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DEPARTMENT OF COMMERCE

International Trade Administration

A-570-898

Chlorinated Isocyanurates from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2013-2014

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

Commerce

SUMMARY: On July 8, 2015, the Department of Commerce ("the Department") published its *Preliminary Results* of the administrative review of the antidumping duty order on chlorinated isocyanurates ("chloro isos") from the People's Republic of China ("PRC"). The period of review (POR) is June 1, 2013, through May 31, 2014. This review covers three producers/exporters: 1) Heze Huayi Chemical Co. Ltd. ("Heze Huayi"); 2) Hebei Jiheng Chemical Co., Ltd. and Hebei Jiheng Baikang Chemical Industry Co., Ltd. (collectively, "Jiheng"); and 3) Juancheng Kangtai Chemical Co., Ltd. ("Kangtai"). We invited parties to comment on our *Preliminary Results*. Based on our analysis of the comments received, we made certain changes to our margin calculations for all three respondents. The final dumping margins for this review are listed in the "Final Results" section below.

DATES: Effective date: (INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*).

FOR FURTHER INFORMATION CONTACT: Sean Carey, AD/CVD Operations, Office VII,
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¹ See Chlorinated Isocyanurates From the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review; 2013-2014, 80 FR 39060 (July 8, 2015) (Preliminary Results).

Background

On July 8, 2015, the Department published its *Preliminary Results*. The Department verified the questionnaire responses of Heze Huayi from September 14 through September 18, 2015.² On September 21 through September 25, 2015, the Department verified the questionnaire responses of Jiheng.³

On September 30, 2015, the Department extended the deadline for the final results in this administrative review until December 7, 2015.⁴ On November 10, 2015, we fully extended the deadline for the final results.⁵ Because we miscalculated this extended deadline, we corrected the date to January 4, 2015 which is 180 days from the date of publication of the preliminary results and the maximum allowed under section 751(a)(3)(A) of Tariff Act of 1930, as amended ("the Act").⁶

On November 13, 2015, Clearon Corp. and Occidental Chemical Corp. (collectively, "Petitioners") and Jiheng submitted case briefs. On November 18, 2015, Jiheng, and Heze Huayi and Kangtai submitted rebuttal briefs. 8

² See Memorandum to the File, "Verification of the Sales Response of Heze Huayi Chemical Company, Ltd. in the Antidumping Administrative Review of Chlorinated Isocyanurates from the People's Republic of China," (October 20, 2015) ("Heze Huayi Verification Report").

^{20, 2015) (&}quot;Heze Huayi Verification Report").

³ See Memorandum to the File, "Verification of the Sales Response of Hebei Jiheng Chemical Company, Ltd. in the Antidumping Administrative Review of Chlorinated Isocyanurates from the People's Republic of China," (November 5, 2015) ("Jiheng Verification Report").

⁴ See Memorandum to Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty

⁴ See Memorandum to Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, "Chlorinated Isocyanurates from the People's Republic of China: Extension of Deadline for Final Results of Antidumping Duty Administrative Review," (September 30, 2015).

⁵ See Memorandum to Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, "Chlorinated Isocyanurates from the People's Republic of China: Extension of Deadline for Final Results of Antidumping Duty Administrative Review," (November 10, 2015).

⁶ See Memorandum to the File, "Chlorinated Isocyanurates from the People's Republic of China: Correction of Extension of Deadline for Final Results of Antidumping Duty Administrative Review" (November 20, 2015).

⁷ See "The Administrative Review of the Antidumping Duty Order on Chlorinated Isocyanurates from the People's Republic of China: Case Brief of Clearon Corp. and Occidental Chemical Corporation," (November 13, 2015) ("Petitioners' Case Brief"); and, "Chlorinated Isocyanurates from the People's Republic of China: Case Brief," (November 13, 2015) ("Jiheng's Case Brief").

⁸ See "Chlorinated Isocyanurates from the People's Republic of China: Rebuttal Brief," (November 18, 2015) ("Jiheng's Rebuttal Brief"); and, "Certain Chlorinated Isocyanurates from the People's Republic of China Rebuttal Brief," (November 18, 2015) ("Kangtai's and Heze Huayi's Rebuttal Brief").

Scope of the Order

The products covered by the order are chlorinated isos, which are derivatives of cyanuric acid, described as chlorinated s-triazine triones. Chlorinated isos are currently classifiable under subheadings 2933.69.6015, 2933.69.6021, 2933.69.6050, 3808.40.50, 3808.50.40 and 3808.94.5000 of the Harmonized Tariff Schedule of the United States. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of merchandise subject to the scope is dispositive. For a full description of the scope of the order, *see* Issues and Decision Memorandum.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs filed by parties in this review are addressed in the Issues and Decision Memorandum, which is hereby adopted by this notice. A list of the issues that parties raised and to which we responded in the Issues and Decision Memorandum follows as an appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System ("ACCESS"). ACCESS is available to registered users at http://access.trade.gov and to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the Internet at http://enforcement.trade.gov/frn/. The signed Issues and Decision Memorandum and electronic versions of the Issues and Decision Memorandum are identical in content.

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⁹ See Memorandum to Paul Piquado, Assistant Secretary for Enforcement and Compliance, "Decision Memorandum for the Final Results of Antidumping Duty Administrative Review: Chlorinated Isocyanurates from the People's Republic of China; 2013-2014," ("Issues and Decision Memorandum") issued concurrently with this notice for a complete description of the scope of the Order.

