washers, dowels, nails, handles, knobs, hooks, adhesive glues) required to assemble a finished unit of cabinetry, and (3) instructions providing guidance on the assembly of a finished unit of cabinetry.

Excluded from the scope of the orders are finished table tops, which are table tops imported in finished form with pre-cut or drilled openings to attach the underframe or legs. The table tops are ready for use at the time of import and require no further finishing or processing.

Excluded from the scope of the orders are finished countertops that are imported in finished form and require no further finishing or manufacturing.

Excluded from the scope of the orders are laminated veneer lumber door and window components with (1) a maximum width of 44 millimeters, a thickness from 30 millimeters to 72 millimeters, and a length of less than 2,413 millimeters (2) water boiling point exterior adhesive, (3) a modulus of elasticity of 1,500,000 pounds per square inch or higher, (4) finger-jointed or lap-jointed core veneer with all layers oriented so that the grain is running parallel or with no more than 3 dispersed layers of veneer oriented with the grain running perpendicular to the other layers; and (5) top layer machined with a curved edge and one or more profile channels throughout.

Imports of hardwood plywood are primarily entered under the following Harmonized Tariff Schedule of the United States (HTSUS) subheadings: 4412.10.0500; 4412.31.0520; 4412.31.0540; 4412.31.0560; 4412.31.0620; 4412.31.0640; 4412.31.0660; 4412.31.2510; 4412.31.2520; 4412.31.2610; 4412.31.2620; 4412.31.4040; 4412.31.4050; 4412.31.4060; 4412.31.4075; 4412.31.4080; 4412.31.4140; 4412.31.4150; 4412.31.4155; 4412.31.4160; 4412.31.4180; 4412.31.5125; 4412.31.5135; 4412.31.5155; 4412.31.5165;

4412.31.5175; 4412.31.5235; 4412.31.5255; 4412.31.5265; 4412.31.5275; 4412.31.6000; 4412.31.6100; 4412.31.9100; 4412.31.9200; 4412.32.0520; 4412.32.0540; 4412.32.0565; 4412.32.0570; 4412.32.0620; 4412.32.0640; 4412.32.0670; 4412.32.2510; 4412.32.2525; 4412.32.2530; 4412.32.2610; 4412.32.2630; 4412.32.3125; 4412.32.3135; 4412.32.3155; 4412.32.3165; 4412.32.3175; 4412.32.3185; 4412.32.3235; 4412.32.3255; 4412.32.3265; 4412.32.3275; 4412.32.3285; 4412.32.5600; 4412.32.3235; 4412.32.3255; 4412.32.3265; 4412.32.3275; 4412.32.3285; 4412.32.5700; 4412.33.0620; 4412.33.0640; 4412.33.0670; 4412.33.2630; 4412.33.3235; 4412.33.3255; 4412.33.3265; 4412.33.3275; 4412.33.3285; 4412.33.5700; 4412.34.2600; 4412.34.3235; 4412.34.3255; 4412.34.3265; 4412.34.3275; 4412.34.3285; 4412.34.5700; 4412.39.1000; 4412.39.3000; 4412.39.4011; 4412.39.4012; 4412.39.4019; 4412.39.4031; 4412.39.4032; 4412.39.4039; 4412.39.4051; 4412.39.4052; 4412.39.4059; 4412.39.4061; 4412.39.4062; 4412.39.4069; 4412.39.5010; 4412.39.5030; 4412.39.5050; 4412.94.1030; 4412.94.1050; 4412.94.3105; 4412.94.3111; 4412.94.3121; 4412.94.3141; 4412.94.3161; 4412.94.3175; 4412.94.4100; 4412.99.0600; 4412.99.1020; 4412.99.1030; 4412.99.1040; 4412.99.3110; 4412.99.3120; 4412.99.3130; 4412.99.3140; 4412.99.3150; 4412.99.3160; 4412.99.3170; 4412.99.4100; 4412.99.5115; and 4412.99.5710.

Imports of hardwood plywood may also enter under HTSUS subheadings 4412.10.9000; 4412.94.5100; 4412.94.9500; 4412.99.6000; 4412.99.7000; 4412.99.8000; 4412.99.9000; 4412.99.9500; 9403.90.7005; 9403.90.7010; and 9403.90.7080. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of these orders is dispositive.

