

MEMORANDUM TO: Ronald K. Lorentzen
Deputy Assistant Secretary
for Import Administration

FROM: Gary Taverman
Acting Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations

SUBJECT: Issues and Decision Memorandum for the Expedited Sunset
Reviews of the Antidumping Duty Orders on Solid Urea From the
Russian Federation and Ukraine

SUMMARY:

We have analyzed the substantive responses of the interested parties in the expedited sunset reviews of the antidumping duty orders on solid urea from the Russian Federation and Ukraine. We recommend that you approve the positions developed in the *Discussion of the Issues* section of this memorandum. Below is a complete list of the issues in these sunset reviews for which we received substantive responses:

1. Likelihood of continuation or recurrence of dumping
2. Likelihood of the margin likely to prevail

History of the Orders

On May 26, 1987, the Department of Commerce (the Department) published its final affirmative determination of sales at less than fair value with respect to imports of solid urea from the Union of Soviet Socialist Republics (the Soviet Union).¹

In the final determination, the Department found the following antidumping duty margins:

<u>Company</u>	<u>Weighted-Average Margin (Percent)</u>
Soyuzpromexport (SPE)	68.26
Phillipp Brothers, Ltd., and Phillipp Brothers, Inc. (Phibro)	53.23
All Others	64.93

¹ *Urea From the Union of Soviet Socialist Republics; Final Determination of Sales at Less Than Fair Value*, 52 FR 19557 (May 26, 1987).

Following the publication of the Department's final determination, the International Trade Commission (ITC) found that the U.S. industry was materially injured or threatened with material injury by reason of the imports of subject merchandise.² On July 14, 1987, the Department published the antidumping duty order on solid urea from the Soviet Union.³

In 1989, the Department conducted an administrative review of the order covering the 1987-1988 period of review (POR).⁴

In December 1991, the Soviet Union divided into fifteen independent states. On June 29, 1992, the Department transferred the antidumping duty orders on solid urea from the Soviet Union to the Commonwealth of Independent States and the Baltic States and announced a change in the names and case numbers of the antidumping duty orders. The Department announced an all-others rate of 68.26 percent for each new state and stated that the substance of each new order would not change from the original order and its amended final results of the 1987-1988 administrative review.⁵ The Department conducted one administrative review covering the 1987-1988 POR prior to the division of the Soviet Union.

Russia

Since the transfer of the antidumping duty order to the former members of the Soviet Union, the Department has completed one new-shipper review.⁶ In the final results of the new-shipper review, the Department found a dumping margin of zero percent for the examined shipper. The Department has also completed one administrative review⁷ and is in the process of conducting a second administrative review of the antidumping duty order on solid urea from Russia.⁸ In the completed administrative review, the Department found an antidumping duty margin for the reviewed producer/exporter of 21.79 percent. See *2008/2009 Administrative Review*.

Ukraine

Since the transfer of the antidumping duty order from the Soviet Union to the individual states, the Department has not received any requests for administrative reviews of the antidumping duty order on solid urea from Ukraine.

² *Urea From the German Democratic Republic, Romania, and the Union of Soviet Socialist Republics*, 52 FR 25640 (July 8, 1987).

³ *Antidumping Duty Order; Urea From the Union of Soviet Socialist Republics*, 52 FR 26367 (July 14, 1987).

⁴ *Final Results of Antidumping Duty Administrative Review; Solid Urea From the Union of Soviet Socialist Republics*, 54 FR 33262 (August 14, 1989), and *Amendment to Final Results of Antidumping Duty Administrative Review; Solid Urea From the Union of Soviet Socialist Republics*, 54 FR 39219 (September 25, 1989) (*1987/1988 Administrative Review*).

⁵ *Solid Urea From the Union of Soviet Socialist Republics; Transfer of the Antidumping Duty Order on Solid Urea From the Union of Soviet Socialist Republics to the Commonwealth of Independent States and the Baltic States and Opportunity to Comment*, 57 FR 28828 (June 29, 1992) (*Transfer Notice*).

