



## FACT SHEET

### Commerce Preliminarily Finds Dumping of Imports of Hydrofluorocarbon Blends and Components Thereof from China

- On January 22, 2016, the Department of Commerce (Commerce) announced its affirmative preliminary determination in the antidumping duty (AD) investigation of imports of hydrofluorocarbon blends and components thereof from China.
- The AD law provides U.S. businesses and workers with a transparent 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 AD investigations, dumping occurs when a foreign company sells a product in the United States at less than its fair value.
- Commerce preliminarily determined that certain hydrofluorocarbon blends and certain single hydrofluorocarbon components from China have been sold in the United States at dumping margins ranging from 91.99 percent to 210.46 percent.
- Mandatory respondents Huantai Dongyue International Trade Co., Ltd./Shandong Dongyue Chemical Co., Ltd. (Collectively, Dongyue) and T.T. International Co., Ltd. received preliminary dumping margins of 92.88 percent and 91.99 percent, respectively. The parties which qualified for separate rates received a preliminary dumping margin of 92.60 percent. All other producers/exporters in China received a preliminary dumping margin of 210.46 percent.
- Commerce preliminary found that critical circumstances exist with respect to T.T. International Co., Ltd. and the China-wide entity. Critical circumstances are found when there has been a surge in imports over a relatively short period of time in anticipation of the possible imposition of AD duties.
- As a result of this preliminary affirmative determination, Commerce will instruct U.S. Customs and Border Protection to require cash deposits from all producers/exporters of certain hydrofluorocarbon blends and certain single hydrofluorocarbon components from China. Where critical circumstances were found with respect to certain producers and exporters in China, CBP will be instructed to impose provisional measures retroactively on entries of certain hydrofluorocarbon blends and certain single hydrofluorocarbon components up to 90 days prior to publication of the preliminary determination Federal Register notice.
- The petitioners for this investigation are the American HFC Coalition and its individual members, as well as District Lodge 154 of the International Association of Machinists and Aerospace Workers. The individual members of the American HFC Coalition are: Amtrol Inc. (RI), Arkema Inc. (PA), The Chemours Company FC LLC (DE), Honeywell International Inc. (NJ), Hudson Technologies (NY), Mexichem Fluor Inc. (LA), and Worthington Industries, Inc. (OH).

- The products subject to this investigation are blended hydrofluorocarbons (HFCs) and single HFC components of those blends thereof, whether or not imported for blending. HFC blends covered by the scope are **R-404**, a zeotropic mixture consisting of 52 percent 1,1,1-Trifluoroethane, 44 percent Pentafluoroethane, and 4 percent 1,1,1,2-Tetrafluoroethane; **R-407A**, a zeotropic mixture of 20 percent Difluoromethane, 40 percent Pentafluoroethane, and 40 percent 1,1,1,2-Tetrafluoroethane; **R-407C**, a zeotropic mixture of 23 percent Difluoromethane, 25 percent Pentafluoroethane, and 52 percent 1,1,1,2-Tetrafluoroethane; **R-410A**, a zeotropic mixture of 50 percent Difluoromethane and 50 percent Pentafluoroethane; and **R-507A**, an azeotropic mixture of 50 percent Pentafluoroethane and 50 percent 1,1,1-Trifluoroethane also known as R-507. The foregoing percentages are nominal percentages by weight. Actual percentages of single component refrigerants by weight may vary by plus or minus two percent points from the nominal percentage identified above.<sup>1</sup>

The single component HFCs covered by the scope are **R-32**, **R-125**, and **R-143a**. **R-32** or Difluoromethane has the chemical formula  $\text{CH}_2\text{F}_2$ , and is registered as CAS No. 75-10-5. It may also be known as HFC-32, FC-32, Freon-32, Methylene difluoride, Methylene fluoride, Carbon fluoride hydride, halocarbon R32, fluorocarbon R32, and UN 3252. **R-125** or 1,1,1,2,2-Pentafluoroethane has the chemical formula  $\text{CF}_3\text{CHF}_2$  and is registered as CAS No. 354-33-6. R-125 may also be known as R-125, HFC-125, Pentafluoroethane, Freon 125, and Fc-125, R-125. **R-143a** or 1,1,1-Trifluoroethane has the chemical formula  $\text{CF}_3\text{CH}_3$  and is registered as CAS No. 420-46-2. R-143a may also be known as R-143a, HFC-143a, Methylfluoroform, 1,1,1-Trifluoroform, and UN2035.

