



DEPARTMENT OF COMMERCE

International Trade Administration

[C-834-813]

Ferrosilicon from the Republic of Kazakhstan: Final Affirmative Countervailing Duty Determination

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

SUMMARY: The U.S. Department of Commerce (Commerce) determines that countervailable subsidies are being provided to producers and exporters of ferrosilicon from the Republic of Kazakhstan (Kazakhstan). The period of investigation (POI) is January 1, 2023, through December 31, 2023.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Peter Shaw or Jose Rivera, AD/CVD Operations, Office OVII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0697 or (202) 482-0842, respectively.

SUPPLEMENTARY INFORMATION:

Background

On September 10, 2024, Commerce published the *Preliminary Determination* in the *Federal Register* and invited interested parties to comment on it.¹ For a complete description of the events that followed the *Preliminary Determination*, see the Issues and Decision Memorandum.² The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty

¹ See *Ferrosilicon from the Republic of Kazakhstan: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination With Final Antidumping Duty Determination*, 89 FR 73369 (September 10, 2024), and accompanying Preliminary Decision Memorandum (PDM).

² See Memorandum, "Issues and Decision Memorandum for the Final Affirmative Determination in the Countervailing Duty Investigation of Ferrosilicon from the Republic of Kazakhstan," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>. In addition, a complete version of the Issues and 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 ferrosilicon from Kazakhstan. For a complete description of the scope of this investigation, *see* Appendix I.

Scope Comments

No interested party commented on the scope of the investigation as it appeared in the *Preliminary Determination*. Therefore, no changes were made to the scope of the investigation.

Verification

Commerce conducted verification of the information relied upon in making its final determination in this investigation, in accordance with section 782(i) of the Tariff Act of 1930, as amended (the Act). Specifically, we conducted on-site verifications between September 9 and September 20, 2024, of the subsidy information reported by the Government of the Republic of Kazakhstan (GOK), YDD Corporation LLP (YDD), and TNC Kazchrome JSC (Kazchrome).³ On October 24, 2024, Commerce conducted verification of the subsidy information reported by TELF AG.⁴ We used standard verification procedures, including an examination of relevant accounting records and original source documents provided by the respondents.

Analysis of Subsidy Programs and Comments Received

The subsidy programs under investigation and the issues raised in the case and rebuttal briefs by parties are discussed in the Issues and Decision Memorandum. For a list of topics discussed, and the issues raised by parties to which we responded in the Issues and Decision Memorandum, *see* Appendix II.

³ *See* Memoranda, “Verification of the Questionnaire Response of the Government of Kazakhstan,” dated November 19, 2024; “Verification of Questionnaire Responses of YDD Corporation LLP,” dated November 19, 2024; and “Verification of Questionnaire Responses of TNC Kazchrome JSC Corporation LLP.,” dated November 19, 2024.

⁴ *See* Memorandum, “Verification of Questionnaire Responses of TELF AG,” dated November 19, 2024.

Methodology

Commerce conducted this investigation in accordance with section 701 of the Tariff Act of 1920, as amended (the Act). For each of the subsidy programs found to be countervailable, Commerce determines that there is a subsidy, *i.e.*, a financial contribution by an “authority” that gives rise to a benefit to the recipient, and that the subsidy is specific.⁵ For a full description of the methodology underlying our final determination, *see* the Issues and Decision Memorandum.

In making this final determination, Commerce relied, in part, on facts otherwise available, including adverse facts available (AFA), pursuant to sections 776(a) and (b) of the Act. For a full discussion of our application of AFA, *see* the section “Use of Facts Otherwise Available and Adverse Inferences” in the accompanying Issues and Decision Memorandum.⁶

Changes Since the *Preliminary Determination*

Based on our review and analysis of the information received during verification and comments received from parties, for this final determination, we made certain changes to the countervailable subsidy rate calculations for YDD, Kazchrome, and for all other producers/exporters. For a discussion of these changes, *see* the Issues and Decision Memorandum.

All-Others Rate

Pursuant to section 705(c)(5)(A)(i) of the Act, Commerce will determine an all-others rate equal to the weighted average countervailable subsidy rates established for those exporters and/or producers individually investigated, excluding any zero and *de minimis* countervailable subsidy rates and any rates based entirely under section 776 of the Act. In this investigation, Commerce calculated an individual estimated subsidy rate for YDD, the only individually-examined exporter/producer in this investigation for which Commerce is calculating an estimated countervailable subsidy rate. Because the only individually calculated rate that is not

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

⁶ *See* Issues and Decision Memorandum at Section IV.

zero, *de minimis*, or based entirely on facts otherwise available, is the estimated countervailable subsidy rate calculated for YDD that is the rate assigned to all other producers and exporters, pursuant to section 705(c)(5)(A)(i) of the Act

Final Determination

Commerce determines that the following estimated countervailable subsidy rates exist for the period of January 1, 2023, through December 31, 2023:

Company	Subsidy Rate (percent <i>ad valorem</i>)
YDD Corporation LLP ⁷	16.76
TELF AG ⁸	265.38*
TNC Kazchrome JSC ⁹	265.38*
All Others	16.76

* Rate based on facts available with adverse inferences.

Disclosure

Commerce intends to disclose its calculations and analysis performed to interested parties in this final determination within five days of its public announcement, or if there is no public announcement, within five days of the date of this notice in the *Federal Register*, in accordance with 19 CFR 351.224(b).