⁶ *Solid Urea from the Russian Federation: Final Results of Antidumping Duty New-Shipper Review and Rescission of Antidumping Duty Administrative Review*, 73 FR 29736 (May 22, 2008) (*New-Shipper Final Results*).

⁷ *Solid Urea from the Russian Federation: Final Results of Antidumping Duty Administrative Review*, 75 FR 51440 (August 20, 2010) (*2008/2009 Administrative Review*).

⁸ *Initiation of Antidumping and Countervailing Duty Administrative Reviews and Deferral of Initiation of Administrative Review*, 75 FR 53274 (August 31, 2010).

There have been no duty-absorption findings, changed-circumstances reviews, or scope inquiries with respect to solid urea from Russia and Ukraine.

Sunset Reviews

On November 2, 1998, the Department published a notice of initiation of the first five-year sunset reviews of the antidumping duty orders on solid urea from Russia and Ukraine, pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act).⁹ The Department published the final results of the first sunset reviews of solid urea from Russia and Ukraine on September 3, 1999.¹⁰ In the final results of those reviews, the Department determined that, in both proceedings, revocation of the antidumping duty order would be likely to lead to continuation or recurrence of dumping. As a result and pursuant to section 751(d)(2) of the Act, the Department published a notice of continuation following the ITC's determination that revocation of the orders would likely lead to a continuation or recurrence of material injury to the domestic industry within the foreseeable time.¹¹

On October 1, 2004, the Department initiated the second sunset reviews of the antidumping duty orders on solid urea from Russia and Ukraine, pursuant to section 751(c) of the Act.¹² The Department published the final results of the second sunset review of solid urea from Russia on May 10, 2005.¹³ The Department published the final results of the second sunset review of solid urea from Ukraine on May 9, 2005.¹⁴ In the final results of those reviews, the Department determined that revocation of the antidumping duty orders would be likely to lead to continuation or recurrence of dumping. As a result and pursuant to section 751(d)(2) of the Act, the Department published a notice of continuation following the ITC's determination that revocation of the orders would likely lead to a continuation or recurrence of material injury to the domestic industry within the foreseeable time.¹⁵

On December 1, 2010, the Department published a notice of initiation of the third sunset reviews of the antidumping duty orders on solid urea from Russia and Ukraine, pursuant to section 751(c) of the Act.¹⁶ The Department invited parties to comment.

On December 9, 2010, the Department received an entry of appearance for the sunset reviews on solid urea from Russia and Ukraine from the domestic interested parties, the urea-producing

⁹ See *Notice of Initiation of Five-Year ("Sunset") Reviews*, 63 FR 58709 (November 2, 1998).

¹⁰ See *Final Results of Expedited Sunset Reviews: Solid Urea from Armenia, Belarus, Estonia, Lithuania, Russia, Ukraine, Tajikistan, Turkmenistan, and Uzbekistan*, 64 FR 48357 (September 3, 1999) (*First Sunset Review*).

¹¹ See *Continuation of Antidumping Duty Orders: Solid Urea From Belarus, Estonia, Lithuania, Romania, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan*, 64 FR 62653 (November 17, 1999).

¹² See *Initiation of Five-Year ("Sunset") Reviews*, 69 FR 58890 (October 1, 2004).

¹³ See *Solid Urea from the Russian Federation; Final Results of the Expedited Sunset Review of the Antidumping Duty Order*, 70 FR 24528 (May 10, 2005) (*Second Sunset Review, Russia*).

¹⁴ See *Solid Urea from Ukraine; Final Results of the Expedited Sunset Review of the Antidumping Duty Order*, 70 FR 24394 (May 9, 2005) (*Second Sunset Review, Ukraine*).

¹⁵ See *Notice of Continuation of Antidumping Duty Orders: Solid Urea from the Russian Federation and Ukraine*, 71 FR 581 (January 5, 2006).

