

Dated: February 27, 2007.

**David M. Spooner,**

*Assistant Secretary for Import Administration.*

## Appendix

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-570-905]

#### Initiation of Antidumping Duty Investigation: Sodium Hexametaphosphate From the People's Republic of China

**AGENCY:** Import Administration, International Trade Administration, Department of Commerce

**EFFECTIVE DATE:** March 6, 2007.

**FOR FURTHER INFORMATION CONTACT:**

Christopher Riker or Erin Begnal, AD/CVD Operations, Office 9, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3441 or (202) 482-1442, respectively.

#### Initiation of Investigation

##### *The Petition*

On February 8, 2007, the Department of Commerce ("Department") received a petition on imports of sodium hexametaphosphate ("SHMP") from the People's Republic of China ("PRC") filed in proper form by ICL Performance Products, LP and Innophos, Inc. ("Petitioners"). The period of investigation ("POI") is July 1, 2006, through December 31, 2006.

In accordance with section 732(b) of the Tariff Act of 1930, as amended ("the Act"), Petitioners alleged that imports of SHMP from the PRC are being, or are

likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Act, and that such imports are materially injuring and threaten to materially injure an industry in the United States. The Department issued supplemental questions to Petitioners on February 12, 2007, and February 21, 2007. Petitioners filed their responses on February 16, 2007, and February 23, 2007.

#### *Scope of Investigation*

The merchandise subject to this investigation 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  $\text{NaPO}_3$  units. SHMP has a  $\text{P}^{20}_5$  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, HTSUS. It may also be imported as a blend or mixture under heading 3823.90.3900, 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 investigation, the narrative description is dispositive, not the tariff heading, CAS registry number or CAS name.

The product covered by this investigation includes SHMP in all grades, whether food grade or technical grade. The product covered by this investigation includes SHMP without regard to chain length i.e., whether regular or long chain. The product covered by this investigation includes SHMP without regard to physical form, whether glass, sheet, crushed, granule, powder, fines, or other form.

However, the product covered by this investigation 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.

#### *Comments on Scope of Investigation*

During our review of the petition, we discussed the scope with Petitioners to ensure that it accurately reflects the product for which the domestic industry is seeking relief. Moreover, as discussed in the preamble to the Department's regulations, we are setting aside a period for interested parties to raise issues regarding product coverage. See Antidumping Duties; Countervailing Duties; Final Rule, 62 FR 27296, 27323 (May 19, 1997). The Department encourages all interested parties to submit such comments within 20 calendar days of publication of this initiation notice. Comments should be addressed to Import Administration's Central Records Unit in Room 1870, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230. The period of scope consultations is intended to provide the Department with ample opportunity to consider all comments and consult with interested parties prior to the issuance of the preliminary determination.

#### *Determination of Industry Support for the Petition*

Section 732(b)(1) of the Act requires that a petition be filed by an interested party described in subparagraph (C), (D), (E), (F) or (G) of section 771(9) of the Act, by or on behalf of the domestic industry. In order to determine whether a petition has been filed by or on behalf of the domestic industry, the Department, pursuant to section 732(c)(4)(A) of the Act, determines whether a minimum percentage of the relevant industry supports the petition. A petition meets this requirement if the domestic producers or workers who support the petition account for: (i) At least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 732(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, the Department shall: (i) Poll the industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A), or (ii) if there is a large number of producers in the industry the Department may determine industry support using a statistically valid sampling method.

Section 771(4)(A) of the Act defines the "industry" as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs the Department to look to producers and workers who produce the domestic like product. The International Trade Commission ("ITC"), which is responsible for determining whether "the domestic industry" has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both the Department and the ITC must apply the same statutory definition regarding the domestic like product (section 771(10) of the Act), they do so for different purposes and pursuant to a separate and distinct authority. In addition, the Department's determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to law. See *USEC, Inc. v. United States*, 132 F. Supp. 2d 1, 8 (CIT 2001), citing *Algoma Steel Corp. Ltd. v. United States*, 688 F. Supp. 639, 644 (1988), *aff'd* 865 F.2d 240 (Fed. Cir. 1989), *cert. denied* 492 U.S. 919 (1989).

