

The scope of the investigation excludes the following items: (1) Structural plywood (also known as “industrial plywood” or “industrial panels”) that is manufactured to meet U.S. Products Standard PS 1-09, PS 2-09, or PS 2-10 for Structural Plywood (including any revisions to that standard or any substantially equivalent international standard intended for structural plywood), and which has both a face and a back veneer of coniferous wood; (2) products which have a face and back veneer of cork; (3) multilayered wood flooring, as described in the antidumping duty and countervailing duty orders on Multilayered Wood Flooring from the People’s Republic of China, Import Administration, International Trade Administration. See Multilayered Wood Flooring from the People’s Republic of China, 76 FR 76690 (December 8, 2011) (amended final determination of sales at less than fair value and antidumping duty order), and Multilayered Wood Flooring from the People’s Republic of China, 76 FR 76693 (December 8, 2011) (countervailing duty order), as amended by Multilayered Wood Flooring from the People’s Republic of China: Amended Antidumping and Countervailing Duty Orders, 77 FR 5484 (February 3, 2012); (4) multilayered wood flooring with a face veneer of bamboo or composed entirely of bamboo; (5) plywood which has a shape or design other than a flat panel, with the exception of any minor processing described above; (6) products made entirely from bamboo and adhesives (also known as “solid bamboo”); and (7) Phenolic Film Faced Plyform (PFF), also known as Phenolic Surface Film Plywood (PSF), defined as a panel with an “Exterior” or “Exposure 1” bond classification as is defined by The Engineered Wood Association, having an opaque phenolic film layer with a weight equal to or greater than 90g/m² permanently bonded on both the face and back veneers and an opaque, moisture resistant coating applied to the edges.

Excluded from the scope of this investigation are wooden furniture goods that, at the time of importation, are fully assembled and are ready for their intended uses. Also excluded from the scope of this investigation is “ready to assemble” (RTA) furniture. RTA furniture is defined as (A) furniture packaged for sale for ultimate purchase by an end-user that, at the time of importation, includes (1) all wooden components (in finished form) required to assemble a finished unit of furniture, (2) all accessory parts (e.g., screws, washers, dowels, nails, handles, knobs, adhesive glues) required to assemble a finished unit of furniture, and (3) instructions providing guidance on the assembly of a finished unit of furniture; (B) unassembled bathroom vanity cabinets, having a space for one or more sinks, that are imported with all unassembled hardwood and hardwood plywood components that have been cut-to-final dimensional component shape/size, painted or stained prior to importation, and stacked within a singled shipping package, except for furniture feet which may be packed and shipped separately; or (C) unassembled bathroom vanity linen closets that are imported with all unassembled

hardwood and hardwood plywood components that have been cut-to-final dimensional shape/size, painted or stained prior to importation, and stacked within a single shipping package, except for furniture feet which may be packed and shipped separately.

Excluded from the scope of this investigation are kitchen cabinets that, at the time of importation, are fully assembled and are ready for their intended uses. Also excluded from the scope of this investigation are RTA kitchen cabinets. RTA kitchen cabinets are defined as kitchen cabinets packaged for sale for ultimate purchase by an end-user that, at the time of importation, includes (1) all wooden components (in finished form) required to assemble a finished unit of cabinetry, (2) all accessory parts (e.g., screws, washers, dowels, nails, handles, knobs, hooks, adhesive glues) required to assemble a finished unit of cabinetry, and (3) instructions providing guidance on the assembly of a finished unit of cabinetry.

Excluded from the scope of this investigation are finished table tops, which are table tops imported in finished form with pre-cut or drilled openings to attach the underframe or legs. The table tops are ready for use at the time of import and require no further finishing or processing.

Excluded from the scope of this investigation are finished countertops that are imported in finished form and require no further finishing or manufacturing.

Excluded from the scope of this investigation are laminated veneer lumber door and window components with (1) a maximum width of 44 millimeters, a thickness from 30 millimeters to 72 millimeters, and a length of less than 2413 millimeters (2) water boiling point exterior adhesive, (3) a modulus of elasticity of 1,500,000 pounds per square inch or higher, (4) finger-jointed or lap-jointed core veneer with all layers oriented so that the grain is running parallel or with no more than 3 dispersed layers of veneer oriented with the grain running perpendicular to the other layers; and (5) top layer machined with a curved edge and one or more profile channels throughout.

Imports of hardwood plywood are primarily entered under the following Harmonized Tariff Schedule of the United States (HTSUS) subheadings: 4412.10.0500; 4412.31.0520; 4412.31.0540; 4412.31.0560; 4412.31.0620; 4412.31.0640; 4412.31.0660; 4412.31.2510; 4412.31.2520; 4412.31.2610; 4412.31.2620; 4412.31.4040; 4412.31.4050; 4412.31.4060; 4412.31.4075; 4412.31.4080; 4412.31.4140; 4412.31.4150; 4412.31.4160; 4412.31.4180; 4412.31.5125; 4412.31.5135; 4412.31.5155; 4412.31.5165; 4412.31.5175; 4412.31.5235; 4412.31.5255; 4412.31.5265; 4412.31.5275; 4412.31.6000; 4412.31.6100; 4412.31.9100; 4412.31.9200; 4412.32.0520; 4412.32.0540; 4412.32.0565; 4412.32.0570; 4412.32.0620; 4412.32.0640; 4412.32.0670; 4412.32.2510; 4412.32.2525; 4412.32.2530; 4412.32.2610; 4412.32.2630; 4412.32.3125; 4412.32.3135; 4412.32.3155; 4412.32.3165; 4412.32.3175; 4412.32.3185; 4412.32.3235; 4412.32.3255; 4412.32.3265; 4412.32.3275; 4412.32.3285; 4412.32.5600; 4412.32.3235;

4412.32.3255; 4412.32.3265; 4412.32.3275; 4412.32.3285; 4412.32.5700; 4412.94.1030; 4412.94.1050; 4412.94.3105; 4412.94.3111; 4412.94.3121; 4412.94.3141; 4412.94.3161; 4412.94.3175; 4412.94.4100; 4412.99.0600; 4412.99.1020; 4412.99.1030; 4412.99.1040; 4412.99.3110; 4412.99.3120; 4412.99.3130; 4412.99.3140; 4412.99.3150; 4412.99.3160; 4412.99.3170; 4412.99.4100; 4412.99.5115; and 4412.99.5710.

