



U.S. Customs and Border Protection

PUBLIC VERSION

October 26, 2021

Randy Rucker and Carrie Bethea Connolly
On behalf of Starille, Ltd.; Nutrawave Co., Ltd.; and Newtrend USA Co., Ltd.
Faegre Drinker Biddle & Reath, LLP
One Logan Square, Ste 2000
Philadelphia, PA 19103
randy.rucker@fagredrinker.com

David M. Schwartz
On behalf of GEO Specialty Chemicals, Inc.
Thompson Hine LLP
1919 M St., NW, Suite 700
Washington, DC 20036
David.Schwartz@ThompsonHine.com

Re: Notice of Initiation of Investigation and Interim Measures – EAPA Consolidated Case
Number 7663

Dear Mr. Rucker, Ms. Connolly, and Mr. Schwartz:

This letter is to inform you that U.S. Customs and Border Protection (“CBP”) has commenced a formal investigation under Title IV, Section 421 of the Trade Facilitation and Trade Enforcement Act of 2015, commonly referred to as the Enforce and Protect Act (“EAPA”), against Nutrawave Co., Ltd. (“Nutrawave”); Starille, Ltd. (“Starille”); and Newtrend USA Co., Ltd. (“NUSA”) (collectively, “the *Importers*”). Specifically, CBP is investigating whether the *Importers* have evaded the antidumping duty (“AD”) order on glycine from Thailand, case number A-549-837 by entering into the United States Thai-origin glycine (“covered merchandise”) that was transshipped through Indonesia, without declaring the merchandise as subject to the *Order*.¹ Because evidence establishes a reasonable suspicion that the *Importers* have entered covered merchandise into the customs territory of the United States through evasion, CBP has imposed interim measures.

Period of Investigation

Pursuant to 19 C.F.R. § 165.2, entries covered by an EAPA investigation are those “entries of allegedly covered merchandise made within one year before the receipt of an allegation” Entry is defined as an “entry for consumption, or withdrawal from warehouse for consumption, of

¹ See *Glycine from Thailand: Antidumping Duty Order*, 84 FR 55912 (Dept. of Commerce, October 18, 2019) (*Order*).

merchandise in the customs territory of the United States.”² Geo Specialty Chemicals, Inc. (“Geo” or “the Allegor”) filed an allegation on July 9, 2021.³ CBP acknowledged receipt of the properly filed allegation on July 12, 2021.⁴ As such, the entries covered by the investigation are those entered for consumption, or withdrawn from warehouse for consumption, from July 12, 2020, through the pendency of this investigation.⁵

Initiation

On July 21, 2021, the Trade Remedy Law Enforcement Directorate (“TRLED”), within CBP’s Office of Trade, initiated investigations 7663 and 7664 against Nutrawave and Starille, respectively, under EAPA as the result of an allegation submitted by Geo as to evasion of antidumping duties.⁶ On September 13, 2021, CBP initiated investigation 7679 alleging that NUSA is also evading the *Order*.⁷ CBP is consolidating these allegations into EAPA consolidated case number 7663 (*see below for details*).

In all three allegations, Geo alleges that the *Importers* evaded the *Order* by transshipping Thai-origin glycine through Indonesia, and falsely declaring the merchandise as a product of Indonesia and not subject to the *Order*.⁸ A more detailed description of the alleged transshipment scheme through Indonesia follows.

Description of the Alleged Transshipment Scheme

Geo alleges that the *Importers* imported Thai-origin glycine from PT Newtrend Nutrition Ingredient (“PTNNI”), the Indonesian affiliate of the Chinese Newtrend Group (“the Group”) before PTNNI began production and therefore, PTNNI could not have produced all the glycine it supplied. Geo supports this contention with evidence from a market researcher who [conducted market research activities] on [date] and found the [information about PTNNI’s operations] at that time.⁹

The Allegor also claims that no other company in Indonesia had capacity to manufacture glycine in the volumes these companies imported from Indonesia between [month] and [month] 2021. The *Allegations* support this contention by citing the World of Chemicals’ database which lists

² See 19 CFR 165.1.