Excluded from this investigation are blends of refrigerant chemicals that include products other than HFCs, such as blends including chlorofluorocarbons (CFCs) or hydrochlorofluorocarbons (HCFCs).

Also excluded from this investigation are patented HFC blends, such as ISCEON® blends, including MO99™ (RR-438A), MO79 (R-422A), MO59 (R-417A), MO49Plus™ (R-437A) and MO29™ (R-422D), Genetron® Performax™ LT (R-407F), and Choice® R-421A and Choice® R-421B.

HFC blends covered by the scope of this investigation are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheadings 3824.78.0020 and 3824.78.0050. Single component HFCs are currently classified at subheadings 2903.39.2035 and 2903.39.2045, HTSUS. Although the HTSUS subheadings and CAS registry numbers are provided for convenience and customs purposes, the written description of the scope is dispositive.

- In 2014, imports of certain hydrofluorocarbon blends and certain single hydrofluorocarbon components thereof from China were valued at an estimated \$109.5 million.

## NEXT STEPS

- Commerce is scheduled to announce its final determination on or about June 13, 2016.

<sup>1</sup> R-404A is sold under various trade names, including Forane® 404A, Genetron® 404A, Solkane® 404A, Klea® 404A, and Suva®404A. R-407A is sold under various trade names, including Forane® 407A, Solkane® 407A, Klea®407A, and Suva®407A. R-407C is sold under various trade names, including Forane® 407C, Genetron® 407C, Solkane® 407C, Klea® 407C and Suva® 407C. R-410A is sold under various trade names, including EcoFluor R410, Forane® 410A, Genetron® R410A and AZ-20, Solkane® 410A, Klea® 410A, Suva® 410A, and Puron®. R-507A is sold under various trade names, including Forane® 507, Solkane® 507, Klea®507, Genetron®AZ-50, and Suva®507. R-32 is sold under various trade names, including Solkane®32, Forane®32, and Klea®32. R-125 is sold under various trade names, including Solkane®125, Klea®125, Genetron®125, and Forane®125. R-143a is sold under various trade names, including Solkane®143a, Genetron®143a, and Forane®125.

- If Commerce makes an affirmative final determination, and the U.S. International Trade Commission (ITC) makes an affirmative final determination that imports of certain hydrofluorocarbon blends and certain single hydrofluorocarbon components 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 orders will be issued. The ITC is scheduled to make its final injury determinations in July 2016.

