



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-201-845]

Agreement Suspending the Antidumping Duty Investigation on Sugar from Mexico: Final Results of the 2017-2018 Administrative Review

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

SUMMARY: The Department of Commerce (Commerce) continues to find that the respondents selected for individual examination were in compliance with the Agreement Suspending the Antidumping Duty Investigation on Sugar from Mexico (AD Agreement), as amended on June 30, 2017, (collectively, amended AD Agreement), during the period of review (POR) from December 1, 2017 through November 30, 2018, and that the amended AD Agreement is meeting the statutory requirements under sections 734(c) and (d) of the Tariff Act of 1930, as amended (the Act).

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

FOR FURTHER INFORMATION CONTACT: Sally C. Gannon or David Cordell, 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 February 6, 2020, Commerce published the *Preliminary Results* of this administrative review.¹ On February 20, 2020, Commerce issued a second supplemental questionnaire to the respondents, Ingenio Pánuco, S.A.P.I. de C.V. (Pánuco) and Ingenio Adolfo López Mateos S.A. de C.V. and its affiliates² (Grupo PIASA).³ Pánuco and Grupo PIASA each filed responses on March 20, 2020.⁴ On March 6, 2020, the American Sugar Coalition and its Members (collectively, ASC),⁵ the petitioners in this case, requested a hearing, which they later withdrew.⁶ On June 24, 2020, Commerce set the briefing schedule for the final results of this review.⁷ On July 6, 2020, both the respondents and ASC filed briefs.⁸ On July 13, 2020, the respondents a filed rebuttal brief.⁹

¹ See *Suspension Agreement on Sugar From Mexico; 2018 Administrative Review of the Agreement Suspending the Antidumping Duty Investigation on Sugar From Mexico (as Amended)*, 85 FR 6894 (February 6, 2020) (*Preliminary Results*).

² Ingenio Adolfo López Mateos, S.A. de C.V. and its affiliates Ingenio Tres Valles, S.A. de C.V. and Piasa Ingenio Plan de San Luis, S.A. de C.V. (collectively, Grupo PIASA).

³ See Letters to Pánuco and Grupo PIASA, “Agreement Suspending the Antidumping Duty Investigation on Sugar from Mexico: 2018 Administrative Review — Second Supplemental Questionnaire,” dated February 20, 2020.

⁴ See “Sugar from Mexico – Grupo PIASA’s Second Supplemental Questionnaire Response,” and “Sugar from Mexico – Panuco’s Supplemental Questionnaire Response,” both dated March 20, 2020.

⁵ The Members of the ASC are as follows: American Sugar Cane League, American Sugarbeet Growers Association, American Sugar Refining, Inc., Florida Sugar Cane League, Rio Grande Valley Sugar Growers, Inc., Sugar Cane Growers Cooperative of Florida, and the United States Beet Sugar Association.

⁶ See Petitioners’ Letter, “Sugar from Mexico: Request for Hearing,” dated March 6, 2020; see also “Sugar from Mexico: Withdrawal of Request for a Hearing,” dated July 16, 2020.

⁷ See Memorandum, “Establishment of Briefing Schedule for the 2017- 2018 Administrative Reviews of the Agreement Suspending the Antidumping Investigation on Sugar from Mexico and the Agreement Suspending the Countervailing Duty Investigation on Sugar from Mexico,” dated June 24, 2020.

⁸ See Cámara Nacional de Las Industrias Azucarera y Alcohólera (Cámara) Case Brief, “Sugar from Mexico – Case Brief” and ASC Case Brief, “Case Brief filed by the American Sugar Coalition and its Members,” dated July 6, 2020. Note that Cámara’s case brief was in the form of a letter in lieu of a case brief in which Cámara argued that Commerce “should continue to find that the Mexican sugar industry is in full compliance with the AD Agreement.”

⁹ See Rebuttal brief filed by Cámara, “Sugar from Mexico – Rebuttal Brief” (July 13, 2020).

On April 24, 2020, Commerce tolled all deadlines in administrative reviews by 50 days.¹⁰ On July 14, 2020, Commerce extended the deadline for the final results of this review by 30 days.¹¹ On July 21, 2020, Commerce tolled all deadlines in administrative reviews by an additional 60 days.¹² As a result, the final results of this administrative review are due no later than October 23, 2020.

For its final analysis, Commerce considered briefs from interested parties that commented on the *Preliminary Results*.

Scope of Amended AD Agreement

The product covered by this amended AD Agreement is raw and refined sugar of all polarimeter readings derived from sugar cane or sugar beets.