Changes Since the Preliminary Results

Based on a review of the record and comments received from interested parties regarding our *Preliminary Results*, we have made revisions to the margin calculations for all companies. ¹⁰

<u>Adjustments for Countervailable Subsidies</u>

Because no respondent established eligibility for an adjustment under section 777A(f) of the Act for countervailable domestic subsidies, the Department, for these final results, did not make an adjustment pursuant to section 777A(f) of the Act for countervailable domestic subsidies.¹¹

Pursuant to section 772(c)(1)(C) of the Act, the Department made an adjustment for countervailable export subsidies. For Heze Huayi and Jiheng, we made adjustments to reported U.S. prices. The adjustment for Kangtai is zero because no countervailable export subsidies were found in the final determination of the CVD investigation. For the PRC-wide entity, since the entity is not currently under review, its rate is not subject to change. 14

Final Results

We determine that the following weighted-average dumping margins exist for the POR:

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¹⁰ See Issues and Decision Memorandum, at 3.

¹¹ See Preliminary Results, and accompanying Issues and Decision Memorandum, at 24.

¹² See Chlorinated Isocyanurates From the People's Republic of China: Final Affirmative Countervailing Duty Determination; 2012, 79 FR 56560 (September 22, 2014), and accompanying Issues and Decision Memorandum, at "Analysis of Programs" section.

¹³ See Preliminary Results, and accompanying Issues and Decision Memorandum, at 24; Memorandum to the File, "Analysis for the Preliminary Results of the 2013-2014 Administrative Review of the Antidumping Duty Order on Chlorinated Isocyanurates from the People's Republic of China: Heze Huayi Chemical Co. Ltd.," June 30, 2015, at "Export Subsidy Offset" section, unchanged for these final results; and, Memorandum to the File, "Analysis for the Preliminary Results of the 2013-2014 Administrative Review of the Antidumping Duty Order on Chlorinated Isocyanurates from the People's Republic of China: Hebei Jiheng Chemical Co., Ltd.," June 30, 2015, at "Export Subsidy Offset" section, unchanged for these final results.

¹⁴ See Antidumping Proceedings: Announcement of Change in Department Practice for Respondent Selection in Antidumping Duty Proceedings and Conditional Review of the Nonmarket Economy Entity in NME Antidumping Duty Proceedings, 78 FR 65963, 65969-70 (November 4, 2013).

Exporter	Weight-Average Dumping
	Margin Percentage
Heze Huayi Chemical Co., Ltd.	0.00
Hebei Jiheng Chemical Co., Ltd.	1.15
Juancheng Kangtai Chemical Co., Ltd.	0.00

Assessment Rates

The Department will determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries covered by this review. The Department intends to issue assessment instructions to CBP 15 days after the publication date of these final results of this review. In accordance with 19 CFR 351.212(b)(1), we are calculating importer-(or customer-) specific assessment rates for the merchandise subject to this review.

For each individually examined respondent whose weighted-average dumping margin is above *de minimis* (*i.e.*, 0.50 percent), the Department will calculate importer-specific assessment rates on the basis of the ratio of the total amount of dumping calculated for the importer's examined sales and the total entered value of sales. We will instruct CBP to assess antidumping duties on all appropriate entries covered by this review when the importer-specific assessment rate is above *de minimis*. Where either the respondent's weighted-average dumping margin is zero or *de minimis*, or an importer-specific assessment rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for shipments of the subject merchandise from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as

¹⁵ See Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification, 77 FR 8101 (February 14, 2012).

provided by section 751(a)(2)(C) of the Tariff Act of 1930, as amended (the Act): (1) for the exporter's listed above, the cash deposit rate will be the rate established in the final results of this review (except, if the rate is zero or *de minimis*, a zero cash deposit rate will be required for that company); (2) for previously investigated or reviewed PRC and non-PRC exporters not listed above that have separate rates, the cash deposit rate will continue to be the existing producer/exporter-specific rate published for the most recent period; (3) for all PRC exporters of subject merchandise that have not been found to be eligible for a separate rate, the cash deposit rate will be the PRC-wide rate of 285.63 percent; ¹⁶ and (4) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporter(s) that supplied that non-PRC exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

Disclosure

We will disclose the calculations performed regarding these final results within five days of the date of publication of this notice in this proceeding in accordance with 19 CFR 351.224(b).

Notification to Importers

This notice serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this POR. Failure to comply with this requirement could result in the Department's presumption that reimbursement of antidumping duties has occurred and that subsequent assessment of doubled antidumping duties.

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¹⁶ For an explanation on the derivation of the PRC-wide rate, *see Notice of Final Determination of Sales at Less Than Fair Value: Chlorinated Isocyanurates From the People's Republic of China*, 70 FR 24502, 24505 (May 10, 2005).

Administrative Protective Order Notification to Interested Parties

This notice also serves as the only reminder to parties subject to administrative protective

order ("APO") of their responsibility concerning the return or destruction of proprietary

information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to

govern business proprietary information in this segment of the proceeding. Timely written

notification of the return or destruction of APO materials, or conversion to judicial protective

order, is hereby requested. Failure to comply with the regulations and terms of an APO is a

violation which is subject to sanction.

Notification to Interested Parties

This administrative review and notice are issued and published in accordance with

sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.213(h).

Paul Piquado

Assistant Secretary

for Enforcement and Compliance

Dated: January 4, 2016.

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Appendix – Issues and Decision Memorandum

Summary
Background
Scope of the Order
Changes Since the Preliminary Results
Discussion of the Issues

Comment 1: Surrogate Value for the Raw Material Input Chlorine

Comment 2: Surrogate Value for the Raw Material Input Urea

Comment 3: Surrogate Value for the By-Product Hydrogen

Comment 4: Surrogate Financial Ratios

Comment 5: By-Product Offset for Ammonium Sulfate

Comment 6: Calculation of Jiheng's Indirect Selling Expenses

Comment 7: Calculation of Ocean Freight

Recommendation

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