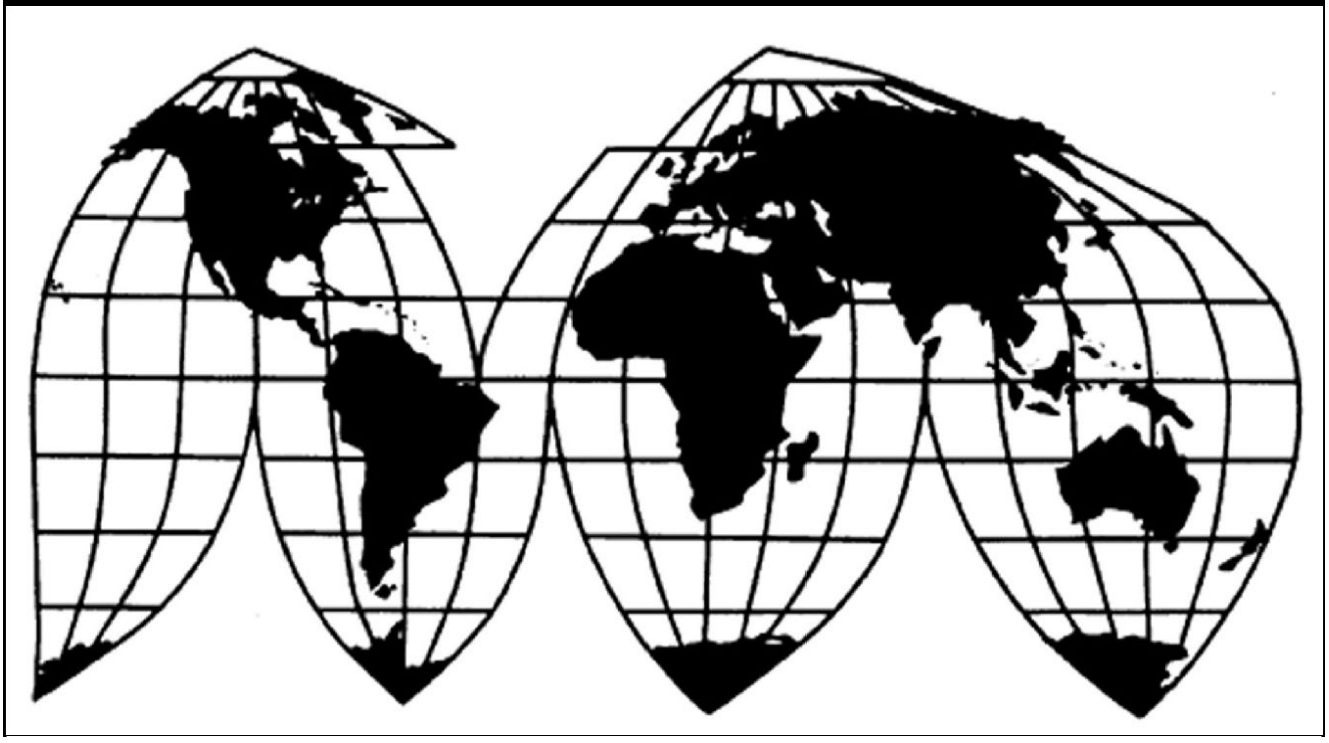
Sodium Hexametaphosphate from China

Investigation No. 731-TA-1110 (Third Review)

Publication 5549 **September 2024**

U.S. International Trade Commission



Washington, DC 20436

U.S. International Trade Commission

COMMISSIONERS

Amy A. Karpel, Chair
David S. Johanson
Rhonda K. Schmidtlein
Jason E. Kearns

Catherine DeFilippo

Director of Operations

Staff assigned

Kenneth Gatten III, Investigator
Samantha DeCarlo, Industry Analyst
James Horne, Economist
Anthony Famiglietti, Attorney
Stamen Borisson, Supervisory Investigator

Address all communications to
Secretary to the Commission
United States International Trade Commission
Washington, DC 20436

U.S. International Trade Commission

Washington, DC 20436
www.usitc.gov

Sodium Hexametaphosphate from China

Investigation No. 731-TA-1110 (Third Review)

Publication 5549

September 2024

CONTENTS

Page

Appendixes

Note: Information that would reveal confidential operations of individual concerns may not be published. Such information is identified by brackets or by headings in confidential reports and is deleted and replaced with asterisks in public reports.

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation No. 731-TA-1110 (Third Review)

Sodium Hexametaphosphate from China

DETERMINATION

On the basis of the record[1] developed in the subject five-year review, the United States International Trade Commission ("Commission") determines, pursuant to the Tariff Act of 1930 ("the Act"), that revocation of the antidumping duty order on sodium hexametaphosphate from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

BACKGROUND

The Commission instituted this review on February 1 (89 FR 6547, February 1, 2024) and determined on May 6, 2024, that it would conduct an expedited review (89 FR 48443, June 6, 2024).

[1] The record is defined in § 207.2(f) of the Commission's Rules of Practice and Procedure (19 CFR 207.2(f)).

Views of the Commission

Based on the record in this five-year review, we determine under section 751(c) of the Tariff Act of 1930, as amended ("the Tariff Act"), that revocation of the antidumping duty order on sodium hexametaphosphate ("SHMP") from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

I. Background

Original investigation: On February 8, 2007, ICL Specialty Products Inc. ("ICL") and Innophos, Inc. ("Innophos"), domestic producers of sodium hexametaphosphate (collectively, "domestic interested parties" or "domestic producers"), filed an antidumping duty petition on imports of SHMP from China. In March 2008, the Commission found a domestic industry was materially injured by reason of imports of SHMP from China that the U.S. Department of Commerce ("Commerce") had determined were being sold at less than fair value ("LTFV").[1] Consequently, on March 19, 2008, Commerce issued an antidumping duty order.[2]

Prior reviews: On February 1, 2013 and June 1, 2018, the Commission instituted its first and second five-year reviews, respectively, of the antidumping duty order on SHMP from China.[3] The Commission determined in each of those expedited reviews that revocation of the antidumping duty order on SHMP from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[4] Commerce issued notices of continuation of the antidumping duty order on SHMP from China on July 17, 2013, and March 1, 2019.[5]

[1] *Sodium Hexametaphosphate from China*, Inv. No. 731-TA-1110 (Final), USITC Pub. 3984 at 1 (Mar. 2008) ("Original Determination").

[2] *Notice of Antidumping Duty Order: Sodium Hexametaphosphate from the People's Republic of China*, 73 Fed. Reg. 14772 (Mar. 19, 2008).

[3] *Sodium Hexametaphosphate From China; Determination*, 78 Fed. Reg. 7452 (Feb. 1, 2013); *Sodium Hexametaphosphate From China*, 83 Fed. Reg. 25488 (June 1, 2018) (Second Review).

[4] *Sodium Hexametaphosphate from China*, Inv. No. 731-TA-1110 (Review), USITC Pub. 4410 at 3 (June 2013) ("*First Review*"); *Sodium Hexametaphosphate from China*, Inv. No. 731-TA-1110 (Second Review), USITC Pub. 48840 at 3 (Dec. 2018) ("*Second Review*").

[5] *Sodium Hexametaphosphate From the People's Republic of China: Continuation of Antidumping Duty Order*, 78 Fed. Reg. 42754 (July 17, 2013); 84 Fed. Reg. 7021 (Mar. 1, 2019).

Current Review: On February 1, 2024, the Commission instituted this third five-year review of the antidumping duty order on SHMP from China.[6] It received one joint response to the notice of institution from domestic interested parties ICL and Innophos.[7] No respondent interested party responded to the notice of institution or otherwise participated in this review. On May 6, 2024, the Commission determined that the domestic interested party group response to its notice of institution was adequate and that the respondent interested party group response was inadequate.[8] The Commission did not find any circumstances that would warrant conducting a full review and thus determined that it would conduct an expedited review of the order.[9] On September 5, 2024, the domestic interested parties submitted final comments in this review.[10]

U.S. industry data are based on information submitted by the domestic interested parties in their response to the notice of institution, in which the domestic interested parties estimate that they accounted for *** percent of domestic production of SHMP in 2023.[11] U.S. import data and related information are based on Commerce's official import statistics.[12] Foreign industry data and related information are based on information from the original investigation, as well as information submitted by the domestic interested party in this expedited review and publicly available information, such as Global Trade Atlas ("GTA") data, gathered by the Commission. Additionally, one firm, ***, identified by domestic interested parties as a U.S. purchaser of SHMP, responded to the Commission's adequacy phase questionnaire.[13]

---

[6] *Sodium Hexametaphosphate From China; Institution of a Five-Year Review*, 89 Fed. Reg. 6547 (Feb. 1, 2024).

[7] Domestic Response to Notice of Institution, EDIS Doc. 815450 (Mar. 4, 2024) ("Domestic Industry Response") at 1.

[8] Explanation of Commission Determination on Adequacy ("Explanation on Adequacy"), EDIS Doc. 822191 (May 23, 2024).

[9] Explanation on Adequacy at 1. Then-Chairman David S. Johanson voted to conduct a full review.

[10] Domestic Industry Final Comments ("Final Comments"), EDIS Doc. 831527 (Sept. 5, 2024).

[11] CR/PR at Table I-2. Domestic Industry Response at Exh. 1.

[12] CR/PR at Table I-6. Import data for the 2019-2023 period of review ("POR") are based on imports entered under Harmonized Tariff Schedule ("HTS") statistical reporting number 2835.39.5000. These data may be overstated as HTS statistical reporting number 2835.39.5000 may contain out of scope products.

[13] CR/PR at D-3.

II. Domestic Like Product and Industry

A. Domestic Like Product

In making its determination under section 751(c) of the Tariff Act, the Commission defines the "domestic like product" and the "industry."[14] The Tariff Act defines "domestic like product" as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this subtitle."[15] The Commission's practice in five-year reviews is to examine the domestic like product definition from the original investigation and consider whether the record indicates any reason to revisit the prior findings.[16]

Commerce has defined the imported merchandise within the scope of the order under review as follows:

> The merchandise subject to the order is sodium hexametaphosphate (SHMP). SHMP is a water-soluble polyphosphate glass that consists of a distribution of polyphosphate chain lengths. It is a collection of sodium polyphosphate polymers built on repeating NaPO3 units. SHMP has a P2O5 content from 60 to 71 percent. Alternate names for SHMP include the following: Calgon; Calgon S; Glassy Sodium Phosphate; Sodium Polyphosphate, Glassy; Metaphosphoric Acid; Sodium Salt; Sodium Acid Metaphosphate; Graham's Salt; Sodium Hex; Polyphosphoric Acid, Sodium Salt; Glass H; Hexaphos; Sodaphos; Vitrafos; and BAC-N-FOS. SHMP is typically sold as a white powder or granule (crushed) and may also be sold in the form of sheets (glass) or as a liquid solution. It is imported under heading 2835.39.5000, Harmonized Tariff Schedule of the United States (HTSUS). It may also be imported as a blend or mixture under heading 3824.90.3900, HTSUS. The American Chemical Society, Chemical Abstract Service (CAS) has assigned the name "Polyphosphoric Acid, Sodium

[14] 19 U.S.C. § 1677(4)(A).

[15] 19 U.S.C. § 1677(10); *see*, *e.g., Cleo Inc. v. United States*, 501 F.3d 1291, 1299 (Fed. Cir. 2007); *NEC Corp. v. Dep't of Commerce*, 36 F. Supp. 2d 380, 383 (Ct. Int'l Trade 1998); *Nippon Steel Corp. v. United States*, 19 CIT 450, 455 (1995); *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int'l Trade 1996); *Torrington Co. v. United States*, 747 F. Supp. 744, 748-49 (Ct. Int'l Trade 1990), *aff'd*, 938 F.2d 1278 (Fed. Cir. 1991); *see also* S. Rep. No. 249, 96th Cong., 1st Sess. 90-91 (1979).

[16] *See*, *e.g.*, *Internal Combustion Industrial Forklift Trucks from Japan*, Inv. No. 731-TA-377 (Second Review), USITC Pub. 3831 at 8-9 (Dec. 2005); *Crawfish Tail Meat from China*, Inv. No. 731-TA-752 (Review), USITC Pub. 3614 at 4 (July 2003); *Steel Concrete Reinforcing Bar from Turkey*, Inv. No. 731-TA-745 (Review), USITC Pub. 3577 at 4 (Feb. 2003).

Salt" to SHMP. The CAS registry number is 68915-31-1. However, SHMP is commonly identified by CAS No. 10124-56-8 in the market. For purposes of the order, the narrative description is dispositive, not the tariff heading, CAS registry number or CAS name.

The product covered by the order includes SHMP in all grades, whether food grade or technical grade. The product covered by the order includes SHMP without regard to chain length i.e., whether regular or long chain. The product covered by the order includes SHMP without regard to physical form, whether glass, sheet, crushed, granule, powder, fines, or other form, and whether or not in solution.

However, the product covered by the order does not include SHMP when imported in a blend with other materials in which the SHMP accounts for less than 50 percent by volume of the finished product.[17]

SHMP is a translucent, solid material that is used as an input into the production of many industrial and consumer products; it is used in water treatment, food and beverage production, and clay processing, among other applications.[18] It is a glassy phosphate that may easily be dissolved in water, a characteristic that no other phosphate shares.[19] SHMP is generally differentiated by four characteristics: grade, chain length designation, P_2O_5 content, and particle size.[20] SHMP is produced in food grade or technical grade, with food grade required to meet stricter standards for quality and purity.[21] Commercial SHMP comprises various lengths of polyphosphate chains, and is often designated as either "regular chain" or "long chain," with regular chain typically used in more industrial applications, while some beverage producers prefer to use long chain SHMP because it increases the shelf life of their product.[22] P_2O_5 content for SHMP is closely related to the chain length designation, with higher

[17] Commerce's Issues and Decision Memorandum, Second Expedited Sunset Review of the Antidumping Duty Order on Sodium Hexametaphosphate from the People's Republic of China, September 28, 2018.