Section 771(10) of the Act defines the "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 title." Thus, the reference point from which the domestic like product analysis begins is "the article subject to an investigation," (i.e., the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition).

With regard to the domestic like product, Petitioners do not offer a definition of domestic like product distinct from the scope of the investigation. Based on our analysis of the information submitted on the record, we have determined that SHMP constitutes a single domestic like product and we have analyzed industry support in terms of that domestic like product. For a discussion of the domestic like product analysis in this case, see Antidumping Investigation Initiation Checklist: Sodium Hexametaphosphate from the People's Republic of China ("PRC") at Attachment I ("Initiation Checklist"), on file in the Central Records Unit, Room B-099 of the main Department of Commerce building.

Our review of the data provided in the petition, supplemental submissions, and other information readily available to the Department indicates that Petitioners have established industry

support representing at least 25 percent of the total production of the domestic like product, and more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for or opposition to the petition, requiring no further action by the Department pursuant to section 732(c)(4)(D) of the Act. Therefore, the domestic producers (or workers) who support the petition account for at least 25 percent of the total production of the domestic like product, and the requirements of section 732(c)(4)(A)(i) of the Act are met. Furthermore, the domestic producers who support the petition account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Thus, the requirements of section 732(c)(4)(A)(ii) of the Act also are met. Accordingly, the Department determines that the petition was filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act. See Initiation Checklist at Attachment I (Industry Support).

The Department finds that Petitioners filed the petition on behalf of the domestic industry because they are an interested party as defined in sections 771(9)(C) of the Act and they have demonstrated sufficient industry support with respect to the antidumping investigation that they are requesting the Department initiate. See Initiation Checklist at Attachment I (Industry Support).

#### Export Price

Petitioners provided numerous U.S. price quotes for SHMP manufactured in the PRC and offered for sale in the United States. However, the Department notes that a number of these prices, as quoted, were prior to the POI. Therefore, the Department has only examined prices within the POI or more contemporaneous. These prices were for SHMP within the scope of this Petition, for delivery to the U.S. customer within the POI. Petitioners deducted the costs associated with exporting and delivering the product, including ocean freight and insurance charges, foreign inland freight costs, and foreign brokerage and handling from the prices. See Initiation Checklist at 6-7.

In addition, while Petitioners also calculated margins using a U.S. price based on the average unit values ("AUVs") of imports during the POI available from the International Trade Commission for HTSUS subheading 2835.39.5000, because adequate pricing information is available using the above-detailed price quotations, the

Department need not address the AUV margin calculations for this initiation, consistent with the Department's prior practice. See Notice of Initiation of Antidumping Duty Investigation: Tetrahydrofurfuryl Alcohol from the People's Republic of China, 68 FR 42686 (July 18, 2003). However, should the need arise to use any of this information as facts available under section 776 of the Act in our preliminary or final determinations, we may re-examine the information and revise the margin calculations, if appropriate.

#### Normal Value

Petitioners stated that the PRC is a non-market economy ("NME") and no determination to the contrary has been made by the Department to date. Recently, the Department examined the PRC's market status and determined that NME status should continue for the PRC. See Memorandum from the Office of Policy to David M. Spooner, Assistant Secretary for Import Administration, regarding The People's Republic of China Status as a Non-Market Economy (May 15, 2006). In addition, in a recent antidumping duty investigation, the Department also determined that the PRC is a NME. See, e.g., Notice of Final Determination of Sales at Less Than Fair Value and Final Partial Affirmative Determination of Critical Circumstances: Diamond Sawblades and Parts Thereof from the People's Republic of China, 71 FR 29303 (May 22, 2006).

In accordance with section 771(18)(C)(i) of the Act, the presumption of NME status remains in effect until revoked by the Department. The presumption of NME status for the PRC has not been revoked by the Department and remains in effect for purposes of the initiation of this investigation. Accordingly, the normal value of the product is appropriately based on factors of production valued in a surrogate market economy country in accordance with section 773(c) of the Act. In the course of this investigation, all parties will have the opportunity to provide relevant information related to the issues of the PRC's NME status and the granting of separate rates to individual exporters.

