DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-028]


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

SUMMARY: The Department of Commerce (Commerce) determines that imports of unfinished blends of hydrofluorocarbon (HFC) components R-32 and R-125 from the People’s Republic of China (China) are circumventing the antidumping duty (AD) order on HFC blends from China.

DATES: Applicable [insert date of publication in the Federal Register].

FOR FURTHER INFORMATION CONTACT: Andrew Medley or Jacob Garten, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4987 or (202) 482-3342, respectively.

SUPPLEMENTARY INFORMATION:

Background

On January 27, 2020, Commerce published the Preliminary Determination\(^1\) of circumvention of the antidumping duty order on HFC blends from China with respect to blends of R-32 and R-125 which are imported from China and further processed into HFC blends.

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subject to the order. Although we invited parties to comment on the Preliminary Determination of this inquiry, we received no comments. Accordingly, no decision memorandum accompanies this Federal Register notice. We notified the International Trade Commission (ITC) of our preliminary determination in accordance with section 781(e) of the Act and did not receive a request for consultations from the ITC. Commerce conducted this anti-circumvention inquiry in accordance with section 781(a) of the Tariff Act of 1930, as amended (the Act).

Scope of the Order

The products subject to the Order are HFC blends. HFC blends covered by the scope are R-404A, a zeotropic mixture consisting of 52 percent 1,1,1 Trifluoroethane, 44 percent Pentafluoroethane, and 4 percent 1,1,1,2-Tetrafluoroethane; R-407A, a zeotropic mixture of 20 percent Difluoromethane, 40 percent Pentafluoroethane, and 40 percent 1,1,1,2-Tetrafluoroethane; R-407C, a zeotropic mixture of 23 percent Difluoromethane, 25 percent Pentafluoroethane, and 52 percent 1,1,1,2-Tetrafluoroethane; R-410A, a zeotropic mixture of 50 percent Difluoromethane and 50 percent Pentafluoroethane; and R-507A, an azeotropic mixture of 50 percent Pentafluoroethane and 50 percent 1,1,1-Trifluoroethane also known as R-507. The foregoing percentages are nominal percentages by weight. Actual percentages of single component refrigerants by weight may vary by plus or minus two percent points from the nominal percentage identified above.

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3 For further details of the issues addressed in this proceeding, see Preliminary Determination.
Any blend that includes an HFC component other than R-32, R-125, R-143a, or R-134a is excluded from the scope of the Order.

Excluded from the Order are blends of refrigerant chemicals that include products other than HFCs, such as blends including chlorofluorocarbons (CFCs), hydrochlorofluorocarbons (HCFCs), hydrocarbons (HCs), or hydrofluoroolefins (HFOs).

Also excluded from the Order are patented HFC blends, including, but not limited to, ISCEON® blends, including MO99™ (R-438A), MO79 (R-422A), MO59 (R-417A), MO49Plus™ (R-437A) and MO29™ (R-4 22D), Genetron® Performax™ LT (R-407F), Choice® R-421A, and Choice® R-421B.

HFC blends covered by the scope of the Order are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheadings 3824.78.0020 and 3824.78.0050. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope is dispositive.6

Merchandise Subject to the Anti-Circumvention Inquiry

This anti-circumvention inquiry covers imports of partially finished blends of HFC components R-32 (also known as Difluoromethane) and R-125 (also known as Pentafluoroethane) from China that must be further processed in the United States to create an HFC blend that would be subject to the Order.

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6 See Order.
Final Determination

In the Preliminary Determination, we determined that imports of unfinished blends of HFC components R-32 and R-125 from China are circumventing the Order. Specifically, we determined that imports of unfinished blends of HFC components R-32 and R-125 from China are being finished and sold in the United States pursuant to the statutory and regulatory criteria laid out in section 781(a) of the Act and 19 CFR 351.225(g). We based our Preliminary Determination upon record evidence submitted by the petitioners and U.S. Customs and Border Protection (CBP). For a complete discussion of the evidence which led to our preliminary determination, see the Preliminary Determination.

Because no party to this inquiry nor the ITC provided any additional information or comments regarding our Preliminary Determination, our final determination remains unchanged from the Preliminary Determination. Accordingly, we determine, pursuant to section 781(a) of the Act and 19 CFR 351.225(g), that imports of unfinished blends of HFC components R-32 and R-125 from China are circumventing the Order.

Continuation of Suspension of Liquidation

As a result of this determination, and consistent with 19 CFR 351.225(l)(3), we intend to direct CBP to continue to suspend liquidation and to require a cash deposit of estimated antidumping duties at the applicable rate on unliquidated entries of merchandise subject to this inquiry that are entered, or withdrawn from warehouse, for consumption on or after June 18, 2019, the date of initiation of this anti-circumvention inquiry.7

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Notification Regarding Administrative Protective Order

This notice also serves as a reminder to parties subject to the administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

Notification to Interested Parties

We are issuing and publishing this notice in accordance with sections 781(a) and 777(i) of the Act, and 19 CFR 351.213(h) and 351.221(b)(5).


Christian Marsh,
Deputy Assistant Secretary
for Enforcement and Compliance.
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