



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-216]

L-lysine from the People's Republic of China: 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 L-lysine (lysine) from the People's Republic of China (China). The period of investigation (POI) is January 1, 2024, through December 31, 2024.

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

FOR FURTHER INFORMATION CONTACT: Grant Fuller, AD/CVD Operations, Office IX, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-6228.

SUPPLEMENTARY INFORMATION:

Background

On January 22, 2026, Commerce published the *Preliminary Determination* of this countervailing duty (CVD) investigation of lysine from China, in accordance with section 705(a)(1) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.210(b)(3), and aligned this CVD investigation with the final determination in the companion less-than-fair-value (LTFV) investigation.¹

¹ See *L-Lysine from the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination With Final Antidumping Duty Determination*, 91 FR 2745 (January 22, 2026) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum (PDM).

For a complete discussion 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 made available to the public via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System, which 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 <https://access.trade.gov/frnotices>.

Scope of the Investigation

The merchandise covered by the scope of this investigation is lysine from China. 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, we made no changes to the scope of the investigation.

Verification

As provided in section 782(i) of the Act, in March 2025, Commerce verified the information reported by Inner Mongolia Eppen Biotech Co., Ltd (Inner Mongolia Eppen) for use in the final determination. We used standard verification procedures, including an examination of relevant accounting records and original source documents provided at verification.³

Analysis of Subsidy Programs and Comments Received

The subsidy programs under investigation and the issues raised in the case and rebuttal briefs that were submitted by interested parties in this investigation are discussed in the Issues and Decision Memorandum. For a list of the issues raised by interested parties and addressed in the Issues and Decision Memorandum, see Appendix II to this notice.

Methodology

² See Memorandum, "Issues and Decision Memorandum for the Final Affirmative Determination of the Countervailing Duty Investigation of L-lysine from the People's Republic of China," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

³ See Memorandum, "Verification of the Questionnaire Responses of Inner Mongolia Eppen Biotech Co., Ltd.," dated June 4, 2026.

Commerce conducted this investigation in accordance with section 701 of 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.⁴ 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 with an adverse inference, pursuant to sections 776(a) and (b) of the Act. For a full discussion of our application of adverse facts available (AFA), *see* the *Preliminary Determination* and the Issues and Decision Memorandum at the section entitled “Uses of Facts Available and Application of Adverse Inferences.”⁵

All-Others Rate

Section 705(c)(5)(A) of the Act provides that 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.

In this investigation, Commerce assigned rates based entirely on AFA to Helionjiang Wanli Runda Biotechnology Co., Ltd. and Shouguang Golden-land Industry & Trading Co Ltd. Therefore, the only rate that is not zero, *de minimis*, or based entirely on the facts otherwise available is the rate calculated for Inner Mongolia Eppen. Accordingly, the rate calculated for Inner Mongolia Eppen is also assigned as the rate for all other producers and exporters, pursuant to section 705(c)(5)(A) of the Act.

Final Determination

⁴ *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.

⁵ *See also Preliminary Determination PDM* at 4-25.

Commerce determines that the following estimated countervailable subsidy rates exist for the period January 1, 2024, through December 31, 2024:

Company	Subsidy Rate (percent <i>ad valorem</i>)
Inner Mongolia Eppen Biotech Co. Ltd. ⁶	48.21
Helionjiang Wanli Runda Biotechnology Co., Ltd.	82.11*
Shouguang Golden-land Industry & Trading Co Ltd.	82.11*
All Others	48.21

*Rate is based on facts available with adverse inferences.

Disclosure

Commerce intends to disclose its calculations 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 the publication 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, we instructed U.S. Customs and Border Protection (CBP) to collect cash deposits and suspend liquidation of entries of subject merchandise from China that were entered, or withdrawn from warehouse, for consumption, on or after January 22, 2026, the date of the publication of the *Preliminary Determination* in the *Federal Register*.⁷ In accordance with section 703(d) of the Act, we instructed CBP to discontinue the suspension of liquidation of all entries of subject merchandise entered or withdrawn from warehouse, on or after May 22, 2026, but to continue the suspension of liquidation of all entries of subject merchandise on or before May 21, 2026.

If the U.S. International Trade Commission (ITC) issues a final affirmative injury determination, we will issue a CVD order, reinstate the suspension of liquidation under section

⁶ As discussed in the *Preliminary Determination*, Commerce has found the following companies to be cross-owned with Inner Mongolia Eppen: Heilongjiang Eppen Trading Co., Ltd.; Heilongjiang Eppen Biotech Co., Ltd.; Heilongjiang Eppen Energy Co.; Ningxia Eppen Biotech Co. Ltd.; Star Lake Bioscience Co., Ltd Zhaoqing Guangdong; and Guangdong Guangxin Holdings Group Ltd.