Imports of hardwood plywood may also enter under HTSUS subheadings 4412.99.6000; 4412.99.7000; 4412.99.8000; 4412.99.9000; 4412.10.9000; 4412.94.5100; 4412.94.9500; and 4412.99.9500. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-427-829, A-570-071]

Sodium Gluconate, Gluconic Acid, and Derivative Products From France and the People’s Republic of China: Initiation of Less-Than-Fair-Value Investigations

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

DATES: Applicable December 20, 2017.

FOR FURTHER INFORMATION CONTACT:

Stephen Bailey at (202) 482-0193 and Malisha Khan at (202) 482-0895 (France), Jeffrey Pedersen at (202) 482-2769 and Celeste Chen at (202) 482-0890 (the People’s Republic of China (China)), AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

The Petitions

On November 30, 2017, the U.S. Department of Commerce (Commerce) received antidumping duty (AD) Petitions concerning imports of sodium gluconate, gluconic acid, and derivative products (GNA products) from France and China, filed in proper form on behalf of PMP Fermentation Products, Inc. (PMP, the petitioner).¹ The AD Petitions were accompanied by a countervailing duty (CVD) petition concerning imports of GNA products

¹ See Petitioner’s letter, “Petition for Antidumping and Countervailing Duties: Sodium Gluconate, Gluconic Acid, and Derivative Products from the People’s Republic of China and France,” dated November 30, 2017 (the Petitions).

from China. The petitioner is a domestic producer of GNA products.²

On December 5, 2017, Commerce requested supplemental information pertaining to certain areas of the Petitions.³ The petitioner filed responses to these requests on December 7, 2017.⁴ On December 15, 2017, the petitioner submitted certain revisions to the scope.⁵

In accordance with section 732(b) of the Tariff Act of 1930, as amended (the Act), the petitioner alleges that imports of GNA products from France and China are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Act, and that such imports are materially injuring, or threatening material injury to, the domestic industry producing GNA products in the United States. Consistent with section 732(b)(1) of the Act, the Petitions are accompanied by information reasonably available to the petitioner supporting their allegations.

Commerce finds that the petitioner filed the Petitions on behalf of the domestic industry because the petitioner is an interested party as defined in section 771(9)(C) of the Act.

² See Volume I of the Petitions, at 2.

³ See Commerce's Letters, "Petitions for the Imposition of Antidumping Duties on Imports of Sodium Gluconate, Gluconic Acid, and Derivative Products from France and the People's Republic of China and Countervailing Duties on Imports of Sodium Gluconate, Gluconic Acid, and Derivative Products from the People's Republic of China: Supplemental Questions," (General Issues Supplemental Questionnaire); "Petition for the Imposition of Antidumping Duties on Imports of Sodium Gluconate, Gluconic Acid and Derivative Products from France; Supplemental Questions;" and "Petition for the Imposition of Antidumping Duties on Imports of Sodium Gluconate, Gluconic Acid and Derivative Products from the People's Republic of China: Supplemental Questions." All three of these documents are dated December 5, 2017.

⁴ See Petitioner's Letters, "Antidumping Duty Investigation of Sodium Gluconate, Gluconic Acid and Derivative Products from the People's Republic of China: PMP's Response to the Department's Supplemental Questions on the Petition" (General Issues and China AD Supplement) and "Antidumping Duty Investigation of Sodium Gluconate, Gluconic Acid and Derivative Products from France: PMP's Response to the Department's Supplemental Questions on the Petition" (General Issues and France AD Supplement). Both of these documents are dated December 7, 2017.

⁵ See Memorandum, "Petitions for the Imposition of Antidumping Duties on Imports of Sodium Gluconate, Gluconic Acid, and Derivative Products from France and the People's Republic of China and Countervailing Duties on Imports of Sodium Gluconate, Gluconic Acid, and Derivative Products from the People's Republic of China: Telephone Conversation with the Petitioner," dated December 14, 2017; see also Petitioner's Letter, "Sodium Gluconate, Gluconic Acid, and Derivative Products from the People's Republic of China and France: Petitioner's Amendment to Volume I of Antidumping and Countervailing Duty Petition," dated December 15, 2017 (Revised Scope).

Commerce also finds that the petitioner demonstrated sufficient industry support with respect to the initiation of the AD investigations that the petitioner is requesting.⁶

Periods of Investigation

Because the Petitions were filed on November 30, 2017, pursuant to 19 CFR 351.204(b)(1), the period of investigation (POI) for the France investigation is October 1, 2016 through September 30, 2017. Because China is a non-market economy (NME) country, pursuant to 19 CFR 351.204(b)(1), the POI for the China investigation is April 1, 2017 through September 30, 2017.

Scope of the Investigations

The products covered by these investigations are GNA products from France and China. For a full description of the scope of these investigations, see the Appendix to this notice.