Merchandise covered by this amended AD Agreement is typically imported under the following headings of the Harmonized Tariff Schedule of the United States (HTSUS):

1701.12.1000, 1701.12.5000, 1701.13.1000, 1701.13.5000, 1701.14.1000, 1701.14.1020, 1701.14.1040, 1701.14.5000, 1701.91.1000, 1701.91.3000, 1701.99.1010, 1701.99.1015, 1701.99.1017, 1701.99.1025, 1701.99.1050, 1701.99.5010, 1701.99.5015, 170.99.5017, 1701.99.5025, 1701.99.5050, 1702.90.4000 and 1703.10.3000. The tariff classification is provided for convenience and customs purposes; however, the written description of the scope of this amended AD Agreement is dispositive.

¹⁰ See Memorandum to the Record, from Jeffrey I. Kessler, “Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews in Response to Operational Adjustments Due to COVID-19,” dated April 24, 2020.

¹¹ See Memorandum to Joseph A. Laroski Jr., Deputy Assistant Secretary for Policy & Negotiations, “Extension of Deadlines for Final Results of the Administrative Review of the Agreement Suspending the Antidumping Duty Investigation on Sugar from Mexico and for Final Results of the Administrative Review of the Agreement Suspending the Countervailing Duty Investigation on Sugar from Mexico,” dated July 14, 2020.

¹² See Memorandum to the Record, from Jeffrey I. Kessler, “Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews,” dated July 21, 2020.

A full description of the scope of the order is contained in the Issues and Decision Memorandum.¹³

Analysis

Commerce continues to find, based on record evidence, that the selected respondents, Pánuco and Grupo PIASA, were in compliance with the terms of the amended AD Agreement¹⁴ during the POR, including the polarity testing requirements and reference price provisions. We also determine that the amended AD Agreement is preventing price suppression or undercutting and can be effectively monitored, and there have been no violations by the selected respondents of the amended AD Agreement during the POR.

The issues raised in the case and rebuttal briefs are addressed in the accompanying Issues and Decision Memorandum and business proprietary memorandum.¹⁵ The issues are identified in the Appendix to this notice. The Issues and 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

¹³ See Memorandum to Jeffrey I. Kessler, Assistant Secretary for Enforcement and Compliance, from Joseph A. Laroski, Jr., Deputy Assistant Secretary for Policy & Negotiations, "Issues and Decision Memorandum for the Final Results of the Administrative Review of the Agreement Suspending the Antidumping Duty Investigation on Sugar from Mexico, for the period December 1, 2017 through November 30, 2018," dated concurrently, and hereby adopted by, this notice (Issues and Decision Memorandum). Commerce notes it has added the following HTSUS codes to the scope: 1701.14.1020, 1701.14.1040, 1701.99.1015, 1701.99.1017, 1701.99.5015, and 1701.99.5017. See footnote 2 of the Issues and Decision Memorandum for a full explanation.

¹⁴ See *Agreement Suspending the Antidumping Duty Investigation of Sugar from Mexico*, 79 FR 78039 (December 29, 2014) and *Sugar From Mexico: Amendment to the Agreement Suspending the Antidumping Duty Investigation*, 82 FR 31945 (July 11, 2017) (AD Amendment). Consistent with a ruling from the Court of International Trade, Commerce published in the *Federal Register* a notice of the termination of the 2017 AD Amendment (which was in effect during period of review), with an applicable date of December 7, 2019. See *Sugar from Mexico: Notice of Termination of Amendment to the Agreement Suspending the Antidumping Duty Investigation*, 84 FR 67711 (December 11, 2019).

¹⁵ See Issues and Decision Memorandum; see also Memorandum to the File from David Cordell, through Sally C. Gannon, Director for Bilateral Agreements, "Proprietary Discussion of Issues for the Final Results of the Administrative Review of the Agreement Suspending the Antidumping Duty Investigation on Sugar from Mexico, for the period December 1, 2017 through November 30, 2018," dated concurrently and hereby adopted by this notice.

users at <http://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the Internet at <http://trade.gov/enforcement/frn/index.html>. The signed Issues and Decision Memorandum and electronic versions of the Issues and Decision Memorandum are identical in content.

Notification Regarding Administrative Protective Order

This notice also serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). 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.

Notification to Interested Parties

We are issuing and publishing these results of review 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)(5).

Dated: October 21, 2020.

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

APPENDIX

Issues and Decision Memorandum

I. Summary

II. Scope of the Agreement

III. Background

IV. Discussion of the Issues

Issue 1: Alleged Possible Violations of the Amended AD Agreement

- Certain Sales in the Home Market
- Sales for Home Market Calculation

Issue 2: Status of the Amended AD Agreement.

V. Recommendation

[FR Doc. 2020-23923 Filed: 10/28/2020 8:45 am; Publication Date: 10/29/2020]