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## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-533-879, A-570-066]

### **Polytetrafluoroethylene Resin from India and the People's Republic of China: Initiation of Less-Than-Fair-Value Investigations**

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

DATES: Applicable October 18, 2017.

FOR FURTHER INFORMATION CONTACT: Mark Kennedy at (202) 482-7883 (India), and Catherine Cartsos (the People's Republic of China (PRC)) at (202) 482-1757, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.

#### SUPPLEMENTARY INFORMATION:

##### The Petitions

On September 28, 2017, the U.S. Department of Commerce (the Department) received antidumping duty (AD) Petitions concerning imports of polytetrafluoroethylene resin (PTFE resin) from India and the PRC, filed in proper form on behalf of The Chemours Company FC LLC (the petitioner).<sup>1</sup> The AD Petitions were accompanied by a countervailing duty (CVD) Petition concerning imports of PTFE resin from India. The petitioner is a domestic producer of PTFE resin.<sup>2</sup>

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<sup>1</sup> See Letter to the Secretary of Commerce re: "Polytetrafluoroethylene (PTFE) Resin from the People's Republic of China and India: Antidumping and Countervailing Duty Petitions," dated September 28, 2017 (the Petitions).

<sup>2</sup> See the Petitions at 2.

On October 2, 2017, and October 3, 2017, the Department requested supplemental information pertaining to certain areas of the Petitions.<sup>3</sup> The petitioner filed responses to these requests on October 4, 2017, and October 5, 2017.<sup>4</sup> In addition, the petitioner filed revised scope language on October 13, 2017.<sup>5</sup>

In accordance with section 732(b) of the Tariff Act of 1930, as amended (the Act), the petitioner alleges that imports of PTFE resin from India and the PRC are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Act, and that such imports are materially injuring, or threatening material injury to, the domestic industry producing PTFE resin in the United States. Also, consistent with section 732(b)(1) of the Act, the Petitions are accompanied by information reasonably available to the petitioner supporting its allegations.

The Department finds that the petitioner is an interested party as defined in section 771(9)(C) of the Act and that the petitioner filed these Petitions on behalf of the domestic industry and demonstrated sufficient industry support with respect to the initiation of the AD investigations that the petitioner is requesting.<sup>6</sup>

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<sup>3</sup> See Letter from the Department, “Petitions for the Imposition of Antidumping and Countervailing Duties on Imports of Polytetrafluoroethylene Resin from India and the People’s Republic of China: Supplemental Questions,” dated October 2, 2017 (General Issues Questionnaire); see also Letter from the Department, “Petition for the Imposition of Antidumping Duties on Imports of Polytetrafluoroethylene Resin from the People’s Republic of China: Supplemental Questions,” dated October 2, 2017 (PRC AD Supplemental Questionnaire); Letter from the Department, “Petition for the Imposition of Antidumping Duties on Imports of Polytetrafluoroethylene Resin from India: Supplemental Questions,” dated October 3, 2017 (India AD Supplemental Questionnaire).

<sup>4</sup> See Letter from the petitioner, “Polytetrafluoroethylene (PTFE) Resin from the People’s Republic of China and India: Responses to Supplemental Questions Regarding the Antidumping and Countervailing Duty Petitions” (October 4, 2017) (General Issues and AD Supplement); see also Letter from the petitioner, “Polytetrafluoroethylene (PTFE) Resin from the People’s Republic of China and India: Additional Responses to Supplemental Questions Regarding the Antidumping and Countervailing Duty Petitions” (October 5, 2017); Letter from the petitioner, “Polytetrafluoroethylene (PTFE) Resin from India: Exhibit III-12” (October 5, 2017).

<sup>5</sup> See Letter from the petitioner, “Polytetrafluoroethylene (PTFE) Resin from the People’s Republic of China and India: Amendment to the Suggested Scope of the Antidumping and Countervailing Duty Petitions” (October 13, 2017). See also Memorandum to the File, dated October 11, 2017.

<sup>6</sup> See the “Determination of Industry Support for the Petitions” section, below.

### Periods of Investigation

Because the Petitions were filed on September 28, 2017, the period of investigation (POI) for India is July 1, 2016, through June 30, 2017. Because the PRC is a non-market economy (NME) country, the POI for the PRC is January 1, 2017, through June 30, 2017.