³ On May 28, 2021, and July 9, 2021, the Allegor amended the allegations against Starille and Nutrawave alleging evasion of the *Order*. Geo filed another allegation alleging evasion of the *Order* by Newtrend USA, Co., Ltd. on September 7, 2021.

⁴ See Email acknowledging receipt from EAPA Allegations, “Receipt of EAPA Allegations 7678 and 7679” (July 12, 2021); “Official Receipt of EAPA 7679” (September 9, 2021).

⁵ See 19 C.F.R. § 165.2.

⁶ See: CBP’s Initiation Memo dated July 21, 2021 “Initiation of Investigation for EAPA Case Number 7663”; and CBP Initiation Memo dated July 21, 2021 “Initiation of Investigation for EAPA Case Number 7664.”

⁷ See: CBP’s Initiation Memo dated September 13, 2021 “Initiation of Investigation for EAPA Case Number 7679.”

⁸ See Geo’s Letter, “Evasion Allegation Against Starille, Ltd. Under Title IV Section 421 of the Trade Facilitation and Enforcement Act” dated July 9, 2021 (“*Starille Allegation*”); Geo’s Letter, “Evasion Allegation Against Nutrawave Co., Ltd. Under Title IV Section 421 of the Trade Facilitation and Enforcement Act” dated July 9, 2021 (“*Nutrawave Allegation*”); Geo’s Letter, “Evasion Allegation Against Newtrend USA Co., Ltd. d/b/a Newtrend Food Ingredients Under Title IV Section 421 of the Trade Facilitation and Enforcement Act” dated September 7, 2021 (“*NUSA Allegation*”). We refer to these collectively as “the *Allegations*”. For corporate information on the Newtrend Group and affiliated companies, *see the Allegations* at Exhibit 1.

⁹ *Allegations* at Exhibit 1

only one supplier of glycine from Indonesia, PT Halim Sakti Purnama (“PTHSP”).¹⁰ They further cite PTHSP’s own website which states that PTHSP does not make glycine in Indonesia but instead, “is mainly involved in the trading of chemical products.”¹¹

The *Allegations* also show that PTNNI has strong ties to the Group and its Thai affiliate, Newtrend Food Ingredient (Thailand) (“NFI”) and provide evidence that Thailand is the true country of origin for the glycine PTNNI supplied to the *Importers*. Geo provides public business registration records that list Mr. Hao Wang as the Director and Chief Executive Officer of the U.S. importer Nutrawave.¹² The report also found that PTNNI’s [[information about PTNNI’s management](#)]. According to Geo, Hao Wang is the Vice President of the Newtrend Group (China) and the Chief Executive Officer of NUSA.¹³ Hao Wang is also the individual listed as Nutrawave’s Chief Executive Officer and Secretary in its February 28, 2020 filing with the California Secretary of State.¹⁴ Business registration documents further show that Nutrawave’s first filing, its registration, includes an address in Thailand.¹⁵ According to the verification report from the Thailand AD investigation conducted by the U.S. Department of Commerce, Ms. Yue Zuo was the Director and Financial Manager of NFI.¹⁶ According to Geo, [[information about PTNNI’s management](#)].¹⁷

TRLED will initiate an investigation if it determines that “{t}he information provided in the allegation ... reasonably suggests that the covered merchandise has been entered for consumption into the customs territory of the United States through evasion.”¹⁸ Evasion is defined as “the entry of covered merchandise into the customs territory of the United States for consumption by means of any document or electronically transmitted data or information, written or oral statement, or act that is material and false, or any omission that is material, and that results in any cash deposit or other security or any amount of applicable antidumping or countervailing duties being reduced or not being applied with respect to the covered merchandise.”¹⁹ Thus, the allegation must reasonably suggest not only that the importer entered merchandise subject to an AD and/or CVD order into the United States, but that such entry was made by a materially false statement or act, or material omission, that resulted in the reduction or avoidance of applicable AD and/or CVD cash deposits or other security.

