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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-898]

Chlorinated Isocyanurates from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review, and Preliminary Determination of No Shipments; 2018-2019

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

SUMMARY: The Department of Commerce (Commerce) preliminarily finds that Heze Huayi Chemical Co., Ltd. (Heze Huayi) made sales of chlorinated isocyanurates from the People's Republic of China (China) at less than normal value during the period of review (POR) June 1, 2018, through May 31, 2019, and that Juancheng Kangtai Chemical Co., Ltd. (Kangtai) had no shipments of subject merchandise during the POR.

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

FOR FURTHER INFORMATION CONTACT: Sean Carey, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3964.

SUPPLEMENTARY INFORMATION:

Background

On July 29, 2019, Commerce initiated the administrative review of the AD order on chlorinated isocyanurates (chlorinated isos) from China covering the period June 1, 2018 through May 31, 2019.¹ The petitioners in this review are Bio-lab; Inc., Clearon Corp.; and

¹ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 84 FR 36572 (July 29, 2019).

Occidental Chemical Corp. (collectively, the petitioners). This review covers two producers/exporters: Heze Huayi and Kangtai.

On February 21, 2020, Commerce extended the deadline for the preliminary determination of this administrative review.² On April 24, 2020, Commerce tolled all deadlines in administrative reviews by 50 days.³ Subsequently, on July 21, 2020, Commerce tolled all preliminary and final results in administrative reviews by an additional 60 days,⁴ thereby extending the deadline for these final results until October 19, 2020.

For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.⁵ A list of topics included in the Preliminary Decision Memorandum is included as Appendix I to this notice. 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 <https://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed and the electronic versions of the Preliminary Decision Memorandum are identical in content.

Scope of the Order

The products covered by the order are chlorinated isos, which are derivatives of cyanuric acid, described as chlorinated s-triazine triones.⁶ Chlorinated isos are currently classifiable

² *See* Memorandum, "Chlorinated Isocyanurates from the People's Republic of China: Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review," dated February 21, 2020.

³ *See* Memorandum, "Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews in Response to Operational Adjustments Due to COVID-19," dated April 24, 2020.

⁴ *See* Memorandum, "Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews," dated July 21, 2020.

⁵ *See* Memorandum, "Decision Memorandum for the Preliminary Results of the 2018-2019 Antidumping Duty Administrative Review: Chlorinated Isocyanurates from the People's Republic of China," dated concurrently with, and hereby adopted by this notice (Preliminary Decision Memorandum).

⁶ For a complete description of the Scope of the Order, *see* Preliminary Decision Memorandum.

under subheadings 2933.69.6015, 2933.69.6021, 2933.69.6050, 3808.40.50, 3808.50.40 and 3808.94.5000 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of merchandise subject to the scope of the order is dispositive. For a full description of the scope of the order, *see* Preliminary Decision Memorandum.

Methodology

Commerce is conducting this administrative review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). Export prices have been calculated in accordance with section 772 of the Act. Because China is a non-market economy within the meaning of section 771(18) of the Act, normal value has been calculated in accordance with section 773(c) of the Act.

For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. A list of the topics included in the Preliminary Decision Memorandum is included as an appendix to this notice.

Preliminary Determination of No Shipments

On August 28, 2019, Kangtai reported that it had no entries of subject merchandise during the POR.⁷ U.S. Customs and Border Protection (CBP) did not have any information to contradict the claim of no shipments during the POR.⁸ Therefore, we preliminarily determine that Kangtai had no reviewable entries during the POR. Consistent with Commerce's practice,

⁷ *See* Letter from Kangtai, "Chlorinated Isocyanurates from the People's Republic of China: No Sales Certification," dated August 28, 2019. *See also* Letter from Kangtai, "Chlorinated Isocyanurates from the People's Republic of China: Clarification of Letter Regarding No Sales Certification," dated September 6, 2019.

⁸ *See* Memorandum, "U.S. Customs and Border Protection (CBP) Data for Juancheng Kangtai Chemical Co., Ltd.," dated October 11, 2019.

we will not rescind the review with respect to Kangtai, but will complete the review and issue instructions to CBP based on the final results.⁹

Preliminary Results of Review

Commerce preliminarily determines that the following weighted-average dumping margin exists for Heze Huayi for the period of June 1, 2018 through May 31, 2019:

Exporter	Weight-Average Dumping Margin Percentage
Heze Huayi Chemical Co. Ltd.	69.88

Disclosure and Public Comment

Commerce intends to disclose the calculations for these preliminary results within five days of the date of publication of this notice, in accordance with 19 CFR 351.224(b).