### Scope of the Investigations

The product covered by these investigations is PTFE resin from India and the PRC. For a full description of the scope of these investigations, *see* the “Scope of the Investigations,” in the Appendix to this notice.

### Comments on Scope of the Investigations

During our review of the Petitions, the petitioner submitted a revised proposed scope to ensure that the scope language in the Petitions would be an accurate reflection of the products for which the domestic industry is seeking relief.<sup>7</sup>

As discussed in the preamble to the Department’s regulations, we are setting aside a period for interested parties to raise issues regarding product coverage (scope).<sup>8</sup> The Department will consider all comments received from interested parties and, if necessary, will consult with interested parties prior to the issuance of the preliminary determinations. If scope comments include factual information,<sup>9</sup> all such factual information should be limited to public information. To facilitate preparation of its questionnaires, the Department requests all interested parties to submit such comments by 5:00 p.m. Eastern Time (ET) on Tuesday, November 7, 2017, which is 20 calendar days from the signature date of this notice. Any rebuttal comments, which may

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<sup>7</sup> *See* Letter from the petitioner, “Polytetrafluoroethylene (PTFE) Resin from the People’s Republic of China and India: Amendment to the Suggested Scope of the Antidumping and Countervailing Duty Petitions” (October 13, 2017). *See also* Memorandum to the File, dated October 11, 2017.

<sup>8</sup> *See Antidumping Duties; Countervailing Duties, Final Rule*, 62 FR 27296, 27323 (May 19, 1997).

<sup>9</sup> *See* 19 CFR 351.102(b)(21) (defining “factual information”).

include factual information, must be filed by 5:00 p.m. ET on Friday, November 17, 2017, which is 10 calendar days from the initial comments deadline.<sup>10</sup>

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

#### Filing Requirements

All submissions to the Department must be filed electronically using Enforcement and Compliance's Antidumping Duty and Countervailing Duty Centralized Electronic Service System (ACCESS).<sup>11</sup> An electronically filed document must be received successfully in its entirety by the time and date it is due. Documents exempted from the electronic submission requirements must be filed manually (*i.e.*, in paper form) with Enforcement and Compliance's APO/Dockets Unit, Room 18022, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230, and stamped with the date and time of receipt by the applicable deadlines.

#### Comments on Product Characteristics for AD Questionnaires

The Department will provide interested parties an opportunity to comment on the appropriate physical characteristics of PTFE resin to be reported in response to the Department's

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<sup>10</sup> See 19 CFR 351.303(b).

<sup>11</sup> 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 the Department's electronic filing requirements, which went into effect on August 5, 2011. Information on help 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%20on%20Electronic%20Filing%20Procedures.pdf>.

AD questionnaires. This information will be used to identify the key physical characteristics of the merchandise under consideration in order to report the relevant costs of production accurately as well as to develop appropriate product-comparison criteria.

Interested parties may provide any information or comments that they feel are relevant to the development of an accurate list of physical characteristics. Specifically, they may provide comments as to which characteristics are appropriate to use as: 1) general product characteristics and 2) product-comparison criteria. We note that it is not always appropriate to use all product characteristics as product-comparison criteria. We base product-comparison criteria on meaningful commercial differences among products. In other words, although there may be some physical product characteristics utilized by manufacturers to describe PTFE resin, it may be that only a select few product characteristics take into account commercially meaningful physical characteristics. In addition, interested parties may comment on the order in which the physical characteristics should be used in matching products. Generally, the Department attempts to list the most important physical characteristics first and the least important characteristics last.

In order to consider the suggestions of interested parties in developing and issuing the AD questionnaires, all product characteristics comments must be filed by 5:00 p.m. ET on November 7, 2017. Any rebuttal comments must be filed by 5:00 p.m. ET on November 17, 2017. All comments and submissions to the Department must be filed electronically using ACCESS, as explained above, on the records of both the India and the PRC less-than-fair-value investigations.

