V. Discussion of the Issues
Comment 1: Application of Adverse Facts Available (AFA) to the China-wide Entity
Comment 2: Whether to Assign the China-wide Entity Rate to the Separate Rate Applicant
Comment 3: Whether the Scope of the Investigation Should be Modified
VI. Recommendation
[FR Doc. 2018–20606 Filed 9–20–18; 8:45 am]
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DEPARTMENT OF COMMERCE
International Trade Administration
[C–570–072]
Sodium Gluconate, Gluconic Acid and Derivative Products From the People’s Republic of China: Final Affirmative Countervailing Duty Determination

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) determines that countervailable subsidies are being provided to producers and exporters of sodium gluconate, gluconic acid and derivative products from the People’s Republic of China (China).


FOR FURTHER INFORMATION CONTACT: Robert Galantucci or Jonathan Hill, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone (202) 482–2923 or (202) 482–3518, respectively.

SUPPLEMENTARY INFORMATION:

Background
This final determination is made in accordance with section 705 of the Tariff Act of 1930, as amended (the Act). The petitioner in this investigation is PMP Fermentation Products, Inc. The mandatory respondents in this investigation are Qingdao Dongxiao Enterprise Co., Ltd. (Qingdao Dongxiao), Shandong Fuyang Biotechnology Co. (Fuyang), Shandong Kaison Biochemical Co Ltd (Kaison), and Tongxiang Hongyu Chemical Co., Ltd. (Hongyu Chemical). Commerce, Kaison, and Qingdao Dongxiao did not respond to any of our requests for information.

We published our Preliminary Determination on May 23, 2018. On May 30, 2018, Fuyang, the sole respondent to provide a questionnaire response in this investigation, notified Commerce that it would no longer be participating in the proceeding. On June 21, 2018, the petitioner submitted a case brief. We received no comments from other interested parties.

Additional background on this case, including a summary of events that occurred since Commerce published the Preliminary Determination, and a discussion of comments from the petitioner, are provided in the Issues and Decision Memorandum, which is hereby adopted by this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance’s Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at https://access.trade.gov and is available to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at http://enforcement.trade.gov. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

Scope of the Investigation
The products covered by this investigation are sodium gluconate, gluconic acid, and derivative products from China. We have made no changes to the scope of the investigation, as published in the Preliminary Determination. For a complete description of the scope of this investigation, see Appendix I to this notice.

Period of Investigation
The period of investigation is January 1, 2016, through December 31, 2016.

Analysis of Comments Received
All issues raised in the case brief submitted by the petitioner are addressed in the Issues and Decision Memorandum accompanying this notice. A list of the issues addressed in the memorandum is attached to this notice at Appendix II.

Adverse Facts Available
In this final determination, we continue to apply facts available with an adverse inference to Fuyang, Hongyu Chemical, Kaison, and Qingdao Dongxiao. For purposes of this final determination, we relied on facts available and, because the respondents did not respond, or did not act to the best of their ability in responding to, our requests for information, we drew adverse inferences in selecting from among the facts otherwise available, pursuant to sections 776(a)–(b) of the Act. A detailed discussion of our application of adverse facts available was provided in the Preliminary Decision Memorandum accompanying our Preliminary Determination, and additional discussion is contained in the Issues and Decision Memorandum accompanying this notice.

Changes Since the Preliminary Determination
In our Preliminary Determination, we applied adverse facts available to calculate the subsidy rates for all mandatory respondents. We have made no changes to our analysis, or to the respondents’ subsidy rates, for this final determination.

Final Determination
With respect to the “all-others” rate, section 705(c)(5)(A)(ii) of the Act provides that if the countervailing duty rates established for all exporters and producers individually investigated are determined entirely in accordance with section 776 of the Act, Commerce may use any reasonable method to establish an all-others rate for exporters and producers not individually investigated. In this case, the rates assigned to Fuyang, Hongyu Chemical, Kaison, and


[6] See 83 FR at 23888 (noting that Commerce would consider scope comments from interested parties and implement any changes to the scope in the final countervailing duty determination).

[7] See 83 FR at 23888 (noting that Commerce would consider scope comments from interested parties and implement any changes to the scope in the final countervailing duty determination).
Qingdao Dongxiao are based entirely on facts otherwise available, with adverse inferences, under section 776 of the Act. Because there is no other information on the record with which to determine an all-others rate, in accordance with section 705(c)(9)(A)(ii) of the Act, we have established the all-others rate by applying the countervailable subsidy rates for mandatory respondents Fuyang, Hongyu Chemical, Kaison, and Qingdao Dongxiao. The final countervailable subsidy rates are summarized in the table below.