¹⁶ See *Initiation of Five-Year ("Sunset") Review*, 75 FR 74685 (December 1, 2010) (*Notice of Initiation*).

members of the Ad Hoc Committee of Domestic Nitrogen Producers, CF Industries, Inc., and PCS Nitrogen Fertilizer, L.P. (the petitioners).

On December 10, 2010, the Department received an entry of appearance with respect to the sunset review of solid urea from Russia on behalf of the Trade Representation of the Russian Federation in the USA. On December 14, 2010, the Department received an entry of appearance from MCC EuroChem, a respondent in the antidumping duty order, for the sunset review of solid urea from Russia. On December 16, 2010, the Department received notices of intent to participate from the petitioners with respect to these sunset reviews within the deadline specified in 19 CFR 351.218(d)(1)(i). The petitioners claimed interested-party status under section 771(9)(C) of the Act as manufacturers of a domestic like product for each proceeding.

On January 3, 2011, the Department received complete substantive responses to the *Notice of Initiation* for the sunset reviews covering solid urea from Russia and Ukraine from the petitioners within the 30-day period specified in 19 CFR 351.218(d)(3)(i). The petitioners were a part of the original investigation and have participated in all of the segments that have occurred since publication of the antidumping duty orders on subject merchandise from the Soviet Union, as transferred to solid urea from Russia and Ukraine. The Department did not receive substantive responses from any other interested parties for either proceeding in these sunset reviews. As a result, pursuant to section 751(c)(3)(B) of the Act, the Department is conducting expedited (120-day) sunset reviews of the antidumping duty orders on solid urea from Russia and Ukraine.

Discussion of the Issues

In accordance with section 751(c)(1) of the Act, the Department is conducting these sunset reviews to determine whether revocation of the antidumping duty orders would be likely to lead to continuation or recurrence of dumping. Sections 752(c)(1)(A) and (B) of the Act provide that, in making these determinations, the Department shall consider both the weighted-average dumping margins determined in the investigations and subsequent reviews and the volume of imports of the subject merchandise for the period before and after the issuance of the antidumping duty orders. In addition, section 752(c)(3) of the Act provides that the Department shall provide to the ITC the magnitude of the margins of dumping likely to prevail if the orders were revoked. Below we address the comments of the interested parties, which were submitted in the January 3, 2011, substantive responses.

1. Likelihood of Continuation or Recurrence of Dumping

Interested-Party Comments

We received comments only from the petitioners with respect to each country-specific order.

According to the petitioners, the Uruguay Round Agreements Act (URAA) states that the Department should determine that revocation of an antidumping duty order would likely lead to continuation or recurrence of dumping if any one of the following criteria is met:

1. Dumping continued at any level above *de minimis* after the issuance of the order.
2. Imports of subject merchandise ceased after issuance of the order.
3. Dumping was eliminated after the issuance of the order and import volumes for the subject merchandise declined significantly.¹⁷

Russia

The petitioners argue that revocation of the antidumping duty order on solid urea from Russia would likely lead to recurrence or continuation of dumping by the producers/exporters of subject merchandise.

The petitioners assert that, for the period beginning with implementation of the order in 1987 through 2006, imports of Russian urea into the United States effectively ceased. Since 2006, the petitioners continue, dumping has continued at levels above *de minimis*.

The petitioners provide in Exhibit 1 of their January 3, 2011, substantive response annual import data derived from the U.S. Census Bureau (Census), the ITC, and previous segments of the Department's proceeding, illustrating annual import volumes between 1984, three years prior to implementation of the order, and 2010. According to the petitioners, the import data demonstrate that, during the three-year period prior to implementation of the order in 1987, between 418,000 and 843,000 short tons of Soviet urea entered the United States each year. The petitioners contend that these data demonstrate that shipments of Russian urea effectively ceased following implementation of the order through 2006. The petitioners refer to *First Sunset Review* and *Second Sunset Review, Russia*, where the Department confirmed the cessation of imports following imposition of the antidumping duty order, declaring, in *First Sunset Review*, 64 FR at 48359, "almost complete cessation of imports after the issuance of the orders."¹⁸ In the *Second Sunset Review, Russia*, the petitioners report, the Department stated that "there have been no imports of solid urea from Russia during this second sunset review period and, [sic] virtually no imports of solid urea from Russia since the issuance of the original order on solid urea from the Soviet Union."¹⁹ The petitioners maintain that the ITC substantiated this claim, stating in 1999 that post-order import volumes of solid urea were "minimal" or "negligible" and in the second sunset review that there were no imports of urea from Russia.²⁰