### Determination of Industry Support for the Petitions

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(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 732(c)(4)(D) of the Act provides that, if the 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, the Department 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 the Department to look to producers and workers who produce the domestic like product. The 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 the Department and the ITC must apply the same statutory definition regarding the domestic like product,<sup>12</sup> they do so for different purposes and pursuant to a separate and distinct authority. In addition, the Department’s determination is subject to limitations of time and information. Although this may

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<sup>12</sup> See section 771(10) of the Act.

result in different definitions of the like product, such differences do not render the decision of either agency contrary to law.<sup>13</sup>

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).

With regard to the domestic like product, the petitioner does not offer a definition of the domestic like product distinct from the scope of the investigations. Based on our analysis of the information submitted on the record, we have determined that PTFE resin, as defined in the scope, constitutes a single domestic like product and we have analyzed industry support in terms of that domestic like product.<sup>14</sup>

In determining whether the petitioner has standing under section 732(c)(4)(A) of the Act, we considered the industry support data contained in the Petitions with reference to the domestic like product as defined in the “Scope of the Investigations,” in Appendix I of this notice. The petitioner provided its own production of the domestic like product in 2016, as well as estimated 2016 production data of the domestic like product by the entire U.S. industry.<sup>15</sup> To establish industry support, the petitioner compared its production to the total 2016 production of the

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<sup>13</sup> 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* 865 F.2d 240 (Fed. Cir. 1989)).

<sup>14</sup> For a discussion of the domestic like product analysis in this case, see Antidumping Duty Investigation Initiation Checklist: Polytetrafluoroethylene (PTFE) Resin from the People’s Republic of China (PRC AD Initiation Checklist), at Attachment II, Analysis of Industry Support for the Antidumping and Countervailing Duty Petitions Covering Polytetrafluoroethylene (PTFE) Resin from the People’s Republic of China and India (Attachment II); and Antidumping Duty Investigation Initiation Checklist: Polytetrafluoroethylene (PTFE) Resin from India (India AD Initiation Checklist), at Attachment II. These checklists are dated concurrently with, and hereby adopted by, this notice and on file electronically via ACCESS. Access to documents filed via ACCESS is also available in the Central Records Unit, Room B8024 of the main Department of Commerce building.

<sup>15</sup> See the Petitions, at 2-4 and Exhibit I-2; see also General Issues and AD Supplement, at 3-4.

domestic like product for the entire domestic industry.<sup>16</sup> We relied on the data the petitioner provided for purposes of measuring industry support.<sup>17</sup>

Our review of the data provided in the Petitions and other information readily available to the Department indicates that the petitioner has established industry support.<sup>18</sup> First, the Petitions 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, the Department is not required to take further action in order to evaluate industry support (*e.g.*, polling).<sup>19</sup> Second, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(i) of the Act because the domestic producers (or workers) who support the Petitions account for at least 25 percent of the total production of the domestic like product.<sup>20</sup> Finally, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(ii) of the Act because the domestic producers (or workers) who support the Petitions 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 Petitions.<sup>21</sup> Accordingly, the Department determines that the Petitions were filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act.

The Department finds that the petitioner filed the Petitions on behalf of the domestic industry because it is an interested party as defined in section 771(9)(C) of the Act and it has

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<sup>16</sup> See the Petitions, at Exhibit I-2; *see also* General Issues and AD Supplement, at 3-4.

<sup>17</sup> *Id.* For further discussion, *see* PRC AD Initiation Checklist, at Attachment II; and India AD Initiation Checklist, at Attachment II.

<sup>18</sup> See PRC AD Initiation Checklist, at Attachment II; and India AD Initiation Checklist, at Attachment II.

<sup>19</sup> See section 732(c)(4)(D) of the Act; *see also* PRC AD Initiation Checklist, at Attachment II; and India AD Initiation Checklist, at Attachment II.

<sup>20</sup> See PRC AD Initiation Checklist, at Attachment II; and India AD Initiation Checklist, at Attachment II.

