FACT SHEET

Final Determinations in the Antidumping Duty Investigations on Certain Frozen and Canned Warmwater Shrimp from the People's Republic of China and the Socialist Republic of Vietnam

On November 30, the Department announced its final determinations in the antidumping duty investigations on imports of certain frozen and canned warmwater shrimp from the People's Republic of China (PRC) and the Socialist Republic of Vietnam (Vietnam). We find that, with the exception of one Chinese producer/exporter, Zhangjiang Guolian Aquatic Products Co., Ltd., Chinese and Vietnamese producers/exporters have sold frozen and canned warmwater shrimp in the U.S. market at less than fair value, with margins ranging from 27.89 to 112.81 percent for imports from the PRC and 4.13 to 25.76 percent for imports from Vietnam.

Next Steps: The U.S. International Trade Commission (ITC) is scheduled to make its final injury determinations on or about January 12, 2005. If the ITC makes a final affirmative determination that imports are materially injuring, or threatening to materially injure, the domestic industry, the Department will issue an antidumping duty order and will instruct U.S. Customs and Border Protection (Customs) to collect cash deposits on imports of subject merchandise.

Companies Qualifying for a "Separate Rate": The Department has determined that certain Chinese and Vietnamese companies that voluntarily responded to the Department's Section A questionnaire have demonstrated an absence of government control from their export activities and are eligible to receive "separate-rate" status. The Department will apply the weighted-average dumping margin of the mandatory respondents in each of the investigations to these companies for the purpose of the final determinations. A list of the companies found eligible for a separate rate is attached.

Critical Circumstances: The petitioners alleged critical circumstances with respect to imports of certain frozen and canned warmwater shrimp from China and Vietnam. The Department has determined that critical circumstances exist for all but two Chinese exporters and producers (Zhanjiang Guolian Aquatic Products Co., Ltd. and Shantou Red Garden Foodstuff Co., Ltd.). With regard to Vietnam, the Department continues to find that critical circumstances do not exist.

Petitioner: The petitions requesting the initiation of these investigations were filed on December 31, 2003, by The Ad Hoc Shrimp Trade Action Committee, whose members are located in Alabama, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, and Texas. The list of petitioners was subsequently amended to include Versaggi Shrimp Corporation and Indian Ridge Shrimp Company.

Product Description: The scope of these investigations includes certain warmwater shrimp and prawns, whether frozen or canned, wild-caught (ocean harvested) or farm-raised (produced by

aquaculture), head-on or head-off, shell-on or peeled, tail-on or tail-off,¹ deveined or not deveined, cooked or raw, or otherwise processed in frozen or canned form.

The frozen or canned warmwater shrimp and prawn products included in the scope of the investigations, regardless of definitions in the Harmonized Tariff Schedule of the United States (HTSUS), are products that are processed from warmwater shrimp and prawns through either freezing or canning and that are sold in any count size.

The products described above may be processed from any species of warmwater shrimp and prawns. Warmwater shrimp and prawns are generally classified in, but are not limited to, the *Penaeidae* family. Some examples of the farmed and wild-caught warmwater species include, but are not limited to, whiteleg shrimp, banana prawn, fleshy prawn, giant river prawn, giant tiger prawn, redspotted shrimp, southern brown shrimp, southern pink shrimp, southern rough shrimp, southern white shrimp, blue shrimp, western white shrimp, and Indian white prawn.

Frozen shrimp and prawns that are packed with marinade, spices or sauce are included in the scope of this investigation. In addition, food preparations, which are not "prepared meals," that contain more than 20 percent by weight of shrimp or prawn are also included in the scope of this investigation.

Excluded from the scope are: (1) breaded shrimp and prawns (1605.20.10.20); (2) shrimp and prawns generally classified in the *Pandalidae* family and commonly referred to as coldwater shrimp, in any state of processing; (3) fresh shrimp and prawns whether shell-on or peeled (0306.23.00.20 and 0306.23.00.40); (4) shrimp and prawns in prepared meals (1605.20.05.10); and (5) dried shrimp and prawns.

The products covered by these investigations are currently classifiable under the following HTSUS subheadings: 0306.13.00.03, 0306.13.00.06, 0306.13.00.09, 0306.13.00.12, 0306.13.00.15, 0306.13.00.18, 0306.13.00.21, 0306.13.00.24, 0306.13.00.27, 0306.13.00.40, 1605.20.10.10, 1605.20.10.30, and 1605.20.10.40. These HTSUS subheadings are provided for convenience and customs purposes only and are not dispositive, but rather the written description of the scope of these investigations is dispositive.