Continuation of Suspension of Liquidation

As a result of our *Preliminary Determination*, and pursuant to sections 703(d)(1)(B) and (d)(2) of the Act, Commerce instructed U.S. Customs and Border Protection (CBP) to collect cash deposits and suspend liquidation of entries of subject merchandise as described in the scope of the investigation section entered, or withdrawn from warehouse, for consumption on or after September 10, 2024, the date of publication of the *Preliminary Determination* in the *Federal*

⁷ This rate applies to YDD Corporation LLP and its cross-owned companies: ASIA FerroAlloys LLP; and KazSilicon Metallurgical Combine LLP.

⁸ This rate applies to TELF AG and TNC Kazchrome JSC and its cross-owned companies: Eurasian Energy Corporation JSC; and Shubarkol Komir JSC. As described above, Commerce has calculated a rate based on adverse inferences to TNC Kazchrome JSC as the unaffiliated producer. This rate is to be applied to subject merchandise produced and/or exported by TELF AG and/or TNC Kazchrome JSC.

⁹ This rate applies to TELF AG and TNC Kazchrome JSC and its cross-owned companies: Eurasian Energy Corporation JSC; and Shubarkol Komir JSC. As described above, Commerce has calculated a rate based on adverse inferences to TNC Kazchrome JSC as unaffiliated producer. This rate is to be applied to subject merchandise produced and/or exported by TELF AG and/or TNC Kazchrome JSC.

Register for entries produced and/or exported by all other producers and/or exporters of ferrosilicon in Kazakhstan.

Additionally, pursuant to section 705(c)(1)(B)(ii) of the Act and 19 CFR 351.210(d), where appropriate, Commerce will instruct CBP to require a cash deposit equal to the estimated individual countervailable subsidy rate or the estimated all-others rate, as indicated in the chart above, effective on the date of publication of this final determination.

If the U.S. International Trade Commission (ITC) issues a final affirmative injury determination, we will issue a countervailing duty order and require a cash deposit of estimated countervailing duties for such entries of subject merchandise in the amounts indicated above, in accordance with section 706(a) of the Act. If the ITC determines that material injury, or threat of material injury, does not exist, this proceeding will be terminated, and all estimated duties deposited or securities posted as a result of the suspension of liquidation will be refunded or canceled.

ITC Notification

In accordance with section 705(d) of the Act, we will notify the ITC of our final affirmative determination that countervailable subsidies are being provided to producers and exporters of ferrosilicon from Kazakhstan. Because the final determination is affirmative, in accordance with section 705(b) 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 of ferrosilicon from Kazakhstan no later than 45 days after our final determination. In addition, we are making available to the ITC all non-privileged and nonproprietary information related to this investigation. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under an administrative protective order (APO), without the written consent of the Assistant Secretary for Enforcement and Compliance.

If the ITC determines that material injury or threat of material injury does not exist, this proceeding will be terminated and all cash deposits will be refunded.

If the ITC determines that such injury does exist, Commerce will issue a countervailing duty order directing CBP to assess, upon further instruction by Commerce, countervailing duties on all imports of the subject merchandise that are 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.

Administrative Protective Order

In the event that the ITC issues a final negative injury determination, this notice will serve as the only reminder to parties subject to the APO of their responsibility concerning the destruction of proprietary information disclosed under APO, in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return/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

This final determination is issued and published pursuant to sections 705(d) and 777(i) of the Act, and 19 CFR 351.210(c).

Dated: March 21, 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 all forms and sizes of ferrosilicon, regardless of grade, including ferrosilicon briquettes. Ferrosilicon is a ferroalloy containing by weight four percent or more iron, more than eight percent but not more than 96 percent silicon, three percent or less phosphorus, 30 percent or less manganese, less than three percent magnesium, and 10 percent or less of any other element. The merchandise covered also includes product described as slag, if the product meets these specifications.

Subject merchandise includes material matching the above description that has been finished, packaged, or otherwise processed in a third country, including by performing any grinding or any other finishing, packaging, or processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the ferrosilicon.

Ferrosilicon is currently classifiable under subheadings 7202.21.1000, 7202.21.5000, 7202.21.7500, 7202.21.9000, 7202.29.0010, and 7202.29.0050 of the Harmonized Tariff Schedule of the United States (HTSUS). While the HTSUS numbers are provided for convenience and customs purposes, the written description of the scope remains dispositive.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Subsidies Valuation
- IV. Use of Facts Otherwise Available and Adverse Inferences
- V. Analysis of Programs
- VI. Discussion of the Issues
 - Comment 1: Whether Commerce Should Apply AFA to TELF
 - Comment 2: Whether Commerce Erred in Selecting TELF as a Mandatory Respondent in this Investigation
 - Comment 3: Whether Commerce Should Apply AFA to Kazchrome
 - Comment 4: Whether Commerce Should Revise its Selection of Loan Benchmarks
 - Comment 5: Whether Commerce Erred in the Calculation of Benefits Under the Compensation Rules Grants by Treating the Program as a Recurring Subsidy
 - Comment 6: Whether Commerce Should Revise the Calculation of Benefits for the Loan Interest Rate Subsidies under the Business Road Map 2025 (BRM) Program by Comparing the Interest Rate Paid by YDD with the Loan Benchmark Interest Rate
 - Comment 7: Whether Commerce Should Revise the Calculation of Benefits for YDD's Tax Programs by Using the Tax Returns for the POI Rather than the Tax Returns Filed During the POI
 - Comment 8: Whether Kazchrome's Benefits Under the Corporate Income Tax Exemption for Priority Investment Projects under the Entrepreneur Code is Tied to Non-Subject Merchandise
- VII. Recommendation