



## FACT SHEET

### **Commerce Initiates an Antidumping Duty Investigation of Imports of Chlorinated Isocyanurates from Japan and a Countervailing Duty Investigation of Imports of Chlorinated Isocyanurates from the People's Republic of China**

- On September 19, 2013, the Department of Commerce (Commerce) announced the initiation of an antidumping duty (AD) investigation of imports of chlorinated isocyanurates from Japan and a countervailing duty (CVD) investigation of imports of chlorinated isocyanurates from the People's Republic of China (China).
- The AD and CVD law provides U.S. businesses and workers with a transparent and internationally approved mechanism to seek relief from the market-distorting effects caused by injurious dumping and unfair subsidization of imports into the United States, establishing an opportunity to compete on a level playing field.
- For the purpose of AD investigations, dumping occurs when a foreign company sells a product in the United States at less than its fair value. 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.
- The petitioners for these investigations are Clearon Corp. (South Charleston, WV) and Occidental Chemical Corporation (Dallas, TX).
- The merchandise covered by the scope of these investigations are chlorinated isocyanurates. Chlorinated isocyanurates are derivatives of cyanuric acid, described as chlorinated s-triazine triones. There are three primary chemical compositions of chlorinated isocyanurates: (1) trichloroisocyanuric acid ("TCCA") ( $\text{Cl}_3(\text{NCO})_3$ ), (2) sodium dichloroisocyanurate (dihydrate) ( $\text{NaCl}_2(\text{NCO})_3 \times 2\text{H}_2\text{O}$ ), and (3) sodium dichloroisocyanurate (anhydrous) ( $\text{NaCl}_2(\text{NCO})_3$ ). Chlorinated isocyanurates are available in powder, granular and solid (*e.g.*, tablet or stick) forms.

Chlorinated isocyanurates are currently classifiable under subheadings 2933.69.6015, 2933.69.6021, 2933.69.6050, 3808.50.4000, 3808.94.5000, and 3808.99.9500 of the Harmonized Tariff Schedule of the United States ("HTSUS"). The tariff classification 2933.69.6015 covers sodium dichloroisocyanurates (anhydrous and dihydrate forms) and trichloroisocyanuric acid. The tariff classifications 2933.69.6021 and 2933.69.6050 represent basket categories that include chlorinated isocyanurates and other compounds including an unfused triazine ring. The tariff classifications 3808.50.4000, 3808.94.5000 and 3808.99.9500 cover disinfectants that include chlorinated isocyanurates. The HTSUS subheadings are provided for convenience and customs purposes. The written description of the scope of these investigations is dispositive.

- In 2012, imports of chlorinated isocyanurates from Japan and China were valued at approximately \$57.7 million and \$145.2 million, respectively.

## NEXT STEPS

- The U.S. International Trade Commission (ITC) is scheduled to make its preliminary injury determinations on or before October 15, 2013.
- If the ITC determines that there is a reasonable indication that imports from Japan and/or China materially injure, or threaten material injury to, the domestic industry, the investigations will continue and Commerce will be scheduled to make its preliminary CVD determination in November 2013 and its preliminary AD determination in February 2014, unless the statutory deadlines are extended. If the ITC preliminary determinations are negative, the investigations will be terminated.

## Alleged Dumping Margins:

COUNTRY	DUMPING MARGINS
Japan	129.4 to 218.1 percent

## Estimated Subsidy Rate:

COUNTRY	SUBSIDY RATE
China	Above <i>de minimis</i> *

\* *de minimis* = less than 1% for developed countries, less than 2% for developing countries.

## CASE CALENDAR:

EVENT	AD INVESTIGATION JAPAN	CVD INVESTIGATION CHINA
Petitions Filed	August 29, 2013	August 29, 2013
DOC Initiation Date	September 18, 2013	September 18, 2013
ITC Preliminary Determinations*	October 15, 2013†	October 15, 2013†
DOC Preliminary Determinations	February 5, 2014	November 22, 2013
DOC Final Determinations	April 21, 2014	February 5, 2014
ITC Final Determinations**	June 5, 2014	March 24, 2014
Issuance of Orders***	June 12, 2014	March 31, 2014

NOTE: Commerce preliminary and final determination deadlines are governed by the statute. For CVD investigations, the deadline is set forth in section 705(a)(1) of the Tariff Act of 1930, as amended (the Act). For AD investigations, the deadline is set forth in section 735(a) of the Act. These deadlines may be extended under certain circumstances.

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

\* If the ITC makes negative preliminary determinations of injury, the investigations are terminated.

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

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

## IMPORT STATISTICS:

CHINA	2010	2011	2012
Volume (metric tons)	42,500	45,600	58,900
Value (USD)	82,618,000	107,241,000	145,241,000
JAPAN	2010	2011	2012
Volume (metric tons)	22,200	20,600	21,300
Value (USD)	64,444,000	60,095,000	57,741,000

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 2933.69.6015, 2933.69.6021, 2933.69.6050, 3808.50.4000, 3808.94.5000, and 3808.99.9500). Some HTSUS subheadings are basket categories and may cover both subject and non-subject merchandise.