Interim Measures

Research Conducted by CBP

CBP found pictures of the construction progress of PTNNI’s factory on the public website of the industrial zone where it is located, Karawang New Industry City (“KNIC”). One photograph showing construction progress through August 2020 shows a roof supported by structural beams,

¹⁰ See *Allegations* at Exhibit 3

¹¹ *Allegations* at 8 and Exhibit 3

¹² *Nutrawave Allegation* at Exhibit 12.

¹³ *NUSA Allegation*, 6 and 9.

¹⁴ *Nutrawave Allegation* at Exhibit 13.

¹⁵ *Id.* at Exhibit 12.

¹⁶ *Id.* at Exhibit 1 and Exhibit 10.

¹⁷ *Allegation* at Exhibit 1.

¹⁸ See 19 C.F.R. § 165.15(b); see also 19 U.S.C. § 1517(b)(1)

¹⁹ See 19 C.F.R. § 165.1; see also 19 U.S.C. § 1517(a)(5)(A).

with the walls not yet constructed.²⁰ Another picture from a document of construction progress in December 2020 shows the walls completed, but construction equipment still appears on the site. The December 2020 photo appears to be taken during the day, but there are no parked vehicles to transport workers or managers to the site, nor any indication of inputs arriving and merchandise leaving the factory.²¹ This reasonably suggests that PTNNI did not have an operational factory in December 2020. However, PTNNI claims to have produced during [year] most of the glycine it exported to Starille and Nutrawave during [time period].²²

Although NUSA did not enter any glycine into the customs territory of the U.S. before [date], an entry that arrived later, on [date], entry number [number]1867, has a packing list and commercial invoice dated [month].²³ This is only [time period] after the [market research] in [date] when the market research report states PTNNI’s factory would begin production in [time period].²⁴

On [date], CBP received the export data from the Indonesian government covering all shipments of glycine from [date] to [date]. Even though NUSA [information about NUSA’s business operations] during this period, they are [information about NUSA’s business operations] in the Indonesian data. Every shipment exported to the United States had dates of export in [month], even though all three importers had entries that listed dates of exports from [time period] on their entry summaries.²⁵

In addition, CBP found other evidence through internet searches that supports the Alleger’s contention that in PTNNI’s capacity was limited until June 2021 or later. CBP found eight job advertisements for work at PTNNI posted on the Indonesian job site Loker in June 2021.²⁶ These positions included two postings for Mandarin language translators,²⁷ one posting for boiler operator,²⁸ one posting for a production worker,²⁹ one posting for a forklift operator,³⁰ one posting

²⁰ See CBP Memo dated October 19, 2021 “Adding Information to the Administrative Record of EAPA 7647” (“Oct. 19, 2021 Memo”) at Attachment 2, “KNIC Tenant Building Construction Per August 2020”, retrieved from: <https://knic.co.id/knic-tenants-building-construction-progress-per-august-2020>.

²¹ See Oct. 19, 2021, Memo at Attachment 3 “KNIC Tenant Building Construction Per December 2020” retrieved from: <https://knic.co.id/knic-tenant-building-construction-progress-per-december-2020>.

²² *Id.* at Attachment 7 “CBP ACE Database”.

²³ *Id.* at Attachment 7 “CBP ACE Database”.

²⁴ See *NUSA CF-28 Response* at Exhibit C

²⁵ *Allegations* at Exhibit 1.

²⁶ *Id.* at Attachment 6, “Indonesian Trade Statistics”.

²⁷ *Id.* at Attachment 4 “PTNNI Job Adds” retrieved from: <https://www.loker.id/profile/pt-newtrend-nutrition-ingredient>

²⁸ *Id.* at Attachment 4 “Mandarin Translator Job Add”, Retrieved from: <https://www.loker.id/pelayanan-profesional/penerjemah/mandarin-translator-pt-newtrend-nutrition-ingredient-2.html>

²⁹ *Id.* at Attachment 4 “Boiler Operator Job Add”, Retrieved from: <https://www.loker.id/pabrik-dan-manufaktur/operator-mesin/operator-boiler-pt-newtrend-nutrition-ingredient-karawang-2.html>

