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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-028]

Hydrofluorocarbon Blends from the People's Republic of China: Antidumping Duty Order

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

SUMMARY: Based on affirmative final determinations by the Department of Commerce (the Department) and the International Trade Commission (the ITC), the Department is issuing an antidumping duty order on hydrofluorocarbon blends from the People's Republic of China (PRC).

DATES: Effective [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Elizabeth Eastwood or Dennis McClure, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3874 or (202) 482-5973.

SUPPLEMENTARY INFORMATION:

Background

In accordance with sections 735(d) and 777(i)(1) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.210(c), on June 29, 2016, the Department published its affirmative final determination in the less-than-fair-value (LTFV) investigation of hydrofluorocarbon (HFC)

blends and components thereof from the PRC.¹ On August 5, 2016, the ITC notified the Department of: its affirmative determination that an industry in the United States is materially injured within the meaning of section 735(b)(1)(A)(i) of the Act, by reason of the LTFV imports of HFC blends from the PRC; its negative determination that an industry in the United States is not materially injured or threatened with material injury by reason of imports of HFC components from the PRC; and its determination that critical circumstances do not exist with respect to imports of HFC blends that are subject to the Department's affirmative critical circumstances finding.²

Scope of the Order

The products subject to this 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

¹ See *Hydrofluorocarbon Blends and Components Thereof from the People's Republic of China: Final Determination of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances*; 81 FR 42314 (June 29, 2016) (*Final Determination*).

² See Letter to Christian Marsh, Deputy Assistant Secretary of Commerce for Enforcement and Compliance, from Irving Williamson, Chairman of the U.S. International Trade Commission, regarding hydrofluorocarbon blends and components thereof from China (August 5, 2016) (ITC Letter). See also *Hydrofluorocarbon Blends and Components from China* (Investigation No. 731-TA-1279 (Final), USITC Publication 4629, August 2016).

component refrigerants by weight may vary by plus or minus two percent points from the nominal percentage identified above.³

Any blend that includes an HFC component other than R-32, R-125, R-143a, or R-134a is excluded from the scope of this order.

Excluded from this 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 this 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 this 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.

Antidumping Duty Order

As stated above, on August 5, 2016, in accordance with section 735(d) of the Act, the ITC notified the Department of its final determination in this investigation. In its determination,

³ R-404A is sold under various trade names, including Forane® 404A, Genetron® 404A, Solkane® 404A, Klea® 404A, and Suva®404A. R-407A is sold under various trade names, including Forane® 407A, Solkane® 407A, Klea®407A, and Suva®407A. R-407C is sold under various trade names, including Forane® 407C, Genetron® 407C, Solkane® 407C, Klea® 407C and Suva® 407C. R-410A is sold under various trade names, including EcoFluor R410, Forane® 410A, Genetron® R410A and AZ-20, Solkane® 410A, Klea® 410A, Suva® 410A, and Puron®. R-507A is sold under various trade names, including Forane® 507, Solkane® 507, Klea®507, Genetron®AZ-50, and Suva®507. R-32 is sold under various trade names, including Solkane®32, Forane®32, and Klea®32. R-125 is sold under various trade names, including Solkane®125, Klea®125, Genetron®125, and Forane®125. R-143a is sold under various trade names, including Solkane®143a, Genetron®143a, and Forane®125.

the ITC found two domestic like products: (1) HFC blends, and (2) HFC components. The ITC notified the Department of: its affirmative determination that an industry in the United States is materially injured within the meaning of section 735(b)(1)(A)(i) of the Act, by reason of the LTFV imports of HFC blends from the PRC; its negative determination that an industry in the United States is not materially injured or threatened with material injury by reason of imports of HFC components from the PRC; and its determination that critical circumstances do not exist with respect to imports of HFC blends that are subject to the Department's affirmative critical circumstances finding.⁴ Therefore, in accordance with section 735(c)(2) of the Act, we are issuing this antidumping duty order with respect to HFC blends as identified in the "Scope of the Order" section above. Because the ITC determined that imports of HFC blends from the PRC are materially injuring a U.S. industry, unliquidated entries of such merchandise from the PRC, entered or withdrawn from warehouse for consumption, are subject to the assessment of antidumping duties.