<sup>21</sup> *Id.*

demonstrated sufficient industry support with respect to the AD investigations that it is requesting that the Department initiate.<sup>22</sup>

#### Allegations and Evidence of Material Injury and Causation

The petitioner alleges that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the imports of the subject merchandise sold at less than normal value (NV). In addition, the petitioner alleges that subject imports exceed the negligibility threshold provided for under section 771(24)(A) of the Act.<sup>23</sup>

The petitioner contends that the industry's injured condition is illustrated by a significant volume of subject imports; an increase in the volume of subject imports relative to U.S. consumption and production; reduced market share; underselling and price suppression or depression; lost sales and revenues; a negative impact on the domestic industry's capacity, capacity utilization, and employment; and a negative impact on revenues and operating profits.<sup>24</sup> We have assessed the allegations and supporting evidence regarding material injury, threat of material injury, and causation, and we have determined that these allegations are properly supported by adequate evidence, and meet the statutory requirements for initiation.<sup>25</sup>

#### Allegations of Sales at Less Than Fair Value

The following is a description of the allegations of sales at less than fair value upon which the Department based its decision to initiate AD investigations of imports of PTFE resin from India and the PRC. The sources of data for the deductions and adjustments relating to U.S. price and NV are discussed in greater detail in the country-specific initiation checklists.

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<sup>22</sup> *Id.*

<sup>23</sup> See the Petitions, at 21 and Exhibit I-14.

<sup>24</sup> *Id.* at 24-34, Exhibit I-8, and Exhibits I-14, I-16, and I-17.

<sup>25</sup> See PRC AD Initiation Checklist, at Attachment III, Analysis of Allegations and Evidence of Material Injury and Causation for the Antidumping and Countervailing Duty Petitions Covering Polytetrafluoroethylene Resin (PTFE Resin) from India and the People's Republic of China (the PRC) (Attachment III); see also India AD Initiation Checklist, at Attachment III.

### Export Price

For the PRC, the petitioner based the U.S. price on export price (EP) using average unit values (AUVs) of publicly available import data and price quotes for sales of PTFE resin produced in, and exported from, the PRC and offered for sale in the United States.<sup>26</sup> For India, the petitioner based U.S. price on EP using AUVs of publicly available import data.<sup>27</sup> Where applicable, the petitioner made deductions from U.S. price for movement and other expenses, consistent with the terms of sale.<sup>28</sup>

### Constructed Export Price

For India, because the petitioner had reason to believe that the prices/offers for sale were made through a U.S. affiliate, the petitioner also based the U.S. price on constructed export price (CEP) using price quotes for sales and prices of actual sales of PTFE resin produced in, and exported from, India and offered for sale in the United States.<sup>29</sup> Where applicable, the petitioner made deductions from U.S. price for movement and other expenses, consistent with the terms of sale.<sup>30</sup>

### Normal Value

For India, the petitioner provided home market price information for PTFE resin produced and offered for sale in India that was obtained through market research.<sup>31</sup> For India, the petitioner provided a declaration from a market researcher to support the price information.<sup>32</sup>

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<sup>26</sup> See PRC AD Initiation Checklist.

<sup>27</sup> See India AD Initiation Checklist.

<sup>28</sup> See India AD Initiation Checklist and PRC AD Initiation Checklist.

<sup>29</sup> See India AD Initiation Checklist.

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

<sup>31</sup> *Id.*

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

With respect to the PRC, the petitioner stated that the Department has found it to be a NME country in prior administrative proceedings in which they were involved.<sup>33</sup> In accordance with section 771(18)(C)(i) of the Act, the presumption of NME status remains in effect until revoked by the Department. The presumption of NME status for the PRC has not been revoked by the Department and, therefore, remains in effect for purposes of the initiation of this investigation. Accordingly, NV in the PRC is appropriately based on factors of production (FOPs) valued in a surrogate market economy country, in accordance with section 773(c) of the Act.<sup>34</sup> In the course of this investigation, all parties, and the public, will have the opportunity to provide relevant information related to the granting of separate rates to individual exporters.

The petitioner claims that Mexico is an appropriate surrogate country for the PRC because it is a market economy country that is at a level of economic development comparable to that of the PRC, it is a significant producer of comparable merchandise, and public information from Mexico is available to value all material input factors.<sup>35</sup> Based on the information provided by the petitioner, we determine that it is appropriate to use Mexico as a surrogate country for initiation purposes.