[18] CR/PR at I-6.

[19] CR/PR at I-6.

[20] CR/PR at I-8.

[21] CR/PR at I-8.

[22] CR/PR at I-10.

P_2O_5 content corresponding to longer average chain length.[23] SHMP is produced in different particle sizes: glass, granular, and powder.[24]

In the original investigation and first and second five-year reviews, the Commission found a single domestic like product consisting of SHMP in all grades, chain lengths, and particle sizes, coextensive with Commerce's scope definition.[25]

In the current review, the record does not contain any new information indicating that the pertinent characteristics and uses of SHMP have changed since the last review so as to warrant revisiting the Commission's domestic like product definition.[26] The domestic interested parties agree with the domestic like product definition the Commission adopted in the original investigation and previous reviews.[27] Consequently, we again define the domestic like product as consisting of all SHMP, coextensive with Commerce's scope.

B. Domestic Industry

Section 771(4)(A) of the Tariff Act defines the relevant industry as the domestic "producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product."[28] In defining the domestic industry, the Commission's general practice has been to include in the industry producers of all domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market.

In the original investigation and first and second five-year reviews, the Commission defined the domestic industry as all domestic producers of SHMP.[29]

In the current review, the domestic interested parties agree with the definition of the domestic industry from the original investigation and prior reviews.[30] There are no issues arising under the related parties provision in this review or any other domestic industry

[23] CR/PR at I-10.

[24] CR/PR at I-11.

[25] *Original Determination*, USITC Pub. 3984 at 6; *First Review*, USITC Pub. 4410 at 6; *Second Review*, USITC Pub. 4840 at 6.

[26] CR/PR at I-6-I-13.

[27] Domestic Industry Response at 30.

[28] 19 U.S.C. § 1677(4)(A). The definitions in 19 U.S.C. § 1677 are applicable to the entire subtitle containing the antidumping and countervailing duty laws, including 19 U.S.C. §§ 1675 and 1675a. *See* 19 U.S.C. § 1677.

[29] *Original Determination*, USITC Pub. 3984 at 6; *First Review*, USITC Pub. 4410 at 7; *Second Review*, USITC Pub. 4840 at 7.

[30] Domestic Industry Response at 30.

issues.[31] Accordingly, consistent with our definition of the domestic like product, we define the domestic industry as all domestic producers of SHMP.

III. Revocation of the Antidumping Duty Order Would Likely Lead to Continuation or Recurrence of Material Injury Within a Reasonably Foreseeable Time

A. Legal Standards

In a five-year review conducted under section 751(c) of the Tariff Act, Commerce will revoke an antidumping or countervailing duty order unless: (1) it makes a determination that dumping or subsidization is likely to continue or recur and (2) the Commission makes a determination that revocation of the antidumping or countervailing duty order "would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time."[32] The SAA states that "under the likelihood standard, the Commission will engage in a counterfactual analysis; it must decide the likely impact in the reasonably foreseeable future of an important change in the status quo – the revocation or termination of a proceeding and the elimination of its restraining effects on volumes and prices of imports."[33] Thus, the likelihood standard is prospective in nature.[34] The U.S. Court of International Trade ("CIT") has found that "likely," as used in the five-year review provisions of the Act, means "probable," and the Commission applies that standard in five-year reviews.[35]

---

[31] 19 U.S.C. § 1677(4)(B); *see also* Domestic Industry Response at Exhibit 1.

[32] 19 U.S.C. § 1675a(a).

[33] SAA at 883-84. The SAA states that "{t}he likelihood of injury standard applies regardless of the nature of the Commission's original determination (material injury, threat of material injury, or material retardation of an industry). Likewise, the standard applies to suspended investigations that were never completed." *Id*. at 883.

[34] While the SAA states that "a separate determination regarding current material injury is not necessary," it indicates that "the Commission may consider relevant factors such as current and likely continued depressed shipment levels and current and likely continued {sic} prices for the domestic like product in the U.S. market in making its determination of the likelihood of continuation or recurrence of material injury if the order is revoked." SAA at 884.

[35] *See NMB Singapore Ltd. v. United States*, 288 F. Supp. 2d 1306, 1352 (Ct. Int'l Trade 2003) ("'likely' means probable within the context of 19 U.S.C. § 1675(c) and 19 U.S.C. § 1675a(a)"), *aff'd mem.*, 140 Fed. Appx. 268 (Fed. Cir. 2005); *Nippon Steel Corp. v. United States*, 26 CIT 1416, 1419 (2002) (same); *Usinor Industeel, S.A. v. United States*, 26 CIT 1402, 1404 nn.3, 6 (2002) ("more likely than not" standard is "consistent with the court's opinion;" "the court has not interpreted 'likely' to imply any particular degree of 'certainty'"); *Indorama Chemicals (Thailand) Ltd. v. United States*, 26 CIT 1059, 1070 (2002) ("standard is based on a likelihood of continuation or recurrence of injury, not a certainty");

The statute states that "the Commission shall consider that the effects of revocation or termination may not be imminent, but may manifest themselves only over a longer period of time."[36] According to the SAA, a "'reasonably foreseeable time' will vary from case-to-case, but normally will exceed the 'imminent' timeframe applicable in a threat of injury analysis in original investigations."[37]

Although the standard in a five-year review is not the same as the standard applied in an original investigation, it contains some of the same fundamental elements. The statute provides that the Commission is to "consider the likely volume, price effect, and impact of imports of the subject merchandise on the industry if the orders are revoked or the suspended investigation is terminated."[38] It directs the Commission to take into account its prior injury determination, whether any improvement in the state of the industry is related to the order or the suspension agreement under review, whether the industry is vulnerable to material injury if an order is revoked or a suspension agreement is terminated, and any findings by Commerce regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4).[39] The statute further provides that the presence or absence of any factor that the Commission is required to consider shall not necessarily give decisive guidance with respect to the Commission's determination.[40]

In evaluating the likely volume of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether the likely volume of imports would be significant either in absolute terms or relative to production or consumption in the United States.[41] In doing so, the Commission must consider "all relevant economic factors," including four enumerated factors: (1) any likely increase in production capacity or existing unused production capacity in the exporting country; (2) existing inventories of the subject merchandise, or likely increases in inventories; (3) the

---

Usinor v. United States, 26 CIT 767, 794 (2002) ("'likely' is tantamount to 'probable,' not merely 'possible'").

[36] 19 U.S.C. § 1675a(a)(5).

[37] SAA at 887. Among the factors that the Commission should consider in this regard are "the fungibility or differentiation within the product in question, the level of substitutability between the imported and domestic products, the channels of distribution used, the methods of contracting (such as spot sales or long-term contracts), and lead times for delivery of goods, as well as other factors that may only manifest themselves in the longer term, such as planned investment and the shifting of production facilities." *Id*.

[38] 19 U.S.C. § 1675a(a)(1).

[39] 19 U.S.C. § 1675a(a)(1). Commerce has made no duty absorption findings. *Issues and Decision Memorandum for the Expedited Third Sunset Review of the Antidumping Duty Order on Sodium Hexametaphosphate from the People's Republic of China*, EDIS Doc. 830686 (Aug. 27, 2024) at 3.

[40] 19 U.S.C. § 1675a(a)(5). Although the Commission must consider all factors, no one factor is necessarily dispositive. SAA at 886.

[41] 19 U.S.C. § 1675a(a)(2).

existence of barriers to the importation of the subject merchandise into countries other than the United States; and (4) the potential for product shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products.[42]

In evaluating the likely price effects of subject imports if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether there is likely to be significant underselling by the subject imports as compared to the domestic like product and whether the subject imports are likely to enter the United States at prices that otherwise would have a significant depressing or suppressing effect on the price of the domestic like product.[43]

In evaluating the likely impact of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider all relevant economic factors that are likely to have a bearing on the state of the industry in the United States, including but not limited to the following: (1) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity; (2) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment; and (3) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.[44] All relevant economic factors are to be considered within the context of the business cycle and the conditions of competition that are distinctive to the industry. As instructed by the statute, we have considered the extent to which any improvement in the state of the domestic industry is related to the order under review and whether the industry is vulnerable to material injury upon revocation.[45]

The record contains limited new information with respect to the SHMP industry in China. There also is limited information on the SHMP market in the United States during the POR. Accordingly, for our determinations, we rely as appropriate on the facts available from

---

[42] 19 U.S.C. § 1675a(a)(2)(A-D).

[43] *See* 19 U.S.C. § 1675a(a)(3). The SAA states that "{c}onsistent with its practice in investigations, in considering the likely price effects of imports in the event of revocation and termination, the Commission may rely on circumstantial, as well as direct, evidence of the adverse effects of unfairly traded imports on domestic prices." SAA at 886.

[44] 19 U.S.C. § 1675a(a)(4).

[45] The SAA states that in assessing whether the domestic industry is vulnerable to injury if the order is revoked, the Commission "considers, in addition to imports, other factors that may be contributing to overall injury. While these factors, in some cases, may account for the injury to the domestic industry, they may also demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports." SAA at 885.

the original investigation and prior reviews, and the limited new information on the record in this third five-year review.

B. Conditions of Competition and the Business Cycle

In evaluating the likely impact of the subject imports on the domestic industry if an order is revoked, the statute directs the Commission to consider all relevant economic factors "within the context of the business cycle and conditions of competition that are distinctive to the affected industry."[46] The following conditions of competition inform our determinations.

1. Demand Conditions

Prior Reviews. In the original investigation and first and second five-year reviews, the Commission found that SHMP was an input in the production of many industrial and consumer products and that its demand was derived from demand for those end-use products.[47] SHMP's primary uses were in water treatment, other industrial applications, industrial and institutional cleaners, meat/seafood/poultry production, other consumer products, and dentifrices.[48]

In the original investigation, the Commission found that apparent U.S. consumption of SHMP fluctuated during the period of investigation, but increased from *** metric tons in 2004 to *** metric tons in 2006, for an overall increase of *** percent.[49] In the first five-year review, the Commission found that apparent U.S. consumption was *** percent lower in 2012, at *** metric tons, than in 2006.[50] In the second five-year review, apparent U.S. consumption in 2017 was *** percent higher, at *** metric tons, than in 2012.[51]

Current Review. In the current five-year review, the information available indicates that the drivers of demand remain largely unchanged and that demand for SHMP continues to be derived from the downstream products that use SHMP, including applications such as water treatment, food and beverage, and industrial applications.[52] The domestic interested parties

[46] 19 U.S.C. § 1675a(a)(4).

[47] *Original Determination,* USITC Pub. 3984 at 7; *First Review*, USITC Pub. 4410 at 9; *Second Review*, USITC Pub. 4840 at 14.

[48] *Original Determination,* USITC Pub. 3984 at 7; *First Review*, USITC Pub. 4410 at 9; *Second Review*, USITC Pub. 4840 at 14.

[49] Confidential Original Determination, EDIS Doc. 652277 (Mar. 2008) at 9.

[50] Confidential First Review, EDIS Doc. 652913 (June 2013) at 12.

[51] Confidential Second Review, EDIS Doc. 816838 (Dec. 2018) at 14.

[52] Domestic Industry Response at 14-15; Final Comments at 2, 5-6.

contend that apparent consumption has not changed substantially since the last review.[53] Responding U.S. purchaser *** reports that ***.[54]

Apparent U.S. consumption was *** metric tons in 2023, down *** percent from *** metric tons in 2017.[55]

2. Supply Conditions

Original Investigation. In the original investigation and first and second five-year reviews, the Commission found that two domestic producers, ICL and Innophos, accounted for *** U.S. production of SHMP.[56] Additionally, the Commission stated in the original determination that the domestic industry had historically supplied only a portion of the U.S. market for SHMP, with the remainder supplied by imports.[57] In the original investigation, the Commission found that the domestic producers' share of the U.S. market had declined steadily from *** percent in 2004 to *** percent in 2006, while the share held by subject imports had increased from *** percent to *** percent, and the share held by nonsubject imports had fluctuated but increased overall, from *** percent to *** percent.[58]

Prior Reviews. In the first review, the Commission found that, since the antidumping duty order went into effect in 2008, the volume of subject imports had declined substantially and that the volume of nonsubject imports had fluctuated.[59] In 2012, the domestic industry was the *** supplier in the U.S. market, and it supplied a *** larger share than it did in 2006.[60] The Commission found that nonsubject imports were the *** supplier to the U.S. market in

[53] Domestic Industry Response at 15.

[54] CR/PR at D-3.

[55] CR/PR at Table I-7. For the year 2017, U.S. producer data are compiled using data submitted in the Commission's second five-year review. *Id.* For the year 2023, U.S. producers' U.S. shipments are compiled from the domestic interested parties' response to the Commission's notice of institution. *Id.*; Domestic Industry Response at Exh. 1 and 7. For the years 2017 and 2023, U.S. imports from China, Mexico, and Thailand are compiled from GTA export data, while U.S. imports from all other sources are compiled using adjusted official Commerce statistics for HTS statistical reporting number 2835.39.5000. CR/PR at Table I-7. Official Commerce statistics may be overstated as HTS statistical reporting number 2835.39.5000 is a basket category and may contain products outside the scope of this review. *Id.*

[56] *Original Determination*, USITC Pub. 3984 at 8; *First Review*, USITC Pub. 4410 at 9; *Second Review*, USITC Pub. 4840 at 15.

[57] *Original Determination*, USITC Pub. 3984 at 9.

[58] Confidential Original Determination at 12.

[59] *First Review*, USITC Pub. 4410 at 9.

[60] *First Review*, USITC Pub. 4410 at 9.