³⁰ *Id.* at Attachment 4 “Production Worker Job Add”, Retrieved from: <https://www.loker.id/pabrik-dan-manufaktur/operator-produksi/operator-produksi-pt-newtrend-nutrition-ingredient-karawang.html>

³¹ *Id.* at Attachment 4 “Forklift Operator Job Add”, Retrieved from: <https://www.loker.id/transportation-logistics/driver/operator-forklift-pt-newtrend-nutrition-ingredient-karawang.html>

for an accountant,³¹ and one opening for a specialist certified in handling chemicals.³² This indicates that as recently as June 2021, PTNNI had yet to fill some critical positions, and therefore, had limited production, if any. In light of the evidence from the allegations, the unfilled job positions posted in June 2021, and the speed at which KNIC would need to finish construction between August and December 2020 in order to have a fully operating factory, there is a reasonable suspicion that PTNNI did not actually produce all the glycine the *Importers* sourced from PTNNI.

Cargo Exam

CBP also conducted a cargo exam of entry number [number]3416 imported by Starille on [date]. The exam found that that the packets in this shipment were labeled with “Made in Indonesia” markings stamped on the packages, along with the name and address of PTNNI.³³ Each package also had a production date of [date], more than [time period] before the market researcher [conducted market research activities] and found [information about PTNNI’s operations] and as noted above, CBP found photos indicating construction was ongoing at the site at least as recently as December 2020.³⁴ Curiously, the invoice date is [date], almost [time period] after the date of manufacture.³⁵

CF28 Responses and Analysis

On August 2, 2021, CBP issued a CBP Form 28 (CF-28) request for information to Starille for entry numbers [number]2955, [number]2923, and [number]3318;³⁶ on August 3, 2021, CBP issued a CF-28 to Nutrawave for entry numbers [number]5752, [number]4920, and [number]3012;³⁷ and on September 2, 2021, CBP issued a CF-28 to NUSA requesting information for entry numbers [number]1875 and [number]1867.³⁸ CBP requested entry summaries, invoices, packing lists, bills of lading, purchase orders, proof of payment, production records (including invoices or purchase orders for raw materials), a factory profile for the manufacturer (including information about production capacity and the number of workers), a list of corporate officers and shareholders, a description of the production processes listing all equipment, and information about subcontractors or offsite work.

On September 15, 2021, Nutrawave submitted its CF-28 responses referencing entry numbers [number]5752, [number]4920, and [number]3012,³⁹ and Starille submitted its response for

³¹ *Id.* at Attachment 4 “Accountant Job Add” Retrieved from: <https://www.loker.id/akuntansi-keuangan/staf-accounting/staf-accounting-pt-newtrend-nutrition-ingredient.html>

³² *Id.* at Attachment 4 “Chemical Safety Expert Job Add” Retrieved from: <https://www.loker.id/pabrik-dan-manufaktur/health-and-safety-enviromental-hse/petugas-ahli-k3-kimia-pt-newtrend-nutrition-ingredient-karawang.html>

³³ *Id.* at Attachment 5 “Cargo Exam Results for entry [number]3416”.

³⁴ *Id.* at Attachment 3, “KNIC Tenant Building Construction Per December 2020” retrieved from: <https://knic.co.id/knic-tenant-building-construction-progress-per-december-2020>.

³⁵ *Id.* at Attachment 5 “Cargo Exam Results for entry [number]3416”

³⁶ See CF-28 issued to Starille on August 2, 2021

³⁷ See CF-2 issued to Nutrawave on August 3, 2021

³⁸ See CF-28 issued to NUSA on September 2, 2021

³⁹ See Nutrawave’s letter “Re: Request for Information on Entry Nos [number]5752, [number]4920, and [number]3012” dated September 15, 2021 (“*Nutrawave CF-28 Response*”).

entry numbers [number]3318, [number]2923, and [number]2955.⁴⁰ On October 6, 2021, NUSA submitted its CF-28 response for entry numbers [number]1875 and [number]1867.