The Department has issued nine decisions regarding the scope of the merchandise covered by these investigations: (1) On May 21, 2004, the Department declined to expand the scope of these investigations to include fresh (never frozen) shrimp; (2) on July 2, 2004, pursuant to a request from Ocean Duke, the Department found that its "Seafood Mix" is excluded from the scope of these investigations; (3) on July 2, 2004, the Department found that salad shrimp, sold in counts of 250 pieces or higher, are included within the scope of the these investigations; (4) on July 2, 2004, the Department found *Macrobrachium Rosenbergii* and organic shrimp are included within the scope of these investigations; (5) on July 2, 2004, the Department found that peeled shrimp are included within

¹ "Tails" in this context means the tail fan, which includes the telson and the uropods.

the scope of these investigations; (6) on November 29, 2004, the Department found that shrimp sauce is excluded from the scope of these investigations; (7) on November 29, 2004, the Department found Xian-Ning Seafood Co., Ltd.'s scampi shrimp are included within the scope of these investigations; (8) on November 29, 2004, the Department found certain dusted shrimp² are excluded from the scope of these investigation; and (9) on November 29, 2004, the Department found certain battered shrimp³ are excluded from the scope of these investigations.

COUNTRY	MARGIN
People's Republic of China	
Allied Pacific Group	84.93%
Zhanjiang Guolian Aquatic Products Co., Ltd.	0.07% (de minimis)
Shantou Red Garden Foodstuff Co., Ltd.	27.89%
Yelin Enterprise Co., Hong Kong	82.27%
Separate Rate Margin	55.23%
PRC-Wide Rate	112.81%
Vietnam	
Minh Phu Seafood Corporation	4.21%
Kim Ahn Co., Ltd.	25.76%
Minh Hai Joint Stock Seafoods Processing Co.	4.13%
Camau Frozen Seafood Processing Import Export Corporation	4.99%
Separate Rate Margin	4.38%
Vietnam-Wide Rate	25.76%

Final Dumping Margins:

² Dusted shrimp is a shrimp-based product that (1) is produced from fresh (or thawed-from-frozen) and peeled shrimp; (2) to which a "dusting" layer of rice or wheat flour of at least 95 percent purity has been applied; (3) so that the entire surface of the shrimp flesh is thoroughly and evenly coated with the flour; and (4) the non-shrimp content of the end product constitutes between 4 to 10 percent of the product's total weight after being dusted, but prior to being frozen; and (5) is subjected to IQF freezing immediately after application of the dusting layer.

 $^{^3}$ Battered shrimp is a shrimp based product that, when dusted in accordance with the definition of dusting above, is coated with a wet viscous layer containing egg and/or milk, and par-fried.

Case Calendar:

EVENT	DATE	
Petitions Filed	December 31, 2003	
Initiation Date	January 20, 2004	
ITC Preliminary Determination	February 17, 2004	
ITA Preliminary Determinations	July 2, 2004	
ITA Final Determinations	November 29, 2004	
ITC Final Determinations	January 12, 2005	
Issuance of Order*	January 19, 2005	

*This will take place only in the event of a final affirmative determination by the ITC.

Import Statistics:

COUNTRY		2001	2002	2003
PRC	volume (lbs)	59,886,689	105,953,621	169,452,220
	value (\$)	181,492,512	285,277,518	419,323,287
Vietnam	volume (lbs)	72,817,861	96,996,029	124,503,096
	value (\$)	380,531,228	476,536,555	587,722,452

Source: ITC DataWeb

<u>Certain Frozen and Canned Warmwater Shrimp</u> <u>from the People's Republic of China:</u> <u>Results of Section A Respondents</u>