Scope Comments

During our review of the Petitions, Commerce issued questions to, and received responses from, the petitioner pertaining to the proposed scope to ensure that the scope language in the Petitions is an accurate reflection of the products for which the domestic industry is seeking relief.⁷ As a result of these exchanges, the scope of the Petitions was modified to clarify the description of merchandise covered by the Petitions. The description of the merchandise covered by this initiation, as described in the Appendix to this notice, reflects these clarifications.

As discussed in the preamble to Commerce's regulations, we are setting aside a period for interested parties to raise issues regarding product coverage (scope).⁸ Commerce will consider all comments received from interested parties and, if necessary, will consult with interested parties prior to the issuance of the preliminary determinations. If scope comments include factual information,⁹ all such factual information should be limited to public information. To facilitate preparation of its questionnaires, Commerce requests that all interested parties submit such comments by 5:00 p.m. Eastern Time (ET) on January 9, 2018, which is 20 calendar days from the signature date of this notice. Any

⁶ See the "Determination of Industry Support for the Petitions" section, *infra*.

⁷ See General Issues Supplemental Questionnaire, at 3–4; see also General Issues and China AD Supplement and General Issues and France AD Supplement.

⁸ See *Antidumping Duties; Countervailing Duties, Final Rule*, 62 FR 27296, 27323 (May 19, 1997).

⁹ See 19 CFR 351.102(b)(21) (defining "factual information").

rebuttal comments, which may include factual information, must be filed by 5:00 p.m. ET on January 19, 2018, which is 10 calendar days from the initial comments deadline.¹⁰

Commerce requests that any factual information the parties consider relevant to the scope of the investigations be submitted during this time period. However, if a party subsequently finds that additional factual information pertaining to the scope of the investigations may be relevant, the party may contact Commerce and request permission to submit the additional information. All such comments must be filed on the records of each of the concurrent AD and CVD investigations.

Filing Requirements

All submissions to Commerce must be filed electronically using Enforcement and Compliance's Antidumping Duty and Countervailing Duty Centralized Electronic Service System (ACCESS).¹¹ An electronically filed document must be received successfully in its entirety by the time and date it is due. Documents exempted from the electronic submission requirements must be filed manually (*i.e.*, in paper form) with Enforcement and Compliance's APO/Dockets Unit, Room 18022, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230, and stamped with the date and time of receipt by the applicable deadlines.

Comments on Product Characteristics for AD Questionnaires

Commerce will provide interested parties an opportunity to comment on the appropriate physical characteristics of GNA products to be reported in response to Commerce's AD questionnaires. This information will be used to identify the key physical characteristics of the merchandise under consideration in order to report the relevant costs of production accurately as well as to develop appropriate product-comparison criteria.

Interested parties may provide any information or comments that they feel are relevant to the development of an

¹⁰ See 19 CFR 351.303(b).

¹¹ See *Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures*, 76 FR 39263 (July 6, 2011); see also *Enforcement and Compliance; Change of Electronic Filing System Name*, 79 FR 69046 (November 20, 2014) for details of Commerce's electronic filing requirements, effective August 5, 2011. Information on help using ACCESS can be found at <https://access.trade.gov/help.aspx> and a handbook can be found at <https://access.trade.gov/help/Handbook%20on%20Electronic%20Filing%20Procedures.pdf>.

accurate list of physical characteristics. Specifically, they may provide comments as to which characteristics are appropriate to use as: (1) General product characteristics, and (2) product-comparison criteria. We note that it is not always appropriate to use all product characteristics as product-comparison criteria. We base product-comparison criteria on meaningful commercial differences among products. In other words, although there may be some physical product characteristics utilized by manufacturers to describe GNA products, it may be that only a select few product characteristics take into account commercially meaningful physical characteristics. In addition, interested parties may comment on the order in which the physical characteristics should be used in matching products. Generally, Commerce attempts to list the most important physical characteristics first and the least important characteristics last.

In order to consider the suggestions of interested parties in developing and issuing the AD questionnaires, all product characteristics comments must be filed by 5:00 p.m. ET on January 9, 2018. Any rebuttal comments must be filed by 5:00 p.m. ET on January 19, 2018. All comments and submissions to Commerce must be filed electronically using ACCESS, as explained above, on the records of the France and China less-than-fair-value investigations.

Determination of Industry Support for the Petitions

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) At least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 732(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, Commerce shall: (i) Poll the industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A); or (ii) determine industry support using a statistically valid sampling method to poll the “industry.”

Section 771(4)(A) of the Act defines the “industry” as the producers as a

whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs Commerce to look to producers and workers who produce the domestic like product. The International Trade Commission (ITC), which is responsible for determining whether “the domestic industry” has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both Commerce and the ITC must apply the same statutory definition regarding the domestic like product,¹² they do so for different purposes and pursuant to a separate and distinct authority. In addition, Commerce’s determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to law.¹³

Section 771(10) of the Act defines the domestic like product as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title.” Thus, the reference point from which the domestic like product analysis begins is “the article subject to an investigation” (i.e., the class or kind of merchandise to be investigated, which normally will be the scope as defined in the Petitions).