CBP officials analyzed Nutrawave’s CF-28 responses and noted several discrepancies with other facts on the record. Nutrawave claimed in its response that PTNNI and Nutrawave are [information about Nutrawave], but Nutrawave’s February 28, 2020, filing lists Hao Wang as the Chief Executive Officer and Secretary of Nutrawave. This filing also lists Hao Wang as the agent for service of process at the mailing address 16112 Sereno Ln, Chino Hills, California 91709.⁴¹ This same mailing address appears on NUSA’s filing with the California Secretary of State filed September 16, 2020.⁴² Since NUSA is the U.S.-domiciled affiliate of the Group, PTNNI’s parent company, and NUSA and Newtrend share the same address, PTNNI and Nutrawave appear to be affiliated through NUSA. According to the allegations, Mr. Hao Wang is also the Vice President of the Newtrend Group and according to Geo, a [information about Hao Wang].⁴³ Geo also contends that Hao Wang is a relative of Wang Xiaoqiang, the Group’s president, and Geo points out that Hao Wang has been the point of contact for the Group in a past EPA investigation.⁴⁴ Further, Nutrawave’s bank statement for proof of payment for entry number [number]4920 is dated [date]⁴⁵ but the packing list is dated [date], the commercial invoice is dated [date] and the bill of lading is dated [date], all dates later than the bank payment.⁴⁶ This means that Nutrawave claims to have paid for the merchandise before it was even packaged or shipped. Thus, while Nutrawave claimed to be [information about Nutrawave] to PTNNI, other record evidence indicates this is likely a false statement.⁴⁷

Further, PTNNI’s production records indicate that it began producing glycine for entry number [number]3012 in [date]⁴⁸, but photos of construction progress from KNIC’s public website⁴⁹, the market research report in the allegation⁵⁰, and job postings⁵¹ all indicate that PTNNI likely had no production at that time.

Some information on documents submitted with Nutrawave’s CF-28 responses also contradict other documents submitted with the CF-28 response. For example, the volume of glycine Nutrawave requested on its purchase orders does not match the volume listed on the entry summary, bill of lading, or commercial invoice for entry number [number]4920. Specifically,

⁴⁰ See Starille’s Letter “Re: Request for Information on Entry Nos [number]2955, [number]2923, and [number]3318” dated September 15, 2021 (“*Starille CF-28 Response*”).

⁴¹ *Nutrawave Allegation* at Exhibit 13.

⁴² *NUSA Allegation* at Exhibit 4.

⁴³ *Id.* at 6.

⁴⁴ *Id.* at 8. See also Oct. 19, 2021, Memo at Attachment 1 “CBP Notice of Investigation and Interim Measures EPA 7270 (February 28, 2019)”.

⁴⁵ See *Nutrawave CF-28 Response* at Exhibit F, 3-4.

⁴⁶ *Id.* at Exhibit C, 4-6.

⁴⁷ *Id.* at Exhibit B.

⁴⁸ *Nutrawave CF-28 Response* at Exhibit K.

⁴⁹ See October 19, 2021 Memo at Attachment 3 “KNIC Tenant Building Construction Per December 2020” retrieved from: <https://knic.co.id/knic-tenant-building-construction-progress-per-december-2020>; October 19, 2021 Memo to the File at Attachment 2 “KNIC Tenant Building Construction Per August 2020” (August 4, 2020) retrieved from: <https://knic.co.id/knic-tenants-building-construction-progress-per-august-2020>.

⁵⁰ *Allegations* at Exhibit 1.

⁵¹ See October 19, 2021, Memo at Attachment 4 “PTNNI Job Ads”, retrieved from: <https://www.loker.id/profile/pt-newtrend-nutrition-ingredient>

the volume listed on this entry summary was [number]kg but the purchase order number [number] requested [number]kg.⁵²

There are also inconsistent dates throughout Nutrawave’s CF-28 response. For entry number [number]4920, an Indonesian government official in Kabupaten Karawang, the jurisdiction where PTNNI’s factory is located, issued a certificate of origin for the merchandise. However, the signature of this official is dated [date]⁵³, more than [number] weeks later than [date]⁵⁴, the declared date of export on the entry summary for this entry. The production records PTNNI furnished also show that for entry [number]3012 [manufacturing input] with product code [number] was used in production on [date],⁵⁵ but the raw materials receipts and another type of document labeled “Rincian Tagihan,” which translates as “Billing Details” for [manufacturing input] with this product code are dated [date].⁵⁶ The Material Requisition forms PTNNI issued for this production batch were dated [date].⁵⁷ This means that PTNNI claims that it consumed this input before receiving it or requesting it from the warehouse.