2012 and that subject imports were present at *** levels.[61] In the second five-year review, the domestic producers' share of apparent U.S. consumption was *** percent, subject imports' share was *** percent, and nonsubject imports' share was *** percent.[62] The Commission noted the domestic interested parties' assertion that the near withdrawal of subject imports from the U.S. market had enabled the domestic industry to significantly increase its market share and their claim that the largest Chinese producer possessed enormous excess capacity notwithstanding purchaser reports of supply constraints in China.[63]

Current Review. The majority of apparent U.S. consumption was satisfied by the domestic industry in 2023, followed by nonsubject imports and subject imports.[64]

The domestic industry accounted for the majority (*i.e.*, ***) percent of apparent U.S. consumption in 2023.[65] The domestic interested parties state that the imposition of the antidumping duty order caused a sharp decline in subject imports that allowed domestic producers to capture market share, even as nonsubject imports also increased somewhat.[66] They contend that the U.S. market has otherwise not experienced any major supply developments since the last review.[67]

Subject imports were the smallest source of supply, accounting for *** percent of apparent U.S. consumption in 2023.[68]

Nonsubject imports were the second-largest source of supply, accounting for *** percent of apparent U.S. consumption in 2023.[69] The leading sources of nonsubject imports during the POR were Thailand and Mexico.[70]

---

[61] Confidential First Review at 12-13; Confidential Second Review at 15. In 2012, the domestic industry's market share was *** percent, nonsubject imports' share was *** percent, and subject imports' share was *** percent. Confidential First Review at 12-13 at n. 61.

[62] Confidential Second Review at 15-16.

[63] *Second Review*, USITC Pub. 4840 at 11-12.

[64] CR/PR at Table I-7.

[65] CR/PR at Table I-7.

[66] Domestic Industry Response at 16; Final Comments at 2.

[67] CR/PR at I-14; Domestic Industry Response at 16; Final Comments at 2. The domestic interested parties asserted that supply conditions have also largely remained consistent since the original investigation and noted that ***, a purchaser of SHMP, *** that there has been ***. *Id.*; CR/PR at D-3.

[68] CR/PR at Table I-7. We note that subject imports as a share of apparent U.S. consumption decreased *** percentage points since the original investigation (from 2006 to 2023).

[69] CR/PR at Table I-7.

[70] CR/PR at Table I-6; Domestic Industry Response at 16. The domestic interested parties note that imports from Germany and France have also increased. *Id*.

3. Substitutability and Other Conditions

Original Investigation. The Commission stated that SHMP is produced in food and technical grades and that SHMP of either grade could be characterized as either regular or long chain.[71] It found that, within form or grade, SHMP was generally interchangeable, regardless of where it was produced.[72] The Commission noted that U.S. producers and most importers and purchasers reported that the U.S. product, subject imports, and nonsubject imports were frequently or always comparable.[73] It found that SHMP's high degree of solubility limited the products that could be substituted for it.[74] The Commission noted a divergence of views by market participants as to the importance of price in purchasing decisions, but found that all domestic producers and some responding importers reported that price was an important factor and that non-price differences were only *** in purchasing decisions.[75]

Prior Reviews. In the first five-year review, the Commission found no information suggesting any change with respect to the importance of price.[76] The Commission found that the limited information available indicated that, as in the original investigation, the domestic like product, subject imports, and nonsubject imports were frequently or always comparable.[77] It found that both the domestic industry and the industry in China were able to supply food-grade SHMP and technical grade SHMP at various chain lengths to U.S. customers.[78]

In the second five-year review, the Commission found no new information on the record to suggest any changes since the prior proceeding regarding substitutability between the domestic like product and subject imports or in the importance of price.[79] The domestic interested parties maintained that few substitutes for SHMP had emerged since the original investigation and that SHMP from different sources was frequently or always comparable.[80] Accordingly, the Commission found that the domestic like product and subject imports were generally substitutable and that price was an important factor in purchasing decisions.[81]

---

[71] *Original Determination*, USITC Pub. 3984 at 7.
[72] *Original Determination*, USITC Pub. 3984 at 9-10.
[73] *Original Determination*, USITC Pub. 3984 at 10.
[74] *Original Determination*, USITC Pub. 3984 at 10.
[75] Confidential Original Determination at 19.
[76] *First Review*, USITC Pub. 4410 at 10.
[77] *First Review*, USITC Pub. 4410 at 10.
[78] *First Review*, USITC Pub. 4410 at 10.
[79] *Second Review*, USITC Pub. 4840 at 12.
[80] *Second Review*, USITC Pub. 4840 at 12. The domestic interested parties acknowledged an increase in imports of out-of-scope blends of less than 50 percent SHMP but claimed that the substitutability between such blends and in-scope SHMP was limited and the volumes were small. *Id.*
[81] *Second Review*, USITC Pub. 4840 at 18.

Current Review. The record in this review contains no new information to indicate that the degree of substitutability between the domestic like product and subject imports or the importance of price in purchasing decisions has changed since the last review. The domestic interested parties assert that the domestic like product, subject imports, and nonsubject imports are frequently or always comparable and that price remains an important factor in the purchasing decision.[82] Based on the available information, we again find that domestically produced SHMP and subject imports are generally substitutable and that price continues to be an important factor in purchasing decisions.

The domestic interested parties claim that few substitutes have emerged since the original investigation and that customers continue to request SHMP products be sold with a Certificate of Analysis to identify the critical chemical properties.[83] They also note that mixtures and blends containing SHMP, which are outside the scope of the antidumping duty order, may substitute for SHMP in a limited portion of the market. However, they assert that the volume of such imports is small and has not altered the conditions of competition in the market.[84]

Effective September 24, 2018, SHMP originating in China became subject to an additional 10 percent ad valorem duty under section 301 of the Trade Act of 1974.[85] Effective May 10, 2019, the section 301 duty for SHMP from China was increased to 25 percent.[86]

C. Likely Volume of Subject Imports

1. Original Investigation and Prior Reviews

In the original investigation, the Commission found that subject imports accounted for a large and increasing share of U.S. consumption, and increased relative to U.S. production during the period of investigation.[87] The volume of subject imports fluctuated between years, but increased overall from 2004 to 2006.[88] The Commission found that subject imports gained

[82] Domestic Industry Response at 15-16; Final Comments at 3.

[83] Domestic Industry Response at 15; Final Comments at 8.

[84] Domestic Industry Response at 16.

[85] CR/PR at I-6.

[86] CR/PR at I-6.

[87] Confidential Original Determination at 15. The market share of subject imports increased from *** percent in 2004 to *** percent in 2006. *Id.* The ratio of the volume of subject imports to U.S. production rose steadily from *** percent in 2004 to *** percent in 2006. *Id.*

[88] *Original Determination*, USITC Pub. 3984 at 11. The Commission found that the volume of nonsubject imports fluctuated over the period, with an overall increase both in absolute terms and relative to U.S. consumption but was much smaller than subject imports in absolute terms. *Id*. at 12. Based on adjusted Commerce statistics, subject imports were 19,695 metric tons in 2004, 22,901 metric tons in 2005, and 21,017 metric tons in 2006, for an increase of 6.7 percent from 2004 to 2006. *Id*. at n.

market share largely at the expense of the domestic industry.[89] Accordingly, the Commission found the volume of subject imports to be significant, both in absolute terms and relative to consumption and production in the United States.[90]

In the first and second five-year reviews, the Commission found that the likely volume of subject imports both in absolute terms and relative to production and consumption in the United States would be significant if the order was revoked.[91] In the first five-year review, the Commission based this determination on the significant and growing presence of subject imports in the U.S. market during the original investigation, the Chinese SHMP industry's substantial unused capacity and export orientation, the attractiveness of the large U.S. market to SHMP exporters, and the Chinese industry's continuing relationships with major U.S. importers and distributors of SHMP.[92] In the second five-year review, the Commission found that although subject import volumes had been restrained by the order and declined significantly since its imposition, the SHMP industry in China possessed a large production capacity and a strong export orientation, and Chinese producers had the incentive and ability to ship significant volumes of SHMP to the United States, based on their strong ties to the U.S. market and well-established channels of distribution and the significant and growing presence of subject imports in the U.S. market during the original investigation.[93]

---

70. Based on importers' questionnaire responses, subject imports were 17,386 metric tons in 2004, 21,544 metric tons in 2005, and 20,689 metric tons in 2006, for an increase of 19.0 percent from 2004 to 2006. *Id*.

[89] *Original Determination*, USITC Pub. 3984 at 12. The Commission found that the domestic producers' share of the U.S. market had declined steadily from *** percent in 2004 to *** percent in 2006, while the share held by subject imports had increased from *** percent to *** percent. *Id.*

[90] *Original Determination*, USITC Pub. 3984 at 12.

[91] *First Review*, USITC Pub. 4410 at 12; *Second Review*, USITC Pub. 4840 at 15.

[92] *First Review*, USITC Pub. 4410 at 11-12. The Commission explained that information available indicated that China is the world's largest producer of SHMP, accounting for more than two-thirds of global production capacity, and that capacity utilization rates for the SHMP industry in China were reportedly 55.3 percent in 2011 and 60.2 percent in 2012, meaning that unused capacity in China in 2012 substantially exceeded apparent U.S. consumption. *Id.* at 11. It also explained that China was the world's largest net exporter of SHMP, with its SHMP exports exceeding its imports by over 55,000 metric tons in 2012. *Id.*

[93] *Second Review*, USITC Pub. 4840 at 14-15. The Commission explained that based on data for the advertised production capacity of Chinese firms in 2018, the aggregate annual capacity to produce SHMP in China was estimated to be over 1.3 million metric tons. *Id.* at 14. It also explained that China was the world's largest exporter of polyphosphates (including, but not limited to, SHMP), accounting for more than 35 percent of global exports in 2017. *Id.*

2. The Current Review

The information available indicates that the order has had a significant restraining effect on the volume of subject imports, which remained lower than in the original investigation, throughout the POR. The volume of subject imports initially declined from 345 metric tons in 2018 to 1 metric ton in 2019, 7 metric tons in 2020, and zero metric tons in 2021, before increasing to 45 metric tons in 2022 and to 106 metric tons in 2023, equivalent to *** percent of apparent U.S. consumption that year.[94]

The record in this expedited review contains limited information on the subject industry in China. Nonetheless, the information available indicates that subject producers continue to have the ability and incentive to export significant volumes of subject merchandise to the U.S. market in the event of revocation of the order.

The information available indicates that subject producers in China have substantial capacity that could be used to increase exports of SHMP to the U.S. market if the order were revoked.[95] The domestic interested parties identified eight possible producers of SHMP in China, and contend that Chinese producers increased their capacity over the past five years, even as they possessed excess capacity.[96] Based on available information, Chinese producers currently have aggregate SHMP capacity of well over 5.1 million metric tons per annum, up substantially from the approximately 170,000 metric tons of installed SHMP capacity they possessed in 2006.[97]

The information available also indicates that subject producers in China remain export oriented. According to GTA data concerning polyphosphates under Harmonized Schedule ("HS") subheading 2835.39, which includes SHMP and out-of-scope products, China was the world's largest exporter of such merchandise throughout the POR.[98] These data also show that China's total exports of such merchandise increased from 141,282 metric tons in 2018 to 178,805 metric tons in 2023.[99] The domestic interested parties argue that with exports that were *** times larger than apparent U.S. consumption of *** metric tons in 2023, the subject

[94] CR/PR at Table I-6 and I-7; Final Comments at 3.

[95] Domestic Industry Response at 22, Exhs. 3, 6.

[96] CR/PR at I-22; Domestic Industry Response at 22, 25, 28-29; Final Comments at 3.

[97] Domestic Industry Response at 25, Exhs. 3, 6; Final Comments at 6. *See also* USITC Pub. 3984 at VII-3 n.11.

[98] CR/PR at Table I-9.

[99] CR/PR at Table I-9. According to GTA data, the volume of Chinese exports of SHMP and out-of-scope products was 141,282 metric tons in 2018, 152,572 metric tons in 2019, 158,539 metric tons in 2020, 158,476 metric tons in 2021, 177,748 metric tons in 2022, and 178,805 metric tons in 2023. *Id*.

industry in China could readily divert a substantial volume of SHMP to the U.S. market after revocation.[100]

The information available also indicates that the U.S. market remains attractive to subject producers in China. Although subject imports remained at low levels during the POR while under the restraining effect of the order, Chinese producers of SHMP have continued to supply other phosphorus-containing products, including phosphoric acid, phosphate salts (including sodium tripolyphosphate ("STPP")), other polyphosphates, and potassium phosphates to U.S. end-users and distributors of SHMP.[101] Additionally, Chinese producer Hubei Xingfa Chemicals Group Co. Ltd ("Xingfa"), the largest SHMP producer in the world, maintains a North American headquarters in Schaumberg, Illinois and strategic partnerships with Global 500 Companies that purchase SHMP, including Procter & Gamble, Dow Chemical, and Unilever, which would facilitate increased shipments of SHMP from China in the event of revocation.[102] Finally, Chinese export statistics from GTA indicate that the average unit values ("AUVs") of Chinese exports of SHMP to the United States were far higher than the AUVs of Chinese exports to Thailand and a composite of China's top ten third country markets throughout the 2016-2023 period, which would give subject producers an economic incentive to shift exports from third country markets to the U.S. market after revocation.[103]

Given the foregoing, including the significant and increasing volume and market share of subject imports during the original investigation, the Chinese industry's large capacity and volume of exports, and the attractiveness of the U.S. market, we find that the volume of subject imports would likely be significant, both in absolute terms and relative to U.S. consumption, if the order were revoked.[104]

---

[100] Final Comments at 4, *citing* CR/PR at Tables I-7 and I-10.

[101] Domestic Industry Response at 22-23; Exh. 4. The domestic interested parties submitted ship manifest data indicating that distributors such as Valudor Products LLC, and Wenda America, Inc. are importing STPP, sodium acid pyrophosphate ("SAPP") and other phosphates from China, which they are then supplying to SHMP distributors in the United States. *Id.*

[102] Domestic Industry Response at 23, Exhs. 4-5; Final Comments at 5,7.