Interested parties will have the opportunity to submit comments regarding surrogate country selection and, pursuant to 19 CFR 351.301(c)(3)(i), will be provided an opportunity to submit publicly available information to value FOPs within 30 days before the scheduled date of the preliminary determination.

### Factors of Production

Because information regarding the volume of inputs consumed by the PRC

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<sup>33</sup> See the Petitions, at 38.

<sup>34</sup> See PRC AD Initiation Checklist.

<sup>35</sup> See Petitions, at 39-42 and Exhibits I-1, II-2, II-3.

producers/exporters is not available, the petitioner relied on its own production experience as an estimate of Chinese manufacturers' FOPs.<sup>36</sup> The petitioner valued the estimated FOPs using surrogate values from Mexico and used the average POI exchange rate to convert the data to U.S. dollars.<sup>37</sup>

### Fair Value Comparisons

Based on the data provided by the petitioner, there is reason to believe that imports of PTFE resin from India and the PRC are being, or are likely to be, sold in the United States at less than fair value. Based on comparisons of EP and CEP to NV for India and EP to NV for the PRC in accordance with sections 772 and 773 of the Act, the estimated dumping margins for PTFE resin for each of the countries covered by this initiation are as follows: (1) PRC – 23.4 to 408.9 percent,<sup>38</sup> and (2) India – 15.8 to 128.1 percent.<sup>39</sup>

### Initiation of Less-than-Fair-Value Investigations

Based upon the examination of the AD Petitions, we find that the Petitions meet the requirements of section 732 of the Act. Therefore, we are initiating AD investigations to determine whether imports of PTFE resin from India and the PRC are being, or are likely to be, sold in the United States at less than fair value. In accordance with section 733(b)(1)(A) of the Act and 19 CFR 351.205(b)(1), unless postponed, we intend to make our preliminary determinations no later than 140 days after the date of this initiation.

Under the Trade Preferences Extension Act of 2015, numerous amendments to the AD and CVD law were made.<sup>40</sup> The 2015 law does not specify dates of application for those

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<sup>36</sup> See the Petitions, at 43 and Exhibit II-5.

<sup>37</sup> See the Petitions, at 43-46 and Exhibits II-6, II-7, II-8, II-9, II-10, II-11, II-12, II-13, and II-14.

<sup>38</sup> See PRC AD Initiation Checklist.

<sup>39</sup> See India AD Initiation Checklist.

<sup>40</sup> See Trade Preferences Extension Act of 2015, Pub. L. No. 114-27, 129 Stat. 362 (2015).

amendments. On August 6, 2015, the Department published an interpretative rule, in which it announced the applicability dates for each amendment to the Act, except for amendments contained in section 771(7) of the Act, which relate to determinations of material injury by the ITC.<sup>41</sup> The amendments to sections 771(15), 773, 776, and 782 of the Act are applicable to all determinations made on or after August 6, 2015, and, therefore, apply to these AD investigations.<sup>42</sup>

### Respondent Selection

The petitioner named seven companies in India as producers/exporters of PTFE resin.<sup>43</sup> For India, following standard practice in AD investigations involving market economy countries, in the event the Department determines that the number of producers/exporters involved in the investigation is large, the Department intends to review U.S. Customs and Border Protection (CBP) data for U.S. imports of PTFE resin during the POI under the appropriate Harmonized Tariff Schedule of the United States subheadings, and if it determines that it cannot individually examine each company based upon the Department's resources, then the Department will select respondents based on that data. We intend to release CBP data under Administrative Protective Order (APO) to all parties with access to information protected by APO within five business days of the announcement of the initiation of this investigation. Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305(b). Instructions for filing such applications may be found on the Department's website at <http://enforcement.trade.gov/apo>.

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<sup>41</sup> See *Dates of Application of Amendments to the Antidumping and Countervailing Duty Laws Made by the Trade Preferences Extension Act of 2015*, 80 FR 46793 (August 6, 2015).

<sup>42</sup> *Id.* at 46794-95. The 2015 amendments may be found at <https://www.congress.gov/bill/114th-congress/house-bill/1295/text/pl>.

<sup>43</sup> See the Petitions, at Exhibit I-13.