With regard to the domestic like product, the petitioner does not offer a definition of the domestic like product distinct from the scope of the investigations. Based on our analysis of the information submitted on the record, we have determined that GNA products, as defined in the scope, constitute a single domestic like product and we have analyzed industry support in terms of that domestic like product.¹⁴

In determining whether the petitioner has standing under section 732(c)(4)(A)

of the Act, we considered the industry support data contained in the Petitions with reference to the domestic like product as defined in the “Scope of the Investigations,” in the Appendix to this notice. To establish industry support, the petitioner provided its own production of the domestic like product in 2016.¹⁵ The petitioner states that there are no other known producers of GNA products in the United States; therefore, the Petitions are supported by 100 percent of the U.S. industry.¹⁶

Our review of the data provided in the Petitions, the supplemental responses, and other information readily available to Commerce indicates that the petitioner has established industry support for the Petitions.¹⁷ First, the Petitions established support from domestic producers (or workers) accounting for more than 50 percent of the total production of the domestic like product and, as such, Commerce is not required to take further action in order to evaluate industry support (e.g., polling).¹⁸ Second, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(i) of the Act because the domestic producers (or workers) who support the Petitions account for at least 25 percent of the total production of the domestic like product.¹⁹ Finally, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(ii) of the Act because the domestic producers (or workers) who support the Petitions account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the Petitions.²⁰ Accordingly, Commerce determines that the Petitions were filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act.

Commerce finds that the petitioner filed the Petitions on behalf of the domestic industry because it is an interested party as defined in section 771(9)(C) of the Act and it has demonstrated sufficient industry support with respect to the AD

¹² See section 771(10) of the Act.

¹³ See USEC, Inc. v. United States, 132 F. Supp. 2d 1, 8 (CIT 2001) (citing *Algoma Steel Corp., Ltd. v. United States*, 688 F. Supp. 639, 644 (CIT 1988), aff’d 865 F.2d 240 (Fed. Cir. 1989)).

¹⁴ For a discussion of the domestic like product analysis, see Antidumping Duty Investigation Initiation Checklist: Sodium Gluconate, Gluconic Acid, and Derivative Products from the People’s Republic of China (China AD Initiation Checklist), at Attachment II, Analysis of Industry Support for the Antidumping and Countervailing Duty Petitions Covering Sodium Gluconate, Gluconic Acid, and Derivative Products from the People’s Republic of China and France (Attachment II); and Antidumping Duty Investigation Initiation Checklist: Sodium Gluconate, Gluconic Acid, and Derivative Products from France (France AD Initiation Checklist), at Attachment II. These checklists are dated concurrently with, and hereby adopted by, this notice and on file electronically via ACCESS. Access to documents filed via ACCESS is also available in the Central Records Unit, Room B8024 of the main Department of Commerce building.

¹⁵ See Volume I of the Petitions, at 3 and Exhibits I-1A and I-1B.

¹⁶ *Id.* at 3 and Exhibits I-1A and I-1B; *see also* General Issues and China AD Supplement, at 7; *see also* General Issues and France AD Supplement, at 7.

¹⁷ See China AD Initiation Checklist and France AD Initiation Checklist, at Attachment II.

¹⁸ See section 732(c)(4)(D) of the Act; *see also* China AD Initiation Checklist and France AD Initiation Checklist, at Attachment II.

¹⁹ See China AD Initiation Checklist and France AD Initiation Checklist, at Attachment II.

²⁰ *Id.*

investigations that it is requesting that Commerce initiate.²¹

Allegations and Evidence of Material Injury and Causation

The petitioner alleges that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the imports of the subject merchandise sold at less than normal value (NV). In addition, the petitioner alleges that subject imports exceed the negligibility threshold provided for under section 771(24)(A) of the Act.²²

The petitioner contends that the industry's injured condition is illustrated by a significant volume of subject imports, reduced market share, underselling and price depression or suppression, lost sales and revenues, and a negative impact on financial performance.²³ We have assessed the allegations and supporting evidence regarding material injury, threat of material injury, and causation, and we have determined that these allegations are properly supported by adequate evidence, and meet the statutory requirements for initiation.²⁴

Allegations of Sales at Less Than Fair Value

The following is a description of the allegations of sales at less than fair value upon which Commerce based its decision to initiate AD investigations of imports of GNA products from France and China. The sources of data for the deductions and adjustments relating to U.S. price and NV are discussed in greater detail in the country-specific initiation checklists.

Export Price

For both France and China, the petitioner based its calculation of export price (EP) on U.S. imports of sodium gluconate under the Harmonized Tariff Schedule of the United States (HTSUS) subheading 2918.16.5010 between October 2016 and September 2017 for France and April 2017 and September 2017 for China.²⁵ The petitioner made

²¹ *Id.*

²² See Volume I of the Petitions, at 16 and Exhibit I-9; *see also* General Issues and China AD Supplement, at 7; and General Issues and France AD Supplement, at 7.

²³ *Id.* at 13, 16–32 and Exhibits I-4 and I-9 through I-22.

²⁴ See China AD Initiation Checklist, at Attachment III, Analysis of Allegations and Evidence of Material Injury and Causation for the Antidumping and Countervailing Duty Petitions Covering Sodium Gluconate, Gluconic Acid, and Derivative Products from the People's Republic of China and France (Attachment III); *see also* France AD Initiation Checklist, at Attachment III.

²⁵ See France AD Initiation Checklist and China AD Initiation Checklist.

deductions from EP for foreign inland freight and foreign brokerage and handling expenses.²⁶

Normal Value

For France, the petitioner was unable to obtain reliable information relating to the prices charged for GNA products in France or in any third country market.²⁷ Because home market and third country prices were not reasonably available, the petitioner calculated NV based on constructed value (CV). For further discussion of CV, *see* the section "Normal Value Based on Constructed Value" below.²⁸

With respect to China, Commerce considers China to be a non-market economy (NME) country.²⁹ In accordance with section 771(18)(C)(i) of the Act, any determination that a foreign country is an NME country shall remain in effect until revoked by Commerce. Therefore, we continue to treat China as an NME country for purposes of the initiation of this investigation.

Accordingly, NV in China is appropriately based on factors of production (FOPs) valued in a surrogate market economy country, in accordance with section 773(c) of the Act.³⁰ In the course of this investigation, all parties, and the public, will have the opportunity to provide relevant information related to the granting of separate rates to individual exporters.