## PRELIMINARY DUMPING MARGINS:

EXPORTER	PRODUCER	DUMPING MARGINS
Shandong Dongyue Chemical Co., Ltd./ Huantai Dongyue International Trade Co., Ltd.	Shandong Dongyue Chemical Co., Ltd.	92.88%
Shandong Dongyue Chemical Co., Ltd./ Huantai Dongyue International Trade Co., Ltd.	Jiangsu Melian Chemical Co., Ltd.	92.88%
Shandong Dongyue Chemical Co., Ltd./ Huantai Dongyue International Trade Co., Ltd.	Jiangxi Gemei Fluorine Chemical Co., Ltd.	92.88%
Shandong Dongyue Chemical Co., Ltd./ Huantai Dongyue International Trade Co., Ltd.	Liaocheng Fuer New Material Technology Co., Ltd.	92.88%
Shandong Dongyue Chemical Co., Ltd./ Huantai Dongyue International Trade Co., Ltd.	Zhejiang Quzhou Juxin Fluorine Chemical Co., Ltd.	92.88%
Shandong Dongyue Chemical Co., Ltd./ Huantai Dongyue International Trade Co., Ltd.	Zhejiang Sanmei Chemical Ind. Co., Ltd.	92.88%
T.T. International Co., Ltd.	Sinochem Environmental Protection Chemicals (Taicang) Co., Ltd.	91.99%
T.T. International Co., Ltd.	Zhejiang Lantian Environmental Protection Fluorine Materials Co., Ltd.	91.99%
T.T. International Co., Ltd.	Jinhua Yonghe Fluorochemical Co., Ltd.	91.99%
T.T. International Co., Ltd.	Zhejiang Sanmei Chemical Industry Co., Ltd.	91.99%
T.T. International Co., Ltd.	Shandong Huaan New Material Co., Ltd.	91.99%
T.T. International Co., Ltd.	Zhejiang Zhonglan Refrigeration Technology Co., Ltd.	91.99%
T.T. International Co., Ltd.	Dongyang Weihua Refrigerants Co., Ltd.	91.99%
Daikin Fluorochemicals (China) Co., Ltd.	Daikin Fluorochemicals (China) Co., Ltd.	92.60%

<b>EXPORTER</b>	<b>PRODUCER</b>	<b>DUMPING MARGINS</b>
Jinhua Yonghe Fluorochemical Co., Ltd.	Zhejiang Yonghe Refrigerant Co., Ltd.	92.60%
Shandong Huaan New Material Co., Ltd.	Shandong Huaan New Material Co., Ltd.	92.60%
Weitron International Refrigeration Equipment (Kunshan) Co., Ltd.	Zhejiang Lantian Environmental Protection Fluoro Material Co., Ltd.	92.60%
Weitron International Refrigeration Equipment (Kunshan) Co., Ltd.	Sinochem Environmental Protection Chemicals (Taicang) Co., Ltd.	92.60%
Weitron International Refrigeration Equipment (Kunshan) Co., Ltd.	Zhejiang Quzhou Lianzhou Refrigerants Co., Ltd.	92.60%
Weitron International Refrigeration Equipment (Kunshan) Co., Ltd.	Zhejiang Sanmei Chemical Industry Co., Ltd.	92.60%
Zhejiang Yonghe Refrigerant Co., Ltd.	Jinhua Yonghe Fluorochemical Co., Ltd.	92.60%
Zhejiang Sanmei Chemical Industry Co., Ltd.	Zhejiang Sanmei Chemical Industry Co., Ltd.	92.60%
Zhejiang Sanmei Chemical Industry Co., Ltd.	Jiangsu Sanmei Chemicals Co., Ltd.	92.60%
<b>China-Wide Entity<sup>2</sup></b>		210.46%

<sup>2</sup> This also includes Sinchem Lantian Trade Co., Ltd., Sinochem Environmental Protection Chemicals (Taicang) Co. Ltd., Zhejiang Lantian Environmental Protection Fluoro Material Co., Ltd., Zhejiang Quhua Fluor-Chemistry Co., Ltd., and Zhejiang Quzhou Lianzhou Refrigerants Co., Ltd.

## CASE CALENDAR:

EVENT	DATE
Petitions Filed	June 25, 2015
DOC Initiation Date	July 15, 2015
ITC Preliminary Determination	August 10, 2015†
DOC Preliminary Determination	January 21, 2016
DOC Final Determination^	June 13, 2016
ITC Final Determination^*	July 28, 2016
Issuance of Order^**	August 8, 2016

**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.

^ Estimated. Actual deadline is based on the publication date of the DOC Preliminary Determination.

\*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	2012	2013	2014
Volume (metric tons)	28,300	39,000	34,200
Value (USD)	130,171,000	134,021,000	109,465,000

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 2903.39.2030 and 3824.78.0000). These HTSUS subheadings are basket categories and may cover both subject and non-subject merchandise.