Interested parties may submit comments regarding the CBP data and respondent selection by 5:00 p.m. ET seven calendar days after the placement of the CBP data on the record of this investigation. Interested parties wishing to submit rebuttal comments should submit those comments five calendar days after the deadline for initial comments.

Comments must be filed electronically using ACCESS. An electronically-filed document must be received successfully, in its entirety, by ACCESS no later than 5:00 p.m. ET on the date noted above. If respondent selection is necessary, within 20 days of publication of this notice, we intend to make our decisions regarding respondent selection based upon comments received from interested parties and our analysis of the record information.

With respect to the PRC, the petitioner named 49 companies in the PRC as producers/exporters of PTFE resin.<sup>44</sup> In accordance with our standard practice for respondent selection in AD cases involving NME countries, we intend to issue quantity and value (Q&V) questionnaires to producers/exporters of merchandise subject to this NME investigation and, in the event the Department determines that the number of producers/exporters involved in the investigation is large, base respondent selection on the responses received. For this NME investigation, the Department will request Q&V information from known exporters and producers identified, with complete contact information, in the Petitions. In addition, the Department will post the Q&V questionnaire along with filing instructions on Enforcement and Compliance's website at <http://www.trade.gov/enforcement/news.asp>.

Producers/exporters of PTFE resin from the PRC that do not receive Q&V questionnaires by mail may still submit a response to the Q&V questionnaire and can obtain a copy of the Q&V questionnaire from Enforcement & Compliance's website. The Q&V response must be

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<sup>44</sup> See the Petitions at Exhibit I-13.

submitted by the relevant PRC exporters/producers no later than 5:00 p.m. ET on November 2, 2017. All Q&V responses must be filed electronically via ACCESS.

### Separate Rates

In order to obtain separate-rate status in an NME investigation, exporters and producers must submit a separate-rate application.<sup>45</sup> The specific requirements for submitting a separate-rate application in the PRC investigation are outlined in detail in the application itself, which is available on the Department's web site at <http://enforcement.trade.gov/nme/nme-sep-rate.html>. The separate-rate application will be due 30 days after publication of this initiation notice.<sup>46</sup> Exporters and producers who submit a separate-rate application and have been selected as mandatory respondents will be eligible for consideration for separate-rate status only if they respond to all parts of the Department's AD questionnaire as mandatory respondents. The Department requires that companies from the PRC submit a response to both the Q&V questionnaire and the separate-rate application by the respective deadlines in order to receive consideration for separate-rate status. Companies not filing a timely Q&V response will not receive separate-rate consideration.

### Use of Combination Rates

The Department will calculate combination rates for certain respondents that are eligible for a separate rate in an NME investigation. The Separate Rates and Combination Rates Bulletin states:

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<sup>45</sup> See Policy Bulletin 05.1: Separate-Rates Practice and Application of Combination Rates in Antidumping Investigation involving Non-Market Economy Countries (April 5, 2005), available at <http://enforcement.trade.gov/policy/bull05-1.pdf> (Policy Bulletin 05.1).

<sup>46</sup> Although in past investigations this deadline was 60 days, consistent with 19 CFR 351.301(a), which states that "the Secretary may request any person to submit factual information at any time during a proceeding," this deadline is now 30 days.

{w}hile continuing the practice of assigning separate rates only to exporters, all separate rates that the Department will now assign in its NME Investigation will be specific to those producers that supplied the exporter during the period of investigation. Note, however, that one rate is calculated for the exporter and all of the producers which supplied subject merchandise to it during the period of investigation. This practice applies both to mandatory respondents receiving an individually calculated separate rate as well as the pool of non-investigated firms receiving the weighted-average of the individually calculated rates. This practice is referred to as the application of “combination rates” because such rates apply to specific combinations of exporters and one or more producers. The cash-deposit rate assigned to an exporter will apply only to merchandise both exported by the firm in question and produced by a firm that supplied the exporter during the period of investigation.<sup>47</sup>

#### Distribution of Copies of the Petitions

In accordance with section 732(b)(3)(A)(i) of the Act and 19 CFR 351.202(f), copies of the public version of the Petitions have been provided to the governments of India and the PRC *via* ACCESS. To the extent practicable, we will attempt to provide a copy of the public version of the Petitions to each exporter named in the Petitions, as provided under 19 CFR 351.203(c)(2).

