



DEPARTMENT OF COMMERCE

International Trade Administration

[A-588-878]

Glycine from Japan: Preliminary Results of Antidumping Administrative Review; 2018-2020

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

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that Yuki Gosei Kogyo Co., Ltd. and Nagase & Co., Ltd. (Nagase) (collectively, YGK/Nagase) made sales of subject merchandise at less than normal value during the period of review (POR) October 31, 2018, through May 31, 2020.

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

FOR FURTHER INFORMATION CONTACT: Joshua A. DeMoss, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3362.

SUPPLEMENTARY INFORMATION:

Background

Commerce initiated this review on August 6, 2020.¹ We selected two mandatory respondents in this review, Nagase and Showa Denko K.K. (Showa Denko). On October 8, 2020, Showa Denko withdrew from participation in this administrative review.² For a more detailed description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.³

The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized

¹ *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 85 FR 47731 (August 6, 2020).

² *See* Showa Denko's Letter, "Antidumping Duty Administrative Review of Glycine from Japan: Withdrawal of Participation as Mandatory Respondent," dated October 8, 2020.

Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/index.html>. A list of topics discussed in the Preliminary Decision Memorandum is attached as an appendix to this notice.

Scope of the Order

The merchandise subject to the order is glycine. For a complete description of the scope of this administrative review, *see* the Preliminary Decision Memorandum.³

Methodology

Commerce is conducting this review in accordance with section 751(a)(2) of the Tariff Act of 1930, as amended (the Act). Export price and constructed export price are calculated in accordance with section 772 of the Act. Normal value is calculated in accordance with section 773 of the Act. For a full description of the methodology underlying our conclusions, *see* Preliminary Decision Memorandum.

Facts Available

Pursuant to section 776(a) of the Act, Commerce is preliminarily relying upon facts otherwise available to assign an estimated weighted-average dumping margin to Showa Denko in this review because Showa Denko withheld necessary information that was requested by Commerce, thereby significantly impeding the conduct of the review. Further, Commerce preliminarily determines that Showa Denko failed to cooperate by not acting to the best of its ability to comply with requests for information and, thus, Commerce is applying adverse facts available (AFA) in determining a weighted-average dumping margin for Showa Denko, in accordance with section 776(b) of the Act. For a full description of the methodology underlying our conclusions regarding the application of AFA, *see* the Preliminary Decision Memorandum.

³ *See* Memorandum, “Decision Memorandum for Preliminary Results of Antidumping Duty Administrative Review: Glycine from Japan,” dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

Preliminary Results of Review

We preliminarily determine that, for the period October 31, 2018, through May 31, 2020, the following weighted-average dumping margins exist:⁴

Producer/Exporter	Weighted-Average Dumping Margin (percent)
Yuki Gosei Kogyo Co., Ltd./Nagase & Co., Ltd. ⁵	27.71
Showa Denko K.K.	86.22

Disclosure and Public Comment

We intend to disclose the calculations performed to parties in this administrative review within five days after public announcement of the preliminary results, in accordance with 19 CFR 351.224(b).

Pursuant to 19 CFR 351.309(c), interested parties may submit case briefs no later than 30 days after the date of publication of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may be filed not later than seven days after the date for filing case briefs.⁶ Commerce has modified certain of its requirements for serving documents containing business proprietary information until further notice.⁷ Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.⁸

⁴ As AFA, we preliminarily assign Showa Denko a dumping margin of 86.22 percent, the highest rate on the record of the proceeding. *See Glycine from Japan: Final Determination of Sales at Less Than Fair Value*, 84 FR 18484 (May 1, 2019). This rate achieves the purpose of applying an adverse inference, *i.e.*, it is sufficiently adverse to ensure that the uncooperative party does not obtain a more favorable result by failing to cooperate than if it had fully cooperated. Because we previously applied this rate in the investigation, according to 776(c)(2) of the Act, this rate does not require corroboration.

