



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-181]

Hexamethylenetetramine from the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination with Final Antidumping Duty Determination

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 hexamethylenetetramine (hexamine) from the People's Republic of China (China). The period of investigation is January 1, 2023, through December 31, 2023. Interested parties are invited to comment on this preliminary determination.

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

FOR FURTHER INFORMATION CONTACT: Eliza DeLong, 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) 482-3878.

SUPPLEMENTARY INFORMATION:

Background:

This preliminary determination is made in accordance with section 703(b) of the Tariff Act of 1930, as amended (the Act). On November 4, 2024, Commerce published the notice of initiation of this countervailing duty (CVD) investigation in the *Federal Register*.¹ On

¹ See *Hexamethylenetetramine from the People's Republic of China and India: Initiation of Countervailing Duty Investigations*, 89 FR 87560 (November 4, 2024) (*Initiation Notice*).

November 21, 2024, Commerce postponed the preliminary determination until February 28, 2025.²

For a complete description of the events that followed the initiation of this investigation, *see* the Preliminary Decision Memorandum.³ A list of topics discussed in the Preliminary Decision Memorandum is included as Appendix II 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 Investigation

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

Scope Comments

In accordance with the *Preamble* to Commerce's regulations,⁴ the *Initiation Notice* set aside a period of time for parties to raise issues regarding product coverage (*i.e.*, scope).⁵ No interested parties commented on the scope of the investigation as it appeared in the *Initiation Notice*.

Methodology

Commerce is conducting this investigation in accordance with section 701 of the Act. For each of the subsidy programs found countervailable, Commerce preliminarily determines that there is a subsidy, *i.e.*, a financial contribution by an "authority" that gives rise to a benefit to

² *See Hexamethylenetetramine from the People's Republic of China and India: Postponement of the Preliminary Determinations in the Countervailing Duty Investigations*, 89 FR 92096 (November 21, 2024).

³ *See* Memorandum, "Decision Memorandum for the Preliminary Determination in the Countervailing Duty Investigation of Hexamethylenetetramine from the People's Republic of China," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁴ *See Antidumping Duties; Countervailing Duties; Final Rule*, 62 FR 27296, 27323 (May 19, 1997) (*Preamble*).

⁵ *See Initiation Notice*.

the recipient, and that the subsidy is specific.⁶ For a full description of the methodology underlying our preliminary determination, *see* the Preliminary Decision Memorandum.

Commerce notes that, in making these findings, we relied on facts available and, because we find that one or more respondents did not act to the best of their ability to respond to Commerce's requests for information, we drew an adverse inference where appropriate in selecting from among the facts otherwise available.⁷ For further information, *see* "Use of Facts Otherwise Available and Adverse Inferences" section in the Preliminary Decision Memorandum.

Alignment

In accordance with section 705(a)(1) of the Act and 19 CFR 351.210(b)(4), Commerce is aligning the final CVD determination in this investigation with the final determination in the companion investigation of sales at less than fair value (LTFV) of hexamine from China based on a request made by the petitioner.⁸ Consequently, the final CVD determination will be issued on the same date as the final LTFV determination, which is currently scheduled to be issued no later July 14, 2025, unless postponed.⁹

All-Others Rate

Sections 703(d) and 705(c)(5)(A) of the Act provide that in the preliminary determination, Commerce shall determine an estimated all-others rate for companies not individually examined. This rate shall be an amount equal to the weighted average of the estimated subsidy rates established for those companies individually examined, excluding any zero and *de minimis* rates and any rates based entirely under section 776 of the Act.

Pursuant to section 705(c)(5)(A)(ii) of the Act, if the individual estimated countervailable subsidy rates established for all exporters and producers individually examined are zero, *de*

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 *See* sections 776(a) and (b) of the Act.

⁸ *See* Petitioner's Letter, "Request for Alignment of Final Determinations with Deadline in Concurrent AD Investigations," dated January 23, 2025.

⁹ *See Hexamethylenetetramine from the People's Republic of China, Germany, India, and Saudi Arabia: Postponement of Preliminary Determinations in the Less-Than-Fair-Value Investigations*, 90 FR 10067 (February 21, 2025).

minimis, or determined based entirely on adverse facts available (AFA), Commerce may use “any reasonable method” to establish the estimated subsidy rate for all other producers or exporters. In this investigation, all rates are based entirely on AFA under section 776 of the Act. This is the only rate available in this proceeding for deriving the all-others rate. Consequently, pursuant to sections 703(d) and 705(c)(5)(A)(ii) of the Act, Commerce established the all-others rate by applying the countervailable subsidy rate assigned to the non-responsive companies listed below.