[103] Domestic Industry Response at 24, Exh. 3. Although the AUV of Chinese exports to a few third countries were above the AUV of Chinese exports to the United States, the quantity of such sales was small. *Id*. *See also* Domestic Industry Response at Exh. 3; Final Comments at 7.

[104] Although subject imports from China are currently subject to the section 301 duties of 25 percent, neither domestic interested parties nor the responding U.S. purchaser indicated that this duty would prevent subject imports from entering the U.S. market at significant levels if the order were revoked. *See generally* Domestic Industry Response; CR/PR at D-3. Given this, the Chinese industry's large size and export orientation, and the attractiveness of the U.S. market, we find that the Section 301 duty would not likely prevent subject imports from increasing to significant levels if the order were revoked.

The record of this five-year review does not contain information concerning product shifting or

D. Likely Price Effects

1. Original Investigation and Prior Reviews

In the original investigation, the Commission found consistent and significant underselling of the domestic like product by subject imports.[105] Subject imports undersold the domestic like product in 57 of 60 (or 95.0 percent of) quarterly comparisons, by margins of underselling ranging from 5.2 percent to 51.3 percent.[106] Further, while the Commission found evidence of overall price increases over the period of investigation, both for domestically produced products and for the subject imports, it also found that subject imports prevented domestic price increases that otherwise would have occurred to a significant degree.[107] The Commission found that, as the domestic industry's costs increased and significant volumes of lower priced subject imports entered the market, the domestic producers ***, even though apparent U.S. consumption increased over the period of investigation.[108] It also found that U.S. producers' prices were suppressed to a significant degree because of persistent underselling by subject imports, which caused domestic producers to experience a cost-price squeeze.[109] The Commission also found that evidence of confirmed lost sales and revenues supported the finding of price suppression.[110] Thus, the Commission found that subject imports had significant adverse effects on domestic prices.[111]

In the first and second five-year reviews, the Commission found that, based on the information available, price continued to be an important factor in purchasing decisions and that if the antidumping duty order were revoked, subject imports from China would likely compete in the U.S. market on the basis of price by underselling the domestic like product, as they did during the original investigation.[112] This development, in turn would likely cause the domestic producers to cut prices or forgo price increases, as occurred during the original investigation, to avoid losing sales, the Commission found.[113] Accordingly, the Commission

---

inventories of subject merchandise. There are no known third-country trade actions against SHMP from China. Although Mexico imposed antidumping duties on SHMP in 2004, these were terminated on July 23, 2020. CR/PR at I-23.

[105] *Original Determination*, USITC Pub. 3984 at 13.
[106] *Original Determination*, USITC Pub. 3984 at 13.
[107] *Original Determination*, USITC Pub. 3984 at 14.
[108] Confidential Second Review, at 18.
[109] *Original Determination*, USITC Pub. 3984 at 14.
[110] *Original Determination*, USITC Pub. 3984 at 14.
[111] *Original Determination*, USITC Pub. 3984 at 15.
[112] *First Review*, USITC Pub. 4410 at 13.
[113] *First Review*, USITC Pub. 4410 at 13; *Second Review*, USITC Pub. 4840 at 16.

concluded that subject imports from China would likely engage in significant underselling of the domestic like product to gain market share and would likely have significant depressing or suppressing effects on the price of the domestic like product if the antidumping duty order were revoked.[114]

2. The Current Review

As discussed in section III.B.3 above, we continue to find that subject imports are generally substitutable with the domestic like product and that price remains an important factor in purchasing decisions.

The record in this expedited review does not contain new product-specific pricing information. Based on the available information, including the general substitutability between the domestic like product and subject imports and the importance of price in purchasing decisions, we find that if the order were revoked, the likely significant volumes of subject imports would likely undersell the domestic like product to a significant degree, as they did in the original investigations.[115] Absent the discipline of the order, the significant volumes of low-priced subject imports would likely take sales and market share from domestic producers and/or force the domestic industry to cut prices or forgo price increases necessary to cover increasing costs, thereby depressing or suppressing prices for the domestic like product. Consequently, we find that if the order were revoked, significant volumes of subject imports would likely have significant price effects.

[114] *First Review*, USITC Pub. 4410 at 13; *Second Review*, USITC Pub. 4840 at 16.

[115] The domestic interested parties contend that Chinese aggregate exports to third countries were at AUVs well below those for the domestic like product in the United States, indicating that underselling would likely be significant after revocation. Domestic Interested Response at 24, Exh. 3. Based on GTA data, they assert that in 2023, the AUVs for Chinese exports to countries other than the United States were $1,660 per metric ton, whereas the unit value for the domestic like product in the United States was *** per metric ton. *Id*. Thus, the AUVs for Chinese exports of SHMP to third countries were *** percent lower than the AUVs for the domestic like product in the United States. *Id*.

E. Likely Impact[116]

1. Original Investigation and Prior Reviews

In the original investigation, the Commission found that the domestic industry's production, capacity utilization, shipments, and net sales quantity and value all declined overall from 2004 to 2006, but showed some improvements in interim 2007 (January to September) compared to interim 2006.[117] Most employment-related indicators, including average number of production-related workers, hours worked, and wages paid for producing SHMP, declined overall.[118] The Commission found that the domestic industry's financial indicators steadily declined from 2004 to 2006.[119] It concluded that subject imports had an adverse impact on the condition of the domestic industry during the period of investigation and that the pattern of consistent underselling, which suppressed domestic prices, caused declines in the domestic industry's financial performance.[120]

In the first five-year review, in light of the limited information available with respect to the domestic industry's performance, the Commission did not make a finding on whether the domestic industry was vulnerable to the continuation or recurrence of material injury in the event of revocation of the order.[121] It stated that the information available indicated that the condition of the domestic industry significantly improved since the order was imposed in 2008, despite an increase in cost of goods sold ("COGS") from 2006 to 2012, as well as a decline in apparent U.S. consumption.[122] The Commission found that, should the order be revoked, the likely significant volume and price effects of the subject imports would likely have a significant adverse impact on the production, shipments, sales, market share, and revenues of the

---

[116] In its expedited third review of the antidumping duty order, Commerce determined that revocation of the order would likely result in the continuation or recurrence of dumping with margins of up to 188.05 percent for China. *Sodium Hexametaphosphate From the People's Republic of China: Final Results of the Expedited Third Sunset Review of the Antidumping Duty Order* 89 Fed. Reg. 46362 (May 29, 2024).

[117] *Original Determination*, USITC Pub. 3984 at 16.

[118] *Original Determination*, USITC Pub. 3984 at 17.

[119] *Original Determination*, USITC Pub. 3984 at 17. The Commission found that while the domestic industry's financial indicators improved to *** in interim 2007 compared to interim 2006, despite the improvements, the industry was still ***. Confidential Original Determination at 30. In addition, the Commission noted that the *** increase in U.S. inventories of subject imports and continued underselling indicated that any such improvements could be short-lived. *Id*.

[120] *Original Determination*, USITC Pub. 3984 at 18.

[121] *First Review*, USITC Pub. 4410 at 14.

[122] *First Review*, USITC Pub. 4410 at 14.

domestic industry.[123] These declines would likely have a direct adverse impact on the industry's profitability and employment, as well as its ability to raise capital, to make and maintain capital investments, and to fund research and development.[124] The Commission also considered the role of factors other than subject imports, including the presence of nonsubject imports, so as not to attribute injury from other factors to the subject imports.[125] It acknowledged that nonsubject imports had been present in the U.S. market since the antidumping duty order was imposed in 2008, but observed that the condition of the domestic industry improved during this period even though demand declined.[126] The Commission found that any increase in subject imports upon revocation would likely be at least in substantial part at the expense of the domestic industry, which was the *** supplier in the U.S. market.[127] In sum, the Commission concluded that, if the antidumping duty order were revoked, subject imports would likely have a significant adverse impact on the domestic industry within a reasonably foreseeable time.[128]

In the second five-year review, the Commission found that the condition of the domestic industry had significantly improved after the order was imposed in 2008 and remained improved at the end of the second review period, but that the limited record was insufficient for purposes of making a vulnerability finding.[129] The Commission again found that if the order were revoked, the likely significant volume and price effects of the subject imports would likely have a significant adverse impact on the domestic industry within a reasonably foreseeable time.[130] It also considered the presence of nonsubject imports, so as not to attribute injury from other factors to the subject imports.[131] The Commission found that nonsubject imports continued to be present in the U.S. market and that their share of apparent U.S. consumption was *** higher than at the end of the period examined in the first review.[132] Nevertheless, it concluded that because the domestic industry was the *** supplier to the U.S. market, any increase in subject imports would likely be at least in substantial part at the expense of the domestic industry.[133]

---

[123] *First Review*, USITC Pub. 4410 at 14.
[124] *First Review*, USITC Pub. 4410 at 14.
[125] *First Review*, USITC Pub. 4410 at 14.
[126] *First Review*, USITC Pub. 4410 at 14.
[127] Confidential First Review at 21.
[128] *First Review*, USITC Pub. 4410 at 15.
[129] *Second Review*, USITC Pub. 4840 at 18.
[130] *Second Review*, USITC Pub. 4840 at 19.
[131] *Second Review*, USITC Pub. 4840 at 18-19.
[132] Confidential Second Review at 28.
[133] Confidential Second Review at 28.

2. The Current Review

The record in this expedited review contains limited information concerning the domestic industry's performance since the original investigation. The available information indicates that the domestic industry generally performed better in 2023 than in the last years examined in the original investigation and prior reviews. In 2023, the domestic industry's capacity was *** metric tons, which was higher than in the prior proceedings; its production was *** metric tons, which was higher than in 2006 but lower than in 2012 and 2017; and its capacity utilization was *** percent, which was lower than in the prior proceedings.[134] While the industry's U.S. shipments in 2023, at *** metric tons, were lower than in the prior proceedings,[135] its share of apparent U.S. consumption, at *** percent, was higher than in 2006 but lower than in 2012 and 2017.[136] The U.S. industry's net sales value at $***, its gross profit, at $***, operating income, at $***, and ratio of operating income to net sales, at *** percent, were all higher in 2023 than in the prior proceedings.[137] This limited information on the record of this review is insufficient for us to make a finding as to whether the domestic industry is vulnerable to continuation or recurrence of material injury in the event of revocation of the order.

Based on the information available in this review, we have found that revocation of the order would likely result in a significant volume of subject imports that would likely undersell the domestic like product to a significant degree. Given the general substitutability between the domestic like product and subject imports, the importance of price to purchasing decisions, and the significant underselling by subject imports in the original investigations, significant volumes of low-priced subject imports would likely capture sales and market share from the domestic industry and/or significantly depress or suppress prices for the domestic like product.

---

[134] CR/PR at Table I-4. The domestic industry's capacity was *** metric tons in 2006, *** metric tons in 2012, and *** metric tons in 2017. *Id.* Its production was *** metric tons in 2006, *** metric tons in 2012, and *** metric tons in 2017. *Id.* Its capacity utilization was *** percent in 2006, *** percent in 2012, and *** percent in 2017. *Id.*

[135] CR/PR at Table I-4. The domestic industry's U.S. shipments were *** metric tons in 2006, *** metric tons in 2012, and *** metric tons in 2017. *Id.*

[136] CR/PR at Table I-7. The domestic industry's share of apparent U.S. consumption was *** percent in 2006, *** percent in 2012, and *** percent in 2017. *Id.* Thus, the domestic industry's share of U.S. apparent consumption increased *** percentage points from 2006 to 2023. *Id*.

[137] CR/PR at Table I-4. In 2006, the industry's net sales were $***, its gross profit was $***, its operating income was ***, and its ratio of operating income to net sales was *** percent. *Id.* In 2012, the industry's net sales were $***, its gross profit was $***, its operating income was $***, and its ratio of operating income to net sales was *** percent. *Id.* In 2017, the industry's net sales were $***, its gross profit was $***, its operating income was $***, and its ratio of operating income to net sales was *** percent. *Id.*

The likely significant volume of subject imports and their adverse price effects would likely have a significant adverse impact on the domestic industry's production, shipments, sales, market share, and revenues, which in turn would have a direct adverse impact on the industry's profitability and employment, as well as its ability to raise capital and make and maintain necessary capital investments.

We have also considered the role of factors other than subject imports, including the presence of nonsubject imports. The information available indicates that nonsubject imports have increased their presence in the U.S. market since the last review, increasing their share of apparent U.S. consumption from *** percent in 2017 to *** percent in 2023.[138] The increased presence of nonsubject imports did not, however, prevent the domestic industry from improving, as noted above, its financial condition relative to prior proceedings. Nonetheless, the record provides no indication that the presence of nonsubject imports would prevent subject imports from entering the U.S. market in significant quantities and adversely affecting domestic prices. Given the domestic industry's *** percent share of apparent U.S. consumption in 2023, as well as the general substitutability between the domestic like product and subject imports and the importance of price in purchasing decisions, the significant volume of low-priced subject imports that is likely after revocation would likely come at least in part at the domestic industry's expense, or force domestic producers to lower their prices or forgo price increases to retain market share. Consequently, we find that any future effects of nonsubject imports would be distinct from the likely effects attributable to subject imports and that nonsubject imports would not prevent subject imports from having a significant impact on the domestic industry.

We recognize that apparent U.S. consumption of SHMP was *** percent lower in 2023 than in 2017, the last year of the second five-year review.[139] Although the domestic interested parties maintain that demand for SHMP is unchanged, responding U.S. purchaser *** reports that ***.[140] Given the general substitutability between subject imports and the domestic like product and the importance of price to U.S. purchasers, the significant volume of low-priced subject imports that is likely after revocation likely would exacerbate any effects of declining demand on the domestic industry, by further reducing the industry's sales and placing additional downward pressure on domestic prices. Given these considerations, we find that the likely effects attributable to subject imports are distinguishable from any likely effects of demand if the order were revoked.

[138] CR/PR at Table I-7.
[139] CR/PR at Table I-7.
[140] Domestic Industry Response at 15; CR/PR at D-3.

