



FACT SHEET

Commerce Preliminarily Finds Dumping of Imports of 1-Hydroxyethylidene-1, 1-Diphosphonic Acid from the People's Republic of China

- On October 28, 2016, the Department of Commerce (Commerce) announced its affirmative preliminary determination in the antidumping duty (AD) investigation of imports of 1-hydroxyethylidene-1, 1-diphosphonic acid (HEDP) from the People's Republic of China (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 of imports into the United States, establishing an opportunity to compete on a level playing field.
- For the purpose of an AD investigation dumping occurs when a foreign company sells an imported product in the United States at less than its fair value.
- Commerce preliminarily found dumping has occurred by mandatory respondents, Shandong Taihe Chemical Co., Ltd., and Nanjing University of Chemical Technology Changzhou Wujin Water Quality Stabilizer Factory and Nantong Uniphos Chemical Co., Ltd. (collectively "WW Group"), at preliminary dumping margins of 137.61 percent and 179.97 percent, respectively. Commerce assigned the preliminary margin of 168.95 percent, to the non-selected respondents eligible for a separate rate. Commerce determined a preliminary dumping margin of 179.97 percent based on adverse facts available for all other producers/exporters in China that are part of the China-wide entity due to their failure to respond to Commerce's requests for information.
- As a result of the preliminary affirmative determination, Commerce will instruct U.S. Customs and Border Protection (CBP) to collect cash deposits based on these preliminary rates.
- The petitioner is Compass Chemical International LLC (GA).
- The merchandise covered by this investigation includes all grades of aqueous acidic (non-neutralized) concentrations of 1-hydroxyethylidene-1, 1-diphosphonic acid (HEDP), also referred to as hydroxyethylidenendiphosphonic acid, hydroxyethanediphosphonic acid, acetodiphosphonic acid, and etidronic acid. The Chemical Abstract Service (CAS) registry number for HEDP is 2809-21-4.

The merchandise subject to this investigation is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheading 2931.90.9043. It may also enter under HTSUS subheadings 2811.19.6090 and 2931.90.9041. While HTSUS subheadings and the CAS registry number are provided for convenience and customs purposes only, the written description of the scope of these investigations is dispositive.

- In 2015, imports of HEDP from China were valued at an estimated \$290.1 million.

NEXT STEPS

- Commerce is scheduled to announce its final determination on or about March 9, 2017.
- If Commerce makes an affirmative final determination, and the U.S. International Trade Commission (ITC) makes an affirmative final determination that imports of HEDP from China materially injure, or threaten material injury to, the domestic industry, Commerce will issue an AD order. If either Commerce's or the ITC's final determination is negative, no AD order will be issued. The ITC is scheduled to make its final injury determination in April 2017.

PRELIMINARY DUMPING MARGINS:

COUNTRY	EXPORTER/PRODUCER	DUMPING RATES
China	Shandong Taihe Chemical Co., Ltd.	137.61%
	WW Group	179.97%
	Separate Rate Companies*	168.95%
	China-Wide Rate	179.97%

*The separate rate companies are Henan Qingshuiyuan Technology Co., Ltd. and Jianghai Environmental Protection Co., Ltd.

CASE CALENDAR:

EVENT	DATE
Petitions Filed	March 31, 2016
DOC Initiation Date	April 20, 2016
ITC Preliminary Determination	July 5, 2016†
DOC Preliminary Determination	October 27, 2016
DOC Final Determination	March 8, 2017
ITC Final Determination*	April 24, 2017†
Issuance of Order**	May 1, 2017

NOTE: Commerce 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 Tariff Act of 1930, as amended. These deadlines may be extended under certain circumstances.

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

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

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

IMPORT STATISTICS:

CHINA	2013	2014	2015
Volume (metric tons)	118,900	89,500	92,900
Value (USD)	566,660,000	363,245,000	290,096,000

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 2931.90.9043).

The above HTSUS subheading is a basket category and may cover both subject and non-subject merchandise.

Imports of HEDP may also enter under HTSUS 2811.19.6090 and 2931.90.9041. These HTSUS subheadings may cover a significant amount of non-subject merchandise and therefore have been excluded for purposes of reporting import statistics.