



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-021]

Melamine from the People's Republic of China: Final Results of the Expedited Five-Year Sunset Review of the Countervailing Duty Order

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

SUMMARY: As a result of this sunset review, the Department of Commerce (Commerce) finds that revoking the countervailing duty (CVD) order on melamine from the People's Republic of China (China) would likely lead to continuation or recurrence of countervailable subsidies at the levels indicated in the "Final Results of Review" section of this notice.

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

FOR FURTHER INFORMATION CONTACT: Benjamin A. Smith, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2181.

SUPPLEMENTARY INFORMATION:

Background

On December 28, 2015, Commerce published in the *Federal Register* the CVD Order on melamine from China.¹ On November 3, 2020, Commerce published the notice of initiation of the first sunset review of the Order, pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act).² On November 10, 2020, Commerce received a notice of intent to participate from Cornerstone Chemical Company (Cornerstone, or domestic interested party), within the

¹ See *Melamine from the People's Republic of China: Antidumping Duty and Countervailing Duty Orders*, 80 FR 80751 (December 28, 2015) (*Order*).

² See *Initiation of Five-Year ("Sunset") Review*, 85 FR 69585 (November 3, 2020).

deadline specified in 19 CFR 351.218(d)(1)(i).³ Cornerstone claimed interested party status under section 771(9)(C) of the Act, as a domestic producer engaged in the production of melamine in the United States.

On November 25, 2020, Commerce received a substantive response from the domestic interested party within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i).⁴ We received no substantive response from any other domestic or interested parties in this proceeding and no hearing was requested.

On December 23, 2020, Commerce notified the U.S. International Trade Commission that it did not receive an adequate substantive response from respondent interested parties.⁵ As a result, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), Commerce conducted an expedited (120-day) sunset review of this *Order*.

Scope of the *Order*

The merchandise subject to the *Order* is melamine (Chemical Abstracts Service (CAS) registry number 108-78-01, molecular formula $C_3H_6N_6$).⁶ Melamine is a crystalline powder or granule typically (but not exclusively) used to manufacture melamine formaldehyde resins. All melamine is covered by the scope of this order irrespective of purity, particle size, or physical form. Melamine that has been blended with other products is included within this scope when such blends include constituent parts that have been intermingled, but that have not been chemically reacted with each other to produce a different product. For such blends, only the melamine component of the mixture is covered by the scope of this order. Melamine that is otherwise subject to this order is not excluded when commingled with melamine from sources

³ See Cornerstone's Letter, "Five-Year ('Sunset') Review Of Countervailing Duty Order On Melamine From the People's Republic Of China: Domestic Interested Party Notice of Intent to Participate," dated November 10, 2020.

⁴ See Cornerstone's Letter, "Five-Year ('Sunset') Review Of Countervailing Duty Order On Melamine From The People's Republic Of China: Domestic Interested Party Substantive Response," dated November 25, 2020.

⁵ See Commerce's Letter, "Sunset Reviews for November 2020," dated December 23, 2020.

⁶ Melamine is also known as 2,4,6-triamino-s-triazine; 1,3,5-Triazine-2,4,6-triamine; Cyanurotriamide; Cyanurotriamine; Cyanuramide; and by various brand names.

not subject to this order. Only the subject component of such commingled products is covered by the scope of this order.

The subject merchandise is provided for in subheading 2933.61.0000 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheading and CAS registry number are provided for convenience and customs purposes, the written description of the scope is dispositive.

Analysis of Comments Received

All issues raised in this sunset review are addressed in the Issues and Decision Memorandum, which is hereby adopted by this notice. The Issues and Decision Memorandum is a public document and is on file electronically via the Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>. A list of topics discussed in the Issues and Decision Memorandum is included as an appendix to this notice. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn>. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

Final Results of Sunset Review

Pursuant to sections 751(c)(1) and 752(b) of the Act, Commerce determines that revocation of the *Order* would be likely to lead to continuation or recurrence of countervailable subsidies at the following rates:

Manufacturers/Producers/Exporters	Net Countervailable Subsidy (percent)
Far-Reaching Chemical Co., Ltd.	154.00
M and A Chemicals Corp China	154.00
Qingdao Unichem International Trade Co., Ltd.	154.00
Shandong Liaherd Chemical Industry Co., Ltd.	156.90
Zhongyuan Dahua Group Co., Ltd.	154.00
All Others	154.58

Administrative Protective Order (APO)

This notice also serves as the only reminder to parties subject to an APO of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely 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 violation which is subject to sanction.

Notification to Interested Parties

We are issuing and publishing the final results and this notice in accordance with sections 751(c), 752(b), and 777(i)(1) of the Act, and 19 CFR 351.218.

Dated: February 19, 2021.

Christian Marsh,
Acting Assistant Secretary
for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. History of the *Order*
- IV. Scope of the *Order*
- V. Legal Framework
- VI. Discussion of the Issues
 1. Likelihood of Continuation or Recurrence of a Countervailable Subsidy
 2. Net Countervailable Subsidy Rates Likely to Prevail
 3. Nature of the Subsidies
- VII. Final Results of Sunset Review
- VIII. Recommendation

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