In sum, we conclude that if the antidumping duty order on SHMP from China were revoked, subject imports would likely have a significant adverse impact on the domestic industry within a reasonably foreseeable time.

IV. Conclusion

For the foregoing reasons, we determine that revocation of the antidumping duty order on SHMP from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

Information obtained in this review

Background

On February 1, 2024, the U.S. International Trade Commission ("Commission") gave notice, pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"),[1] that it had instituted a review to determine whether revocation of the antidumping duty order on sodium hexametaphosphate ("SHMP") from China would be likely to lead to continuation or recurrence of material injury to a domestic industry.[2] All interested parties were requested to respond to this notice by submitting certain information requested by the Commission.[3] [4] Table I-1 presents information relating to the background and schedule of this proceeding:

Table I-1
SHMP: Information relating to the background and schedule of this proceeding

Effective date	Action
February 1, 2024	Notice of initiation by Commerce (89 FR 6499, February 1, 2024)
February 1, 2024	Notice of institution by Commission (89 FR 6547, February 1, 2024)
May 6, 2024	Commission's vote on adequacy
May 29, 2024	Commerce's result of its expedited review (89 FR 46362, May 29, 2024)
September 27, 2024	Commission's determination and views

[1] 19 U.S.C. 1675(c).

[2] 89 FR 6547, February 1, 2024. In accordance with section 751(c) of the Act, the U.S. Department of Commerce ("Commerce") published a notice of initiation of a five-year review of the subject antidumping duty order. 89 FR 6499, February 1, 2024. Pertinent Federal Register notices are referenced in app. A, and may be found at the Commission's website (www.usitc.gov).

[3] As part of their response to the notice of institution, interested parties were requested to provide company-specific information. That information is presented in app. B. Summary data compiled in the original investigation and subsequent full review are presented in app. C.

[4] Interested parties were also requested to provide a list of three to five leading purchasers in the U.S. market for the domestic like product and the subject merchandise. Presented in app. D are the responses received from purchaser surveys transmitted to the purchasers identified in this proceeding.

Responses to the Commission's notice of institution

Individual responses

The Commission received one submission in response to its notice of institution in the subject review. It was filed on behalf of ICL Specialty Products, Inc ("ICL") and Innophos, Inc. ("Innophos"), domestic producers of SHMP (collectively referred to herein as "domestic interested parties").

A complete response to the Commission's notice of institution requires that the responding interested party submit to the Commission all the information listed in the notice. Responding firms are given an opportunity to remedy or explain deficiencies in their responses and to provide clarifying details where appropriate. A summary of the number of responses and estimates of coverage for each is shown in table I-2.

Table I-2
SHMP: Summary of responses to the Commission's notice of institution

Interested party type	Number of firms	Coverage
U.S. producer	2	***%

Note: The U.S. producer coverage figure presented is the domestic interested parties' estimate of their share of total U.S. production of SHMP during 2023. Domestic interested parties' response to the notice of institution, March 4, 2024, exh. 1.

Party comments on adequacy

The Commission received party comments on the adequacy of responses to the notice of institution and whether the Commission should conduct expedited or full reviews from the domestic interested parties. The domestic interested parties request that the Commission conduct an expedited review of the antidumping duty order on SHMP.[5]

The original investigation

The original investigation resulted from a petition filed on February 8, 2007 with Commerce and the Commission by ICL Performance Products, LP ("ICL"), St. Louis, Missouri, and Innophos, Cranberry, New Jersey.[6] On February 4, 2008, Commerce determined that imports of SHMP from China were being sold at less than fair value ("LTFV").[7] The Commission determined

[5] Domestic interested parties' comments on adequacy, April 10, 2024, p. 4.

[6] Sodium Hexametaphosphate from China, Inv. No. 731-TA-1110 (Final), USITC Publication 3984, March 2008 ("Original publication"), p. I-1.

[7] 73 FR 6479, February 4, 2008.

on March 12, 2008 that the domestic industry was materially injured by reason of LTFV imports of SHMP from China.[8] On March 19, 2008, Commerce issued its antidumping duty order with the final weighted-average dumping margins ranging from 92.02 to 188.05 percent.[9]

The first five-year review

On May 7, 2013, the Commission determined that it would conduct an expedited review of the antidumping duty order on SHMP from China.[10] On June 11, 2013, Commerce published its determination that revocation of the antidumping duty order on SHMP from China would be likely to lead to continuation or recurrence of dumping.[11] On June 28, 2013, the Commission notified Commerce of its determination that material injury would be likely to continue or recur within a reasonably foreseeable time.[12] Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective July 17, 2013, Commerce issued a continuation of the antidumping duty order on imports of SHMP from China.[13]

The second five-year review

On September 4, 2018, the Commission determined that it would conduct an expedited review of the antidumping duty order on SHMP from China.[14] On October 5, 2018, Commerce determined that revocation of the antidumping duty order on SHMP from China would be likely to lead to continuation or recurrence of dumping.[15] On December 7, 2018, the Commission determined that material injury would be likely to continue or recur within a reasonably foreseeable time.[16] Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective March 1, 2019, Commerce issued a continuation of the antidumping duty order on imports of SHMP from China.[17]

[8] 73 FR 14485, March 18, 2008.
[9] 73 FR 14772, March 19, 2008.
[10] 78 FR 31576, May 24, 2013.
[11] 78 FR 34989, June 11, 2013.
[12] 78 FR 40505, July 5, 2013.
[13] 78 FR 42754, July 17, 2013.
[14] 83 FR 50958, October 10, 2018.
[15] 83 FR 50338, October 5, 2018.
[16] 83 FR 63905, December 12, 2018.
[17] 84 FR 7021, March 1, 2019.

Previous and related investigations

SHMP has not been the subject of any prior related antidumping or countervailing duty investigations in the United States. However, the Commission has previously conducted investigations concerning phosphoric acid from which SHMP is manufactured. An antidumping order and countervailing duty order with respect to industrial phosphoric acid from Israel and an antidumping duty order with respect to industrial phosphoric acid from Belgium were issued in August 1987. The orders were revoked effective January 1, 2000.[18]

Commerce's five-year review

Commerce announced that it would conduct an expedited review with respect to the order on imports of SHMP from China with the intent of issuing the final results of this review based on the facts available not later than May 31, 2024.[19] Commerce publishes its Issues and Decision Memoranda and its final results concurrently, accessible upon publication at https://access.trade.gov/public/FRNoticesListLayout.aspx and subsequently on the Commission's Electronic Document Information System ("EDIS"). Issues and Decision Memoranda contain complete and up-to-date information regarding the background and history of the order, including scope rulings, duty absorption, changed circumstances reviews, and anticircumvention, as well as any decisions that may have been pending at the issuance of this report. Any foreign producers/exporters that are not currently subject to the antidumping duty order on imports of SHMP from China are noted in the sections titled "The original investigation" and "U.S. imports," if applicable.

[18] Sodium Hexametaphosphate from China, Investigation No. 731-TA-1110 (Second Review), USITC Publication 4840, December 2018 ("Second review publication"), pp. I-3–I-4.

[19] Letter from Eric Greynolds, Office Director, Office IV, AD/CVD Operations, Enforcement and Compliance, U.S. Department of Commerce to Nannette Christ, Director of Investigations, March 22, 2024.

The product

Commerce's scope

Commerce has defined the scope as follows:

> *The merchandise subject to the order is sodium hexametaphosphate (SHMP). SHMP is a water-soluble polyphosphate glass that consists of a distribution of polyphosphate chain lengths. It is a collection of sodium polyphosphate polymers built on repeating NaPO3 units. SHMP has a P2O5 content from 60 to 71 percent. Alternate names for SHMP include the following: Calgon; Calgon S; Glassy Sodium Phosphate; Sodium Polyphosphate, Glassy; Metaphosphoric Acid; Sodium Salt; Sodium Acid Metaphosphate; Graham's Salt; Sodium Hex; Polyphosphoric Acid, Sodium Salt; Glass H; Hexaphos; Sodaphos; Vitrafos; and BAC-N-FOS. SHMP is typically sold as a white powder or granule (crushed) and may also be sold in the form of sheets (glass) or as a liquid solution. It is imported under heading 2835.39.5000, Harmonized Tariff Schedule of the United States (HTSUS). It may also be imported as a blend or mixture under heading 3824.90.3900, HTSUS. The American Chemical Society, Chemical Abstract Service (CAS) has assigned the name "Polyphosphoric Acid, Sodium Salt" to SHMP. The CAS registry number is 68915-31-1. However, SHMP is commonly identified by CAS No. 10124-56-8 in the market. For purposes of the order, the narrative description is dispositive, not the tariff heading, CAS registry number or CAS name.*
>
> *The product covered by the order includes SHMP in all grades, whether food grade or technical grade. The product covered by the order includes SHMP without regard to chain length i.e., whether regular or long chain. The product covered by the order includes SHMP without regard to physical form, whether glass, sheet, crushed, granule, powder, fines, or other form, and whether or not in solution.*

However, the product covered by the order does not include SHMP when imported in a blend with other materials in which the SHMP accounts for less than 50 percent by volume of the finished product.[20]

U.S. tariff treatment

SHMP is currently imported under statistical reporting number 2835.39.5000 in the Harmonized Tariff Schedule of the United States ("HTS"). The merchandise subject to these reviews may also be provided under HTS statistical reporting number 3824.99.3900. The general rate of duty is 3.7 percent ad valorem for HTS subheading 2835.39.50 and "free" for merchandise imported under 3824.99.39.[21] Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

Effective September 24, 2018, SHMP originating in China was subject to an additional 10 percent ad valorem duty under section 301 of the Trade Act of 1974. Effective May 10, 2019, the section 301 duty for SHMP was increased to 25 percent.[22]

Description and uses[23]

SHMP[24] is a translucent, solid material that is used as an input into the production of many industrial and consumer products, such as in water treatment, food and beverage production, and clay processing, among other applications. It is a glassy phosphate that may easily be dissolved in water, a characteristic which no other phosphate shares. The product has

[20] Commerce's Issues and Decision Memorandum, Second Expedited Sunset Review of the Antidumping Duty Order on Sodium Hexametaphosphate from the People's Republic of China, September 28, 2018.

[21] USITC, HTS (2024) Basic Revision 1, Publication 5491, January 2024, pp. 28-22, 38-24.

[22] 83 FR 47974, September 21, 2018; 84 FR 20459, May 9, 2019. See also HTS subheadings 9903.88.03 and 9903.88.04 and U.S. notes 20(e)–20(g) to subchapter III of chapter 99 and related tariff provisions for this duty treatment. USITC, HTS (2024) Basic Revision 1, Publication 5491, January 2024, pp. 99-III-27–99-III-34, 99-III-27–99-III-37, 99-III-301–99-III-302. Goods exported from China to the United States prior to May 10, 2019, and entering the United States prior to June 1, 2019, were not subject to the escalated 25 percent duty (84 FR 21892, May 15, 2019).

[23] Unless otherwise noted, this information is based on Investigation No. 731-TA-1110 (Second Review): Sodium Hexametaphosphate from China, Confidential Report, INV-QQ-092, August 16, 2018 ("Second review confidential report"), pp. I-7–I-15.

[24] Although commonly used in the industry, "sodium hexametaphosphate" is something of a misnomer. The name should technically only refer to a six-phosphate polymer chain that forms a ring, but in common usage, it refers to a mixture of linear polyphosphates of varying lengths. Rodney B. Gilmour, "Phosphoric Acids and Phosphates," Kirk-Othmer Encyclopedia of Chemical Technology, John Wiley & Sons, Inc., 2019, p. 39.

a unique chemical formula and its own CAS number (68915-31-1).25 It is a non-combustible material with no significant environmental effects. It has low oral toxicity and may cause minor irritation to skin, eyes, and the respiratory tract. SHMP is typically packaged in 50- or 100-pound bags or in "supersacks" that can hold up to 2,400 pounds of product. The bags are often lined with plastic to reduce the amount of moisture absorbed by the SHMP. SHMP has a shelf life of about 18 months, regardless of chain length, because it loses effectiveness as it absorbs moisture from the air. Expired SHMP can be recycled to produce a fresh (technical grade) product. Each package of SHMP is accompanied by a certificate of analysis that lists the properties, such as P2O5 content, average chain length, particle size, and maximum levels of impurities.26

The Commission's report in the original investigation stated that the primary use for SHMP is for water treatment (40.7 percent of consumption). Additional uses for SHMP are for other industrial applications, such as clay processing, copper ore processing, drilling muds, and paper production (22.5 percent), as well as for use in industrial and institutional cleaners (16.8 percent), meat/seafood/poultry production (15.3 percent), and other consumer products, such as bath salts (3.5 percent) and dentifrices (1.2 percent).

In the first five-year review, the Commission sent purchasers questionnaires to five firms identified by the domestic producers as leading purchasers of SHMP in the U.S. market. One of the two respondents reported that there has been an increase in the demand for SHMP in the personal health care, pet care, and foods markets in the United States since 2008. *** purchaser anticipated any changes in the end uses and applications of SHMP in the U.S. market or in the market for SHMP in China within a reasonably foreseeable time.

In the second five-year review, domestic interested parties noted in their response to the Commission's notice of institution that demand for SHMP is driven by use in various downstream applications such as water treatment, food and beverage, and industrial applications. They noted that there has been modest growth in demand for SHMP for use in water treatment and food and beverage but declines in demand for use in industrial applications. Furthermore, they noted that there are no significant new applications for SHMP. However *** purchasers, ***, noted that environmental policies in China constrained the supply of materials needed to produce SHMP, reducing supply. This reduction in supply in the face of steady demand has caused pricing to increase on phosphorous based

[25] Commerce's scope indicates that SHMP is also commonly identified by CAS No. 10124-56-8 in the market. Notice of Antidumping Duty Order: Sodium Hexametaphosphate from the People's Republic of China, 73 FR 14772, March 19, 2008.

