



FACT SHEET

Commerce Initiates Antidumping (AD) and Countervailing Duty (CVD) Investigations on Citric Acid and Certain Citrate Salts from Canada (AD) and the People's Republic of China (AD/CVD)

- On May 6, the Department of Commerce (Commerce) announced its decisions to initiate AD and CVD investigations on imports of citric acid and certain citrate salts from the People's Republic of China (China) (AD/CVD) and Canada (AD).
- Dumping occurs when a foreign company sells a product in the United States at less than fair value. Subsidies are financial assistance from foreign governments that benefit the production, manufacture, or exportation of goods.
- The petitioners for these investigations are Archer Daniels Midland Company (IL); Cargill, Incorporated (MN); and Tate & Lyle Americas, Inc. (IL).
- The merchandise covered by these investigations includes all forms, grades, and granulation sizes of citric acid, sodium citrate, and potassium citrate, in any type of packaging, and in either dry form or in solution, including, but not limited to, solutions of water, alcohol, and ether. The scope also includes blends of citric acid, sodium citrate, and potassium citrate; as well as blends with other ingredients, such as sugar, where the unblended form(s) of citric acid, sodium citrate, and potassium citrate constitute 40 percent or more, by weight of the blend. Also covered by these investigations are all forms of unrefined calcium citrate, including calcium citrate monohydrate, and tricalcium citrate tetrahydrate, which are intermediate products in the production of citric acid, sodium citrate, and potassium citrate. In addition, the hydrous and anhydrous forms of citric acid, the dehydrate and anhydrous forms of sodium citrate, otherwise known as citric acid sodium salt, and the monohydrate and monopotassium forms of potassium citrate are included in the scope. Sodium citrate also includes both trisodium citrate and monosodium citrate, which are also known as citric acid trisodium salt and citric acid monosodium salt, respectively.
- Citric acid and sodium citrate are currently classifiable under the Harmonized Tariff Schedule of the United States (HTSUS) under the subheadings 2918.14.0000 and 2918.15.1000. Potassium citrate and calcium citrate are classifiable under the subheading 2918.15.5000. Blends that include citric acid, sodium citrate, and potassium citrate are classifiable under the subheading 3824.90.9290. While HTSUS subheadings are provided for convenience and customs purposes, Commerce's written description of the scope of these investigations is dispositive.
- From 2005 to 2007, imports of citric acid and citrate salts from Canada increased 23.5 percent by volume and were valued at an estimated \$48 million in 2007. Imports from China increased 40.1 percent by volume and were valued at an estimated \$63 million in 2007.

NEXT STEPS

- The U.S. International Trade Commission (ITC) is scheduled to make its preliminary injury determinations on or about May 29, 2008.
- If the ITC determines that there is a reasonable indication that imports are materially injuring, or threatening material injury to, the domestic industry, the investigations will continue, and Commerce will be scheduled to make its preliminary CVD determination in July 2008 and its preliminary AD determinations in September 2008.

ALLEGED DUMPING MARGINS:

COUNTRY	MARGIN
Canada	22.91 – 111.83%
China	156.87%

ESTIMATED SUBSIDY RATE:

COUNTRY	SUBSIDY RATE
China	Above de minimis

* *de minimis* = less than 1% for developed countries; less than 2% for developing countries.

CASE CALENDAR:

EVENT	AD INVESTIGATION	CVD INVESTIGATION
Petitions Filed	April 14, 2008	April 14, 2008
DOC Initiation Date	May 5, 2008	May 5, 2008
ITC Preliminary Determination	May 29, 2008	May 29, 2008
DOC Preliminary Determinations*	September 22, 2008	July 9, 2008
DOC Final Determinations*	December 8, 2008	September 22, 2008
ITC Final Determination**	January 22, 2009	November 6, 2008
Issuance of Orders***	January 29, 2009	November 13, 2008

* These deadlines may be extended under the governing statute.

** This will take place only in the event of a final affirmative determination from the Department of Commerce.

*** This will take place only in the event of final affirmative determinations by both the Department and the ITC.

IMPORT STATISTICS:

CANADA	2005	2006	2007
Volume (lbs)	97,421,000	119,803,000	120,319,000
Value (\$US)	42,003,616	45,934,002	48,267,941
CHINA			
Volume (lbs)	128,559,640	158,908,054	180,109,954
Value (\$US)	46,404,525	52,659,196	63,477,929

Source: U.S. International Trade Commission, Dataweb (HTSUS 2918.14.0000, 2918.15.1000 and 2918.15.5000).

For Canada, quantity figures from United Nations COMTRADE Database.