On September 15, 2021, Starille also submitted its CF-28 responses, but the some of the information from PTNNI about its production contradicts other information on the record. PTNNI claims to have started producing the shipments covered by the CF-28s on [date],⁵⁸ but this date precedes the December 2020 date of the photograph of production progress showing construction equipment still at the site.⁵⁹ It is also only [time period] after the photos on the industrial zone’s website showing a roof supported by beams, with no walls.⁶⁰ Further, the market researcher asserts that there was [information about PTNNI’s production] when he or she [conducted market research activities] in [month].⁶¹

The job ads posted in June 2021 suggest that PTNNI’s factory would have either run limited shifts or been operating without crucial employees for at least some shifts at the time PTNNI claims to have produced the glycine imported in entry numbers [number]2955, [number]2923, and [number]3318. Nonetheless, the information PTNNI furnished in its production records show that their factory was operating [information about PTNNI’s operations].⁶² The job ads, and the information from the allegation, also contribute to a reasonable suspicion that PTNNI was not yet able to make the quantities of glycine it claims in [month].

Further, there are also some inconsistencies in Starille’s responses. PTNNI’s production records for the batches of glycine included in its shipments to Starille include receipts for inputs used that

⁵² See *Nutrawave CF-28 Response* at Exhibit D.

⁵³ *Id.* at Exhibit E, 4.

⁵⁴ *Id.* at Exhibit C, 1.

⁵⁵ *Id.* at Exhibit K, 3.1, 23-32; K 3.2, 25-30.

⁵⁶ *Id.* at Exhibit K, 3.1, 15.

⁵⁷ *Id.* at Exhibit K, 3.1, 21; Exhibit K, 3.2, 21.

⁵⁸ *Id.* at Exhibit K.1, 23

⁵⁹ Oct. 19, 2021, Memo at Attachment 3 “KNIC Tenant Building Construction Per December 2020”, retrieved from: <https://knic.co.id/knic-tenant-building-construction-progress-per-december-2020>.

⁶⁰ Oct. 19, 2021, Memo at Attachment 2 “KNIC Tenant Building Construction Per August 2020”, retrieved from: <https://knic.co.id/knic-tenants-building-construction-progress-per-august-2020>.

⁶¹ *Allegations* at Exhibit 1.

⁶² *Starille CF-28 Response* at Exhibit K, 46-47; *Nutrawave CF-28 Response* at Exhibit K, 46-47; and NUSA’s letter “Re: Request for Information on Entry Nos [number]1875 and [number]1867” dated October 4, 2021 (“*NUSA CF-28 Response*”) at Exhibit K, 46-47.

are signed by four individuals.⁶³ But none of the names for these signatures match names on PTNNI’s list of employees.⁶⁴

There are also discrepancies between different documents in NUSA’s CF-28 response submitted on October 4, 2021. For example, the bank statements NUSA submitted as proof of payment for entry [number]1867 show that NUSA paid PTNNI in two payments dated [date] and [date].⁶⁵ However, the purchase order for this shipment from PTNNI to NUSA is dated [date]⁶⁶ and the commercial invoice is dated [date].⁶⁷ Thus, NUSA already knew how much to pay PTNNI even before PTNNI sent NUSA any documents requesting payment. This calls into question the Group’s claim in the same CF-28 response that “PT. Newtrend Nutrition Ingredient, as the supplier sells glycine to Newtrend USA CO., LTD, the purchasing price is adjusted and determined by market price. {sic}.”⁶⁸