[26] For more on P_2O_5 content see p. I-11.

products from China. *** reported that they expect to see supply constraints in the near future in the U.S. as a result of more expensive inputs.

Currently, domestic interested parties note that since the previous review, there have been no significant changes in the factors that determine demand for SHMP or in the volume of apparent consumption, and similar to the previous review, there are no significant new applications for SHMP nor any new substitute products.[27] The Commission sent purchaser questionnaires to five firms identified by the domestic interested parties as leading purchasers of SHMP. One firm, ***, responded that ***.[28]

SHMP can generally be differentiated by four characteristics: grade, chain length designation, P_2O_5 content, and particle size. Table I-3 presents information on the types and certain characteristics of SHMP used for various applications.

Table I-3
SHMP: Applications of SHMP by product type, 2008

Grade	Market	Regular Chain	Long Chain
Food	Meat/poultry/seafood	Moderate use	Some use
Food	Beverage	Some use	Moderate use
Food	Dairy	Primary chain length used	–
Food	Dental	Some use	Moderate use
Technical	Water Treatment	Primary chain length used	–
Technical	Paper (clay dispersion)	Primary chain length used	Some use
Technical	Cleaning	Primary chain length used	–
Technical	Pet food	Primary chain length used	–

Source: Adapted from the Original publication, p. I-9.

Note: "–" = not used

Grades of SHMP

There are two general grade designations for SHMP: food grade and technical grade. U.S. customers typically require an Underwriters Laboratories Certificate (UL/NSF60) ensuring water treatment quality for both grades of SHMP.

[27] Domestic interested parties' response to the notice of institution, March 4, 2024, p. 16.
[28] For more information, refer to Appendix D.

Food Grade

Food grade SHMP must meet certain requirements that are not applicable to technical grade SHMP. For example, food grade SHMP must meet the requirements of the Food Chemicals Codex ("FCC"), which specifies the maximum amounts of possibly toxic contaminants in SHMP, such as arsenic, lead, fluoride, and insoluble material. The FCC also requires a relatively narrow pH range for food grade SHMP. U.S. customers may also specify that food grade SHMP be certified to kosher standards verified by the Orthodox Union. Furthermore, food grade SHMP is required to meet stricter standards for quality and purity than technical grade SHMP by requiring the adherence of production to the standards of Good Manufacturing Practices ("GMP") of the U.S. Food and Drug Administration, which are designed to reduce the risk of contaminants in food products.

Food grade SHMP is used in a variety of beverages, dairy and meat products, and dental applications (toothpastes, mouth rinses, and whiteners). In fruit juices, juice-based drinks, sport drinks, ready-to-drink teas, and carbonated beverages, SHMP helps to enhance flavors, extend shelf life, and improve clarity and carbonation. In dairy-based beverages, SHMP protects proteins and disperses solids. Food grade SHMP is also used to provide protein stabilization and flavor enhancement in dairy-based foams and processed cheese. In the processing of meats, seafood, and poultry, SHMP is used with other sodium phosphates to retain moisture, enhance flavor, and increase shelf life. In dental care products, SHMP removes calcium from stains on teeth, which allows the protein and carbohydrate components of stains to be removed more easily.

The Commission's report in the original investigation stated that both domestic sources and U.S. importers of product from China shipped food grade SHMP in various chain lengths to U.S. customers. It was estimated that about *** of U.S. shipments of domestically produced SHMP and Chinese-produced SHMP consisted of food grade product at the end of the period examined during the Commission's original investigation.

Technical Grade

Technical grade SHMP is used in water treatment, personal care products, pet food, and other industrial applications, such as clay (kaoling) processing, drilling fluids, and cleaning products. When added to a municipal or industrial water system, SHMP helps to reduce scale formation, corrosion, lead copper leaching, and biofilm formation in pipes and other equipment. SHMP added to potable water sequesters certain metal oxides, thereby eliminating objectionable colors from the water. It is used in canned pet foods for protein stabilization and moisture retention and in dry pet foods to reduce tartar buildup on pets' teeth. In clay

processing and drilling fluids, SHMP sequesters metal ions in clay slurries and drilling fluids that would otherwise cause clay particles to stick together and form clumps. By eliminating these clumps, SHMP improves the flow properties of the clay slurries and drilling fluid and eases the handling of these fluids. SHMP is added to some industrial cleaners such as the ones used to clean the exteriors of transportation vehicles, particularly trucks and buses. In bath salts, SHMP helps to soften the water and adjust pH. The use of SHMP in bath salts is the source of one of its common names, Calgon.

Similar to food grade SHMP, both domestic sources and U.S. importers of product from China shipped technical grade SHMP in various chain lengths to U.S. customers during the period examined in the original investigation. The Commission reported during the original investigation that technical grade (average chain length 9-16) comprised *** category for domestically produced SHMP while *** subject merchandise fell into the technical grade (average chain length 17-26) category during the period examined.

Chain Length

SHMP consists of chains of repeating phosphate units, which have negative charges, and positively charged sodium ions. The chemical formula for SHMP can be written as $Na_{n+2}+P_nO_{3n+1}$, where different values of *n* represent phosphate chains of different lengths. For example, *n* = 10 is a polyphosphate consisting of 12 sodium (Na) atoms, 10 phosphorus (P) atoms, and 31 oxygen (O) atoms. Commercial SHMP comprises various lengths of polyphosphate chains with values of *n* ranging from 5 to 20 or higher. In the market, SHMP is often designated as either "regular chain" or "long chain." Regular chain SHMP consists of approximately 10 links per molecule, whereas long chain consists of about 20 links per molecule. The Commission's report in the original investigation stated that Chinese-manufactured SHMP was typically in chain lengths of 17 to 26 links compared to available U.S. product of 9 to 16 chain lengths.

Different customers may require different chain-length SHMP based on the end use and specific chemical formula required. Most customers specify one or the other, but some will purchase SHMP from either chain range.[29] Long chain SHMP is typically used in beverage, dental, and some meat and clay mining applications. Regular chain SHMP is typically used in

[29] In the original investigation, purchasers were asked about the importance of chain length in their requirements for SHMP. For some purchasers, chain length did not matter. For others, chain length was of critical importance. Some purchasers noted that chain length can be a critical factor in purchasing decisions in that the substitution of alternative lengths requires the adjustment of formulas used to produce the end products.

more industrial applications, but may also be used in some meat, beverage,[30] and dental applications.

P_2O_5 Content

The P_2O_5 content for SHMP is closely related to the chain length designation.[31] Higher P_2O_5 content corresponds to a longer average polyphosphate chain length. Therefore, product designated as long chain SHMP will have a higher percentage of P_2O_5 content than regular chain SHMP. The P_2O_5 content of SHMP can vary from 60 percent to approximately 71 percent. P_2O_5 content is also related to the pH of SHMP, with lower P_2O_5 content corresponding to higher pH.

Particle Sizes of SHMP

SHMP is produced in different particle sizes: glass, granular, and powder. Glass particle size SHMP typically has particles that are one-half of an inch in length and width and one-eighth of an inch in thickness. Granular SHMP typically has particles with diameters that are between 149 and 841 microns, whereas the particles of SHMP powder are mostly less than 149 microns in diameter.[32] SHMP can also be sold in the form of an aqueous solution. The Commission's report in the original investigation stated that particle size is an important purchasing factor in that purchasers tend to prefer granular SHMP over powdered SHMP, because it flows better in their processes.

Excluded SHMP Blends

SHMP imported in a blend with materials where SHMP accounts for less than 50 percent by volume of the finished product is excluded from the scope of the order. Blends of SHMP and other phosphates (commonly sodium tripolyphosphate, sodium acid pyrophosphate, and tetrasodium pyrophosphate) are used in meat, seafood, and poultry processing to improve the color, yield, texture, and flavor. The physical characteristics, performance, and uses of the blends are not the same as those for SHMP. The Commission's report in the original investigation stated that although SHMP blends were primarily produced by the end users of SHMP, both domestic producers offered phosphate blends where SHMP accounted for 10 to 20 percent of the volume of the blend. The blends that were mixed by the domestic producers

[30] Although both regular and long chain SHMP may be used in beverage applications, some beverage producers prefer to use long chain SHMP because it increases the shelf life of their product compared to regular chain SHMP.

[31] P_2O_5 content is usually specified as a percentage of the total weight of the sample that is attributable to groups of two phosphorus (P) atoms and five oxygen (O) atoms.

[32] At least 60 percent of powdered SHMP will pass through 100 mesh while no more than 20 percent of crushed product will pass through 80 mesh.

were prepared on equipment other than that used to make SHMP. There was no indication that there were any U.S. imports of similar blends from China during the original investigation.

Manufacturing process[33]

The production of SHMP is an energy-intensive process that typically uses wet phosphoric acid and soda ash, or caustic soda, as raw materials.[34] The raw materials are mixed to form a slurry of monosodium orthophosphate, which is then fed into a furnace. Natural gas is used to heat the furnace to a temperature between 800 and 1,100 degrees Celsius. In the furnace, water is boiled off and the monosodium orthophosphate reacts to form molten SHMP, which is removed from the furnace and quickly solidifies into a glassy sheet as it cools. The sheet of solid SHMP is broken into large chunks, which are further milled to produce the granular and powdered products.

Production of SHMP in the United States is a highly automated process. The Commission's report in the original investigation stated that SHMP is manufactured in the United States ***. Both domestic producers also reported the manufacture of SHMP blends in the original investigation, although they reported that the actual blending does not occur on the equipment that is used in the manufacture of SHMP.

Both technical grade SHMP and food grade SHMP can be produced on the same equipment, although food grade SHMP costs a little more to make than technical grade SHMP because of increased costs associated with extra lab analysis, storage of samples, and other administrative costs. The Commission's report in the original investigation stated that food grade SHMP costs $*** per metric ton more to manufacture than technical grade SHMP. Innophos *** and ICL ***.

Both regular chain and long chain SHMP were produced on the same equipment by domestic producers during the original investigation. Domestic producers and producers in China also reported that the basic process for producing different chain lengths was the same. To produce the long chain product, the ratio of soda ash to phosphoric acid that is fed to the

[33] Unless otherwise noted, this information is based on the Second review confidential report, pp. I-16–I-18.

[34] The Commission's report in the original investigation stated that raw material costs accounted for approximately *** percent of the cost of goods sold for domestic producers in 2006.

furnace is adjusted and the length of time that molten SHMP remains in the furnace is increased by about five percent. Given the longer time that the long chain SHMP must remain in the furnace, the energy cost per unit of production is higher for the long chain product and, therefore, it sells for a higher price. The Commission's report in the original investigation stated that the domestic producers' cost to produce long chain SHMP was $*** per metric ton more than regular chain SHMP.[35]

The industry in the United States

U.S. producers

During the final phase of the original investigation, the Commission received U.S. producer questionnaires from two firms, ICL and Innophos, which accounted for *** production of SHMP in the United States during 2006.[36] During the first five-year review, the Commission received a joint response to the Commission's notice of institution from U.S. producers ICL and Innophos, which indicated that they were the only known U.S. producers of SHMP in the United States at that time.[37] During the second five-year review, domestic interested parties listed ICL and Innophos were the only U.S. producers of SHMP for commercial sale. A third company, Nalco Company, was identified as possibly producing SHMP, but solely for internal consumption.[38]

---

[35] The Commission's second review noted that the domestic producers indicated in their response to the Commission's notice of institution that China supplied sodium acid pyrophosphate ("SAPP") and sodium tripolyphosphate ("STPP") to a variety of U.S. consignees (e.g., Brenntag, Univar, Wego) and other chemical distributors. They noted that production of STPP and SAPP involves the same raw materials as the production of SHMP and differs in the manufacturing process only in the use of a high-temperature furnace for SHMP that is not required for STPP or SAPP production. The domestic producers argued that Chinese producers continue to supply U.S. imports of other sodium phosphates and that the importers of these products would provide immediate access to the U.S. market for Chinese SHMP. Further, *** noted that changes to environmental policy in China have caused and are anticipated to cause constraints to inputs resulting in higher production costs and higher final pricing of SHMP.

[36] Investigation No. 731-TA-1110 (Final): Sodium Hexametaphosphate from China, Confidential Report, INV-FF-014, February 11, 2008, as revised/supplemented in INV-FF-017, February 25, 2008 ("Original confidential report"), p. III-1. A third firm, Nalco, was reported by the petitioners to have produced small volumes of SHMP for internal consumption.

[37] Sodium Hexametaphosphate from China, Inv. No. 731-TA-1110 (Review), USITC Publication 4410, June 2013 ("First review publication"), p. I-14.

[38] Second review publication, p. I-13.

In response to the Commission's notice of institution in this current review, domestic interested parties ICL and Innophos indicated that they were the only known producers of SHMP for commercial sale in the United States during 2023.[39]

Recent developments

Since the continuation of the orders, there were no major developments in the SHMP industry identified by interested parties in this proceeding, and no relevant information from outside sources was found.

U.S. producers' trade and financial data

The Commission asked domestic interested parties to provide trade and financial data in their response to the notice of institution in the current five-year review.[40] Table I-4 presents a compilation of the trade and financial data submitted from all responding U.S. producers in the original investigation and subsequent five-year reviews.

[39] The domestic interested parties noted that although the antidumping order may have enabled a third company, Nalco, to increase production, they are not aware of any commercial sales of SHMP by Nalco. Domestic interested parties' response to the notice of institution, March 4, 2024, p. 27.

[40] Individual company trade and financial data are presented in app. B.

