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DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

A-570-836

Glycine from the People's Republic of China: Initiation of Antidumping Duty Changed Circumstances Review

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

SUMMARY: In response to a request from Salvi Chemical Industries Ltd. (Salvi), the Department of Commerce (the Department) is initiating a changed circumstances review of the antidumping duty order on glycine from the People's Republic of China (PRC).

DATES: Effective [INSERT DATE OF PUBLICATION IN THE *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Dena Crossland or Brian Davis, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3362 or (202) 482-7924, respectively.

SUPPLEMENTARY INFORMATION:

Background

On July 18, 2016, the Department received a request from Salvi to initiate a changed circumstances review in order for the Department to determine that the glycine produced by Salvi is no longer processed from PRC-origin glycine.¹ Additionally, Salvi requests that the Department determine that importers of glycine from Salvi are eligible to participate in a

¹ See Letter to the Department of Commerce from Salvi Chemical Industries Limited regarding "Glycine from the People's Republic of China: Request for Changed Circumstances Review," dated July 18, 2016.

certification process.² Salvi refers to an anti-circumvention inquiry, where the Department determined that Salvi was processing Chinese glycine, and that glycine processed in India of Chinese origin does not change country of origin, and, therefore, Salvi had circumvented the *Order*.³ As part of our determination, we stated that Salvi could not take part in a certification process, whereby Salvi's importers could certify that they had not imported Chinese-origin glycine and would not be subject to the antidumping duty rate for Chinese glycine.⁴ This certification process was established to ensure that merchandise entering the United States from India was properly identified as subject or non-subject merchandise. However, we also stated that Salvi could request an administrative review or a changed circumstances review to show that it is no longer processing PRC-glycine and exporting such glycine from India.⁵ If the Department determined that Salvi is no longer processing PRC-origin glycine, and instead is producing glycine from raw materials of non-PRC origin, the Department could allow the importers of Salvi's product to certify that the glycine being produced and exported is not processed PRC-origin glycine.⁶

On July 26, 2016, the Department received comments from domestic interested party, GEO Specialty Chemicals, Inc. (GEO), regarding Salvi's request.⁷ On August 29, 2016, we extended the deadline to initiate until October 17, 2016, in order to collect information and

² *Id.*

³ See *Glycine From the People's Republic of China: Final Partial Affirmative Determination of Circumvention of the Antidumping Duty Order*, 77 FR 73426 (December 10, 2012) (*Circumvention Notice*) and accompanying Issues and Decision Memorandum for the Final Determination of the Anti-Circumvention Inquiry of the Antidumping Duty Order on Glycine from the People's Republic of China. See also *Antidumping Duty Order: Glycine From the People's Republic of China*, 60 FR 16116 (March 29, 1995) (*Order*) and Final Scope Ruling Concerning the Antidumping Duty Order on Glycine from the People's Republic of China, Memorandum from Richard Weible to Gary Taverman, dated December 3, 2012 (Final Scope Ruling).

⁴ See *Circumvention Notice* and Final Scope Ruling.

⁵ See Final Scope Ruling.

⁶ *Id.*

⁷ See Letter to the Department of Commerce from GEO Specialty Chemicals, Inc. regarding "Glycine from the People's Republic of China: GEO's Opposition to Salvi's Request for Changed Circumstances Review," dated July 26, 2016.

legible exhibits from Salvi, because it did not submit a sufficient response, and to consider interested parties' comments.⁸ On September 9, 2016, we issued a questionnaire to Salvi, to which it responded on September 26, 2016.⁹ On October 6, 2016, GEO submitted comments on Salvi's questionnaire response.¹⁰ On October 13, 2016, we determined that we had a sufficient request from Salvi and that the deadline for initiating a changed circumstances review should be November 10, 2016.¹¹ On October 20, 2016, Salvi placed on the record certain information issued by the Department in the recently completed 2014-2015 administrative review under this antidumping duty order.¹² On October 27, 2016, GEO provided comments on Salvi's October 20, 2016 submission.¹³

Scope of the Order

The product covered by this antidumping duty order is glycine, which is a free-flowing crystalline material, like salt or sugar. Glycine is produced at varying levels of purity and is used as a sweetener/taste enhancer, a buffering agent, reabsorbable amino acid, chemical intermediate, and a metal complexing agent. This proceeding includes glycine of all purity levels. Glycine is currently classified under subheading 2922.49.4020 of the Harmonized Tariff Schedule of the

⁸ See Letter from the Department of Commerce to Salvi Chemical Industries Limited regarding "Request for Changed Circumstances Review—Glycine from the People's Republic of China," dated August 29, 2016.

