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DEPARTMENT OF COMMERCE

International Trade Administration

C-570-050

Ammonium Sulfate from the People's Republic of China: Final Affirmative Countervailing Duty Determination

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

SUMMARY: The Department of Commerce (the Department) determines that countervailable subsidies are being provided to producers and exporters of ammonium sulfate from the People's Republic of China (PRC). The period of investigation is January 1, 2015 through December 31, 2015.

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

FOR FURTHER INFORMATION CONTACT: Robert Galantucci, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone (202) 482-2923.

SUPPLEMENTARY INFORMATION:

Background

On November 2, 2016, the Department published its preliminary affirmative determination that countervailable subsidies are being provided to producers and exporters of ammonium sulfate from the PRC in the *Federal Register*.¹ We invited interested parties to

¹ See *Countervailing Duty Investigation of Ammonium Sulfate from the People's Republic of China: Preliminary Affirmative Determination*, 81 FR 76332 (November 2, 2016) (*Preliminary Determination*).

comment on our *Preliminary Determination*, and/or request a hearing. No party, including the mandatory respondents² and the Government of China (GOC), submitted comments or requested a hearing.

Scope of the Investigation

The product covered by this investigation is ammonium sulfate from the PRC. For a complete description of the scope of this investigation, *see* Appendix II.

Verification

None of the mandatory respondents in this investigation provided information requested by the Department. Hence, no verification was conducted.

Use of Adverse Facts Available (AFA)

As discussed above, we received no comments from interested parties pertaining to the *Preliminary Determination*. Therefore, for this final determination, and pursuant to sections 776(a)-(d) of the Tariff Act of 1930, as amended (the Act), we continue to rely on facts available for Wuzhoufeng AST and Yantai AMP, the two mandatory respondents, and the GOC, which did not respond to our countervailing duty questionnaires.³ Further, we continue to find that Wuzhoufeng AST, Yantai AMP, and the GOC failed to act to the best of their ability and, therefore, we are drawing an adverse inference in selecting from among the facts otherwise available to determine whether the programs subject to this investigation constitute countervailable subsidies and to calculate the *ad valorem* rates for Wuzhoufeng AST and Yantai

² The Department selected Wuzhoufeng Agricultural Science & Technology Co. Ltd. (Wuzhoufeng AST) and Yantai Jiahe Agriculture Means of Production Co. Ltd. (Yantai AMP) as mandatory respondents.

³ *See* Memorandum, “Decision Memorandum for the Preliminary Affirmative Determination in the Countervailing Duty Investigation of Ammonium Sulfate from the People’s Republic of China,” dated October 24, 2016 (Preliminary Decision Memorandum) at 1-2, 5-7 and Attachment 1.

AMP.⁴

For this final determination, as AFA, we continue to find all programs included in this proceeding to be countervailable, *i.e.*, they provide a financial contribution within the meaning of sections 771(5)(B)(i) and (D) of the Act, confer a benefit within the meaning of section 771(5)(E) of the Act, and are specific within the meaning of section 771(5A) of the Act.⁵ The Department's calculation of the AFA rate was discussed in the Preliminary Decision Memorandum which is incorporated by reference, and hereby adopted by, this final determination.⁶ The Preliminary 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 is available to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed Preliminary Decision Memorandum and the electronic version of the Preliminary Decision Memorandum are identical in content.

⁴ See sections 776(a) and (b) of the Act.

⁵ See Preliminary Decision Memorandum at 6-10.

⁶ See *id.* at Attachment 1.

Final Determination

In accordance with section 705(c)(1)(B)(i) of the Act, we calculated countervailing duty rates for the individually investigated producers/exporters of the subject merchandise, Wuzhoufeng AST and Yantai AMP.

With respect to the “all-others” rate, section 705(c)(5)(A)(ii) of the Act provides that if the countervailing duty rates established for all exporters and producers individually investigated are determined entirely in accordance with section 776 of the Act, the Department may use any reasonable method to establish an all-others rate for exporters and producers not individually investigated. In this case, the rates assigned to Wuzhoufeng AST and Yantai AMP are based entirely on facts otherwise available, with adverse inferences, under section 776 of the Act. Because there is no other information on the record with which to determine an all-others rate, in accordance with section 705(c)(5)(A)(ii) of the Act, we have established the all-others rate by applying the countervailable subsidy rates for mandatory respondents Wuzhoufeng AST and Yantai AMP. The final countervailable subsidy rates are summarized in the table below.

