



FACT SHEET

Commerce Initiates Antidumping Duty Investigation of Imports of Difluoromethane (R-32) from China

- On February 13, 2020, the Department of Commerce (Commerce) announced the initiation of an antidumping duty (AD) investigation of imports of difluoromethane (R-32) from China.
- The AD 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 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.
- The petitioner is Arkema, Inc. (King of Prussia, PA).
- The scope of this investigation is provided in Appendix I.
- The petitioner estimated that 2018 imports of R-32 from China were valued at approximately \$21.5 million.
- The Initiation Decision Checklist 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 A-570-121.

NEXT STEPS

- The U.S. International Trade Commission (ITC) is scheduled to make its preliminary injury determination on or before March 9, 2020.
- If the ITC determines that there is a reasonable indication that imports of R-32 from China materially injure, or threaten material injury to, the domestic industry in the United States, the investigation will continue and Commerce will be scheduled to announce its preliminary determination on July 2, 2020, although this date may be extended. If the ITC's determination is negative, the investigation will be terminated.

ALLEGED DUMPING MARGIN:

COUNTRY	DUMPING MARGIN
China	87.98 percent

CASE CALENDAR:

EVENT	AD INVESTIGATION
Petition Filed	January 23, 2020
ITA Initiation Date	February 12, 2020
ITC Preliminary Determination*	March 9, 2020†
ITA Preliminary Determination	July 1, 2020
ITA Final Determination	September 14, 2020
ITC Final Determination**	October 29, 2020
Issuance of Order***	November 5, 2020

NOTE: Commerce's preliminary and final determination deadlines are governed by statute. 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 investigation is terminated.

**This will take place only in the event of a final affirmative determination 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	2016	2017	2018
Volume (kg)	11,120,062	32,482,729	40,185,186
Value (USD)	35,528,458	143,268,119	196,962,207

Source: U.S. Census Bureau, accessed through Global Trade Atlas (Harmonized Tariff Schedule of the United States (HTSUS)

Subheading: 2903.39.2035). This HTSUS subheading is a basket category and covers both subject and non-subject merchandise; therefore, the above import statistics may be significantly overstated. The petitioner estimated that imports of R-32 from China were valued at approximately \$21.5 million in 2018.

Appendix I:

Scope of the Investigation

The merchandise covered by this investigation is difluoromethane (R-32), or its chemical equivalent, regardless of form, type or purity level. R-32 has the Chemical Abstracts Service (CAS) registry number of 75-10-5 and the chemical formula CH_2F_2 . R-32 is also referred to as difluoromethane, HFC-32, FC-32, Freon-32, methylene difluoride, methylene fluoride, carbon fluoride hydride, halocarbon R32, fluorocarbon R32, and UN 3252. Subject merchandise also includes R-32 and unpurified R-32 that are processed in a third country or the United States, including, but not limited to, purifying or any other processing that would not otherwise remove the merchandise from the scope of this investigation if performed in the country of manufacture of the in-scope R-32. R-32 that has been blended with products other than pentafluoroethane (R-125) is included within this scope if such blends contain 85% or more by volume on an actual percentage basis of R-32. In addition, R-32 that has been blended with any amount of R-125 is included within this scope if such blends contain more than 52% by volume on an actual percentage basis of R-32. Whether R-32 is blended with R-125 or other products, only the R-32 component of the mixture is covered by the scope of this investigation. The scope also includes R-32 that is commingled with R-32 from sources not subject to this investigation. Only the subject component of such commingled products is covered by the scope of this investigation.

Excluded from the current scope is merchandise covered by the scope of the antidumping order on *Hydrofluorocarbon Blends from the People's Republic of China*. See *Hydrofluorocarbon Blends from the People's Republic of China*, 81 Fed. Reg. 55436 (Aug. 19, 2016) (the Blends Order).

R-32 is classified under Harmonized Tariff Schedule of the United States (HTSUS) subheading 2903.39.2035. Other merchandise subject to the current scope, including the above-mentioned blends that are outside the scope of the Blends Order, may be classified under 2903.39.2045 and 3824.78.0020. The HTSUS subheadings and CAS registry number are provided for convenience and customs purposes. The written description of the scope of the investigation is dispositive.