For the period December 2006 through September 2010, the petitioners explain, imports from a single producer of Russian urea have resumed, yet remain well below pre-order volumes. While imports resumed during this period, the petitioners assert, the *2008/2009 Administrative Review* indicates that Russian producers are unable to ship urea into the United States without dumping, as the Department calculated a margin of 21.79 percent for this producer. The petitioners refer to

¹⁷ See *Policies Regarding the Conduct of Five-year ("Sunset") Reviews of Antidumping and Countervailing Duty Orders; Policy Bulletin*, 63 FR 18871, 18872 (April 16, 1998) (*Policy Bulletin*).

¹⁸ See *First Sunset Review*.

¹⁹ See *Second Sunset Review, Russia* and accompanying Issues and Decision Memorandum (I&D Memo) at Comment 2.

²⁰ *Solid Urea From Armenia, Belarus, Estonia, Lithuania, Romania, Russia, Tajikistan, Ukraine, and Uzbekistan*, Inv. Nos. 731-TA-339 and 340-A-I (Review), USITC Pub. No. 3248 (October 1999) (*ITC 1999 Sunset Determination*) at 18 and I-13; *Solid Urea from Russia and Ukraine*, Inv. Nos. 731-TA-340-E&H (Second Review), USITC Pub. No. 3821 (December 2005) at IV-1 (*ITC 2005 Sunset Determination*).

the Statement of Administrative Action (SAA), which explains, "...the existence of dumping margins after the order, or cessation of imports after the order, is highly probative of the likelihood of continuation or recurrence of dumping. If companies continue to dump with the discipline of an order in place, it is reasonable to assume that dumping would continue if the discipline were removed."²¹ Thus, the petitioners argue, it is highly probable that dumping of subject merchandise would continue or recur, given the cessation of shipments over the life of the order until 2006 and, currently, the existence of dumping of Russian urea with the discipline of the order in place.

Ukraine

The petitioners argue that revocation of the antidumping duty order on solid urea from Ukraine would likely lead to recurrence or continuation of dumping by the producers/exporters of subject merchandise.

The petitioners provide in Exhibit 1 of their January 3, 2011, substantive response annual import data derived from Census and the ITC, illustrating annual import volumes between 1984, three years prior to implementation of the order, and 2010. The petitioners explain that, prior to implementation of the order, between 418,000 and 843,000 short tons of Soviet urea entered into the United States each year. The petitioners assert that the Census data they present illustrate that since 1987, shipments have entered the United States in four of the 23 years, once under the Soviet Union and three other years following the transfer of the order from the Soviet Union to the individual states. The petitioners contend that these data illustrate the virtual cessation of shipments of solid urea from Ukraine since implementation of the order. To substantiate their claim, the petitioners refer to *First Sunset Review*, 64 FR at 48359, where the Department found "almost complete cessation of imports after the issuance of the orders." In *Second Sunset Review, Ukraine*, the petitioners continue, the Department stated that "imports of subject merchandise from Ukraine ceased and remained at virtually no import levels since the issuance of the original order against the [Soviet Union]."²² Additionally, the petitioners maintain, the ITC found in its first sunset review that post-order volumes were "minimal" or "negligible" and in its second sunset review found that there were no imports of Ukrainian urea during the period reviewed.²³

Although Census import statistics reflect entry of four small volumes of Ukrainian urea amounting to 94 short tons between October 2006 and March 2007, the petitioners contend, it is highly unlikely these shipments were solid urea but rather other products that were misclassified as urea. Even if these shipments were urea, the petitioners argue, the volumes are so small in both absolute terms and relative to the pre-order import volumes that the Department should find that imports have effectively ceased since imposition of the order.