The petitioner claims that Thailand is an appropriate surrogate country for China because it is a market economy country that is at a level of economic development comparable to that of China; it is a significant producer of comparable merchandise; and public information from Thailand is available to value all material input factors except for the inputs of liquid glucose and sodium hydroxide.³¹ The petitioner stated that due to what it characterized

²⁶ *Id.*

²⁷ See France AD Initiation Checklist.

²⁸ In accordance with section 505(a) of the Trade Preferences Extension Act of 2015, amending section 773(b)(2) of the Act, for this investigation, Commerce will request information necessary to calculate the CV and cost of production (COP) to determine whether there are reasonable grounds to believe or suspect that sales of the foreign like product have been made at prices that represent less than the COP of the product. Commerce no longer requires a COP allegation to conduct this analysis.

²⁹ See *Antidumping Duty Investigation of Certain Aluminum Foil from the People's Republic of China: Affirmative Preliminary Determination of Sales at Less-Than-Fair Value and Postponement of Final Determination*, 82 FR 50858, 50861 (November 2, 2017), and accompanying decision memorandum, *China's Status as a Non-Market Economy*.

³⁰ See China AD Initiation Checklist.

³¹ See Volume II of the Petitions, at 2–3 and Exhibit II-2.

as high values in the Thai import data for glucose and sodium hydroxide, it instead relied on data for Brazil for these two inputs.³² Brazil was on the list of potential surrogate countries placed on the record by the petitioner, and the petitioner stated that Brazil had the largest quantity of imports of these two inputs.³³ Based on the information provided by the petitioner, we determine that it is appropriate to use Thailand as a surrogate country, but rely on the Brazil import data for the glucose and sodium hydroxide inputs, for initiation purposes.

Interested parties will have the opportunity to submit comments regarding surrogate country selection and, pursuant to 19 CFR 351.301(c)(3)(i), will be provided an opportunity to submit publicly available information to value FOPs within 30 days before the scheduled date of the preliminary determination.

Factors of Production

Because information regarding the volume of inputs consumed by China producers/exporters is not available, the petitioner relied on the production experience of its GNA products production facility in Peoria, Illinois as an estimate of Chinese manufacturers' FOPs.³⁴ The petitioner valued the estimated FOPs using surrogate values from Thailand for China, except for two inputs as noted above.³⁵ The petitioner used the average POI exchange rate to convert the data to U.S. dollars.³⁶

Normal Value Based on Constructed Value

As noted above, the petitioner was unable to obtain reliable information relating to the prices charged for GNA products in France or in any third country market; accordingly, the petitioner based NV on CV. Pursuant to section 773(e) of the Act, CV consists of the cost of manufacturing (COM), selling, general, and administrative (SG&A) expenses, financial expenses, packing expenses, and profit.³⁷ For France, the petitioner calculated the COM based on its own input factors of production and usage rates for raw materials, labor, energy, packing, and a

³² See Volume II of the Petitions, at 5.

³³ See Volume II of the Petitions, at 2–6 and Exhibit II-2.

³⁴ See Volume II of the Petitions at 4 and Volume IV of the Petitions at 4.

³⁵ See General Issues and China AD Supplement, at Revised Exhibit II-13.

³⁶ See General Issues and China AD Supplement, at Revised Exhibit II-22.

³⁷ See France AD Initiation Checklist.

by-product offset.³⁸ The input factors of production were valued using publicly available data on costs specific to France, during the proposed POI.³⁹ Specifically, the prices for raw material and packing inputs were based on publicly available import data for France.⁴⁰ Labor and energy costs were valued using publicly available sources for France.⁴¹ The petitioner calculated factory overhead, SG&A, and profit for France based on the average ratios found in the experience of a French producer of chemical products.⁴²

Fair Value Comparisons

Based on the data provided by the petitioner, there is reason to believe that imports of GNA products from France and China are being, or are likely to be, sold in the United States at less than fair value. Based on comparisons of EP to NV in accordance with sections 772 and 773 of the Act, the estimated dumping margin for GNA products for each of the countries covered by this initiation are as follows: (1) France—76.95 percent;⁴³ and (2) China—213.15 percent.⁴⁴

Initiation of Less-Than-Fair-Value Investigations

Based upon the examination of the AD Petitions, we find that the Petitions meet the requirements of section 732 of the Act. Therefore, we are initiating AD investigations to determine whether imports of GNA products from France and China are being, or are likely to be, sold in the United States at less than fair value. In accordance with section 733(b)(1)(A) of the Act and 19 CFR 351.205(b)(1), unless postponed, we will make our preliminary determinations no later than 140 days after the date of this initiation.

Under the Trade Preferences Extension Act of 2015, numerous amendments to the AD and CVD laws were made.⁴⁵ The 2015 law does not specify dates of application for those amendments. On August 6, 2015, Commerce published an interpretative rule, in which it announced the applicability dates for each amendment to the Act, except for amendments contained in section 771(7) of the Act, which relate to determinations of

material injury by the ITC.⁴⁶ The amendments to sections 771(15), 773, 776, and 782 of the Act are applicable to all determinations made on or after August 6, 2015, and, therefore, apply to these AD investigations.⁴⁷

Respondent Selection

With respect to France, although Commerce normally relies on import data from Customs and Border Protection (CBP) to determine whether to select a limited number of producers/exporters for individual examination in AD investigations, the petitioner identified only one company in France, Jungbunzlauer, S.A., as a producer/exporter of GNA products.⁴⁸ The petitioner relied on information from a subscription database of shipment data and additional research of publicly-available sources as support for its claim that there is only one producer/exporter of GNA products in France.⁴⁹ We currently know of no additional producers/exporters of GNA products from France. Accordingly, Commerce intends to examine the sole French producer/exporter identified in the Petition for the investigation. Parties wishing to comment on respondent selection for France must do so within five days of the publication of this notice in the **Federal Register**. Any such comments must be submitted no later than 5:00 p.m. ET on the due date, and must be filed electronically via ACCESS.