Petitioners selected India as the surrogate country. Petitioners argued that, pursuant to section 773(c)(4) of the Act, India is an appropriate surrogate because it is a market-economy country that is at a comparable level of economic development to the PRC and is a significant producer of SHMP. Based on the information provided by Petitioners, we believe that its use of India as a surrogate country is

appropriate for purposes of initiating this investigation. After the initiation of the investigation, we will solicit comments regarding surrogate country selection. Also, pursuant to 19 CFR 351.301(c)(3)(i), interested parties will be provided an opportunity to submit publicly available information to value factors of production within 40 days after the date of publication of the preliminary determination.

Petitioners provided dumping margin calculations using the Department's NME methodology as required by 19 CFR 351.202(b)(7)(i)(C) and 19 CFR 351.408. Petitioners calculated normal values based on consumption rates for producing SHMP experienced by U.S. producers for producing SHMP in an integrated facility and a non-integrated facility. See Initiation Checklist. In accordance with section 773(c)(4) of the Act, Petitioners valued factors of production, where possible, on reasonably available, public surrogate country data. To value certain factors of production, Petitioners used official Indian government import statistics, excluding those values from countries previously determined by the Department to be NME countries and excluding imports into India from Indonesia, the Republic of Korea and Thailand, because the Department has previously excluded prices from these countries because they maintain broadly-available, non-industry specific export subsidies. See, e.g., Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China: Final Results of 1999–2000 Administrative Review, Partial Rescission of Review, and Determination Not to Revoke Order in Part, 66 FR 57420 (November 15, 2001), and accompanying Issues and Decision Memorandum at Comment 1. For valuing other factors of production, Petitioners used the same sources, where appropriate, recently used in the Preliminary Determination of Sales at Less Than Fair Value and Partial Affirmative Determination of Critical Circumstances: Certain Polyester Staple Fiber from the People's Republic of China, 71 FR 77373 (December 26, 2006), and inflated these values to be contemporaneous with the POI where necessary.

For inputs valued in Indian rupees and not contemporaneous with the POI, Petitioners used information from the wholesale price indices ("WPI") in India as published by the Reserve Bank of India ("RBI") for input prices during the period preceding the POI. In addition, Petitioners made currency conversions, where necessary, based on the average rupee/U.S. dollar exchange

rate for the POI, as reported on the Department's Web site. See <http://ia.ita.doc.gov/exchange/index.html>.

For the normal value calculations, Petitioners derived the figures for factory overhead, selling, general and administrative expenses ("SG&A"), and profit from the financial ratios of two Indian producers of SHMP or comparable merchandise.<sup>1</sup> Petitioners derived these financial ratios from Gujarat Alkalies and Chemicals Ltd. for the integrated production process and from the Aditya Birla Group for the non-integrated production process.

#### *Fair Value Comparisons*

Based on the data provided by Petitioners, there is reason to believe that imports of SHMP from the PRC are being, or are likely to be, sold in the United States at less than fair value. Based upon comparisons of supported export prices to the two normal values, calculated in accordance with section 773(c) of the Act, the estimated calculated dumping margins for SHMP from the PRC range from 76.69 percent to 103.62 percent. See Initiation Checklist at 9–10 for these calculations.

#### *Allegations and Evidence of Material Injury and Causation*

Petitioners allege that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the individual and cumulated imports of the subject merchandise sold at less than NV. Petitioners contend that the industry's injured condition is illustrated by the decline in customer base, market share, domestic shipments, prices and financial performance. We have assessed the allegations and supporting evidence regarding material injury and causation, and we have determined that these allegations are properly supported by adequate evidence and meet the statutory requirements for initiation. See Initiation Checklist at Attachment II.

#### *Separate Rates Application*

The Department recently modified the process by which exporters and producers may obtain separate-rate status in NME investigations. See Policy Bulletin 05.1: Separate-Rates Practice and Application of Combination Rates in Antidumping Investigations Involving Non-Market Economy Countries (Separate Rates and Combination Rates Bulletin), (April 5, 2005), available on the Department's

<sup>1</sup> For a description of the comparable merchandise, as described by Petitioners, see Petition at 23–24.