Therefore, in accordance with section 736(a)(1) of the Act, the Department will direct U.S. Customs and Border Protection (CBP) to assess, upon further instruction by the Department, antidumping duties equal to the amount by which the normal value of the merchandise exceeds the export price (or constructed export price) of the merchandise, for all relevant entries of HFC blends from the PRC. Antidumping duties will be assessed on unliquidated entries of HFC blends from the PRC entered, or withdrawn from warehouse, for consumption on or after February 1, 2016, the date of publication of the preliminary

⁴ See ITC Letter.

determination,⁵ but will not include entries occurring after the expiration of the provisional measures period and before publication of the ITC's final injury determination as further described below.

Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, we will instruct CBP to continue to suspend liquidation on all relevant entries of HFC blends from the PRC. These instructions suspending liquidation will remain in effect until further notice.

We will also instruct CBP to require cash deposits equal to the amounts as indicated below. Accordingly, effective on the date of publication of the ITC's final affirmative injury determination,⁶ CBP will require, at the same time as importers would normally deposit estimated duties on this subject merchandise, a cash deposit equal to the estimated weighted-average dumping margins listed below.⁷ The "PRC-wide" rate applies to all producers or exporters not specifically listed, as appropriate.

With respect to the ITC's negative determination with respect to imports of HFC components from the PRC, we will instruct CBP to terminate the suspension of liquidation for entries of HFC components from the PRC and to refund any cash deposits made to secure the payment of estimated antidumping duties.

Provisional Measures

Section 733(d) of the Act states that instructions issued pursuant to an affirmative preliminary determination may not remain in effect for more than four months, except where

⁵ See *Hydrofluorocarbon Blends and Components Thereof from the People's Republic of China: Preliminary Determination of Sales at Less Than Fair Value, Affirmative Preliminary Determination of Critical Circumstances, in Part, and Postponement of Final Determination*; 81 FR 5098 (February 1, 2016) (*Preliminary Determination*).

⁶ See *Hydrofluorocarbon Blends and Components From China; Determination*, 81 FR 53157 (August 11, 2016).

⁷ See section 736(a)(3) of the Act.

exporters representing a significant proportion of exports of the subject merchandise request the Department to extend that four-month period to no more than six months. At the request of exporters that account for a significant proportion of HFC blends from the PRC, the Department extended the four-month period to six months in each case.⁸ In the underlying investigation, the Department published the preliminary determination on February 1, 2016. Therefore, the extended period, beginning on the date of publication of the preliminary determination, ended on July 30, 2016.

Furthermore, section 737(b) of the Act states that definitive duties are to begin on the date of publication of the ITC's final injury determination. Therefore, in accordance with section 733(d) of the Act and our practice,⁹ we will instruct CBP to terminate the suspension of liquidation and to liquidate, without regard to antidumping duties, unliquidated entries of HFC blends from the PRC entered, or withdrawn from warehouse, for consumption on or after July 30, 2016, the date on which the provisional measures expired, until and through the day preceding the date of publication of the ITC's final injury determination in the *Federal Register*. Suspension of liquidation will resume on the date of publication of the ITC's final determination in the *Federal Register*.

Critical Circumstances

With regard to the ITC's negative critical circumstances determination on imports of HFC blends from the PRC, we will instruct CBP to lift suspension and to refund any cash deposits made to secure the payment of estimated antidumping duties with respect to entries of

⁸ See *Preliminary Determination*.

⁹ See *Certain Corrosion-Resistant Steel Products From India, Italy, the People's Republic of China, the Republic of Korea and Taiwan: Amended Final Affirmative Antidumping Determination for India and Taiwan, and Antidumping Duty Orders*, 81 FR 48390 (July 25, 2016).

HFC blends from the PRC entered, or withdrawn from warehouse, for consumption on or after November 3, 2015 (*i.e.*, 90 days prior to the date of publication of the *Preliminary Determination*), but before February 1, 2016 (*i.e.*, the date of publication of the *Preliminary Determination*).