The petitioners argue further that, if the Department does not find that shipments have ceased since issuance of the order, the Department should conclude that dumping has continued at levels above *de minimis* in light of the fact that cash deposits of 68.26 percent must have been collected

²¹ SAA at 890.

²² See *Second Sunset Review, Ukraine* and accompanying I&D Memo at Comment 1.

²³ Petitioners cite *ITC 1999 Sunset Determination* at 18, *ITC 2005 Sunset Determination* at IV-1.

on any entries of shipments and, presumably, that exporters would have requested an administrative review if entries had been fairly traded or dumped at a rate of less than 68.26 percent.

Thus, the petitioners conclude, because Ukrainian producers and exporters effectively ceased shipping urea to the United States after imposition of the order, and any actual shipments of urea would have been assessed an antidumping duty of 68.26 percent, the Department should find that producers and exporters of urea from Ukraine cannot sell urea in the United States without dumping and that dumping of Ukrainian urea will be likely to recur if the order is revoked.

Department's Position:

Drawing on the guidance provided in the legislative history accompanying the SAA, specifically the House Report, H. Rep. No. 103-826, pt. 1 (1994) (House Report), and the Senate Report, S. Rep. No. 103-412 (1994) (Senate Report), the Department's determinations of likelihood will be made on an order-wide basis for each case.²⁴ In addition, the Department will normally determine that revocation of an antidumping duty order is likely to lead to continuation or recurrence of dumping if one or more of the following factors are met: (a) dumping continued at any level above *de minimis* after the issuance of the orders; (b) imports of the subject merchandise ceased after the issuance of the orders; (c) dumping was eliminated after the issuance of the orders and import volumes for the subject merchandise declined significantly.²⁵

The record of the proceeding covering imports of solid urea from Russia confirms revocation of the antidumping duty order would likely lead to a continuation or recurrence of dumping. Examination of import volumes provided by the petitioners and confirmed by the Department illustrates the significant decline in imports of solid urea from Russia following implementation of the antidumping duty order. Examination of import volumes of solid urea from Russia demonstrates that, since imposition of the order, shipments ceased through 2006, satisfying the second criterion described above. Since 2006, imports of solid urea from a single producer in Russia have resumed yet these volumes remain at a fraction of the pre-order levels. Additionally, although imports have resumed since 2006, the most recently completed

²⁴ See SAA at 879 and House Report at 56. See generally *Certain Iron Construction Castings From Brazil, Canada, and the People's Republic of China: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 75 FR 54595 (September 8, 2010), and accompanying I&D Memo at Comment 1 (*Iron Castings Sunset*); *Polyethylene Retail Carrier Bags From the People's Republic of China, Thailand, and Malaysia: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 74 FR 53470 (October 19, 2009), and accompanying I&D Memo at Comment 1 (*PRCBs Sunset*); *Refined Brown Aluminum Oxide from the People's Republic of China: Final Results of Expedited Sunset Review*, 74 FR 4138 (January 23, 2009), and accompanying I&D Memo at Comment 3; and *Freshwater Crawfish Tail Meat from the People's Republic of China: Final Results of the Expedited Second Sunset Review of the Antidumping Duty Order*, 73 FR 65832 (November 5, 2008), and accompanying I&D Memo at Comment 1 (*Crawfish Tail Meat – PRC*).