Web site at <http://ia.ita.doc.gov/policy/bull05-1.pdf> ("Separate Rates and Combination Rates Bulletin"). The process requires the submission of a separate-rate status application. Based on our experience in processing the separate rates applications in, for example, the antidumping duty investigations of Certain Lined Paper products from India, Indonesia, and the People's Republic of China and Diamond Sawblades and Parts Thereof from the People's Republic of China and the Republic of Korea, we have modified the application for this investigation to make it more administrable and easier for applicants to complete. See Initiation of Antidumping Duty Investigations: Certain Lined Paper Products from India, Indonesia, and the People's Republic of China, 70 FR 58374, 58379 (October 6, 2005) ("Lined Paper Initiation"), Initiation of Antidumping Duty Investigations: Diamond Sawblades and Parts Thereof from the People's Republic of China and the Republic of Korea, 70 FR 35625, 35629 (June 21, 2005) ("Sawblades Initiation"), and Initiation of Antidumping Duty Investigation: Certain Artist Canvas From the People's Republic of China, 70 FR 21996, 21999 (April 28, 2005) ("Artist Canvas Initiation"). The specific requirements for submitting the separate-rates application in this investigation are outlined in detail in the application itself, which will be available on the Department's Web site at <http://ia.ita.doc.gov/ia-highlights-and-news.html> on the date of publication of this initiation notice in the **Federal Register**. The separate rates application is due no later than May 4, 2007.

#### *NME Respondent Selection and Quantity and Value Questionnaire*

For NME investigations, it is the Department's practice to request quantity and value information from all known exporters identified in the petition. Although many NME exporters respond to the quantity and value information request, at times some exporters may not have received the quantity and value questionnaire or may not have received it in time to respond by the specified deadline. Therefore, in addition, the Department typically requests the assistance of the NME government in transmitting the Department's quantity and value questionnaire to all companies who manufacture and export subject merchandise to the United States, as well as to manufacturers who produce the subject merchandise for companies who were engaged in exporting subject

merchandise to the United States during the period of investigation. The quantity and value data received from NME exporters is used as the basis to select the mandatory respondents.

The Department requires that the respondents submit a response to both the quantity and value questionnaire and the separate-rates application by the respective deadlines in order to receive consideration for separate-rate status. Appendix I of this notice contains the quantity and value questionnaire that must be submitted by all NME exporters no later than April 4, 2007. In addition, the Department will post the quantity and value questionnaire along with the filing instructions on the Import Administration's Web site, <http://ia.ita.doc.gov/ia-highlights-and-news.html>. The Department will also send the quantity and value questionnaire to those exporters identified in Exhibit AD-3 of the petition and the NME government.

*Use of Combination Rates in an NME Investigation*

The Department will calculate combination rates for certain respondents that are eligible for a separate rate in this investigation. The Separate Rates and Combination Rates Bulletin, states:

{w}hile continuing the practice of assigning separate rates only to exporters, all separate rates that the Department will now assign in its NME investigations will be specific to those producers that supplied the exporter during the period of investigation. Note, however, that one rate is calculated for the exporter and all of the producers which supplied subject merchandise to it during the period of investigation. This practice applies

both to mandatory respondents receiving an individually calculated separate rate as well as the pool of non-investigated firms receiving the weighted-average of the individually calculated rates. This practice is referred to as the application of "combination rates" because such rates apply to specific combinations of exporters and one or more producers. The cash-deposit rate assigned to an exporter will apply only to merchandise both exported by the firm in question and produced by a firm that supplied the exporter during the period of investigation.

See Separate Rates and Combination Rates Bulletin, at page 6.

*Initiation of Antidumping Investigation*

Based upon our examination of the petition on SHMP from the PRC, we find that this petition meets the requirements of section 732 of the Act. Therefore, we are initiating an antidumping duty investigation to determine whether imports of SHMP from the PRC are being, or are likely to be, sold in the United States at less than fair value. Unless postponed, we will make our preliminary determinations no later than 140 days after the date of these initiations. See section 733(b)(1)(A) of the Act.

*Distribution of Copies of the Petition*

In accordance with section 732(b)(3)(A) of the Act, a copy of the public version of the petition has been provided to the government of the PRC.

*International Trade Commission Notification*

We have notified the ITC of our initiation, as required by section 732(d) of the Act.