Company	Subsidy Rate
Wuzhoufeng Agricultural Science & Technology Co. Ltd.	206.72 percent
Yantai Jiahe Agriculture Means of Production Co. Ltd.	206.72 percent
All-Others	206.72 percent

Suspension of Liquidation

As a result of our *Preliminary Determination*, and pursuant to sections 703(d)(1)(B) and (d)(2) of the Act, we instructed U.S. Customs and Border Protection (CBP) to suspend all entries of ammonium sulfate from the PRC, as described in the “Scope of the Investigation,” that were

entered, or withdrawn from warehouse, for consumption on or after November 2, 2016, the date of the publication of the *Preliminary Determination* in the *Federal Register*. Additionally, at that time, we instructed CBP to collect cash deposits of estimated countervailing duties at the rates determined in the *Preliminary Determination*.⁷ The suspension of liquidation and collection of cash deposits will remain in effect until further notice.

If the U.S. International Trade Commission (ITC) issues a final affirmative injury determination, we will issue a CVD order and will instruct CBP to continue to suspend liquidation under section 706(a) of the Act and to continue to require a cash deposit of estimated CVDs for such entries of merchandise in the amounts indicated above. If the ITC determines that material injury, or threat of material injury, does not exist, this proceeding will be terminated and all estimated duties deposited, or securities posted as a result of the suspension of liquidation, will be refunded or canceled.

Disclosure

We described the calculations used to determine CVD rates based on AFA in the Preliminary Decision Memorandum.⁸ Thus, no additional disclosure of calculations is necessary for this final determination.

ITC Notification

In accordance with section 705(d) of the Act, we will notify the ITC of our determination. In addition, we are making available to the ITC all non-privileged and non-proprietary information related to this investigation. We will allow the ITC access to all

⁷ See *Preliminary Determination*, 81 FR at 76332.

⁸ See Preliminary Decision Memorandum at “Application of AFA: Wuzhoufeng AST and Yantai AMP, and the GOC.”

privileged and business proprietary information in our files, provided the ITC confirms it will not disclose such information, either publicly or under an administrative protective order (APO), without the written consent of the Assistant Secretary for Enforcement and Compliance.

Notification Regarding APOs

This notice will serve as a reminder to the parties subject to APO of their responsibility concerning the disposition of proprietary information disclosed under APOs in accordance with 19 CFR 351.305. 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 sanctionable violation.

This determination is issued and published pursuant to sections 705(d) and 777(i) of the Act.

Paul Piquado
Assistant Secretary
for Enforcement and Compliance

January 9, 2017

Date

Appendix I

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope Comments
- IV. Scope of the Investigation
- V. Injury Test
- VI. Application of the CVD Law to Imports from the PRC
- VII. Use of Facts Otherwise Available and Adverse Inferences
- VIII. Calculation of the All-Others Rate
- IX. ITC Notification
- X. Public Comment
- XI. Conclusion

Appendix II

Scope of the Investigation

The merchandise covered by this investigation is ammonium sulfate in all physical forms, with or without additives such as anti-caking agents. Ammonium sulfate, which may also be spelled as ammonium sulphate, has the chemical formula $(\text{NH}_4)_2\text{SO}_4$.

The scope includes ammonium sulfate that is combined with other products, including by, for example, blending (*i.e.*, mixing granules of ammonium sulfate with granules of one or more other products), compounding (*i.e.*, when ammonium sulfate is compacted with one or more other products under high pressure), or granulating (incorporating multiple products into granules through, *e.g.*, a slurry process). For such combined products, only the ammonium sulfate component is covered by the scope of this investigation.

Ammonium sulfate that has been combined with other products is included within the scope regardless of whether the combining occurs in countries other than China.

Ammonium sulfate that is otherwise subject to this investigation is not excluded when commingled (*i.e.*, mixed or combined) with ammonium sulfate from sources not subject to this investigation. Only the subject component of such commingled products is covered by the scope of this investigation.

The Chemical Abstracts Service (CAS) registry number for ammonium sulfate is 7783-20-2.

The merchandise covered by this investigation is currently classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheading 3102.21.0000. Although this HTSUS subheading and CAS registry number are provided for convenience and customs purposes, the written description of the scope of the investigation is dispositive.

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