[FR Doc. 2020-13075 Filed 6-16-20; 8:45 am]

BILLING CODE 3510-DS-P

## DEPARTMENT OF COMMERCE

### National Oceanic and Atmospheric Administration

[RTID 0648-XA207]

#### Fisheries of the Gulf of Mexico; Southeast Data, Assessment, and Review (SEDAR); Public Meeting

**AGENCY:** National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

**ACTION:** Notice of a public meeting.

**SUMMARY:** The SEDAR 70 stock assessment process for Gulf of Mexico greater amberjack will consist of a series of data and assessment webinars. See

#### SUPPLEMENTARY INFORMATION.

**DATES:** The SEDAR 70 Assessment Webinar I for Gulf of Mexico greater amberjack will be held July 2, 2020, from 1 p.m. to 3 p.m., Eastern Time.

**ADDRESSES:**

**Meeting address:** The meeting will be held via webinar. The webinar is open to members of the public. Those interested in participating should contact Julie A. Neer at SEDAR (See Contact Information Below) to request an invitation providing webinar access information. Please request webinar invitations at least 24 hours in advance of each webinar.

**SEDAR address:** 4055 Faber Place Drive, Suite 201, North Charleston, SC 29405.

**FOR FURTHER INFORMATION CONTACT:** Julie A. Neer, SEDAR Coordinator; (843) 571-4366; email: [Julie.neer@safmc.net](mailto:Julie.neer@safmc.net).

**SUPPLEMENTARY INFORMATION:** The Gulf of Mexico, South Atlantic, and Caribbean Fishery Management Councils, in conjunction with NOAA Fisheries and the Atlantic and Gulf States Marine Fisheries Commissions have implemented the Southeast Data, Assessment and Review (SEDAR) process, a multi-step method for determining the status of fish stocks in the Southeast Region. SEDAR is a multi-step process including: (1) Data Workshop, (2) a series of assessment webinars, and (3) A Review Workshop. The product of the Data Workshop is a report that compiles and evaluates potential datasets and recommends which datasets are appropriate for assessment analyses. The assessment webinars produce a report that describes the fisheries, evaluates the status of the stock, estimates biological benchmarks, projects future population conditions, and recommends research and monitoring needs. The product of the Review Workshop is an Assessment Summary documenting panel opinions regarding the strengths and weaknesses of the stock assessment and input data. Participants for SEDAR Workshops are appointed by the Gulf of Mexico, South Atlantic, and Caribbean Fishery Management Councils and NOAA Fisheries Southeast Regional Office, HMS Management Division, and Southeast Fisheries Science Center. Participants include data collectors and database managers; stock assessment scientists, biologists, and researchers; constituency representatives including fishermen, environmentalists, and NGO's; International experts; and staff of Councils, Commissions, and state and federal agencies.

The items of discussion during the Assessment Webinar are as follows:

1. Using datasets and initial assessment analysis recommended from the data webinars, panelists will employ assessment models to evaluate stock status, estimate population benchmarks

and management criteria, and project future conditions.

2. Participants will recommend the most appropriate methods and configurations for determining stock status and estimating population parameters.

Although non-emergency issues not contained in this agenda may come before this group for discussion, those issues may not be the subject of formal action during this meeting. Action will be restricted to those issues specifically identified in this notice and any issues arising after publication of this notice that require emergency action under section 305(c) of the Magnuson-Stevens Fishery Conservation and Management Act, provided the public has been notified of the intent to take final action to address the emergency.

#### Special Accommodations

The meeting is physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be directed to the Council office (see **ADDRESSES**) at least 5 business days prior to each workshop.

**NOTE:** The times and sequence specified in this agenda are subject to change.

**Authority:** 16 U.S.C. 1801 *et seq.*

Dated: June 12, 2020.

**Tracey L. Thompson,**

*Acting Deputy Director, Office of Sustainable Fisheries, National Marine Fisheries Service.*

[FR Doc. 2020-13007 Filed 6-16-20; 8:45 am]

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## DEPARTMENT OF COMMERCE

### National Oceanic and Atmospheric Administration

[RTID 0648-XQ011]

#### Permits; Foreign Fishing

**AGENCY:** National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

**ACTION:** Notice of application for transshipment permit; request for comments.

**SUMMARY:** NMFS publishes for public review and comment information regarding a permit application for transshipment of farmed salmon from aquaculture operations in Maine to processing plants in Canada by Canadian flagged vessels. The application for a transshipment permit is submitted under provisions of the Magnuson-Stevens Fishery Conservation and Management Act