²⁵ See SAA at 889-890, House Report at 63-64, and Senate Report at 52. See also *Iron Castings Sunset* at Comment 1, *PRCBs Sunset* and accompanying I&D Memo at Comment 1, *Certain Frozen Fish Fillets From the Socialist Republic of Vietnam: Notice of Final Results of Expedited Sunset Review of Antidumping Duty Order*, 74 FR 5819 (February 2, 2009), and accompanying I&D Memo at Comment 1, *Crawfish Tail Meat – PRC* and accompanying I&D Memo at Comment 1, and *Folding Gift Boxes from the People's Republic of China: Final Results of the Expedited Sunset Review of the Antidumping Duty Order*, 72 FR 16765 (April 5, 2007), and accompanying I&D Memo at Comment 1.

administrative review demonstrates that dumping has continued at margins exceeding *de minimis*, satisfying the first criterion described above. See *2008/2009 Administrative Review*. The resumption of shipments since 2006 combined with the existence of dumping suggests that producers of solid urea from Russia are unable to ship solid urea to the United States without dumping.

Section 751(c)(4)(B) of the Act provides that, in a sunset review in which a respondent interested party declines to participate, the Department shall conclude that the revocation of the order would be likely to lead to continuation or recurrence of dumping with respect to that interested party. Although no respondent interested party in these instant sunset reviews filed a statement of waiver pursuant to 19 CFR 351.218(d)(2), the Department did not receive any substantive responses from any respondent interested party pursuant to 19 CFR 351.218(d)(3). Accordingly, respondent interested parties did not file an adequate substantive response.

Based on this analysis, the Department finds that, because imports effectively ceased between issuance of the order and 2006, current import levels remain significantly lower than pre-order volumes, dumping of subject merchandise has continued following issuance of the order, and respondent interested parties did not participate in the sunset review and because no party argued or submitted evidence to the contrary, the continuation and/or recurrence of dumping is likely if the order on solid urea from Russia were revoked.

Regarding the order on solid urea from Ukraine, although there have been no reviews with which to determine the existence of dumping with the order in place, the Department finds that that the shipment volumes reported by Census in 2006 and 2007 are of such small quantities in absolute terms that imports have effectively ceased since imposition of the order, satisfying the second criterion described above. Accordingly, we conclude that Ukrainian producers of solid urea are unable to export their product to the United States without dumping.

The Department finds that, given the cessation of imports – coupled with the lack of participation by the respondent interested parties – and the absence of evidence or argument to the contrary, revocation of the antidumping duty order on solid urea from Ukraine would likely lead to a continuation or recurrence of dumping.

2. Magnitude of the Margin Likely to Prevail

Interested-Party Comments

We received comments only from the petitioners with respect to each country-specific order.

The petitioners refer to the SAA, arguing that, in determining the margin of dumping to report to the ITC, the Department will normally select the margins from the investigation, “because that is the only calculated rate that reflects the behavior of exporters...without the discipline of an order...in place.”²⁶ The petitioners assert that the Department should provide to the ITC the rates for the individual exporters calculated in the original investigation. Additionally, the

²⁶ The petitioners cite SAA at 890 and *Policy Bulletin*, 63 FR at 18873.

petitioners continue, the Department should report to the ITC an all-others rate of 68.26 percent as this was the country-wide rate assigned to Russia and Ukraine when the Soviet Union ceased to exist and the order was transferred to the individual states. The petitioners contend that these are the only rates that reflect the behavior of producers and exporters without the discipline of an order in place and therefore is the rate at which all producers or exporters would dump if the orders were revoked.

The petitioners explain that these are the rates the Department reported to the ITC in the previous sunset reviews.

Department's Position:

Section 752(c)(3) of the Act provides that the Department will report to the ITC the magnitude of the margin of dumping that is likely to prevail if the orders were revoked. The Department will normally provide to the ITC the original margins calculated in the antidumping duty investigation. See SAA at 890 and *Eveready Battery Co., Inc. v. United States*, 77 F. Supp. 2d 1327, 1333 (CIT 1999). For companies not investigated specifically or for companies that did not begin shipping until after the order was issued, the Department normally will provide a margin based on the all-others rate from the investigation.