There are also other discrepancies with dates on documents submitted with NUSA’s CF-28 responses. The country-of-origin certificate included with NUSA’s CF-28 responses to both entry numbers [number]1867 and [number]1875 were signed by an Indonesian official on [date] and [date] respectively.⁶⁹ These dates are later than the date of export listed on their entry summary forms, bills of lading, and packing list, which casts doubt on the authenticity of the country-of-origin certificates.⁷⁰

There are also discrepancies between production records, staff attendance records, and PTNNI’s list of employees in NUSA’s response. For one batch of glycine produced on [date], an employee named [individual’s name] performed a [manufacturing task] step of the production process from [time] until [time], according to production records.⁷¹ However, the staff attendance records show that he did not work during that time. It is also odd that he worked from [time] until [time] then again from [time] until [time], then from [time] until [time] on the same day.⁷² It is also inconsistent that it took this employee only [time period] to perform this task on this day, but another employee, [individual’s name] took more than [time period] to perform the same task the next day.⁷³ Further, PTNNI’s production records for the batches of glycine included in its shipments to NUSA include receipts for inputs used that are signed by four individuals⁷⁴ but none of the names for these signatures match names on PTNNI’s list of employees.⁷⁵

⁶³ *Id.* at Exhibit K.

⁶⁴ *Id.* at Exhibit N.

⁶⁵ *NUSA CF-28 Response* at Exhibit F.

⁶⁶ *Id.* at Exhibit D.

⁶⁷ *Id.* at Exhibit C.

⁶⁸ *Id.* at Exhibit B.

⁶⁹ *Id.* at Exhibit E.

⁷⁰ *Id.* at Exhibit C.

⁷¹ *Id.* at Exhibit K, batch number [number], 27.

⁷² *Id.* at Exhibit K, batch number [number], 39.

⁷³ *Id.* at Exhibit K, batch number [number], 30.

⁷⁴ *Id.* at Exhibit K, batch number [number], 14.

⁷⁵ *Id.* at Exhibit N.

None of the CF-28 responses provide any documentation for PTNNI's purchase or use of [raw material input], one of the inputs is claims to use.⁷⁶ PTNNI also claimed in all three CF-28 responses that they have an annual production capacity of [number] tons of food grade glycine and [number] tons of intermediate glycine per year.⁷⁷ However, the manufacturer also claims to use [number]kg of intermediate glycine for every [number]kg of food grade glycine production.⁷⁸ This means that PTNNI must purchase intermediate glycine from another source in order to produce food grade glycine at full capacity. The *Allegations* clearly demonstrate that there are no known producers of intermediate glycine in Indonesia, and PTNNI's affiliation with the Group suggests that it likely sources the intermediate glycine from Thailand. Notably, the scope of the *Order* states that:

The merchandise covered by this order is glycine at any purity level or grade. This includes glycine of all purity levels, which covers all forms of crude or technical glycine including, but not limited to, sodium glycinate, glycine slurry and any other forms of amino acetic acid or glycine. Subject merchandise also includes glycine and precursors of dried crystalline glycine that are processed in a third country, including, but not limited to, refining or any other processing that would not otherwise remove the merchandise from the scope of this order if performed in the country of manufacture of the in-scope glycine or precursors of dried crystalline glycine.⁷⁹

Summary

As outlined above, the *Importers'* CF-28 responses contain multiple discrepancies, and therefore, TREL D is unable to rely on the information contained in the CF-28 responses to determine the country of origin of the imported glycine. In addition to inconsistencies in the CF-28 responses, other evidence in the *Allegations* and evidence placed on the record by CBP indicates a reasonable suspicion that the *Importers* entered covered merchandise into the United States through evasion, by means of transshipment through Indonesia. Consequently, there is reasonable suspicion of evasion *via* transshipment.