#### ITC Notification

We will notify the ITC of our initiation, as required by section 732(d) of the Act.

#### Preliminary Determinations by the ITC

The ITC will preliminarily determine, within 45 days after the date on which the Petitions were filed, whether there is a reasonable indication that imports of PTFE resin from India and/or the PRC are materially injuring or threatening material injury to a U.S. industry.<sup>48</sup> A negative ITC determination for either country will result in the investigation being terminated with respect to that country.<sup>49</sup> Otherwise, these investigations will proceed according to statutory and regulatory time limits.

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<sup>47</sup> See Policy Bulletin 05.1 at 6 (emphasis added).

<sup>48</sup> See section 733(a) of the Act.

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

### Submission of 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 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 the Department; and (v) evidence other than factual information described in (i)–(iv). 19 CFR 351.301(b) requires any party, when submitting factual information, to specify under which subsection of 19 CFR 351.102(b)(21) the information is being submitted<sup>50</sup> 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.<sup>51</sup> 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 these investigations.

### 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 the Secretary. 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. 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, we may elect to specify a different time limit by which extension requests will be considered untimely for submissions which are due from

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<sup>50</sup> See 19 CFR 351.301(b).

<sup>51</sup> See 19 CFR 351.301(b)(2).

multiple parties simultaneously. In such a case, we will inform parties in the letter or memorandum setting forth the deadline (including a specified time) by which extension requests must be filed to be considered timely. An extension request must be made in a separate, stand-alone submission; under limited circumstances we will grant untimely-filed requests for the extension of time limits. Parties should review *Extension of Time Limits; Final Rule*, 78 FR 57790 (September 20, 2013), available at <http://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm>, prior to submitting factual information in these investigations.

#### Certification Requirements

Any party submitting factual information in an AD or CVD proceeding must certify to the accuracy and completeness of that information.<sup>52</sup> Parties must use the certifications formats provided in 19 CFR 351.303(g).<sup>53</sup> The Department intends to reject factual submissions if the submitting party does not comply with applicable certification requirements.

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<sup>52</sup> See section 782(b) of the Act.

<sup>53</sup> 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 [http://enforcement.trade.gov/tlei/notices/factual\\_info\\_final\\_rule\\_FAQ\\_07172013.pdf](http://enforcement.trade.gov/tlei/notices/factual_info_final_rule_FAQ_07172013.pdf).

Notification to Interested Parties

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305. On January 22, 2008, the Department published *Antidumping and Countervailing Duty Proceedings: Documents Submission Procedures; APO Procedures*, 73 FR 3634 (January 22, 2008). Parties wishing to participate in these investigations should ensure that they meet the requirements of these procedures (*e.g.*, the filing of letters of appearance as discussed in 19 CFR 351.103(d)).

This notice is issued and published pursuant to sections 732(c)(2) and 777(i) of the Act, and 19 CFR 351.203(c).

Gary Taverman  
Deputy Assistant Secretary  
for Antidumping and Countervailing Duty Operations  
performing the non-exclusive functions and duties of the  
Assistant Secretary for Enforcement and Compliance

Dated: October 18, 2017 .

## **Appendix**

### **Scope of the Investigations**

The product covered by these investigations is polytetrafluoroethylene (PTFE) resin, including but not limited to granular, dispersion, or coagulated dispersion (also known as fine powder). PTFE is covered by the scope of these investigations whether filled or unfilled, whether or not modified, and whether or not containing co-polymer additives, pigments, or other materials. Also included is PTFE wet raw polymer. The chemical formula for PTFE is C<sub>2</sub>F<sub>4</sub>, and the Chemical Abstracts Service Registry number is 9002-84-0.

PTFE further processed into micropowder, having particle size typically ranging from 1 to 25 microns, and a melt-flow rate no less than 0.1 gram/10 minutes, is excluded from the scope of these investigations.

PTFE is classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 3904.61.0010 and 3904.61.0090. Subject merchandise may also be classified under HTSUS subheading 3904.69.5000. Although the HTSUS subheadings and CAS Number are provided for convenience and Customs purposes, the written description of the scope is dispositive.

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