Countervailable
1. Pioneer Status
2. Provision of Grants under the Economic Transformation Program (ETP)—Replicating Integrated Aquaculture Model (IZAQs)
3. Reinvestment Allowance
B. Program Determined To Be Not Countervailable
1. Human Resource Development Fund
C. Programs Determined To Not Exist
1. Provision of Leases and Land for Less Than Adequate Remuneration (LTAR) under the ETP—IZAQs
2. Provision of Infrastructure Under Entry Point Project #6
D. Program Determined To Be Terminated
1. 100% Allowance on Capital Expenditure for Approved Agricultural Projects
E. Programs Determined To Be Not Used
1. Investment Tax Allowance
2. Infrastructure Allowance
3. Accelerated Capital Allowance
4. Tax Incentives for Approved Food Production Activities
5. Double Deduction for the Promotion of Exports
6. Export Credit Refinancing Program
7. Supplier Credit Facility
8. Buyer Credit Facility
9. Double Deductions for Export Credit Insurance Premiums
10. Tax Exemptions for Exporters in Free Trade Zones
11. Duty Exemptions for Exporters in Free Trade Zones
12. Provision of Seed and Fry for LTAR
13. Loans Under the Fund for Food Program
14. Loans Under the Agriculture Entrepreneurs Scheme for Graduates
Comment 1: Whether the Pioneer Status Program is Specific as an Export Subsidy
Comment 2: Whether the Pioneer Status Program is Specific Because It Is Limited to a Particular Industry or Enterprise
Comment 3: Whether 19 CFR 351.526 Applies with Regard to Asia Aquaculture Companies’ Use of the Pioneer Status Program
Comment 4: Manner in Which the Department Should Calculate the Benefit Under the Pioneer Status Program
Comment 5: Whether the Department Should Apply AFA with Respect to Asia Aquaculture’s Use of the Reinvestment Allowance
Comment 6: Treatment of Subsidy Programs Discovered at Verification
Comment 7: Rely on Government of Malaysia’s Response for Kian Huat
Comment 8: Calculation of Rate Based Upon Adverse Inferences
Comment 9: Appropriate Rate to Apply as AFA

DEPARTMENT OF COMMERCE
International Trade Administration
[C–560–825]
Certain Frozen Warmwater Shrimp From the Republic of Indonesia: Final Negative Countervailing Duty Determination
AGENCY: Import Administration, International Trade Administration, Department of Commerce.
SUMMARY: The Department of Commerce (the Department) determines that countervailable subsidies are not being provided to producers and/or exporters of certain frozen warmwater shrimp (frozen shrimp) from Indonesia (Indonesia).
DATES: Effective Date: August 19, 2013.
FOR FURTHER INFORMATION CONTACT: Gene Calvert, Jun Jack Zhao, or Emily Halle, AD/CVD Operations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482–3586, (202) 482–1396, or (202) 482–0176, respectively.
Background
The petition in this investigation is the Coalition of Gulf Shrimp Industries (Petitioner).1 This investigation covers 28 government programs. In addition to the Government of Indonesia (GOI), the respondents in this investigation are (1) PT. Central Proteinaprima and PT. Centraltiwi Babari, along with their affiliated companies; and (2) PT. First Marine Seafoods and its cross-owned affiliate, PT. Khom Foods.
Period of Investigation
The period for which we are measuring subsidies, or period of investigation, is January 1, 2011, through December 31, 2011.


Case History
The events that have occurred since the Department published the Preliminary Determination on June 4, 2013,2 are discussed in the Memorandum to Paul Piquado, Assistant Secretary for Import Administration, “Issues and Decision Memorandum for the Final Negative Determination in the Countervailing Duty Investigation of Certain Frozen Warmwater Shrimp from the Republic of Indonesia” (Decision Memorandum), which was dated concurrently with and hereby adopted by this notice.

Scope Comments
On March 28, 2013, Petitioner asked the Department to clarify that the scope of this investigation does not include brine-frozen shrimp.3 We have addressed this request and comments thereon in the Memorandum to Paul Piquado, Assistant Secretary for Import Administration, “Certain Frozen Warmwater Shrimp from Ecuador, India, Indonesia, Malaysia, People’s Republic of China, Thailand, and Socialist Republic of Vietnam—Final Scope Memorandum Regarding Onboard Brine-Frozen Shrimp” (Scope Memorandum), which is dated concurrently with and hereby adopted by this notice.