Table I-4
SHMP: Trade and financial data submitted by U.S. producers, by period

Quantity in metric tons; value in 1,000 dollars; unit value in dollars per metric ton; ratio in percent

Item	Measure	2006	2012	2017	2023
Capacity	Quantity	***	***	***	***
Production	Quantity	***	***	***	***
Capacity utilization	Ratio	***	***	***	***
U.S. shipments	Quantity	***	***	***	***
U.S. shipments	Value	***	***	***	***
U.S. shipments	Unit value	***	***	***	***
Net sales	Value	***	***	***	***
COGS	Value	***	***	***	***
COGS to net sales	Ratio	***	***	***	***
Gross profit or (loss)	Value	***	***	***	***
SG&A expenses	Value	***	***	***	***
Operating income or (loss)	Value	***	***	***	***
Operating income or (loss) to net sales	Ratio	***	***	***	***

Source: For the years 2006, 2012, and 2017, data are compiled using data submitted in the Commission's original investigation, first five-year review, and second five-year review. For the year 2023, data are compiled using data submitted by domestic interested parties. Domestic interested parties' response to the notice of institution, March 4, 2024, exh. 1 and 7.

Note: For a discussion of data coverage, please see "U.S. producers" section.

Definitions of the domestic like product and domestic industry

The domestic like product is defined as the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the subject merchandise. The domestic industry is defined as the U.S. producers as a whole of the domestic like product, or those producers whose collective output of the domestic like product constitutes a major proportion of the total domestic production of the product. Under the related parties provision, the Commission may exclude a U.S. producer from the domestic industry for purposes of its injury determination if "appropriate circumstances" exist.[41]

In its original determination and its expedited first and second five-year review determinations, the Commission defined the domestic like product consisting of SHMP,

[41] Section 771(4)(B) of the Tariff Act of 1930, 19 U.S.C. § 1677(4)(B).

coextensive with Commerce's scope, and defined the domestic industry as consisting of all domestic producers of SHMP.[42]

U.S. importers

During the final phase of the original investigation, the Commission received U.S. importer questionnaires from 12 firms, which accounted for the majority of U.S. imports of SHMP from China in 2006.[43] Import data presented in the original investigation are based on official Commerce statistics adjusted by questionnaire responses and evidence provided by petitioners.[44]

Although the Commission did not receive responses from any respondent interested parties in its expedited first and second five-year reviews, the domestic interested parties provided a list of 27 firms and 30 firms, respectively, that may have imported SHMP from China.[45] Import data presented in the first and second reviews are based on official Commerce statistics and Global Trade Atlas export data.

Although the Commission did not receive responses from any respondent interested parties in this current review, in its response to the Commission's notice of institution, the domestic interested parties provided a list of 25 potential U.S. importers of SHMP.[46]

[42] 89 FR 6547, February 1, 2024.

[43] First review publication, p. I-17.

[44] Specifically, Commerce statistics were adjusted to exclude all U.S. imports from Canada, Iceland, Israel, and Taiwan because there was reportedly no production of SHMP in those countries. U.S. imports from Japan under HTS number 2835.39.5000 were found to be minimal and U.S. imports from Spain under the HTS number 2835.39.5000 were found to be of product other than SHMP (primarily ammonium polyphosphate). Commission staff further determined during the course of the original investigation that *** U.S. imports from Germany and the United Kingdom were of polyphosphate products not including SHMP. The Commission's report stated that nearly all items imported from China under HTS statistical reporting number 2835.39.5000 during the original investigation consisted of subject SHMP and that Mexico was the most significant source of SHMP from nonsubject countries at that time. Investigation No. 731-TA-1110 (Review): SHMP from China, Confidential Report, INV-LL-037, May 31, 2013, as revised in INV-LL-040, June 12, 2013 ("First review confidential report"), pp. 28-29.

[45] First review publication, p. I-17; Second review publication, p. I-15.

[46] Domestic interested parties' response to the notice of institution, March 4, 2024, exh. 1 and 8.

U.S. imports

HTS statistical reporting number 2835.39.5000 (polyphosphates, other than sodium triphosphate (or sodium tripolyphosphate) of potassium) is a basket category that includes both subject SHMP and nonsubject merchandise. For example, items imported under HTS statistical reporting number 2835.39.5000 also include nonsubject polyphosphates, such as SAPP.

Table I-5 presents official U.S. import statistics for quantity, value, and unit value of U.S. imports of polyphosphates, other than sodium triphosphate (sodium tripolyphosphate), (HTS statistical reporting number 2835.39.5000), from China as well as the other top sources of U.S. imports (shown in descending order of 2023 imports by quantity) for annual periods 2018-2023.

Table I-5
Polyphosphates (other than sodium triphosphate (sodium tripolyphosphate)): U.S. imports, by source and period

Quantity in metric tons; value in 1,000 dollars; unit value in dollars per metric ton

U.S. imports from	Measure	2018	2019	2020	2021	2022	2023
China	Quantity	3,106	2,613	2,206	2,009	5,341	5,002
Canada	Quantity	15,857	14,690	15,395	14,871	13,292	13,111
Thailand	Quantity	5,782	5,838	4,974	5,711	6,979	6,953
Mexico	Quantity	4,562	4,050	3,024	4,517	5,223	4,737
All other sources	Quantity	10,240	10,316	8,966	10,960	10,020	7,678
Nonsubject sources	Quantity	36,442	34,895	32,359	36,060	35,515	32,478
All import sources	Quantity	39,547	37,508	34,565	38,069	40,856	37,480
China	Value	7,114	6,653	6,040	7,108	25,224	16,564
Canada	Value	22,032	19,325	20,211	23,340	25,361	26,076
Thailand	Value	9,208	9,308	8,054	10,165	19,097	18,202
Mexico	Value	6,447	6,022	4,445	7,349	13,999	13,501
All other sources	Value	24,672	26,479	22,983	26,681	35,847	28,002
Nonsubject sources	Value	62,360	61,134	55,693	67,535	94,304	85,781
All import sources	Value	69,474	67,787	61,733	74,643	119,528	102,346
China	Unit value	2,291	2,547	2,738	3,539	4,722	3,312
Canada	Unit value	1,389	1,316	1,313	1,569	1,908	1,989
Thailand	Unit value	1,592	1,594	1,619	1,780	2,736	2,618
Mexico	Unit value	1,413	1,487	1,470	1,627	2,680	2,850
All other sources	Unit value	2,409	2,567	2,563	2,434	3,578	3,647
Nonsubject sources	Unit value	1,711	1,752	1,721	1,873	2,655	2,641
All import sources	Unit value	1,757	1,807	1,786	1,961	2,926	2,731

Source: Compiled from official Commerce statistics for HTS statistical reporting number 2835.39.5000, accessed April 1, 2024. These data may be overstated as HTS statistical reporting number 2835.39.5000 may contain products outside the scope of this review.

Note: Because of rounding, figure may not add to total shown.

In the final phase of the original investigation, the Commission noted that the official import statistics for SHMP were based on a basket category HTS statistical reporting number and made appropriate adjustments to certain import data on the basis of evidence provided by the petitioners and in responses to importers' questionnaires.[47] Official Commerce statistics were similarly adjusted for the first and second five-year reviews. In the second five-year review, imports of SHMP were presented using official U.S. import statistics and SHMP exports by source as reported to Global Trade Atlas.[48] Table I-6 below shows SHMP exports by source as reported Global Trade Atlas and official U.S. import statistics. Although represented in table I-5 as a large importer of polyphosphates to the United States, Canada's imports are not believed to be SHMP, and Canada has thus been excluded in table I-6.[49]

[47] Import data collected in the Commission's original investigation for 2006 and subsequent first and second five-year review for 2012 and 2017 are reproduced from the original respective reports.

[48] China began reporting SHMP specific trade data in 2009 under subheadings 2838.39.11 (other SHMP) and 2835.39.19 (food grade SHMP). Mexico reports data specific to SHMP under subheadings 2835.39.02 and 2835.39.06, and Thailand reports data specific to SHMP under subheading 2835.39.90001.

[49] U.S. imports of polyphosphates from Canada were also excluded from U.S. imports in the original investigation and subsequent five-year reviews. In their research, staff did not discover any evidence of SHMP production in Canada since 2017. In their response to the notice of institution, domestic interested parties noted that imports from Canada are not SHMP. Domestic interested parties' response to the notice of institution, March 4, 2024, p. 16 fn. 49.

Table I-6
SHMP: Exports from China, Thailand and Mexico to the United States and U.S. imports for the remaining sources, 2018–2023

Quantity in metric tons; value in 1,000 dollars; unit value in dollars per metric ton; share of quantity in percent

Destination market	Measure	2018	2019	2020	2021	2022	2023
China	Quantity	345	1	7	--	45	106
Thailand	Quantity	5,509	4,693	4,191	5,041	5,864	5,243
Mexico	Quantity	2,245	236	--	329	739	271
All Other Sources	Quantity	10,240	10,317	8,966	10,960	10,020	7,678
Nonsubject Sources	Quantity	17,994	15,246	13,157	16,330	16,623	13,191
All Import Sources	Quantity	18,339	15,247	13,164	16,330	16,668	13,297
China	Value	373	2	9	--	311	145
Thailand	Value	8,213	7,007	6,147	7,901	15,106	12,218
Mexico	Value	3,126	342	--	515	2,269	729
All Other Sources	Value	24,672	26,479	22,983	26,681	35,847	28,002
Nonsubject Sources	Value	36,011	33,828	29,130	35,097	53,222	40,950
All Import Sources	Value	36,384	33,830	29,139	35,097	53,533	41,095
China	Unit Value	1,081	2,000	1,286	--	6,911	1,368
Thailand	Unit Value	1,491	1,493	1,467	1,567	2,576	2,330
Mexico	Unit Value	1,392	1,448	--	1,566	3,069	2,691
All Other Sources	Unit Value	2,409	2,567	2,563	2,434	3,578	3,648
Nonsubject Sources	Unit Value	2,001	2,219	2,214	2,149	3,202	3,104
All Import Sources	Unit Value	1,984	2,219	2,214	2,149	3,212	3,091
China	Share of Quantity	1.9	0.0	0.0	0.0	0.3	0.8
Thailand	Share of Quantity	30.0	30.8	31.8	30.9	35.2	39.4
Mexico	Share of Quantity	12.2	1.6	0.0	2.0	4.4	2.0
All Other Sources	Share of Quantity	55.8	67.7	68.1	67.1	60.1	57.7
Nonsubject Sources	Share of Quantity	98.1	100.0	100.0	100.0	99.7	99.2
All Import Sources	Share of Quantity	100.0	100.0	100.0	100.0	100.0	100.0

Source: Global Trade Atlas export data using HS country specific codes 2835.39.11 and 2835.39.19 for China; 2835.39.02 and 2835.39.06 for Mexico; and 2835.39.90001 for Thailand; Global Trade Information Services, Inc., Global Trade Atlas, accessed March 8, 2024. Official Commerce statistics for all other sources (HTS statistical reporting number 2835.39.5000) accessed April 1, 2024. Official Commerce statistics may be overstated as HTS statistical reporting number 2835.39.5000 is a basket category and may contain products outside the scope of this review.

Note: Shares and ratios shown as “0.00” percent represent non-zero values less than “0.05” percent. Zeros mean there was no trade. Null values and undefined calculations shown as “--“.

Apparent U.S. consumption and market shares

Table I-7 presents data on U.S. producers' U.S. shipments, U.S. imports, apparent U.S. consumption, and market shares. For 2023, Canada's imports are excluded because they are not believed to be SHMP, and data for China, Mexico, and Thailand are sourced from Global Trade Atlas export statistics, and all other data are sourced from official U.S. import statistics.

Table I-7
SHMP: Apparent U.S. consumption and market shares, by source and period

Quantity in metric tons; value in 1,000 dollars; shares in percent

Source	Measure	2006	2012	2017	2023
U.S. producers	Quantity	***	***	***	***
China	Quantity	***	160	168	106
Nonsubject sources	Quantity	***	13,054	15,494	13,191
All import sources	Quantity	***	13,214	15,662	13,297
Apparent U.S. consumption	Quantity	***	***	***	***
U.S. producers	Value	***	***	***	***
China	Value	***	209	181	145
Nonsubject sources	Value	***	28,701	32,006	40,950
All import sources	Value	***	28,910	32,187	41,095
Apparent U.S. consumption	Value	***	***	***	***
U.S. producers	Share of quantity	***	***	***	***
China	Share of quantity	***	***	***	***
Nonsubject sources	Share of quantity	***	***	***	***
All import sources	Share of quantity	***	***	***	***
U.S. producers	Share of value	***	***	***	***
China	Share of value	***	***	***	***
Nonsubject sources	Share of value	***	***	***	***
All import sources	Share of value	***	***	***	***

Source: For the years 2006, 2012, and 2017, U.S. producer data are compiled using data submitted in the Commission's original investigation, first five-year review, and second five-year review. For the year 2023, U.S. producers' U.S. shipments are compiled from the domestic interested parties' response to the Commission's notice of institution. Domestic interested parties' response to the notice of institution, March 4, 2024, exh. 1 and 7. For the year 2006, U.S. import data are compiled from data submitted in response to Commission questionnaires for U.S. shipments of imports from China and from adjusted official Commerce statistics for all other sources. For the years 2012, 2017 and 2023, U.S. imports from China, Mexico, and Thailand are compiled from Global Trade Atlas export data while U.S. imports from all other sources are compiled using adjusted official Commerce statistics for HTS statistical reporting number 2835.39.5000. Official Commerce statistics may be overstated as HTS statistical reporting number 2835.39.5000 is a basket category and may contain products outside the scope of this review.

Note: Share of quantity is the share of apparent U.S. consumption by quantity in percent; share of value is the share of apparent U.S. consumption by value in percent.

Note: For a discussion of data coverage, please see "U.S. producers" and "U.S. importers" sections.