A. <u>Section A Respondents Receiving a Separate Rate</u>

Asian Seafoods (Zhanjiang) Co., Ltd Beihai Zhengwu Industry Co., Ltd. Chaoyang Qiaofeng Group Co., Ltd. (Shantou Qiaofeng (Group) Co., Ltd.) Chenghai Nichi Lan Food Co., Ltd. Dalian Ftz Sea-Rich International Trading Co., Ltd. **Dongri Aquatic Products Freezing Plants** Fuqing Dongwei Aquatic Products Industry Co., Ltd. Gallant Ocean (Liangjiang) Co., Ltd. Hainan Fruit Vegetable Food Allocation Co., Ltd. Hainan Golden Spring Foods Co., Ltd. Kaifeng Ocean Sky Industry Co., Ltd. Leizhou Zhulian Frozen Food Co., Ltd. Pingyang Xinye Aquatic Products Co., Ltd. Savvy Seafood Inc. Shanghai Taoen International Trading Co., Ltd Shantou Jinyuan District Mingfeng Quick-Frozen Factory Shantou Long Feng Foodstuffs Co., Ltd. Shantou Wanya Food Factory Co., Ltd. Shantou Ocean Freezing Industry and Trade General Corporation Shantou Shengping Oceanstar Business Co., Ltd. Shantou Yuexing Enterprise Company Shantou Ruiyuan Industry Co., Ltd. Shantou Freezing Aquatic Product Food Stuffs Co. Shantou Jinhang Aquatic Industry Co., Ltd. Xuwen Hailang Breeding Co., Ltd. Yantai Wei-Cheng Food Co., Ltd. Zhangjiang Newpro Food Co., Ltd. Zhangjiang Bobogo Ocean Co., Ltd. Zhangjiang Runhai Foods Co., Ltd. Zhanjiang Go-Harvest Aquatic Products Co., Ltd. Zhanjiang Universal Seafood Corp. Zhanjiang Evergreen Aquatic Product Science and Technology Co., Ltd. Zhoushan Lizhou Fishery Co., Ltd. Zhoushan Huading Seafood Co., Ltd. Zhoushan Cereals Oils and Foodstuffs Import and Export Co., Ltd.

B. Section A Respondents Not Receiving a Separate Rate (assigned PRC-wide rate)

Fuqing Longwei Aquatic Foodstuff Co., Ltd. (Longwei Aquatic Foodstuff Co., Ltd.) Jinfu Trading Co., Ltd. Meizhou Aquatic Products Quick Frozen Industry Company, Ltd. Shengping Shantou Shanghai Linghai Fisheries Economic & Trading Co., Ltd. Shantou Sez Xu Hao Fastness Freeze Aquatic Factory Co., Ltd. Taizhou Zhonghuan Industrial Co., Ltd. Zhejiang Evernew Seafood Co., Ltd. Zhejiang Daishan Baofa Aquatic Product Co., Ltd. Zhejiang Cereals, Oils & Foodstuffs Import & Export Co., Ltd. Zhejiang Zhenglong Foodstuffs Co., Ltd. Zhejiang Taizhou Lingyang Aquatic Products Co., Ltd. Zhoushan Zhenyang Developing Co., Ltd. Zhoushan Putuo Huafa Sea Products Co., Ltd. Zhoushan Haichang Food Co., Ltd. Zhoushan Xifeng Aquatic Co., Ltd. Zhoushan Industrial Co., Ltd. Zhoushan Diciyuan Aquatic Products Co., Ltd. ZJ CNF Sea Products Engineering Ltd.

<u>Certain Frozen and Canned Warmwater Shrimp from the</u> <u>Socialist Republic of Vietnam:</u> <u>Results of Section A Respondents</u>

A. <u>Section A Respondents Receiving a Separate Rate</u>

Amanda Foods (Vietnam) Ltd. (Amanda) Aquatic Products Trading Company (APT) Bac Lieu Fisheries Company Limited (Bac Lieu) C.P. Vietnam Livestock Coastal Fisheries Development Corporation (COFIDEC) Cai Doi Vam Seafood Import-Export Company (Cadovimex) Cam Rahn Seafoods Processing Enterprise Company (Cam Rahn) Can Tho Agriculture and Animal Products Import Export Company (CATACO) Cantho Animal Fisheries Product Processing Export Enterprise Cuu Long Seaproducts Company (CUULONG SEAPRO) Danang Seaproducts Import Export Company Hanoi Seaproducts Import Export Corp. **Investment Commerce Fisheries Corporation** Kien Giang Sea-Product Import-Export Company (KISIMEX) Minh Hai Export Frozen Seafood Processing Joint-Stock Company (Minh Hai Jostoco) Minh Hai Seaproducts Co Ltd. (Seaprimexco) Nha Trang Fisheries Joint Stock Company Nha Trang Seaproduct Company (Nha Trang Seafoods) Pataya Food Industries (Vietnam) Ltd. (Pataya VN) Phu Cuong Seafood Processing Sao Ta Foods Joint Stock Company (Fimex VN) Soc Trang Aquatic Products and General Import Export Company (STAPIMEX) Song Huong ASC Import-Export Company Thuan Phuoc Seafoods and Trading Corporation UTXI Aquatic Products Processing Company Viet Foods Co., Ltd. Viet Nhan Company Vietnam Fish-One Company, Co, Ltd. Vinh Loi Import Export Company

B. Section A Respondents Not Receiving a Separate Rate (assigned Vietnam-wide rate)

Hai Thuan Company Ngoc Sinh Company Nha Trang Fisheries, Co. Phuong Nam Co., Ltd Truc An Company