⁵ As explained in the Preliminary Decision Memorandum, based on the record information, Commerce preliminarily determines that Nagase & Co., Ltd. and a non-selected respondent, Yuki Gosei Kogyo Co., Ltd., are affiliated within the meaning of section 771(33)(E) of the Act and should be treated as a single entity pursuant to 19 CFR 351.401(f) for these preliminary results of review.

⁶ *See* 19 CFR 351.309(d); *see also Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19*, 85 FR 17006, 17007 (March 26, 2020) (“To provide adequate time for release of case briefs via ACCESS, E&C intends to schedule the due date for all rebuttal briefs to be 7 days after case briefs are filed (while these modifications remain in effect).”).

⁷ *See Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

⁸ *See* 19 CFR 351.303 (for general filing requirements).

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS. 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 briefs. If a request for a hearing is made, Commerce intends to hold the hearing at a time and date to be determined. An electronically filed hearing request must be received successfully in its entirety by Commerce's electronic records system, ACCESS, by 5:00 p.m. Eastern Time within 30 days after the date of publication of this notice.⁹

Commerce intends to issue the final results of this administrative review, including the results of its analysis of the issues raised in any written briefs, no later than 120 days after the date of publication of this notice, unless extended, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

Upon completion of the final results, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries. If the weighted-average dumping margin for YGK/Nagase is not zero or *de minimis* in the final results of this review, we will calculate, for each company, an importer-specific assessment rate on the basis of the ratio of the total amount of dumping calculated for each importer's examined sales and the total entered value of such sales, in accordance with 19 CFR 351.212(b)(1).¹⁰ If any of these companies' weighted-average dumping margin is zero or *de minimis* in the final results of review, or if an importer-specific assessment rate for one of these companies is zero or *de minimis*, Commerce will instruct CBP to liquidate appropriate entries without regards to antidumping duties.¹¹ For entries of subject merchandise during the

⁹ See 19 CFR 351.310(c).

¹⁰ See *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification*, 77 FR 8101, 8103 (February 14, 2012).

¹¹ *Id.* at 8102-03; see also 19 CFR 351.106(c)(2).

POR produced by any of these companies for which it did not know its merchandise was destined for the United States, we will instruct CBP to liquidate unreviewed entries.¹²

Consistent with its recent notice,¹³ Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication). The final results of this administrative review shall be the basis for the assessment of antidumping duties on entries of merchandise under review and for future cash deposits of estimated antidumping duties, where applicable.

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 entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for YGK/Nagase and Showa Denko listed above will be equal to the weighted-average dumping margin established in the final results of this administrative review; (2) for previously reviewed or investigated companies not listed above, the cash deposit rate will continue to be the company-specific rate published for the most recently completed segment of this proceeding in which they were reviewed; (3) if the exporter is not a firm covered in this review, a prior review, or in the investigation but the producer is, the cash deposit rate will be the rate established for the most recently completed segment of this proceeding for the producer of the merchandise; and (4) the cash deposit rate for all other producers or exporters will continue

¹² See *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

¹³ See *Notice of Discontinuation of Policy to Issue Liquidation Instructions After 15 Days in Applicable Antidumping and Countervailing Duty Administrative Proceedings*, 86 FR 3995 (January 15, 2021).

to be the all-others rate of 53.66 percent, the rate established in the less-than-fair-value investigation.¹⁴ 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.

Notification to Interested Parties

We are issuing and publishing this notice in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: June 30, 2021.

Christian Marsh,
Acting Assistant Secretary
for Enforcement and Compliance.

¹⁴ See *Glycine From India and Japan: Amended Final Affirmative Antidumping Duty Determination and Antidumping Duty Orders*, 84 FR 29170 (June 21, 2019).

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the *Order*
- IV. Affiliation and Collapsing
- V. Application of Facts Available and Adverse Inference
- VI. Discussion of the Methodology
- VII. Currency Conversion
- VIII. Recommendation

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