With respect to China, the petitioner named 82 producers/exporters as accounting for the majority of exports of GNA products to the United States from China.⁵⁰ In accordance with our standard practice for respondent selection in AD cases involving NME countries, we intend to issue quantity and value (Q&V) questionnaires to producers/exporters of merchandise subject to the investigation and, if necessary, base respondent selection on the responses received. For this investigation, Commerce will request Q&V information from known Chinese exporters and producers identified, with complete contact information, in the Petition. In addition, Commerce will post the Q&V questionnaire along with filing instructions on the Enforcement

and Compliance website at <http://www.trade.gov/enforcement/news.asp>.

Producers/exporters of GNA products from China that do not receive Q&V questionnaires by mail may still submit a response to the Q&V questionnaire and can obtain a copy of the Q&V questionnaire from Enforcement & Compliance's website. The Q&V response must be submitted by the relevant Chinese exporters/producers no later than 5:00 p.m. ET on January 4, 2018. All Q&V responses must be filed electronically via ACCESS.

Separate Rates

In order to obtain separate-rate status in an NME investigation, exporters and producers must submit a separate-rate application.⁵¹ The specific requirements for submitting a separate-rate application in China investigation are outlined in detail in the application itself, which is available on Commerce's website at <http://enforcement.trade.gov/nme/nme-sep-rate.html>. The separate-rate application will be due 30 days after publication of this initiation notice.⁵² Exporters and producers who submit a separate-rate application and have been selected as mandatory respondents will be eligible for consideration for separate-rate status only if they respond to all parts of Commerce's AD questionnaire as mandatory respondents. Commerce requires that companies from China submit a response to both the Q&V questionnaire and the separate-rate application by the respective deadlines in order to receive consideration for separate-rate status. Companies not filing a timely Q&V response will not receive separate-rate consideration.

Use of Combination Rates

Commerce will calculate combination rates for certain respondents that are eligible for a separate rate in an NME investigation. The Separate Rates and Combination Rates Bulletin states:

{w}hile continuing the practice of assigning separate rates only to exporters, all separate rates that the Department will now assign in its NME Investigation will be specific to those producers that supplied the exporter during the period of investigation. Note, however, that one rate is calculated for the exporter and all of the producers which

³⁸ See General Issues and France AD Supplement, at Revised Exhibit IV-10.

³⁹ *Id.*

⁴⁰ *Id.*

⁴¹ *Id.*

⁴² *Id.*

⁴³ See France AD Initiation Checklist.

⁴⁴ See China AD Initiation Checklist.

⁴⁵ See Trade Preferences Extension Act of 2015, Public Law 114–27, 129 Stat. 362 (2015).

⁴⁶ See *Dates of Application of Amendments to the Antidumping and Countervailing Duty Laws Made by the Trade Preferences Extension Act of 2015*, 80 FR 46793 (August 6, 2015).

⁴⁷ *Id.* at 46794–95. The 2015 amendments may be found at <https://www.congress.gov/bill/114th-congress/house-bill/1295/text/pl>.

⁴⁸ See Volume I of the Petitions, at Exhibit I-5B.

⁴⁹ *Id.*; see also Volume IV of the Petitions, at 1.

⁵⁰ See General Issues and China AD Supplement, at Revised Exhibit I-5A.

⁵¹ See Policy Bulletin 05.1: Separate-Rates Practice and Application of Combination Rates in Antidumping Investigation involving Non-Market Economy Countries (April 5, 2005), available at <http://enforcement.trade.gov/policy/bull05-1.pdf> (Policy Bulletin 05.1).

⁵² Although in past investigations this deadline was 60 days, consistent with 19 CFR 351.301(a), which states that “the Secretary may request any person to submit factual information at any time during a proceeding,” this deadline is now 30 days.

supplied subject merchandise to it during the period of investigation. This practice applies both to mandatory respondents receiving an individually calculated separate rate as well as the pool of non-investigated firms receiving the weighted-average of the individually calculated rates. This practice is referred to as the application of “combination rates” because such rates apply to specific combinations of exporters and one or more producers. The cash-deposit rate assigned to an exporter will apply only to merchandise both exported by the firm in question and produced by a firm that supplied the exporter during the period of investigation.⁵³

Distribution of Copies of the Petitions

In accordance with section 732(b)(3)(A)(i) of the Act and 19 CFR 351.202(f), copies of the public version of the Petitions have been provided to the governments of France and China *via ACCESS*. To the extent practicable, we will attempt to provide a copy of the public version of the Petitions to each exporter named in the Petitions, as provided under 19 CFR 351.203(c)(2).

ITC Notification

We will notify the ITC of our initiation, as required by section 732(d) of the Act.

Preliminary Determinations by the ITC

The ITC will preliminarily determine, within 45 days after the date on which the Petitions were filed, whether there is a reasonable indication that imports of GNA products from France and/or China are materially injuring or threatening material injury to a U.S. industry. A negative ITC determination for any country will result in the investigation being terminated with respect to that country.⁵⁴ Otherwise, the investigations will proceed according to statutory and regulatory time limits.

