



DEPARTMENT OF COMMERCE

International Trade Administration

[C-821-825]

Phosphate Fertilizers from the Russian Federation: Preliminary Results and Partial Rescission of the Countervailing Duty Administrative Review; 2022

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

SUMMARY: The U.S. Department of Commerce (Commerce) preliminarily determines that countervailable subsidies are being provided to producers and exporters of phosphate fertilizers from the Russian Federation (Russia). The period of review (POR) is January 1, 2022, through December 31, 2022.

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

FOR FURTHER INFORMATION CONTACT: Shane Subler or William Horn, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-6241 and (202) 482-4868, respectively.

SUPPLEMENTARY INFORMATION:

Background

On June 12, 2023, Commerce published a notice of initiation of an administrative review of the countervailing duty (CVD) order on phosphate fertilizers from Russia.¹ On November 27, 2023, Commerce extended the deadline for the preliminary results of this review until April 26, 2024.²

¹ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 88 FR 38021 (June 12, 2023) (*Initiation Notice*).

² See Memorandum, “Extension of Deadline for the Preliminary Results of the 2022 Countervailing Duty Administrative Review,” dated November 27, 2023.

For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.³ A list of topics discussed in the Preliminary Decision Memorandum is included as the appendix 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 <https://access.trade.gov/public/FRNoticesListLayout.aspx/>.

Scope of the Order

The merchandise covered by the order is phosphate fertilizers. For a complete description of the scope of the order, *see* the Preliminary Decision Memorandum.

Rescission of Administrative Review, in Part

Pursuant to 19 CFR 351.213(d)(1), Commerce will rescind an administrative review, in whole or in part, if the parties that requested the review withdraw their review requests within 90 days of the date of publication of the notice of initiation for the requested review.⁴ On September 11, 2023, The Mosaic Company (the petitioner) withdrew its request for the review of Industrial Group Phosphorite LLC, a member of the EuroChem Group, within the 90-day deadline.⁵ No other parties requested an administrative review of this company. Therefore, in accordance with 19 CFR 351.213(d)(1), Commerce is rescinding the administrative review of Industrial Group Phosphorite LLC. For additional information regarding this determination, *see* the Preliminary Decision Memorandum.

Methodology

³ *See* Memorandum, “Decision Memorandum for the Preliminary Results and Partial Rescission of the Countervailing Duty Administrative Review; 2022: Phosphate Fertilizers from the Russian Federation,” dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁴ *See* *Initiation Notice*, 88 FR 38021.

⁵ *See* Petitioner’s Letter, “Withdrawal of Request for Countervailing Duty Administrative Review,” dated September 11, 2023.

Commerce is conducting this review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found to be countervailable, we preliminarily determine that there is a subsidy, *i.e.*, a financial contribution from an authority that gives rise to a benefit to the recipient, and that the subsidy is specific.⁶ For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum.

Preliminary Results of Review

As a result of this review, we preliminarily determine the following net countervailable subsidy rate for the period January 1, 2022, through December 31, 2022:

| Producer/Exporter | Subsidy Rate (percent <i>ad valorem</i>) |
|-----------------------------------------|-----------------------------------------------------|
| Joint Stock Company Apatit ⁷ | 18.83 |

Disclosure and Public Comment

Commerce intends to disclose its calculations performed to interested parties for these preliminary results within five days of any public announcement or, if there is no public announcement, within five days of the date of publication of this notice in the *Federal Register* in accordance with 19 CFR 351.224(b).

Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance.⁸ A timeline for the submission of case briefs and written comments will be notified to interested parties at a later date. Rebuttal briefs, limited to issues raised in the case briefs, may be filed not later than five days after the date for filing case briefs.⁹

⁶ *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

⁷ As discussed in the Preliminary Decision Memorandum, Commerce preliminarily finds the following companies to be cross-owned with JSC Apatit: PhosAgro Public Joint Stock Company; Limited Liability Company PhosAgro-Region; Limited Liability Company PhosAgro-Belgorod; Limited Liability Company PhosAgro-Don; Limited Liability Company PhosAgro-Kuban; Limited Liability Company PhosAgro-Lipetsk; Limited Liability Company PhosAgro-Kursk; Limited Liability Company PhosAgro-Orel; Limited Liability Company PhosAgro-Stavropol; Limited Liability Company PhosAgro-Volga; Limited Liability Company PhosAgro-SeveroZapad; Limited Liability Company PhosAgro-Tambov; and Limited Liability Company PhosAgro-Sibir.