⁷ See *Preliminary Determination*, 91 FR at 2745.

706(a) of the Act, and require a cash deposit of estimated countervailing duties for entries of subject merchandise in the amounts indicated above. Pursuant to section 705(c)(2) 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 cancelled.

ITC Notification

In accordance with section 705(d) of the Act, Commerce will notify the ITC of its final affirmative determination that countervailable subsidies are being provided to producers and exporters of lysine from China. As Commerce's final determination is affirmative, in accordance with section 705(b) of the Act, the ITC will determine, within 45 days, whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of import of lysine from China. In addition, we are making available to the ITC all non-privileged and non-proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under 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 CVD 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

This notice will serve as the final reminder to parties subject to an 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 or 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 determination is issued and published in accordance with sections 705(d) and 777(i) of the Act, and 19 CFR 351.210(c).

Dated: July 20, 2026.

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 animal feed grade L-lysine (lysine). Lysine is an essential amino acid added to animal feed that is used in the biosynthesis of proteins. The scope covers lysine regardless of form, including lysine monohydrochloride, also referred to as lysine HCL, lysine sulfate, and liquid lysine. The scope includes lysine that has been coated or encapsulated for use with ruminants to ensure bioavailability.

Lysine HCL in the dry form has the molecular formula $C_6H_{14}N_2O_2HCl$. The Chemical Abstracts Service (CAS) registry number for lysine HCL is 657-27-2. Lysine HCL contains a minimum of 78 percent lysine by weight, as well as additional amino acids, carbohydrates, mineral salts, and organic acids. Lysine sulfate is the sulfate salt of lysine, and in the dry form it has the molecular formula $C_6H_{16}N_2O_6S$. The CAS registry number for lysine sulfate is 60343-69-3. Lysine sulfate typically contains approximately 40-70 percent lysine by weight, as well as additional amino acids, carbohydrates, mineral salts, and organic acids. Liquid lysine is a concentrated form of lysine in an aqueous solution with the molecular formula $C_6H_{14}N_2O_2$. The CAS registry number for liquid lysine is 56-87-1. Liquid lysine normally contains at least 50 percent lysine by weight, as well as additional amino acids, carbohydrates, mineral salts, and organic acids.

The scope includes animal feed grade lysine that is combined with other products, including for example, by mixing, blending, compounding, or granulating (*e.g.*, base mixes, premixes, and concentrates). For such combined products, only the lysine component is covered by the scope of this investigation.

Subject merchandise also includes lysine that has been processed in a third country, including by commingling, diluting, adding or removing additives, refining, converting from liquid to dry or dry to liquid form, coating or encapsulating, or performing any processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the subject country.

The merchandise covered by this investigation is properly classified under Harmonized Tariff Schedule of the United States (HTSUS) subheading 2922.41.0090. Lysine may also be classified under HTSUS subheadings 2922.41.0010, 2922.49.4950, 2309.90.7000, and 2309.90.9500. Although the HTSUS subheadings and the CAS registry numbers are provided for convenience and customs purposes, the written description of the scope of the investigation is dispositive.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Use of Facts Otherwise Available and Adverse Inferences
- IV. Subsidies Valuation
- V. Analysis of Programs
- VI. Discussion of the Issues
 - Comment 1: Whether Inner Mongolia Eppen's Input Suppliers Acted as Government Authorities
 - Comment 2: Whether Commerce's Determinations Regarding Other Subsidies Are in Accordance with Law
 - Comment 3: Whether the Provision of Electricity for Less Than Adequate Remuneration (LTAR) is Specific
 - Comment 4: Whether to Revise the Adverse Facts Available (AFA) Rate Assigned to Inner Mongolia Eppen's Cross-Owned Affiliate, Guangdong Guangxin Holdings Group Ltd. (Guangxin Group)
 - Comment 5: Whether to Apply AFA to the Benefits Inner Mongolia Eppen Received from the Provision of Inputs for LTAR Programs Because of Inland Freight Reporting Issues
 - Comment 6: Whether the Selection of the Coal Benchmark is Appropriate
 - Comment 7: Whether Commerce Should Revise the Import Tariff Rate for Steam Coal
- VII. Recommendation