

December 4, 2017

## New Antidumping and Countervailing Duty Petitions on Sodium Gluconate and Gluconic Acid from China and France

*By Douglas J. Heffner and Richard P. Ferrin*

PMP Fermentation Products, Inc., on November 30, 2017, filed antidumping (AD) petitions on certain sodium gluconate, gluconic acid and derivative products from China and France, as well as a countervailing duty (CVD) petition on certain sodium gluconate, gluconic acid and derivative products from China. Sodium gluconate is commonly used as a cleaning agent and for textile dyeing and printing, and is also used by the food service, construction, textile and pharmaceutical industries.

The U.S. AD law imposes special tariffs to counteract imports that are sold in the United States at less than “normal value.” The U.S. CVD law imposes special tariffs to counteract imports that are sold in the United States with the benefit of foreign government subsidies. For AD/CVD duties to be imposed, the U.S. government must determine not only that dumping and/or subsidies are occurring, but also that there is “material injury” (or threat thereof) by reason of the dumped and/or subsidized imports. Importers are liable for any potential AD/CVD duties imposed. In addition, these investigations could impact purchasers by increasing prices and/or decreasing supply of sodium gluconate, gluconic acid and derivative products.

### Scope

The products covered in the petition include all grades of sodium gluconate, liquid gluconate, and gluconic acid, regardless of physical form (including, but not limited to substrates; solutions; dry granular form or powders, regardless of particle size; or as a slurry). The scope also includes sodium gluconate, liquid gluconate and gluconic acid that has been blended or is in a solution with other product(s) where the resulting mix contains 35 percent or more of sodium gluconate, liquid gluconate, and/or gluconic acid (including glucono delta lactone or dry gluconic acid, commonly referred to as GDL) by dry weight. Sodium gluconate has a molecular formula of  $\text{NaC}_6\text{H}_{11}\text{O}_7$ ; gluconic acid has a molecular formula of  $\text{C}_6\text{H}_{12}\text{O}_7$ ; liquid gluconate is a blend of gluconic acid and sodium gluconate in an aqueous solution; and GDL has a molecular formula of  $\text{C}_6\text{H}_{10}\text{O}_6$ .

The products covered in this petition are classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 2918.16.1000, 2918.16.5010,

and 2932.20.5020, HTSUS. Sodium gluconate has a CAS number of 527-07-1, and can also be called “sodium salt of gluconic acid” and/or sodium 2, 3, 4, 5, 6-pentahydroxy-hexanoate. Liquid gluconate has CAS numbers of 527-07-1, 526-95-4, and 7732-18-5, and can also be called 2, 3, 4, 5, 6-Pentahydroxycaproic acid-hexanoate. Gluconic acid has a CAS registry number of 526-95-4, and can also be called 2, 3, 4, 5, 6-Pentahydroxycaproic Acid. GDL has a CAS registry number of 90-80-2, and can also be called D-Glucono-1,5-lactone.

Although the HTSUS subheadings and CAS Numbers are provided for convenience and Customs purposes, the written description of the scope is dispositive.

### Alleged Dumping Margins

The petitioner alleges that the following dumping margin exists: China: 213.0 percent; France: 78.6 percent. No specific subsidy rates were alleged.

### Estimated Schedule of Investigations

- November 30, 2017 – Petition is filed
- December 20, 2017 – DOC initiates investigation
- December 21, 2017 – ITC staff conference
- January 15, 2018 – Deadline for ITC preliminary injury determination
- February 23, 2018 – Deadline for DOC preliminary CVD determination, if deadline is not postponed
- April 30, 2018 – Deadline for DOC preliminary CVD determination, if deadline is fully postponed
- May 9, 2018 – Deadline for DOC preliminary AD determination, if deadline is not postponed
- June 28, 2018 – Deadline for DOC final CVD determination, if deadline is not postponed
- November 12, 2018 – Deadline for DOC final AD and CVD determinations, if both preliminary and final AD and CVD deadlines are fully postponed

- December 27, 2018 – Deadline for ITC final injury determination, assuming fully postponed DOC deadlines

For further information, contact Douglas J. Heffner, Richard P. Ferrin, or any other member of the Customs and International Trade Team.

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## Customs and International Trade Team

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