The Department's preference for selecting a margin from the investigation is based on the fact that it is the only calculated rate that reflects the behavior of manufacturers, producers, and exporters without the discipline of an order or suspension agreement in place.²⁷ Under certain circumstances, the Department may select a more recently calculated margin to report to the ITC; however, this policy only applies to more recently calculated margins for specific companies and not the all-others rate.²⁸

The original all-others rate calculated in the investigation was 64.93 percent. In keeping with our practice adopted in 1993, we established in the 2008 new-shipper review the cash-deposit rate established in the original investigation as the all-others rate for subject merchandise from Russia.²⁹ There have been no reviews of the order on solid urea from Ukraine since the 1992 transfer of the order.

The petitioners recommend that the Department report to the ITC the all-others rate of 68.26 percent transferred to Russia and Ukraine when the Soviet Union dissolved.³⁰ We find, however, consistent with Congress' intent, the all-others rate derived from the investigation of the order, 64.93 percent, is the only calculated rate that reflects the behavior of manufacturers and exporters without the discipline of an order in place.³¹ Conversely, we find that the all-others rate of 68.26 percent, which was calculated during the *1987/1988 Administrative Review*

²⁷ See *Certain Hot-Rolled Carbon Steel Flat Products from Argentina, et al.; Final Results of Expedited Sunset Reviews of the Antidumping Duty Orders*, 71 FR 70506 (December 5, 2006), and accompanying I&D Memo at Comment 2; see SAA at 890 and House Report at 64.

²⁸ See *Policy Bulletin*, 63 FR at 18873 (citing the SAA at 890-91).

²⁹ See *New-Shipper Final Results*, 73 FR at 29737.

³⁰ See generally *Transfer Notice*.

³¹ See *Policy Bulletin*, 63 FR at 18873 (citing the SAA at 890).

and was based on the rate calculated for a single Soviet company (Soyuzpromexport),³² does not, as the petitioners claim, reflect such behavior. Consequently, although, as the petitioners state, the Department did report the rate of 68.26 percent to the ITC in the two previous sunset reviews of the Russian and Ukrainian orders, upon further consideration, we now find that this margin does not reflect the behaviors of manufacturers and exporters without the discipline of the orders in place. Finally, while the Department may report a more recently calculated margin to the ITC, our policy is only to do so for individual companies and not for the all-others rate.³³

Therefore, consistent with our current practice³⁴ and Congressional intent, we find that the margins calculated in the original investigation are the only calculated rates reflective of the behavior of manufacturers and exporters of subject merchandise from Russia and Ukraine without the discipline of the respective orders in place. Pursuant to section 752(c) of the Act, the Department will report to the ITC the company-specific and all-others rates from the investigation covering subject merchandise from the Soviet Union, as transferred to Russia and Ukraine, as indicated in the “Final Results of Reviews” section of this memorandum.

Final Results of Reviews

The Department determines that revocation of the antidumping duty orders on solid urea from Russia and Ukraine would be likely to lead to a continuation or recurrence of dumping at the following weighted-average percentage margins:

<u>Company</u>	<u>Weighted-Average Margin (Percent)</u>
Soyuzpromexport (SPE)	68.26
Phillipp Brothers, Ltd., and Phillipp Brothers, Inc. (Phibro)	53.23
All Others	64.93

³² See generally, *Transfer Notice*, 57 FR at 28828. The rate of 68.26 percent was recalculated in the *1987/1988 Administrative Review* and subsequently transferred to each individual state.

³³ See *Policy Bulletin*, 63 FR at 18873.

³⁴ The Department’s practice prior to 1993 is further described in footnote 1 of the *Policy Bulletin*.

Recommendation

Based on our analysis of the responses received, we recommend adopting all of the above positions. If these recommendations are accepted, we will publish the final results of these reviews in the *Federal Register*.

Agree _____

Disagree _____

Ronald K. Lorentzen
Deputy Assistant Secretary
for Import Administration

Date