



DEPARTMENT OF COMMERCE

International Trade Administration

[A-588-879]

Methionine from Japan: Final Affirmative Determination of Sales at Less Than Fair Value and Final Negative Determination of Critical Circumstances

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

SUMMARY: The Department of Commerce (Commerce) determines that imports of methionine from Japan are being, or are likely to be, sold in the United States at less than fair value (LTFV) for the period of investigation July 1, 2019, through June 30, 2020.

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

FOR FURTHER INFORMATION CONTACT: Robert Scully, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0572.

SUPPLEMENTARY INFORMATION:

Background

On March 4, 2021, Commerce published in the *Federal Register* the preliminary affirmative determination in the LTFV investigation of methionine from Japan, in which we also postponed the final determination until July 19, 2021.¹ We invited interested parties to comment on the *Preliminary Determination*. A summary of the events that occurred since Commerce

¹ See *Methionine from Japan: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Preliminary Affirmative Determination of Critical Circumstances and Postponement of Final Determination and Extension of Provisional Measures*, 86 FR 12625 (March 4, 2021) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum.

published the *Preliminary Determination* may be found in the Issues and Decision Memorandum.²

Scope of the Investigation

The product covered by this investigation is methionine from Japan. For a complete description of the scope of this investigation, *see* Appendix I.

Analysis of Comments Received

All the issues raised in the case and rebuttal briefs that were submitted by parties in this investigation are addressed in the Issues and Decision Memorandum. A list of the issues addressed in the Issues and Decision Memorandum is attached to this notice as Appendix II. 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 users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/index.html>.

Verification

Commerce was unable to conduct on-site verification of the information relied upon in making its final determination in this investigation. However, we took additional steps in lieu of an on-site verification to verify the information relied upon in making this final determination, in accordance with section 782(i) of the Tariff Act of 1930, as amended (the Act).³

Changes Since the Preliminary Determination

Based on our analysis of the comments received, we have made certain changes to the margin calculations for Sumitomo Chemical Company, Ltd. (Sumitomo Chemical). For a discussion of these changes, *see* the Issues and Decision Memorandum.

² *See* Memorandum, "Issues and Decision Memorandum for the Final Affirmative Determination in the Less-Than-Fair-Value Investigation of Methionine from Japan," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

³ *See* Commerce's Letter, "Request for Documentation," dated March 17, 2021; *see also* Sumitomo Chemical's Letter, "Methionine from Japan: Resubmission of March 25, 2021 Verification Questionnaire Response," dated April 6, 2021.

All-Others Rate

Section 735(c)(5)(A) of the Act provides that the estimated weighted-average dumping margin for all other producers and exporters not individually investigated shall be equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated excluding rates that are zero, *de minimis*, or determined entirely under section 776 of the Act.

Commerce calculated an individual estimated weighted-average dumping margin for Sumitomo Chemical. Therefore, the only rate which is not zero, *de minimis*, or determined entirely under section 776 of the Act is the rate calculated for Sumitomo Chemical.

Consequently, the rate calculated for Sumitomo Chemical is also assigned as the rate for all other producers and exporters.

Final Negative Determination of Critical Circumstances

Commerce preliminarily determined that critical circumstances exist for Sumitomo Chemicals and with respect to all other producers/exporters.⁴ Parties submitted comments regarding our preliminary critical circumstances determination and we have modified our critical circumstances finding for Sumitomo Chemicals and all other producers/exporters for this final determination. Thus, in accordance with section 735(a)(3) of the Act and 19 CFR 351.206, Commerce finds that critical circumstances do not exist for Sumitomo Chemicals or for all other producers/exporters. For a full description of the methodology and results of Commerce's critical circumstances analysis, *see* the Issues and Decision Memorandum.

Final Determination

The final estimated weighted-average dumping margins are as follows:

| Exporter/Producer | Estimated Weighted-Average Dumping Margin (percent) |
|---------------------------------|--|
| Sumitomo Chemical Company, Ltd. | 76.50 |

⁴ See Preliminary Decision Memorandum at 4-7.

| | |
|------------|-------|
| All Others | 76.50 |
|------------|-------|

Disclosure

We intend to disclose the calculations performed in this final determination within five days of the date of publication of this notice to parties in this proceeding in accordance with 19 CFR 351.224(b).

Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, Commerce will instruct U.S. Customs and Border Protection (CBP) to continue to suspend the liquidation of all appropriate entries of subject merchandise, as described in Appendix I of this notice, entered, or withdrawn from warehouse, for consumption on or after March 4, 2021, the date of publication in the *Federal Register* of the affirmative *Preliminary Determination*.

Pursuant to section 735(c)(1)(B)(ii) of the Act and 19 CFR 351.210(d), where appropriate, we will instruct CBP to require a cash deposit for such entries of merchandise equal to the estimated weighted-average dumping margin or estimated all-others rate, as follows: (1) the cash deposit rate for the respondents listed above will be equal to the company-specific estimated weighted-average dumping margins determined in this final determination; (2) if the exporter is not a respondent identified above, but the producer is, then the cash deposit rate will be equal to the company-specific estimated weighted-average dumping margin established for that producer of the subject merchandise; and (3) the cash deposit rate for all other producers and exporters will be equal to the all-others estimated weighted-average dumping margin. These suspension of liquidation instructions will remain in effect until further notice.

Further, because our final critical circumstances determination is negative, in accordance with section 735(c)(3) of the Act, we will instruct CBP to terminate the retroactive suspension of liquidation ordered at the *Preliminary Determination* for Sumitomo Chemicals and all other

producers/exporters and to refund any cash deposits required with respect to entries of subject merchandise covered by the retroactive suspension of liquidation.

International Trade Commission Notification

In accordance with section 735(d) of the Act, we will notify the International Trade Commission (ITC) of the final affirmative determination of sales at LTFV. Because Commerce's final determination is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports or sales (or the likelihood of sales) for importation of methionine no later than 45 days after this final determination. If the ITC determines that such injury does not exist, this proceeding will be terminated, and all cash deposits posted will be refunded and suspension of liquidation will be lifted. If the ITC determines that such injury does exist, Commerce will issue an antidumping duty order directing CBP to assess, upon further instruction by Commerce, antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation, as discussed above in the "Continuation of Suspension of Liquidation" section.

Notification Regarding Administrative Protective Orders

This notice will serve as a final reminder to the parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

Notification to Interested Parties

This determination and this notice are issued and published in accordance with sections 735(d) and 777(i)(1) of the Act, and 19 CFR 351.210(c).

Dated: July 19, 2021.

Christian Marsh,
Acting Assistant Secretary
for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The merchandise covered by this investigation is methionine and dl-Hydroxy analogue of dl-methionine, also known as 2-Hydroxy 4-(Methylthio) Butanoic acid (HMTBa), regardless of purity, particle size, grade, or physical form. Methionine has the chemical formula $C_5H_{11}NO_2S$, liquid HMTBa has the chemical formula $C_5H_{10}O_3S$, and dry HMTBa has the chemical formula $(C_5H_9O_3S)_2Ca$.

Subject merchandise also includes methionine processed in a third country including, but not limited to, refining, converting from liquid to dry or dry to liquid form, or any other processing that would not otherwise remove the merchandise from the scope of this investigation if performed in the country of manufacture of the in-scope methionine or dl-Hydroxy analogue of dl-methionine.

The scope also includes methionine that is commingled (*i.e.*, mixed or combined) with methionine from sources not subject to this investigation. Only the subject component of such commingled products is covered by the scope of this investigation.

Excluded from this investigation is United States Pharmacopoeia (USP) grade methionine. In order to qualify for this exclusion, USP grade methionine must meet or exceed all of the chemical, purity, performance, and labeling requirements of the United States Pharmacopoeia and the National Formulary for USP grade methionine.

Methionine is currently classified under subheadings 2930.40.00.00 and 2930.90.46.00 of the Harmonized Tariff Schedule of the United States (HTSUS). Methionine has the Chemical Abstracts Service (CAS) registry numbers 583-91-5, 4857-44-7, 59-51-8 and 922-50-9. While the HTSUS subheadings and CAS registry number are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Changes Since the *Preliminary Determination*
- IV. Final Negative Determination of Critical Circumstances
- V. Discussion of the Issues
 - Comment 1: Research and Development (R&D) Expenses
 - Comment 2: Offset to the General & Administrative (G&A) Ratio
 - Comment 3: “Other” Financial Expenses
 - Comment 4: Shutdown Adjustment
 - Comment 5: Startup Adjustment
 - Comment 6: Packaging Materials/Product Characteristics
 - Comment 7: Critical Circumstances
- VI. Recommendation

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