<table>
<thead>
<tr>
<th>Producer/exporter</th>
<th>Subsidy rate (percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Qingdao Dongxiao Enterprise Co., Ltd</td>
<td>194.67</td>
</tr>
<tr>
<td>Shandong Fuyang Biotechnology Co</td>
<td>194.67</td>
</tr>
<tr>
<td>Shandong Kaison Biochemical Co Ltd</td>
<td>194.67</td>
</tr>
<tr>
<td>Tongxiang Hongyu Chemical Co., Ltd</td>
<td>194.67</td>
</tr>
<tr>
<td>All-Others</td>
<td>194.67</td>
</tr>
</tbody>
</table>

**Disclosure**

We described the subsidy rate calculations, which were based on adverse facts available, in the Preliminary Decision Memorandum. As noted above, there are no changes to our calculations. Thus, no additional disclosure is necessary for this final determination.

**Continuation of Suspension of Liquidation**

As a result of our Preliminary Determination and pursuant to section 703(d) of the Act, we instructed U.S. Customs and Border Protection (CBP) to suspend liquidation of any entries of merchandise under consideration from China that were entered, or withdrawn from warehouse, for consumption on or after May 23, 2018, the date of publication of the Preliminary Determination in the Federal Register. Additionally, at that time, we instructed CBP to collect cash deposits of estimated countervailing duties at the rates assigned in the Preliminary Determination. The suspension of liquidation and collection of cash deposits remains in effect until further notice.7

If the U.S. International Trade Commission (ITC) issues a final affirmative injury determination, we will issue a countervailing duty order, will reinstate the suspension of liquidation under section 706(a) of the Act, and will require a cash deposit of estimated countervailing duties for entries of subject merchandise in the amounts indicated above. If the ITC determines that material injury, or threat of material injury, does not exist, this proceeding will be terminated, and all estimated duties deposited as a result of the suspension of the suspension of liquidation will be refunded.

**ITC Notification**

In accordance with section 705(d) of the Act, we will notify the ITC of our determination. In addition, we are making available to the ITC all non-privileged and non-proprietary information relating to this investigation. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under an administrative protective order (APO), without the written consent of the Acting Assistant Secretary for Enforcement and Compliance.

**Notification Regarding APOs**

This notice serves as a reminder to parties to an APO of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials or, alternatively, conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and terms of an APO is a violation that is subject to sanction.

**Notification to Interested Parties**

This determination is published pursuant to section 705(d) and 777(i) of the Act and 19 CFR 351.210(c). Dated: September 17, 2018.

Gary Taverner,
Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.

**Appendix I**

**Scope of the Investigation**

The scope of this investigation covers all grades of sodium gluconate, gluconic acid, liquid gluconate, and glucono delta lactone (GDL) (collectively, GNA products), regardless of physical form (including, but not limited to substrates; solutions; dry granular form or powders, regardless of particle size; or as a slurry). The scope also includes GNA products that have been blended or are in solution with other product(s) where the resulting mix contains 35 percent or more of sodium gluconate, gluconic acid, liquid gluconate, and/or GDL by dry weight.

Sodium gluconate has a molecular formula of NaC6H7O7. Sodium gluconate has a Chemical Abstract Service (CAS) registry number of 527–07–1, and can also be called “sodium salt of gluconic acid” and/or sodium 2, 3, 4, 5, 6-pentahydroxyhexanoate. Gluconic acid has a molecular formula of C6H12O6. Gluconic acid has a CAS registry number of 526–95–4, and can also be called 2, 3, 4, 5, 6-pentahydroxyhexanoic acid. Liquid gluconate is a blend consisting only of gluconic acid and sodium gluconate in an aqueous solution. Liquid gluconate has CAS registry numbers of 527–07–1, 526–95–4, and 7732–18–5, and can also be called 2, 3, 4, 5, 6-pentahydroxyhexanoic acid-hexanoate. GDL has a molecular formula of C6H10O6. GDL has a CAS registry number of 90–80–2, and can also be called d-glucono-1,5-lactone.

The merchandise covered by the scope of this investigation is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 2918.16.1000, 2918.16.5010, and 2932.20.5020. Merchandise covered by the scope may also enter under HTSUS subheadings 2918.16.5050, 3824.99.2890, and 3824.99.9295. Although the HTSUS subheadings and CAS registry numbers are provided for convenience and customs purposes, the written description of the merchandise is dispositive.

**Appendix II**

**List of Topics Discussed in the Issues and Decision Memorandum**

I. Summary
II. Background
III. Scope of the Investigation
IV. Use of Facts Otherwise Available and Adverse Inferences
V. Analysis of Comments
Comment 1: Application of Total Adverse Facts Available to Hongyu Chemical, Kaison, and Qingdao Dongxiao
Comment 2: Application of Total Adverse Facts Available to Fuyang
Comment 3: Whether the Scope of the Investigation Should be Modified
VI. Recommendation

[FR Doc. 2018–20605 Filed 9–20–18; 8:45 am]

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