⁸ *See* 19 CFR 351.309(c)(1)(ii); *see also* 19 CFR 351.303 for general filing requirements.

⁹ *See* 19 CFR 351.309(d); *see also* *Administrative Protective Order, Service, and Other Procedures in Antidumping and Countervailing Duty Proceedings*, 88 FR 67069, 67077 (September 29, 2023) (*APO and Service Procedures*).

Interested parties that submit case briefs or rebuttal briefs in this proceeding must submit: (1) a table of contents listing each issue; and (2) a table of authorities.¹⁰

As provided under 19 CFR 351.309(c)(2) and (d)(2), in prior proceedings we have encouraged interested parties to provide an executive summary of their brief that should be limited to five pages total, including footnotes. In this review, we instead request that interested parties provide at the beginning of their briefs a public, executive summary for each issue raised in their briefs.¹¹ Further, we request that interested parties limit their public executive summary of each issue to no more than 450 words, not including citations. We intend to use the public executive summaries as the basis of the comment summaries included in the issues and decision memorandum that will accompany the final results in this administrative review. We request that interested parties include footnotes for relevant citations in the public executive summary of each issue. Note that Commerce has amended certain of its requirements pertaining to the service of documents in 19 CFR 351.303(f).¹²

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. An electronically filed hearing request must be received successfully in its entirety by Commerce's electronic records system, ACCESS, by 5 p.m. Eastern Time within 30 days after the date of publication of this notice.

Unless the deadline is extended, we intend to issue the final results of this administrative review, which will include the results of our analysis of the issues raised in the case briefs,

¹⁰ See 19 CFR 351.309(c)(2) and (d)(2).

¹¹ We use the term "issue" here to describe an argument that Commerce would normally address in a comment of the Issues and Decision Memorandum.

¹² See *APO and Service Procedures*.

within 120 days of publication of these preliminary results in the *Federal Register*, pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h).

Verification

As provided in section 782(i)(3) of the Act, Commerce intends to verify the information relied upon for its final results.

Assessment Rate

In accordance with 19 CFR 351.221(b)(4)(i), we preliminarily assigned a subsidy rate in the amount shown above for the producer/exporter shown above. Upon completion of the administrative review, consistent with section 751(a)(1) of the Act and 19 CFR 351.212(b)(2), Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries covered by this review.

For the company for which this review is rescinded, we will instruct CBP to assess countervailing duties on all appropriate entries at a rate equal to the cash deposit of estimated countervailing duties required at the time of entry, or withdrawal from warehouse, for consumption, during the period January 1, 2022, through December 31, 2022, in accordance with 19 CFR 351.212(c)(1)(i). We intend to issue assessment instructions to CBP no earlier than 35 days after the date of publication of this notice in the *Federal Register*.

For the company remaining in the review, we intend 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).

Cash Deposit Requirements

In accordance with section 751(a)(1) of the Act, Commerce intends, upon publication of the final results, to instruct CBP to collect cash deposits of estimated countervailing duties in the amount shown for the company (and its cross-owned affiliates) listed above on shipments of

subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this administrative review. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits at the most recent company-specific or all others rate applicable to the company. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Interested Parties

These preliminary results and partial rescission of review are issued and published pursuant to sections 751(a)(1) and 777(i)(1) of the Act, 19 CFR 351.213(d)(1), and 19 CFR 351.221(b)(4).

Dated: April 26, 2024.

Ryan Majerus,

Deputy Assistant Secretary

for Policy and Negotiations,

performing the non-exclusive functions and duties

of the Assistant Secretary for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Partial Rescission of Review
- IV. Scope of the Order
- V. Subsidies Valuation Information
- VI. Interest Rate Benchmarks and Benchmarks for Measuring the Adequacy of Remuneration
- VII. Use of Facts Otherwise Available and Application of Adverse Inferences
- VIII. Analysis of Programs
- IX. Recommendation

[FR Doc. 2024-09585 Filed: 5/1/2024 8:45 am; Publication Date: 5/2/2024]