Enactment of Interim Measures

Not later than 90 calendar days after initiating an investigation under EAPA, TRLED will decide based on the record of the investigation if there is reasonable suspicion that merchandise covered by the AD/CVD orders was entered into the United States through evasion. CBP need only have sufficient evidence to support a reasonable suspicion finding that the importer alleged to be evading entered merchandise covered by an AD or CVD order into the United States by a materially false statement or act, or material omission, that resulted in the reduction or avoidance of applicable AD or CVD cash deposits or other security. If reasonable suspicion exists, CBP will impose interim measures pursuant to 19 U.S.C. § 1517(e) and 19 C.F.R. § 165.24. As explained below, CBP is imposing interim measures because the evidence establishes reasonable suspicion

⁷⁶ *Starille CF-28 Response* at Exhibit K; *Nutrawave CF-28 Response* at Exhibit K; and *NUSA CF-28 Response* at Exhibit K

⁷⁷ *Starille CF-28 Response* at Exhibit M; *Nutrawave CF-28 Response* at Exhibit M; and *NUSA CF-28 Response* at Exhibit M.

⁷⁸ *Id.* at Exhibit J.

⁷⁹ *Order*

that the *Importers* entered covered merchandise into the United States through evasion by means of transshipment through Indonesia.⁸⁰

Based on the record evidence described above, CBP determines that reasonable suspicion exists that the *Importers* imported glycine into the United States from Indonesia that was in fact, from Thailand and should have been subject to AD/CVD order A-549-837. Therefore, CBP is imposing interim measures pursuant to these investigations.⁸¹ Specifically, in accordance with 19 USC 1517(e)(1-3), CBP shall:

- (1) suspend the liquidation of each unliquidated entry of such covered merchandise that entered on or after July 21, 2020, the date of the initiation of the investigation;
- (2) pursuant to the Commissioner's authority under section 504(b), extend the period for liquidating each unliquidated entry of such covered merchandise that entered before the date of the initiation of the investigation on July 21, 2020; and
- (3) pursuant to the Commissioner's authority under section 623, take such additional measures as the Commissioner determines necessary to protect the revenue of the United States, including requiring a single transaction bond or additional security or the posting of a cash deposit with respect to such covered merchandise.⁸²

Consolidation of the Investigations

CBP is consolidating EAPA investigations 7663, 7664, and 7679 into a single investigation. The resulting consolidated case number is EAPA Consolidated Case 7663, and a single administrative record is being maintained. At its discretion, CBP may consolidate multiple allegations against one or more importers into a single investigation, pursuant to 19 CFR 165.13(b), which stipulates that the factors that CBP may consider in consolidating multiple allegations include, but are not limited to, whether the multiple allegations involve: 1) relationships between the importers; 2) similarity of covered merchandise; 3) similarity of AD/CVD orders; and 4) overlap in time periods of entries of covered merchandise.⁸³ In these cases, the *Importers* are all alleged to be importing glycine covered by the AD order on glycine from Thailand, in 2021, so criteria 2, 3, and 4 are all present. Because factors warranting consolidation are present in these investigations, CBP consolidated them and is providing notice pursuant to 19 CFR 165.13(c). We note that the deadlines for the consolidated investigation have been set from the date of initiation of EAPA case 7663, which is July 21, 2021.

For future submissions or factual information that you submit to CBP pursuant to this EAPA investigation, please provide a public version to CBP and to the parties identified at the top of this notice.⁸⁴ Should you have any questions regarding this investigation, you may contact us at epaallegations@cbp.dhs.gov with "EAPA Cons. Case 7663" in the subject line of your email. Additional information on this investigation, including the applicable statute and regulations, may be found on CBP's website at: <https://www.cbp.gov/trade/trade-enforcement/tftea/eapa>.

Sincerely,

⁸⁰ See 19 C.F.R. § 165.24(a).

⁸¹ See 19 USC 1517(e); see also 19 C.F.R. § 165.24.

⁸² See also 19 C.F.R. § 165.24(b)(1)(i-iii).

⁸³ See also 19 USC 1517(b)(5).

⁸⁴ See 19 C.F.R § 165.4; see also 19 C.F.R § 165.23(c); see also 19 C.F.R. § 165.26.

A handwritten signature in black ink, appearing to read "Brian M. Hoxie". The signature is fluid and cursive, with the first name "Brian" being the most prominent.

Brian M. Hoxie Director,
Enforcement Operations Division
Trade Remedy Law Enforcement Directorate
CBP Office of Trade