



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-201-845, C-201-846]

Sugar from Mexico: Continuation of Suspension of Antidumping and Countervailing Duty Investigations

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

SUMMARY: As a result of determinations by the Department of Commerce (Commerce) that termination of the Agreements Suspending the Antidumping (AD) and Countervailing (CVD) Duty Investigations on Sugar from Mexico, as amended (the Agreements), and the suspended AD and CVD investigations on sugar from Mexico would likely lead to a continuation or recurrence of dumping and countervailable subsidies, and by the International Trade Commission (ITC) that termination of the suspended AD and CVD investigations would likely lead to material injury to an industry in the United States, Commerce is publishing this notice of continuation of the AD and CVD Agreements on sugar from Mexico.

DATES: Applicable (Insert date of publication in the *Federal Register*)

FOR FURTHER INFORMATION CONTACT: Sally C. Gannon or David Cordell, Bilateral Agreements Unit, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0162 or (202) 482-0408, respectively.

SUPPLEMENTARY INFORMATION:

Background

On December 3, 2019, Commerce published the initiation of the first sunset reviews of the AD and CVD Agreements, pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act).¹ On December 18, 2019, we received notices of intent to participate in the sunset reviews from the following parties (both of which are domestic interested parties) within the deadline specified in 19 CFR 351.218(d)(1)(i): Imperial Sugar Company (Imperial Sugar) and the American Sugar Coalition (ASC).²

On January 2, 2020, Commerce received complete substantive responses from the domestic interested parties within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i).³ Commerce received no substantive responses from respondent interested parties. Pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), Commerce conducted expedited sunset reviews of the AD and CVD Agreements.

As a result of its reviews, pursuant to sections 751(c) and 752(b) and (c) of the Act, Commerce determined that termination of the AD and CVD Agreements and suspended AD and CVD investigations on sugar from Mexico would likely lead to a continuation or recurrence of dumping and countervailable subsidies. Therefore, Commerce notified the ITC of the magnitude of the margin likely to prevail and the net countervailable subsidy rates likely to prevail should the AD and CVD Agreements be terminated, in accordance with sections 752(b)(3) and (c)(3) of

¹ See *Initiation of Five-Year (Sunset) Reviews*, 84 FR 58687 (November 1, 2019); *Initiation of Five-Year (Sunset) Review; Correction*, 84 FR 66153 (December 3, 2019).

² See ASC's Letter, "Sugar from Mexico: Notice of Intent to Participate", dated December 18, 2019; see also Imperial Sugar's Letter, "Sugar from Mexico, Case Nos. C-201-846 and A-201-845 (Five-Year Sunset Reviews): Notice of Intent to Participate," dated December 18, 2019.

³ See ASC's Letter, "Sugar from Mexico: Substantive Response to Notice of Initiation of Five-Year (Sunset) Reviews of the Antidumping and Countervailing Duty Suspension Agreements," dated January 2, 2020; see also Imperial Sugar's Letter, "Sugar from Mexico: Substantive Response of the Imperial Sugar Company to Commerce's Notice of Initiation of Five-Year ('Sunset') Reviews," dated January 2, 2020.

the Act.⁴

On April 24, 2020, pursuant to section 751(c) of the Act, the ITC published its determination that termination of the suspended AD and CVD duty investigations on sugar from Mexico would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time pursuant to sections 751(c) and 752(a) of the Act.⁵

Scope of the Agreements

The merchandise subject to the AD and CVD Agreements is raw and refined sugar of all polarimeter readings derived from sugar cane or sugar beets. The chemical sucrose gives sugar its essential character. Sucrose is a nonreducing disaccharide composed of glucose and fructose linked by a glycosidic bond via their anomeric carbons. The molecular formula for sucrose is C₁₂H₂₂O₁₁; the International Union of Pure and Applied Chemistry (IUPAC) International Chemical Identifier (InChI) for sucrose is 1S/C₁₂H₂₂O₁₁/c13-1-4-6(16)8(18)9(19)11(21-4)23-12(3-15)10(20)7(17) 5(2-14)22-12/h4-11,13-20H,1-3H2/t4-,5-,6-,7-,8+,9-,10+,11-,12+/m1/s1; the InChI Key for sucrose is CZMRCDWAGMRECN-UGDNZRGBSA-N; the U.S. National Institutes of Health PubChem Compound Identifier (CID) for sucrose is 5988; and the Chemical Abstracts Service (CAS) Number of sucrose is 57-50-1.