Submission of Factual Information

Factual information is defined in 19 CFR 351.102(b)(21) as: (i) Evidence submitted in response to questionnaires; (ii) evidence submitted in support of allegations; (iii) publicly available information to value factors under 19 CFR 351.408(c) or to measure the adequacy of remuneration under 19 CFR 351.511(a)(2); (iv) evidence placed on the record by Commerce; and (v) evidence other than factual information described in (i)–(iv). 19 CFR 351.301(b) requires any party, when submitting factual information, to specify under which subsection of 19 CFR 351.102(b)(21) the information is being submitted⁵⁵ and, if the information is submitted to rebut, clarify, or correct

factual information already on the record, to provide an explanation identifying the information already on the record that the factual information seeks to rebut, clarify, or correct.⁵⁶ Time limits for the submission of factual information are addressed in 19 CFR 351.301, which provides specific time limits based on the type of factual information being submitted. Interested parties should review the regulations prior to submitting factual information in these investigations.

Extensions of Time Limits

Parties may request an extension of time limits before the expiration of a time limit established under 19 CFR 351.301, or as otherwise specified by the Secretary. In general, an extension request will be considered untimely if it is filed after the expiration of the time limit established under 19 CFR 351.301. For submissions that are due from multiple parties simultaneously, an extension request will be considered untimely if it is filed after 10:00 a.m. ET on the due date. Under certain circumstances, we may elect to specify a different time limit by which extension requests will be considered untimely for submissions which are due from multiple parties simultaneously. In such a case, we will inform parties in the letter or memorandum setting forth the deadline (including a specified time) by which extension requests must be filed to be considered timely. An extension request must be made in a separate, stand-alone submission; under limited circumstances we will grant untimely-filed requests for the extension of time limits. Parties should review *Extension of Time Limits; Final Rule*, 78 FR 57790 (September 20, 2013), available at <http://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm>, prior to submitting factual information in these investigations.

Certification Requirements

Any party submitting factual information in an AD or CVD proceeding must certify to the accuracy and completeness of that information.⁵⁷ Parties must use the certification formats provided in 19 CFR 351.303(g).⁵⁸ Commerce intends to reject factual submissions if the submitting party does not comply with

the applicable revised certification requirements.

Notification to Interested Parties

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305. On January 22, 2008, Commerce published *Antidumping and Countervailing Duty Proceedings: Documents Submission Procedures; APO Procedures*, 73 FR 3634 (January 22, 2008). Parties wishing to participate in these investigations should ensure that they meet the requirements of these procedures (e.g., the filing of letters of appearance as discussed at 19 CFR 351.103(d)).

This notice is issued and published pursuant to sections 732(c)(2) and 777(i) of the Act, and 19 CFR 351.203(c).

Dated: December 20, 2017.

Gary Taverman,

Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.

Appendix

Scope of the Investigations

The scope of these investigations covers all grades of sodium gluconate, gluconic acid, liquid gluconate, and glucono delta lactone (GDL) (collectively GNA Products), regardless of physical form (including, but not limited to substrates; solutions; dry granular form or powders, regardless of particle size; or as a slurry). The scope also includes GNA Products that have been blended or are in solution with other product(s) where the resulting mix contains 35 percent or more of sodium gluconate, gluconic acid, liquid gluconate, and/or GDL by dry weight.

Sodium gluconate has a molecular formula of NaC₆H₁₁O₇. Sodium gluconate has a Chemical Abstract Service (CAS) registry number of 527-07-1, and can also be called “sodium salt of gluconic acid” and/or sodium 2, 3, 4, 5, 6 pentahydroxyhexanoate. Gluconic acid has a molecular formula of C₆H₁₂O₇. Gluconic acid has a CAS registry number of 526-95-4, and can also be called 2, 3, 4, 5, 6 pentahydroxycaproic acid. Liquid gluconate is a blend consisting only of gluconic acid and sodium gluconate in an aqueous solution. Liquid gluconate has CAS registry numbers of 527-07-1, 526-95-4, and 7732-18-5, and can also be called 2, 3, 4, 5, 6-pentahydroxycaproic acid-hexanoate. GDL has a molecular formula of C₆H₁₀O₆. GDL has a CAS registry number of 90-80-2, and can also be called d-glucono-1,5-lactone.

The merchandise covered by the scope of these investigations is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 2918.16.1000, 2918.16.5010, and 2932.20.5020. Merchandise covered by the scope may also enter under HTSUS subheadings 2918.16.5050, 3824.99.2890, and 3824.99.9295. Although the HTSUS subheadings and CAS registry numbers are

⁵³ See Policy Bulletin 05.1 at 6 (emphasis added).

⁵⁴ *Id.*

⁵⁵ See 19 CFR 351.301(b).

⁵⁶ See 19 CFR 351.301(b)(2).

⁵⁷ See section 782(b) of the Act.

⁵⁸ See also *Certification of Factual Information to Import Administration During Antidumping and Countervailing Duty Proceedings*, 78 FR 42678 (July 17, 2013) (Final Rule). Answers to frequently asked questions regarding the Final Rule are available at http://enforcement.trade.gov/tlei/notices/factual_info_final_rule_FAQ_07172013.pdf.

provided for convenience and customs purposes, the written description of the merchandise is dispositive.

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DEPARTMENT OF COMMERCE

International Trade Administration

[C-357-821 and C-560-831]

Biodiesel From the Republic of Argentina and the Republic of Indonesia: Countervailing Duty Orders

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

SUMMARY: Based on affirmative final determinations by the Department of Commerce (Commerce) and the International Trade Commission (ITC), Commerce is issuing countervailing duty (CVD) orders on biodiesel from the Republic of Argentina (Argentina) and the Republic of Indonesia (Indonesia).

DATES: Applicable January 4, 2018.

FOR FURTHER INFORMATION CONTACT: Kathryn Wallace (Argentina) or Gene Calvert (Indonesia); AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482-6251, or (202) 482-3586, respectively.