*Preliminary Determination by the ITC*

The ITC will preliminarily determine, within 25 days after the date on which it receives notice of this initiation, whether there is a reasonable indication that imports of SHMP from the PRC are causing material injury, or threatening to cause material injury, to a U.S. industry. See section 733(a)(2)(A)(i) of the Act. A negative ITC determination will result in the investigation being terminated; otherwise, this investigation will proceed according to statutory and regulatory time limits.

This notice is issued and published pursuant to section 777(i) of the Act.

Dated: February 28, 2007.

**David M. Spooner,**  
*Assistant Secretary for Import Administration.*

**Appendix I**

Where it is not practicable to examine all known producers/exporters of subject merchandise because of the large number of exporters or producers included in the investigation, section 777A(c)(2) of the Tariff Act of 1930 (as amended) permits us to investigate (1) a sample of exporters, producers, or types of products that is statistically valid based on the information available at the time of selection, or (2) exporters and producers accounting for the largest volume and value of the subject merchandise that can reasonably be examined.

In the chart below, please provide the total quantity and total value of all your sales of merchandise covered by the scope of this investigation (see scope section of this notice), produced in the PRC, and exported/shipped to the United States during the period July 1, 2006, through December 31, 2006.

Market	Total quantity	Terms of sale	Total value
United States 1. Export Price Sales 2. a. Exporter name b. Address c. Contact d. Phone No. e. Fax No. 3. Constructed Export Price Sales 4. Further Manufactured Total Sales			

Total Quantity:  
 • Please report quantity on a metric ton basis. If any conversions were used, please provide the conversion formula and source.  
 Terms of Sales:  
 • Please report all sales on the same terms (e.g., free on board).  
 Total Value:  
 • All sales values should be reported in U.S. dollars. Please indicate any exchange

rates used and their respective dates and sources.  
 Export Price Sales:  
 • Generally, a U.S. sale is classified as an export price sale when the first sale to an unaffiliated person occurs before importation into the United States.  
 • Please include any sales exported by your company directly to the United States.  
 • Please include any sales exported by your company to a third-country market

economy reseller where you had knowledge that the merchandise was destined to be resold to the United States.  
 • If you are a producer of subject merchandise, please include any sales manufactured by your company that were subsequently exported by an affiliated exporter to the United States.  
 • Please do not include any sales of merchandise manufactured in Hong Kong in your figures.

**Constructed Export Price Sales:**

• Generally, a U.S. sale is classified as a constructed export price sale when the first sale to an unaffiliated person occurs after importation. However, if the first sale to the unaffiliated person is made by a person in the United States affiliated with the foreign exporter, constructed export price applies even if the sale occurs prior to importation.

• Please include any sales exported by your company directly to the United States.

• Please include any sales exported by your company to a third-country market economy reseller where you had knowledge that the merchandise was destined to be resold to the United States.

• If you are a producer of subject merchandise, please include any sales manufactured by your company that were subsequently exported by an affiliated exporter to the United States.

• Please do not include any sales of merchandise manufactured in Hong Kong in your figures.

**Further Manufactured:**

• Further manufacture or assembly costs include amounts incurred for direct materials, labor and overhead, plus amounts for general and administrative expense, interest expense, and additional packing expense incurred in the country of further manufacture, as well as all costs involved in moving the product from the U.S. port of entry to the further manufacturer.

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**DEPARTMENT OF COMMERCE****International Trade Administration**

[A-821-801]

**Solid Urea from Russia: Notice of Initiation of Antidumping Duty New-Shipper Review**

**AGENCY:** Import Administration, International Trade Administration, Department of Commerce.

**EFFECTIVE DATE:** March 6, 2007.

**SUMMARY:** On January 25, 2007, the Department of Commerce received a request to conduct a new-shipper review of the antidumping duty order on solid urea from Russia. In accordance with section 751(a)(2)(B) of the Tariff Act of 1930, as amended, and 19 CFR 351.214(d) (2005), we are initiating an antidumping duty new-shipper review.

**FOR FURTHER INFORMATION CONTACT:**

Thomas Schauer or Minoo Hatten at (202) 482-0410 and (202) 482-1690, respectively, Office 5, AD/CVD Operations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230.