Sugar includes products of all polarimeter readings described in various forms, such as raw sugar, estandar or standard sugar, high polarity or semi-refined sugar, special white sugar, refined sugar, brown sugar, edible molasses, de-sugaring molasses, organic raw sugar, and

⁴ See *Sugar From Mexico: Final Results of the Expedited First Sunset Review of the Agreement Suspending the Antidumping Duty Investigation*, 85 FR 19438 (April 7, 2020); and *Sugar From Mexico: Final Results of the Expedited First Sunset Review of the Agreement Suspending the Countervailing Duty Investigation*, 85 FR 9454 (April 7, 2020).

⁵ See *Sugar from Mexico; Determination*, Investigation No. 701-TA-513 and 731-TA-1249 (Review), 85 FR 23063 (April 4, 2020); see also ITC Publication, *Sugar from Mexico (701-TA-513 and 731-TA-1249 (Review))*, USITC Publication 5045 (April 2020).

organic refined sugar. Other sugar products, such as powdered sugar, colored sugar, flavored sugar, and liquids and syrups that contain 95 percent or more sugar by dry weight are also within the scope of these AD and CVD Agreements. Merchandise covered by these AD and CVD Agreements is typically imported under the following headings of the HTSUS: 1701.12.1000, 1701.12.5000, 1701.13.1000, 1701.13.5000, 1701.14.1000, 1701.14.5000, 1701.91.1000, 1701.91.3000, 1701.99.1010, 1701.99.1025, 1701.99.1050, 1701.99.5010, 1701.99.5025, 1701.99.5050, and 1702.90.4000.

The scope of the AD and CVD Agreements excludes sugar imported under the Refined Sugar Re-Export Programs of the U.S. Department of Agriculture, sugar products produced in Mexico that contain 95 percent or more sugar by dry weight that originated outside of Mexico, inedible molasses (other than inedible desugaring molasses noted above), beverages, candy, certain specialty sugars, and processed food products that contain sugar (e.g., cereals). Specialty sugars excluded from the scope of these AD and CVD Agreements are limited to the following: Caramelized slab sugar candy, pearl sugar, rock candy, dragees for cooking and baking, fondant, golden syrup, and sugar decorations.⁶

Continuation of Suspension of Investigations

As a result of the determinations by Commerce and the ITC that termination of the AD and CVD Agreements and suspended AD and CVD investigations would likely lead to continuation or recurrence of dumping, countervailable subsidies, and material injury to an industry in the United States, pursuant to section 751(d)(2) of the Act and 19 CFR 351.218(a), Commerce hereby orders the continuation of the AD and CVD Agreements.

The effective date of continuation of the AD and CVD Agreements will be the date of

⁶ See *Sugar from Mexico: Suspension of Antidumping Investigation*, 79 FR 78039 (December 29, 2014); see also *Sugar from Mexico: Suspension of Countervailing Duty Investigation*, 79 FR 78044 (December 29, 2014).

publication in the *Federal Register* of this notice of continuation. Pursuant to section 751(c)(2) of the Act and 19 CFR 351.218(c)(2), Commerce intends to initiate the next five-year (sunset) reviews of the AD and CVD Agreements not later than 30 days prior to the fifth anniversary of the effective date of continuation.

Administrative Protective Order (APO)

This notice also serves as the only reminder to parties subject to APO of their responsibility concerning the return, destruction, or conversion to judicial protective order of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Failure to comply is a violation of the APO which may be subject to sanctions.

Notification to Interested Parties

These five-year (sunset) reviews and notice are in accordance with section 751(c) of the Act and published pursuant to section 777(i)(1) of the Act and 19 CFR 351.218(f)(4).

Dated: April 24, 2020.

Jeffrey I. Kessler,

Assistant Secretary

for Enforcement and Compliance.

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