⁹ See Letter from the Department of Commerce to Salvi Chemical Industries Limited, dated September 9, 2016 and Letter to the Department of Commerce from Salvi Chemical Industries Limited regarding "Glycine from the People's Republic of China: Changed Circumstances Review Response," dated September 26, 2016.

¹⁰ See Letter to the Department of Commerce from GEO Specialty Chemicals, Inc. regarding "Glycine from the People's Republic of China: GEO's Comments Regarding Salvi's September 26, 2016 Response to the Department September 9, 2016 Questionnaire," dated October 6, 2016.

¹¹ See Memorandum to The File from Dena Crossland, International Trade Analyst, AD/CVD Operations, Office VI, Enforcement and Compliance, regarding "Antidumping Duty Administrative Review of Glycine from the People's Republic of China" and on the subject of "Changed Circumstances Review Deadline," dated October 13, 2016.

¹² See Letter to the Department of Commerce from Salvi Chemical Industries Limited regarding "Glycine from the People's Republic of China: Changed Circumstances Review; Placing Information from the 2014-2015 Administrative Review on the Administrative Record," dated October 20, 2016; and *Glycine From the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2014-2015*, 81 FR 72567 (October 20, 2016) and corresponding "Issues and Decision Memorandum for the Final Results of the Administrative Review of the Antidumping Duty Order on Glycine from the People's Republic of China; 2014-2015."

¹³ See Letter to the Department of Commerce from GEO Specialty Chemicals, Inc. regarding "Glycine from the People's Republic of China: GEO's Comments Regarding Salvi's October 20, 2016 Placement of Information from the 2014-2015 Administrative Review on the Record," dated October 27, 2016.

United States (HTSUS).¹⁴ Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the merchandise under the order is dispositive.¹⁵

Initiation of Changed Circumstances Review

Pursuant to section 751(b)(1) of the Tariff Act of 1930, as amended (the Act), the Department will conduct a changed circumstances review upon receipt of information concerning, or a request from an interested party of, an antidumping duty order which shows changed circumstances sufficient to warrant a review of the order. In accordance with 19 CFR 351.216(d), based on the information provided by Salvi, the Department finds that there is sufficient information to initiate a changed circumstances review. Therefore, we are initiating a changed circumstances review pursuant to section 751(b)(1) of the Act and 19 CFR 351.216(d) to determine whether Salvi is no longer processing PRC-origin glycine, and instead is producing glycine from raw materials of non-PRC origin, and whether it should be able to participate in the certification process described in the Final Scope Ruling. The Department intends to publish in the *Federal Register* a notice of preliminary results of the antidumping duty changed circumstances review in accordance with 19 CFR 351.221(b)(4) and 19 CFR 351.221(c)(3)(i), which will set forth the Department's preliminary factual and legal conclusions. The Department will issue its final results of review in accordance with the time limits set forth in 19 CFR 351.216(e).

¹⁴ In separate scope rulings, the Department determined that: (a) D(-) Phenylglycine Ethyl Dane Salt is outside the scope of the order and (b) PRC-glycine exported from India remains the same class or kind of merchandise as the PRC-origin glycine imported into India. See *Notice of Scope Rulings and Anticircumvention Inquiries*, 62 FR 62288 (November 21, 1997) and *Circumvention Notice*, respectively.

¹⁵ See *Order*.

This notice is in accordance with section 751(b)(1) of the Act.

Christian Marsh
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations

November 10, 2016

Date
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