



FACT SHEET

Commerce Preliminarily Finds Countervailable Subsidization of Imports of Polytetrafluoroethylene (PTFE) Resin from India

- On March 1, 2018, the Department of Commerce (Commerce) announced the affirmative preliminary determination of the countervailing duty (CVD) investigation of imports of PTFE resin from India.
- The CVD law provides U.S. businesses and workers with a transparent, quasi-judicial, and internationally accepted mechanism to seek relief from the market-distorting effects caused by unfair subsidization of imports into the United States, establishing an opportunity to compete on a level playing field.
- For the purpose of CVD investigations, a countervailable subsidy is financial assistance from a foreign government that benefits the production of goods from foreign companies and is limited to specific enterprises or industries, or is contingent either upon export performance or upon the use of domestic goods over imported goods.
- In this investigation, Commerce has calculated a preliminary subsidy rate of 3.90 percent for the sole mandatory respondent, Gujarat Fluorochemicals Limited. This subsidy rate also applies to all other Indian producers and exporters.
- As a result of the affirmative preliminary determination, Commerce will instruct U.S. Customs and Border Protection (CBP) to require cash deposits based on this preliminary rate.
- The petitioner is The Chemours Company FC LLC (Wilmington, DE).
- The product covered by this investigation is PTFE resin, including but not limited to granular, dispersion, or coagulated dispersion (also known as fine powder). PTFE is covered by the scope of this investigation whether filled or unfilled, whether or not modified, and whether or not containing co-polymer additives, pigments, or other materials. Also included is PTFE wet raw polymer. The chemical formula for PTFE is C₂F₄, and the Chemical Abstracts Service Registry number is 9002-84-0.

PTFE further processed into micropowder, having particle size typically ranging from 1 to 25 microns, and a melt-flow rate no less than 0.1 gram/10 minutes, is excluded from the scope of this investigation.

PTFE is classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 3904.61.0010 and 3904.61.0090. Subject merchandise may also be classified under HTSUS subheading 3904.69.5000. Although the HTSUS subheadings and CAS Number are provided for convenience and Customs purposes, the written description of the scope is dispositive.

- In 2016, imports of PTFE resin from India were valued at an estimated \$14.3 million.

- The Preliminary Decision Memorandum is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and to all parties in the Central Records Unit, Room B8024 of the main Department of Commerce building. Please refer to case number C-533-880.

NEXT STEPS

- Commerce is scheduled to announce its final determination on or about May 15, 2018.
- If Commerce makes an affirmative final determination, and the U.S. International Trade Commission (ITC) makes an affirmative final determination that imports of PTFE resin from India 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 RATE
India	Gujarat Fluorochemicals Limited	3.90%
	All Others	3.90%

CASE CALENDAR:

EVENT	CVD INVESTIGATION
Petition Filed	September 28, 2017
DOC Initiation Date	October 18, 2017
ITC Preliminary Determination	November 13, 2017
DOC Preliminary Determination	February 28, 2018[^]
DOC Final Determination*	May 14, 2018
ITC Final Determination**	July 9, 2018
Issuance of Order***	July 18, 2018

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 (the Act). These deadlines may be extended under certain circumstances.

*This deadline may be extended under the governing statute.

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

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

[^] As explained in the Memorandum for the Record from Christian Marsh, Deputy Assistant Secretary for Enforcement and Compliance, "Deadlines Affected by the Shutdown of the Federal Government," dated January 23, 2018, Commerce has exercised its discretion to toll deadlines for the duration of the closure of the Federal Government from January 20 through January 22, 2018. Therefore, the preliminary determination date for this investigation has been tolled by three days and all other deadlines have been adjusted accordingly.

IMPORT STATISTICS:

INDIA	2014	2015	2016
Volume (metric tons)	1,777	1,777	1,716
Value (USD)	15,782,712	16,072,995	14,260,665

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 3904.61.0010 and 3904.61.0090).