**SUPPLEMENTARY INFORMATION:****Background**

On May 26, 1987, the Department of Commerce (the Department) published its final determination in the investigation of solid urea from the Union of Soviet Socialist Republics (Soviet Union), finding dumping margins of 68.26 percent for Soyuzpromexport, 53.23 percent for Phillip Brothers, and 68.26 as the country-wide rate (52 FR 19557). On July 14, 1987, following an affirmative injury determination by the International Trade Commission, the Department issued an antidumping duty order on solid urea from the Soviet Union. Following the break-up of the Soviet Union, the antidumping duty order on solid urea from the Soviet Union was transferred to the individual members of the Commonwealth of Independent States. See *Solid Urea from the Union of Soviet Socialist Republics; Transfer of the AD Order on Solid Urea from the Union of Soviet Socialist Republics to the Commonwealth of Independent States and the Baltic States and Opportunity to Comment*, 57 FR 28828 (June 29, 1992). The rates established in the most recently completed administrative review for the Soviet Union (which, because there were no shipments of urea during the review period, remained the same as those found in the investigation) were applied to each new independent state, including Russia. On September 3, 1999, the Department published the final results of the first sunset review of solid urea from Russia finding likelihood of continued or recurring dumping at the rates established in the original investigation. See *Final Results of Expedited Sunset Reviews: Solid Urea from Armenia, Belarus, Estonia, Lithuania, Russia, Ukraine, Tajikistan, Turkmenistan, and Uzbekistan*, 64 FR 48357 (September 3, 1999). On January 5, 2006, the Department published the final results of the second sunset review of solid urea from Russia finding likelihood of continued or recurring dumping at the rates established in the original investigation. See *Notice of Continuation of Antidumping Duty Orders: Solid Urea from the Russian Federation and Ukraine*, 71 FR 581 (January 5, 2006). There have been no administrative reviews since the issuance of the antidumping duty order.

On January 25, 2007, the Department received a timely request for a new-shipper review of the antidumping duty order on solid urea from Russia from MCC EuroChem (EuroChem). On January 31, 2007, EuroChem submitted additional certifications to supplement its request for a new-shipper review in

response to our telephone call of the same. See memorandum to file dated January 31, 2007. EuroChem certified that it is both the producer and exporter of the subject merchandise upon which the request for a new-shipper review is based.

Pursuant to section 751(a)(2)(B)(i)(I) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.214(b)(2)(i), EuroChem certified that it did not export solid urea to the United States during the period of investigation (POI). In addition, pursuant to section 751(a)(2)(B)(i)(II) of the Act and 19 CFR 351.214(b)(2)(iii)(A), EuroChem certified that, since the initiation of the investigation, it has never been affiliated with any Russian exporter or producer who exported solid urea to the United States during the POI, including those not individually examined during the investigation.

In addition to the certifications described above, pursuant to 19 CFR 351.214(b)(2)(iv), EuroChem submitted documentation establishing the date on which EuroChem first shipped solid urea for export to the United States and the date on which the solid urea was first entered, or withdrawn from warehouse, for consumption, the volume of its first shipment, and the date of its first sale to an unaffiliated customer in the United States.

The Department conducted a query of the U.S. Customs and Border Protection (CBP) database to confirm that EuroChem's shipment of subject merchandise had entered the United States for consumption and had been suspended for antidumping duties. The Department also corroborated EuroChem's assertion that it made no subsequent shipments to the United States by reviewing CBP data.

On February 16, 2007, the Ad Hoc Committee of Domestic Nitrogen Producers (the petitioner) submitted a letter arguing that the respondent was not eligible for a new-shipper review because the producer of the subject merchandise to be reviewed, OJSC Nevinnomysskiy Azot (Nevinka), was affiliated with the exporter and producers during the POI. The petitioner also argued that the request was incomplete because EuroChem did not also file a certification from Nevinka certifying that it never shipped subject merchandise to the United States during the POI.

**Initiation of Review**

Pursuant to section 751(a)(2)(B) of the Act and 19 CFR 351.214(d)(1), the Department finds that EuroChem's request meets the threshold requirements for initiation of a new-