



FACT SHEET

Commerce Preliminarily Finds Countervailable Subsidization of Imports of Calcium Hypochlorite from the People's Republic of China

- On May 20, 2014, the Department of Commerce (Commerce) announced its affirmative preliminary determination in the countervailing duty (CVD) investigation of imports of calcium hypochlorite from the People's Republic of China (China).
- The CVD law provides U.S. business and workers with a transparent and internationally approved mechanism to seek relief from the market distorting effects caused by injurious subsidization of imports into the United States, establishing an opportunity to compete on a level playing field.
- For the purpose of CVD investigations, countervailable subsidies are financial assistance from foreign governments that benefit the production of goods from foreign companies and are limited to specific enterprises or industries, or are contingent either upon export performance or upon the use of domestic goods over imported goods.
- Commerce calculated a preliminary subsidy rate of 71.72 percent based on adverse facts available for mandatory respondents Hubei Dinglong Chemical Co., Ltd., W&W Marketing Corporation, and Tianjin Jinbin International Trade Co., Ltd. because the respondents refused to participate as respondents. All other producers/exporters in China have also been assigned a preliminary subsidy rate of 71.72 percent.
- As a result of the preliminary affirmative determination, Commerce will instruct U.S. Customs and Border Protection to require cash deposits based on these preliminary rates.
- The petitioner for this investigation is Arch Chemicals, Inc. (GA).
- The merchandise subject to this investigation is calcium hypochlorite, regardless of form (e.g., powder, tablet (compressed), crystalline (granular), or in liquid solution), whether or not blended with other materials, containing at least 10% available chlorine measured by actual weight. The scope also includes bleaching powder and hemibasic calcium hypochlorite. Calcium hypochlorite has the general chemical formulation $\text{Ca}(\text{OCl})_2$, but may also be sold in a more dilute form as bleaching powder with the chemical formulation, $\text{Ca}(\text{OCl})_2 \cdot \text{CaCl}_2 \cdot \text{Ca}(\text{OH})_2 \cdot 2\text{H}_2\text{O}$ or hemibasic calcium hypochlorite with the chemical formula of $2\text{Ca}(\text{OCl})_2 \cdot \text{Ca}(\text{OH})_2$ or $\text{Ca}(\text{OCl})_2 \cdot 0.5\text{Ca}(\text{OH})_2$. Calcium hypochlorite has a Chemical Abstract Service (CAS) registry number of 7778-54-3, and a U.S. Environmental Protection Agency (EPA) Pesticide Code (PC) Number of 014701. The subject calcium hypochlorite has an International Maritime Dangerous Goods (IMDG) code of Class 5.1 UN 1748, 2880, or 2208 or Class 5.1/8 UN 3485, 3486, or 3487.

Calcium hypochlorite is currently classifiable under the subheading 2828.10.0000 of the Harmonized Tariff Schedule of the United States (HTSUS). The subheading covers commercial calcium hypochlorite and other calcium hypochlorite. When tableted or blended with other materials, calcium hypochlorite may be entered under other tariff classifications, such as 3808.94.5000 and 3808.99.9500, which cover disinfectants and similar products. While the HTSUS subheadings, the

CAS registry number, the U.S. EPA PC number, and the IMDG codes are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.

- In 2013, imports of calcium hypochlorite from China were valued at an estimated \$8.1 million.

NEXT STEPS

- Commerce is scheduled to announce its final determination in this investigation on or about September 29, 2014, unless the statutory deadline is extended.
- If Commerce makes an affirmative final determination and the U.S. International Trade Commission (ITC) makes an affirmative final determination that imports of calcium hypochlorite from China materially injure, or threaten material injury to, the domestic industry, Commerce will issue a CVD order. If either Commerce’s or the ITC’s final determination is negative, no CVD order will be issued. The ITC is scheduled to make its final injury determination approximately 45 days after Commerce issues its final determination, if affirmative.

PRELIMINARY SUBSIDY RATES:

COUNTRY	EXPORTER/PRODUCER	SUBSIDY RATES
China	Hubei Dinglong Chemical Co., Ltd.	71.72%
	W&W Marketing Corporation	71.72%
	Tianjin Jinbin International Trade Co., Ltd.	71.72%
	China-Wide Rate	71.72%

CASE CALENDAR:

EVENT	DATE
Petition Filed	December 18, 2013
DOC Initiation Date	January 7, 2013
ITC Preliminary Determination	February 3, 2014
DOC Preliminary Determination	May 19, 2014
DOC Final Determination	September 29, 2014†
ITC Final Determination	November 13, 2014*
Issuance of Order	November 20, 2014**

NOTE: Commerce preliminary and final determination deadlines are governed by statute. For CVD investigations, the deadlines are set forth in sections 703(b) and 705(a)(1) of the Tariff Act of 1930, as amended. These deadlines may be extended under certain circumstances.

†Where the deadline falls on a weekend/holiday, the appropriate date is the next business day.

*This will take place only in the event of final affirmative determinations from Commerce.

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IMPORT STATISTICS:

CHINA	2011	2012	2013
Volume (metric tons)	4,300	4,800	6,000
Value (USD)	5,736,000	7,026,000	8,131,000

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 2828.10.0000). Calcium hypochlorite may also enter under HTSUS subheadings 3808.94.5000 and 3808.99.9500. These subheadings are basket categories and may cover both subject and non-subject merchandise. Therefore, these HTSUS subheadings have not been used for purposes of reporting import statistics.