Interested parties may submit case briefs within 30 days after the date of publication of these preliminary results of review.¹⁰ Rebuttals to case briefs, which must be limited to issues raised in the case briefs, must be filed within seven days after the time limit for filing case briefs.¹¹ Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information until further notice.¹² Parties who submit case briefs or rebuttal briefs in this proceeding are requested to submit with each with

⁹ See, e.g., *Certain Frozen Warmwater Shrimp from Thailand; Preliminary Results of Antidumping Duty Administrative Review, Partial Rescission of Review, Preliminary Determination of No Shipments; 2012-2013*, 79 FR 15951, 15952 (March 24, 2014), unchanged in *Certain Frozen Warmwater Shrimp from Thailand: Final Results of Antidumping Duty Administrative Review, Final Determination of No Shipments, and Partial Rescission of Review; 2012-2013*, 79 FR 51306, 51307 (August 28, 2014).

¹⁰ See 19 CFR 351.309(c)(1)(ii).

¹¹ See 19 CFR 351.309(d)(1) and (2).

¹² See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.¹³ Case and rebuttal briefs should be filed using ACCESS.¹⁴

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request to the Assistant Secretary for Enforcement and Compliance, within 30 days of the date of publication of this notice.¹⁵ Requests should contain: (1) the party's name, address and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case and rebuttal briefs. If a request for a hearing is made, Commerce intends to hold the hearing at a time and date to be determined.¹⁶ Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

Commerce intends to issue the final results of this administrative review, which will include the results of our analysis of all issues raised in the case briefs, within 120 days of publication of these preliminary results in the *Federal Register*, unless extended, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

Upon issuing the final results of this review, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries

¹³ See 19 CFR 351.309(c) and (d); see also 19 CFR 351.303 (for general filing requirements).

¹⁴ See 19 CFR 351.303.

¹⁵ See 19 CFR 351.310(c).

¹⁶ See 19 CFR 351.310(d).

covered by this review.¹⁷ Commerce intends to issue assessment instructions to CBP 15 days after the date of publication of the final results of this review.

In accordance with 19 CFR 351.212(b)(1), we are calculating importer- or customer-specific assessment rates for the merchandise subject to this review. For any individually examined respondent whose weighted-average dumping margin is above *de minimis* (i.e., 0.50 percent), Commerce will calculate importer-specific assessment rates on the basis of the ratio of the total amount of dumping calculated for the importer's examined sales and the total entered value of sales.¹⁸ We will instruct CBP to assess antidumping duties on all appropriate entries covered by this review when the importer-specific assessment rate is above *de minimis*. Where either the respondent's weighted-average dumping margin is zero or *de minimis*, or an importer-specific assessment rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

For entries that were not reported in the U.S. sales database submitted by an exporter individually examined during this review, Commerce will instruct CBP to liquidate such entries at the China-wide rate. Additionally, if Commerce determines that an exporter under review had no shipments of the subject merchandise, any suspended entries that entered under that exporter's case number will be liquidated at the China-wide rate.¹⁹

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise from China entered, or withdrawn from warehouse, for consumption on or after the publication date, as

¹⁷ See 19 CFR 351.212(b)(1).

¹⁸ See *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings; Final Modification*, 77 FR 8101 (February 14, 2012).

¹⁹ See *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694 (October 24, 2011).

provided for by section 751(a)(2)(C) of the Act: (1) for the exporter listed above, the cash deposit rate will be the rate established in the final results of this review (except, if the rate is zero or *de minimis*, a zero cash deposit rate will be required for that company); (2) for previously investigated or reviewed Chinese and non-Chinese exporters not listed above that have separate rates, the cash deposit rate will continue to be the existing producer/exporter-specific combination rate published for the most recent period; (3) for all Chinese exporters of subject merchandise that have not been found to be eligible for a separate rate, the cash deposit rate will be the PRC-wide rate of 285.63 percent;²⁰ and (4) for all non-Chinese exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the Chinese exporter(s) that supplied that non-Chinese exporter. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

²⁰ See Notice of Final Determination of Sales at Less Than Fair Value: Chlorinated Isocyanurates from the People's Republic of China, 70 FR 24502, 24505 (May 10, 2005).

Notification to Interested Parties

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213 and 19 CFR 351.221(b)(4).

Dated: October 19, 2020.

Jeffrey I. Kessler,
Assistant Secretary
for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Discussion of the Methodology
- V. Recommendation

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