Estimated Weighted-Average Dumping Margins

The weighted-average antidumping duty margin percentages are as follows:

Exporter	Producer	Weighted-Average Margin (%)
T.T. International Co., Ltd. ¹⁰	Sinochem Environmental Protection Chemicals (Taicang) Co., Ltd.	101.82
T.T. International Co., Ltd.	Zhejiang Lantian Environmental Protection Fluoro Material Co. Ltd.	101.82
T.T. International Co., Ltd.	Jinhua Yonghe Fluorochemical Co., Ltd.	101.82
T.T. International Co., Ltd.	Zhejiang Sanmei Chemical Industry Co., Ltd.	101.82
T.T. International Co., Ltd.	Shandong Huaan New Material Co., Ltd.	101.82
T.T. International Co., Ltd.	Zhejiang Zhonglan Refrigeration Technology Co., Ltd.	101.82
T.T. International Co., Ltd.	Dongyang Weihua Refrigerants Co., Ltd.	101.82
Daikin Fluorochemicals (China) Co., Ltd.	Daikin Fluorochemicals (China) Co., Ltd.	101.82
Daikin Fluorochemicals (China) Co., Ltd.	Arkema Daikin Advanced Fluorochemicals (Changsu) Co., Ltd. (Arkema Daikin)	101.82
Jinhua Yonghe Fluorochemical Co., Ltd.	Zhejiang Yonghe Refrigerant Co., Ltd.	101.82
Shandong Huaan New Material Co., Ltd.	Shandong Huaan New Material Co., Ltd.	101.82
Weitron International Refrigeration Equipment (Kunshan) Co., Ltd.	Zhejiang Lantian Environmental Protection Fluoro Material Co., Ltd.	101.82
Weitron International Refrigeration Equipment (Kunshan) Co., Ltd.	Sinochem Environmental Protection Chemicals (Taicang) Co., Ltd.	101.82
Weitron International Refrigeration Equipment (Kunshan) Co., Ltd.	Zhejiang Quzhou Lianzhou Refrigerants Co., Ltd.	101.82

¹⁰ In this investigation, the Department determined to treat T.T. International, Ltd. (Dalian) and T.T. International Ltd. (Hong Kong) as a single entity (*i.e.*, T.T. International Co., Ltd. or TTI) for purposes of this antidumping duty proceeding. See Memorandum to Melissa G. Skinner, Director, Office II, from Dennis McClure, International Trade Analyst, entitled, “Antidumping Duty Investigation of Hydrofluorocarbons from the People’s Republic of China: Affiliation and Single Entity Status,” dated June 21, 2016.

Exporter	Producer	Weighted-Average Margin (%)
Weitron International Refrigeration Equipment (Kunshan) Co., Ltd.	Zhejiang Sanmei Chemical Industry Co., Ltd.	101.82
Zhejiang Yonghe Refrigerant Co., Ltd.	Jinhua Yonghe Fluorochemical Co., Ltd.	101.82
Zhejiang Sanmei Chemical Industry Co., Ltd. (Zhejiang Sanmei Chemical Ind. Co., Ltd.)	Zhejiang Sanmei Chemical Industry Co., Ltd. (Zhejiang Sanmei Chemical Ind. Co., Ltd.)	101.82
Zhejiang Sanmei Chemical Industry Co., Ltd. (Zhejiang Sanmei Chemical Industry Co., Ltd.)	Jiangsu Sanmei Chemicals Co., Ltd.	101.82
PRC-Wide Entity		216.37

This notice constitutes the antidumping duty order with respect to HFC blends from the PRC pursuant to section 736(a) of the Act. Interested parties can find a list of antidumping duty orders currently in effect at <http://enforcement.trade.gov/stats/iastats1.html>.

This order is published in accordance with section 736(a) of the Act and 19 CFR 351.211(b).

Dated: August 15, 2016

Paul Piquado
Assistant Secretary
for Enforcement and Compliance

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