



## FACT SHEET

### **Commerce Initiates Antidumping Duty (AD) and Countervailing Duty (CVD) Investigations of Imports of Glycine from India, Thailand, the People's Republic of China, and Japan**

- On April 20, 2018, the Department of Commerce (Commerce) announced the initiation of AD investigations of imports of glycine from India, Thailand, and Japan and CVD investigations of imports of glycine from India, Thailand, and the People's Republic of China (China).
- The AD and CVD laws provide U.S. businesses and workers with a transparent, quasi-judicial, and internationally accepted 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, 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.
- The petitioners are GEO Specialty Chemicals, Inc. (Lafayette, IN) and Chattem Chemicals, Inc. (Chattanooga, TN).
- The merchandise covered by these investigations is glycine at any purity level or grade. This includes glycine of all purity levels, which covers all forms of crude or technical glycine including but not limited to sodium glycinate, glycine slurry and any other forms of amino acetic acid or glycine. Subject merchandise also includes glycine and precursors of dried crystalline glycine that are processed in a third country, including, but not limited to, refining or any other processing that would not otherwise remove the merchandise from the scope of the investigations if performed in the country of manufacture of the in-scope glycine or precursors of dried crystalline glycine. Glycine has the Chemical Abstracts Service (CAS) registry number of 56-40-6. Glycine and glycine slurry are classified under Harmonized Tariff Schedule of the United States (HTSUS) subheading 2922.49.4300. Sodium glycinate is classified in the HTSUS under 2922.49.8000. While the HTSUS subheadings and CAS registry number are provided for convenience and customs purposes, the written description of the scope of these investigations is dispositive.
- In 2017, U.S. imports of glycine from India, Thailand, China, and Japan were valued at an estimated \$6.7 million, \$4.4 million, \$1.1 million, and \$9.5 million, respectively. The values for China include imports from Cambodia, which U.S. Customs and Border Protection determined, in its December 2017 interim measures in an Enforcement and Protection Act duty evasion investigation, were transshipments of Chinese glycine.
- The Initiation Decision Checklists are 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 numbers: A-

533-883 (AD India), C-533-884 (CVD India), A-549-837 (AD Thailand), C-549-838 (CVD Thailand), C-570-081 (CVD China), and A-588-878 (AD Japan).

## NEXT STEPS

- The U.S. International Trade Commission (ITC) is scheduled to make its preliminary injury determinations on or before May 14, 2018.
- If the ITC determines that there is a reasonable indication that imports of glycine from India, Thailand, China and/or Japan, materially injure, or threaten material injury to, the domestic industry in the United States, the investigations will continue, and Commerce will be scheduled to announce its preliminary CVD determinations on June 22, 2018 and its preliminary AD determinations on September 5, 2018, although these dates may be extended. If the ITC’s determinations are negative, the investigations will be terminated.

## ALLEGED DUMPING MARGINS:

COUNTRY	DUMPING MARGINS
India	80.49 percent
Thailand	176.00 – 227.17 percent
Japan	86.22 percent

## ESTIMATED SUBSIDY RATE:

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

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

## CASE CALENDAR:

EVENT	CVD INVESTIGATIONS	AD INVESTIGATIONS
Petitions Filed	March 28, 2018	March 28, 2018
DOC Initiation Date	April 17, 2018	April 17, 2018
ITC Preliminary Determinations*	May 14, 2018†	May 14, 2018†
DOC Preliminary Determinations	June 21, 2018	September 4, 2018
DOC Final Determinations	September 4, 2018	November 19, 2018†
ITC Final Determinations**	October 19, 2018	January 2, 2019
Issuance of Orders***	October 26, 2018	January 9, 2019

NOTE: Commerce's 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). For AD investigations, the deadlines are set forth in sections 733(b) and 735(a) of the Act. These deadlines may be extended under certain circumstances.

\* If the ITC makes a negative preliminary determination 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.

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

## IMPORT STATISTICS

CHINA	2015	2016	2017
Volume (metric tons)	47	238	259
Value (USD)	171,300	784,473	1,111,648
INDIA	2015	2016	2017
Volume (metric tons)	1,327	1,932	1,770
Value (USD)	5,814,879	7,891,928	6,655,381
JAPAN	2015	2016	2017
Volume (metric tons)	2,726	2,100	2,406
Value (USD)	11,679,384	9,236,624	9,500,620
THAILAND	2015	2016	2017
Volume (metric tons)	1,767	615	1,234
Value (USD)	8,359,400	2,962,543	4,401,795

Source: U.S. Census Bureau, accessed through Global Trade Atlas (Harmonized Tariff Schedule of the United States (HTSUS) subheadings 2922.49.4020 and 2922.49.4300). The data for China include imports from Cambodia, which U.S. Customs and Border Protection determined, in its December 2017 interim measures in an Enforcement and Protection Act duty evasion investigation, were transshipments of Chinese glycine.