Preliminary Determination

Commerce preliminarily determines that the following estimated countervailable subsidy rates exist:

Company	Subsidy Rate (percent <i>ad valorem</i>)
Changzhou Highassay Chemical Co.	420.53*
China Bluestar International Chemical Co., Ltd.	420.53*
Fengchen Group Co., Ltd.	420.53*
Hutubi Ruiyuantong Chemicals Co., Ltd.	420.53*
Jiangsu Guotai Guomian Trading	420.53*
Jiaozuo Runhua Chemical Industry Co.	420.53*
Qingdao Sun Chemical Corp. Ltd.	420.53*
Runhua Chemical Industry	420.53*
Shandong Aojin Chemical Technology Co., Ltd.	420.53*
All Others	420.53

* Rate based on facts available with adverse inferences.

Suspension of Liquidation

In accordance with section 703(d)(1)(B) and (d)(2) of the Act, Commerce will direct U.S. Customs and Border Protection (CBP) to suspend liquidation of entries of subject merchandise as described in the scope of the investigation entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the *Federal Register*. Further, pursuant to 19 CFR 351.205(d), Commerce will instruct CBP to require a cash deposit equal to the rates indicated above.

Disclosure

Normally, Commerce discloses its calculations performed in connection with the preliminary determination to interested parties within five days of its public announcement, or if there is no public announcement, within five days of the date of publication of the notice, in accordance with 19 CFR 351.224(b). However, because Commerce preliminarily applied facts available with adverse inferences in the calculation of the benefit for the non-responsive companies, and the applied AFA rates are based on rates calculated in prior proceedings, there are no calculations to disclose.

Verification

Because the non-responsive companies did not participate in this investigation and because the Government of China did not provide information Commerce requested, Commerce preliminarily determines each of these parties to have been uncooperative and it will not conduct verification.

Public Comment

Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance no later than 30 days after the date of publication of the preliminary determination. 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.¹⁰ Interested parties who 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.¹¹

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 investigation, we instead request that interested parties provide at the beginning of their briefs a public executive summary for each

¹⁰ 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 Final Rule*).

¹¹ See 19 CFR 351.309(c)(2) and (d)(2).

issue raised in their briefs.¹² 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 determination in this investigation. We request that interested parties include footnotes for relevant citations in the 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).¹³

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce via ACCESS within 30 days after the date of publication of this notice. Requests should contain the party's name, address, and telephone number, the number of participants and whether any participant is a foreign national, and a list of the issues to be discussed. Oral presentations at the hearing will be limited to issues raised in the briefs. If a request for a hearing is made, Commerce intends to hold the hearing at a time and date to be determined.¹⁴ Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

U.S. International Trade Commission (ITC) Notification

In accordance with section 703(f) of the Act, Commerce will notify the ITC of its determination. If the final determination is affirmative, the ITC will determine before the later of 120 days after the date of this preliminary determination or 45 days after the final determination whether imports of hexamine from China are materially injuring, or threaten material injury to, the U.S. industry.

¹² We use the term "issue" here to describe an argument that Commerce would normally address in a comment of the Issues and Decision Memorandum.

¹³ See *APO and Service Final Rule*.

¹⁴ See 19 CFR 351.310(d).

Notification to Interested Parties

This determination is issued and published pursuant to sections 703(f) and 777(i)(1) of the Act and 19 CFR 351.205(c).

Dated: February 28, 2025.

Christopher Abbott,
*Deputy Assistant Secretary
for Policy and Negotiations,
performing the non-exclusive functions and duties
of the Assistant Secretary for Enforcement and Compliance.*

Appendix I

Scope of the Investigation

The scope of this investigation covers hexamine in granular form, with a particle size of 5 millimeters or less, whether stabilized or unstabilized, whether or not blended, mixed, pulverized, or grounded with other products, containing 50 percent or more hexamine by weight.

Hexamine is the common name for hexamethylene tetramine (Chemical Abstract Service #100-97-0), and is also referred to as 1,3,5,7-tetraazaadamantanemethenamine; HMT; HMTA; 1,3,5,7-tetraazatricyclo {3.3.1.1^{3,7}} decane; 1,3,5,7-tetraaza adamantane; hexamethylenamine. Hexamine has the chemical formula C₆ H₁₂ N₄.

Granular hexamine that has been blended with other product(s) is included in this scope when the resulting mix contains 50 percent or more of hexamine by weight, regardless of whether it is blended with inert additives, co-reactants, or any additives that undergo self-condensation.

Subject merchandise includes merchandise matching the above description that has been processed in a third country, including by commingling, diluting, adding or removing additives, or performing any other processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the subject country.

Merchandise covered by the scope of this investigation can be classified in the Harmonized Tariff Schedule (HTSUS) of the United States under the subheading 2933.69.5000. The HTSUS subheading and Chemical Abstracts Service registry number are provided for convenience and customs purposes only; however, the written description of the scope is dispositive.

Appendix II

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Injury Test
- IV. Diversification of China's Economy
- V. Analysis of China's Financial System
- VI. Use of Facts Otherwise Available and Adverse Inferences
- VII. Recommendation

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