The industry in China

Producers in China

During the final phase of the original investigation, the Commission received foreign producer/exporter questionnaires from two firms, Hubei Xingfa Chemical Group Company, Ltd. ("Hubei Xingfa") and Sichuan Mianzhu Norwest Phosphate Chemical Co. ("Sichuan Mianzhu Norwest"), which accounted for over *** percent of production of SHMP from China during 2006, and over *** percent of exports from China to the United States of SHMP during 2006.[50]

Although the Commission did not receive responses from any respondent interested parties in its first five-year review, the domestic interested parties provided a list of 14 firms that they believed to produce SHMP in China in that proceeding.[51] In its second five-year review, the Commission again did not receive responses from respondent interested parties; however, the domestic interested parties provided a list of 14 firms that they believed to produce SHMP in China.[52]

In this current five-year review, although the Commission again did not receive responses from any respondent interested parties, the domestic interested parties provided a list of eight possible producers of SHMP in China.[53]

Recent developments

Since the continuation of the orders, there were no major developments in the Chinese industry identified by interested parties in the proceeding, and no relevant information from outside sources was found.

Exports

Table I-8 presents export data for subheading 2835.39, a category that includes SHMP and out-of-scope products, from China (by export destination in descending order of quantity for 2023).

[50] Original confidential report, p. VII-5.
[51] First review publication, p. I-26.
[52] Second review publication, p. I-23.
[53] Domestic interested parties' response to the notice of institution, March 1, 2024, exh. 1 and 9.

Table I-8
Polyphosphates: Quantity of exports from China, by destination 2018–2023

Quantity in metric tons

Destination market	2018	2019	2020	2021	2022	2023
Australia	7,795	8,451	12,112	13,914	11,741	11,820
South Korea	9,012	9,389	8,389	9,792	8,827	10,399
Russia	8,308	8,783	8,638	7,647	11,974	10,369
Thailand	8,434	10,001	9,746	11,256	9,541	10,223
Spain	6,968	7,819	9,221	8,375	10,708	9,643
India	5,182	5,244	5,778	6,938	7,392	8,718
Turkey	5,529	6,361	7,970	6,627	6,918	8,641
Brazil	6,824	7,030	8,491	7,595	7,607	7,547
Italy	4,506	5,230	4,214	5,694	4,526	5,721
Indonesia	4,367	4,284	4,957	5,965	5,750	5,466
All other markets	66,919	72,583	79,512	83,800	84,978	88,539
All markets	141,282	152,572	158,539	158,476	177,748	178,805

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheading 2835.39, accessed April 11, 2024. These data may be overstated as HS subheading 2835.39 may contain products outside the scope of this review.

Note: Because of rounding, figures may not add to totals shown.

Third-country trade actions

An antidumping investigation was initiated on May 12, 2003 and an antidumping duty order implemented in Mexico on August 3, 2004 on imports of SHMP from China.[54] The antidumping duty rates imposed were 102.22 percent on Chinese firms.[55] The antidumping duty order was terminated on July 23, 2020.[56]

[54] WTO, "Trade Remedies Data Portal— ORIGINAL INVESTIGATION AD544 CN," https://trade-remedies.wto.org/en/antidumping/investigations/investigation/mex-0303-chn-1, accessed March 6, 2024.

[55] WTO, "Trade Remedies Data Portal— ORIGINAL INVESTIGATION AD544 CN," https://trade-remedies.wto.org/en/antidumping/investigations/investigation/mex-0303-chn-1, accessed March 6, 2024.

[56] WTO, "Trade Remedies Data Portal— ORIGINAL INVESTIGATION AD544 CN," https://trade-remedies.wto.org/en/antidumping/investigations/investigation/mex-0303-chn-1, accessed March 6, 2024.

The global market

As was the case in the original investigation, there is currently a relatively limited number of SHMP manufacturers in nonsubject countries worldwide. Reportedly, other SHMP producers and productions sites include those in the Czech Republic, France, Germany, India, Japan, Kazakhstan, Mexico, and Thailand, in addition to those in China and the United States.[57] Although there is information on the global market generally for phosphates, there is limited information publicly available that is specific to SHMP.

In its original confidential report, the Commission reported that the European market differed from the U.S. market in that ***.[58] Some U.S. customers' specific product requirements also limited European SHMP exports to the United States. The producer in France (Prayon) and German manufacturers shipped *** volumes of SHMP to the United States.[59] Mexico, in contrast, consistently exported SHMP to the United States during the original period of investigation through Mexican producer Quimir, which accounted for all production of SHMP in Mexico. Also, during the original investigation Quimir reported that it produced *** technical grade SHMP, although *** volumes of

[57] In the Czech Republic, the producer of SHMP is FOSFA. FOSFA produces both food and technical grade SHMP, and also reportedly has a production site in Germany. In 2012, FOSFA entered a joint venture with Kazphosphate (Kazakhstan) to produce sodium phosphate salts, including SHMP, in southern Kazakhstan. FOSFA, "Sodium phosphates," https://web.fosfa.cz/en/products/products-according-to-name/sodium-phosphates/, accessed March 25, 2024; Interfax Information Group, "Kazphosphate and Czech Fosfa start producing phosphate salts," July 3, 2012, https://interfax.com/newsroom/top-stories/55639/; Vizag Chemical, "Sodium hexametaphosphate (SHMP), manufacturers, exporters, and suppliers in India," https://www.vizagchemical.com/blog/sodium-hexametaphosphate-shmp-manufacturers-exporters-and-suppliers-india, accessed March 25, 2024; IHS Chemicals Economics Handbook, Industrial Phosphates, December 14, 2020, pp. 105–106.

[58] Original confidential report, p. VII-13. ***. IHS Chemicals Economics Handbook, Industrial Phosphates, December 14, 2020, pp. 105–106.

[59] In 2021, Prayon announced plans/a study being conducted to build a second SHMP plant in Engis, Belgium (location of Prayon's HQ) for food grade SHMP (capacity of 10,000 metric tons) with the goal of being online in 2023. Prayon, "PRAYON selected De Smet Agro for the Basic Design of its new 10 ktpy SHMP plant in Engis, Belgium," https://www.dsengineers.com/en/news/prayon-selected-de-smet-agro-for-the-basic-design-for-its-new-10-ktpy-shmp-plant-in-engis-belgium/, accessed March 25, 2024; Food Master, "Prayon increases its production capacity of Food Grade Sodium Hexametaphosphate *** by 10 kt," https://www.foodmaster.com/articles/120-prayon-increases-its-production-capacity-of-food-grade-sodium-hexametaphosphate-shmp-by-10-kt, October 26, 2021.

food grade SHMP were also manufactured.[60] ***.[61]

Table I-9 presents global export data for subheading 2835.39, a category that includes SHMP and out-of-scope products, (by source in descending order of quantity for 2023).

Table I-9
Polyphosphates: Quantity of global exports by country 2018–2023

Quantity in metric tons

Exporting country	2018	2019	2020	2021	2022	2023
China	141,282	152,572	158,539	158,476	177,748	178,805
United States	37,910	48,663	48,421	53,851	63,594	69,269
Thailand	41,434	43,265	41,918	41,354	40,753	58,825
Germany	85,030	84,220	80,107	85,416	76,022	58,273
Belgium	30,971	33,783	32,111	41,361	36,110	30,113
Canada	22,798	22,003	20,715	18,533	16,247	17,042
Czech Republic	21,492	22,715	23,474	24,590	18,370	14,011
Netherlands	10,124	8,507	6,819	6,971	10,010	8,535
Spain	5,601	5,759	5,165	4,655	4,755	4,193
Poland	3,706	3,932	4,113	6,609	4,753	3,195
All other exporters	400,349	425,421	421,381	441,816	448,361	442,264
All exporters	433,421	453,537	445,692	471,373	475,214	459,922

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheadings 2835.39, accessed April 11, 2024. These data may be overstated as HS subheadings 2835.39 may contain products outside the scope of this/these reviews.

Note: Because of rounding, figures may not add to totals shown.

Focusing on countries reported to produce SHMP gives a more precise understanding of global SHMP trade. Of the ten countries that are reported to have firms producing SHMP, China, Mexico, and Thailand reported external trade data specific to SHMP to the Global Trade Atlas (China reports exports of SHMP under subheadings 2835.39.11 and 2835.39.19, Mexico reports exports of SHMP under 2835.39.02, Thailand reports exports of SHMP under 2835.39.90001), while the other seven (United States, Czech Republic, France, Germany, India, Japan, and Kazakhstan) reported external trade of SHMP as part of the larger basket category of other polyphosphates (subheading 2835.39). These data (Table I-10 and I-11) show that, in 2023, China and Thailand were net exporters of SHMP while the United States, Japan, Germany,

[60] Quimar is a subsidiary of Orbia, formerly known as Mexichem. Orbia, "History," https://www.orbia.com/this-is-orbia/history/, accessed March 25, 2024.
[61] Original confidential report, p. VII-14.

Czech Republic and Kazakhstan were net exporters of the broader category of polyphosphates.[62]

Table I-10
SHMP: Quantity of global exports, imports, and trade balance by countries with reported production, 2018–2023

Quantity in metric tons

Country	Trade Direction	2018	2019	2020	2021	2022	2023
China	Export	56,589	56,400	58,155	63,644	57,052	58,714
China	Import	959	947	952	1,354	1,588	1,136
China	Trade Balance	55,630	55,453	57,203	62,290	55,464	57,578
Thailand	Export	8,969	8,207	6,685	7,903	8,304	6,828
Thailand	Import	1,608	2,507	2,143	1,876	1,494	1,709
Thailand	Trade Balance	7,361	5,700	4,542	6,027	6,811	5,119
Mexico	Export	2,302	236	-	329	739	271
Mexico	Import	1,696	1,463	1,455	1,333	1,992	1,462
Mexico	Trade Balance	605	(1,227)	(1,455)	(1,004)	(1,253)	(1,191)

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS country specific codes 2835.39.11, 2835.39.19 (China); 2835.39.02, 2835.39.06 (Mexico); 2835.39.90001 (Thailand); accessed March 8, 2024.

Note: Because of rounding, figures may not subtract to trade balance shown.

Note: Shares and ratios shown as “0.0” percent represent non-zero values less than “0.05” percent. Zeros mean there was no trade. Null values and undefined calculations shown as “--".

[62] South Korea and France were net importers of product under subheading 2835.39 in 2023.

Table I-11
Polyphosphates: Quantity of global exports, imports, and trade balance by countries with reported production, 2018–2023

Quantity in metric tons

Country	Trade Direction	2018	2019	2020	2021	2022	2023
United States	Export	37,910	48,663	48,421	53,851	63,594	69,269
United States	Import	47,956	43,371	40,261	44,697	46,270	42,719
United States	Trade Balance	(10,046)	5,292	8,159	9,154	17,323	26,551
South Korea	Export	1,200	950	560	378	266	325
South Korea	Import	10,313	10,925	9,810	12,068	10,954	13,004
South Korea	Trade Balance	(9,113)	(9,974)	(9,250)	(11,689)	(10,688)	(12,679)
Japan	Export	1,107	752	912	1,125	894	680
Japan	Import	5,883	6,161	5,360	6,129	6,417	5,271
Japan	Trade Balance	(4,777)	(5,408)	(4,449)	(5,004)	(5,523)	(4,591)
Germany	Export	85	84	80	85	76	56
Germany	Import	26	22	22	24	20	16
Germany	Trade Balance	59	62	58	62	56	40
France	Export	--	--	--	--	--	--
France	Import	21	15	23	32	23	19
France	Trade Balance	(21)	(15)	(23)	(32)	(23)	(19)
Czech Republic	Export	21	23	23	25	18	14
Czech Republic	Import	3	2	2	3	3	3
Czech Republic	Trade Balance	18	20	21	22	16	11
Kazakhstan	Export	3	2	3	3	4	2
Kazakhstan	Import	0	0	0	0	1	1
Kazakhstan	Trade Balance	3	2	2	3	3	1
India	Export	287	263	240	554	594	--
India	Import	5,470	5,514	5,897	9,261	10,024	--
India	Trade Balance	(5,183)	(5,251)	(5,657)	(8,707)	(9,430)	--

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheadings 2835.39, accessed March 8, 2024. These data may be overstated as HS subheadings 2835.39 may contain products outside the scope of this/these reviews.

Note: France did not report export data to GTA, and India did not report trade data for the year 2023 as indicated by "–". Because of rounding, figures may not subtract to trade balance shown. Shares and ratios shown as "0.0" percent represent non-zero values less than "0.05" percent. Zeros mean there was no trade. Null values and undefined calculations shown as "--".

APPENDIX A

FEDERAL REGISTER NOTICES

The Commission makes available notices relevant to its investigations and reviews on its website, www.usitc.gov. In addition, the following tabulation presents, in chronological order, Federal Register notices issued by the Commission and Commerce during the current proceeding.

Citation	Title	Link
89 FR 6547 February 1, 2024	*Sodium Hexametaphosphate From China; Institution of a Five-Year Review*	https://www.govinfo.gov/content/pkg/FR-2024-02-01/pdf/2024-01912.pdf
89 FR 6499 February 1, 2024	*Initiation of Five-Year (Sunset) Reviews*	https://www.govinfo.gov/content/pkg/FR-2024-02-01/pdf/2024-02001.pdf

APPENDIX B

COMPANY-SPECIFIC DATA

* * * * * * *

APPENDIX C

SUMMARY DATA

Table C-1
SHMP: Summary data concerning the U.S. market, 2004-06, January-September 2006, and January-September 2007

* * * * * * *

APPENDIX D

PURCHASER QUESTIONNAIRE RESPONSES

As part of their response to the notice of institution, interested parties were asked to provide a list of three to five leading purchasers in the U.S. market for the domestic like product. A response was received from the domestic interested parties providing contact information for the following five firms as top purchasers of sodium hexametaphosphate: ***. Purchaser questionnaires were sent to these five firms and one firm (***) provided a response, which is presented below.

1. Have there been any significant changes in the supply and demand conditions for finished sodium hexametaphosphate that have occurred in the United States or in the market for sodium hexametaphosphate in China since January 1, 2019?

Purchaser	Yes / No	Changes that have occurred
***	***	***.

2. Do you anticipate any significant changes in the supply and demand conditions for sodium hexametaphosphate in the United States or in the market for sodium hexametaphosphate in China within a reasonably foreseeable time?

Purchaser	Yes / No	Anticipated changes
***	***	***.