SUPPLEMENTARY INFORMATION:

Background

In accordance with section 705(d) of the Tariff Act of 1930, as amended (the Act), on November 16, 2017, Commerce published its affirmative final determinations in the CVD investigations of biodiesel from Argentina and Indonesia.¹ On December 21, 2017, the ITC notified Commerce of its affirmative final determination, pursuant to section 705(d) of the Act, that an industry in the United States is materially injured within the meaning of section 705(b)(1)(A)(i) of the Act, by reason of subsidized imports of biodiesel from Argentina and Indonesia.² On December 28, 2017, the

ITC published its final determination in the **Federal Register**.³

Scope of the Order

The product covered by these orders is biodiesel from Argentina and Indonesia. For a complete description of the scope of these orders, see the Appendix to this notice.

Countervailing Duty Orders

In accordance with sections 705(b)(1)(A)(i) and 705(d) of the Act, the ITC notified Commerce of its final determination that an industry in the United States is materially injured by reason of subsidized imports of biodiesel from Argentina and Indonesia.⁴ Therefore, in accordance with section 705(c)(2) of the Act, we are issuing these CVD orders.

Because the ITC determined that imports of biodiesel from Argentina and Indonesia are materially injuring a U.S. industry, unliquidated entries of such merchandise from Argentina and Indonesia, entered or withdrawn from warehouse for consumption, are subject to the assessment of countervailing duties. Therefore, in accordance with section 706(a) of the Act, Commerce will direct U.S. Customs and Border Protection (CBP) to assess, upon further instruction by Commerce, countervailing duties for all relevant entries of biodiesel from Argentina and Indonesia in an amount equal to the net countervailable subsidy rates for the subject merchandise. Countervailing duties will be assessed on unliquidated entries of biodiesel from Argentina and Indonesia entered, or withdrawn from warehouse for consumption, on or after August 28, 2017, the date on which Commerce published its preliminary determinations in the **Federal Register**.⁵

Continuation of Suspension of Liquidation

In accordance with section 706 of the Act, Commerce will direct CBP to continue to suspend liquidation of all relevant entries of biodiesel from Argentina and Indonesia, and to assess, upon further instruction by Commerce pursuant to 706(a)(1) of the Act, countervailing duties for each entry of the subject merchandise in an amount

based on the net countervailable subsidy rates for the subject merchandise. These instructions will remain in effect until further notice.

Subsidy Rates

Commerce will also instruct CBP to require cash deposits equal to the amounts as indicated below. The all-others rate applies to all producers or exporters not specifically listed, as appropriate.

Exporters/Producers from Argentina	Subsidy rate %
LDC Argentina S.A. ⁶	72.28
Vicentin S.A.I.C. ⁷	71.45
All Others	71.87
Wilmar Trading Co., Ltd	34.45
PT Musim Mas	64.73
All Others	38.95

Notification to Interested Parties

This notice constitutes the CVD orders with respect to biodiesel from Argentina and Indonesia, pursuant to section 706(a) of the Act. Interested parties can find a list of CVD orders currently in effect at <http://enforcement.trade.gov/stats/iastats1.html>.

These orders are issued and published in accordance with section 706(a) of the Act and 19 CFR 351.211(b).

Dated: December 28, 2017.

P. Lee Smith,

Deputy Assistant Secretary for Policy and Negotiations.

Appendix

Scope of the Orders

The product covered by these orders is biodiesel, which is a fuel comprised of mono-alkyl esters of long chain fatty acids derived from vegetable oils or animal fats, including biologically-based waste oils or greases, and other biologically-based oil or fat sources. These orders cover biodiesel in pure form (B100) as well as fuel mixtures containing at least 99 percent biodiesel by volume (B99). For fuel mixtures containing less than 99 percent biodiesel by volume, only the biodiesel component of the mixture is covered by the scope of these orders.

Biodiesel is generally produced to American Society for Testing and Materials International (ASTM) D6751 specifications, but it can also be made to other specifications. Biodiesel commonly has one of the following Chemical Abstracts Service (CAS) numbers, generally depending upon the feedstock used: 67784-80-9 (soybean oil

¹ See *Biodiesel from the Republic of Argentina: Final Affirmative Countervailing Duty Determination*, 82 FR 53477 (November 16, 2017) (Argentina Final Determination); see also *Biodiesel from the Republic of Indonesia: Final Affirmative Countervailing Duty Determination*, 82 FR 53471 (November 16, 2017) (Indonesia Final Determination).

² See Letter from the ITC to the Honorable Gary Taverman, dated December 21, 2017 (Notification of ITC Final Determination); see also *Biodiesel from Argentina and Indonesia*, Investigation Nos. 701-

TA-571-572 and 731-TA-1347-1348 (Final) (December 2017).

³ See *Biodiesel from Argentina and Indonesia: Determinations*, 82 FR 61585 (December 28, 2017).

⁴ See Notification of ITC Final Determination.

⁵ See *Biodiesel from Argentina: Preliminary Affirmative Countervailing Duty Determination and Preliminary Affirmative Critical Circumstances Determination, In Part*, 82 FR 40748 (August 28, 2017); *Biodiesel from the Republic of Indonesia: Preliminary Affirmative Countervailing Duty Determination*, 82 FR 40746 (August 28, 2017).

⁶ In the final determination, Commerce found the following companies to be cross-owned with LDC Argentina S.A.: LDC Semillas S.A., Semillas del Rosario S.A.

⁷ In the final determination, Commerce found the following companies to be cross-owned with Vicentin S.A.I.C.: Oleaginosa San Lorenzo S.A., Los Amores S.A.