Scope of the Investigation
The products covered by this investigation are certain frozen warmwater shrimp and prawns, whether wild-caught (ocean harvested) or farm-raised (produced by aquaculture), head-on or head-off, shell-on or peeled, tail-on or tail-off, deveined or not deveined, cooked or raw, or otherwise processed in frozen form, regardless of size. See Appendix I for a complete description of the scope of this investigation.

Analysis of Subsidy Programs and Comments Received
The subsidy programs under investigation and the issues raised in the case and rebuttal briefs by parties in this investigation are discussed in the Decision Memorandum. A list of subsidy programs and the issues that parties have raised, and to which we responded in the Decision

2 See Certain Frozen Warmwater Shrimp from Indonesia: Negative Preliminary Countervailing Duty Determination, 78 FR 33349 (June 4, 2013) (Preliminary Determination) and the accompanying Preliminary Decision Memorandum.

Memorandum, is attached to this notice as Appendix II. The Decision and Scope Memoranda are public documents and are on file electronically via IA ACCESS. IA ACCESS is available to registered users at http://iaaccess.trade.gov and in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, complete versions of the Decision and Scope Memoranda can be accessed directly on the Internet at http://www.trade.gov/ia/. The signed and the electronic versions of these memoranda are identical in content.

Timely written notification of the return or destruction of APO materials, or 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. This determination is issued and published pursuant to sections 705(d) and 777(i) of the Act.

Dated: August 12, 2013.

Paul Piquado, Assistant Secretary for Import Administration.

Appendix I

Scope of the Investigation

The products covered by this investigation are certain frozen warmwater shrimp and prawns, whether wild-caught (ocean harvested) or farm-raised (produced by aquaculture), head-on or head-off, shell-on or peeled, tail-on or tail-off, de veined or not de veined, cooked or raw, or otherwise processed in frozen form, regardless of size.

The frozen warmwater shrimp and prawn products included in the scope, regardless of definitions in the Harmonized Tariff Schedule of the United States (HTSUS), are products which are processed from warmwater shrimp and prawns through freezing and which 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 shrimp and prawn species include, but are not limited to, the Penaeus stylirostris, Penaeus schmitti, southern white shrimp (Trachypenaeus curvirostris), pink shrimp (Penaeus notialis), southern brown shrimp (Penaeus brasiliensis), Penaeus monodon, giant tiger shrimp (Penaeus esculentus), fleshy prawn (Penaeus chiensis), giant river prawn (Macrobrachium rosenbergii), giant tiger prawn (Penaeus monodon), redspotted shrimp (Penaeus brasiliensis), southern brown shrimp (Penaeus subtilis), southern rough shrimp (Trachypenaeus curvirostris), southern white shrimp (Penaeus esculentus), and Indian white prawn (Penaeus indicus).

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

Excluded from the scope are: (1) Breaded shrimp and prawns; (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; (4) shrimp and prawns packed in brine; (5) canned warmwater shrimp and prawns; and (7) certain “battered shrimp” (see below).

“Battered shrimp” is a shrimp-based product: (1) That 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) with the entire surface of the shrimp flesh thoroughly and evenly coated with the flour; (4) with the non-shrimp content of the end product constituting between four and 10 percent of the product’s total weight after being dusted, but prior to being frozen; and (5) that is subjected to individually quick frozen (“IQF”) freezing immediately after application of the dusting layer. When dusted in accordance with the definition of dusting above, the battered shrimp product is also coated with a wet viscos layer containing egg and/or milk, and par-fried.

The products included in the scope of this investigation are currently classified under the following HTSUS subheadings: 0306.17.00.03, 0306.17.00.06, 0306.17.00.09, 0306.17.00.12, 0306.17.00.15, 0306.17.00.18, 0306.17.00.21, 0306.17.00.24, 0306.17.00.27, 0306.17.00.40, 1605.21.10.30 and 1605.29.10.10. These HTSUS subheadings are provided for convenience and for customs purposes only and are not dispositive, but rather the written description of the scope is dispositive.

Appendix II

Issues and Decision Memorandum

I. Summary

II. Background

II. Subsidy Valuation Information

A. Period of Investigation

B. Allocation Period

C. Attribution of Subsidies

D. Application of Section 771B of the Act

E. Denominators

F. Loan Benchmarks and Discount Rate Benchmarks for Allocating Non-Recurring Subsidies

IV. Analysis of Programs

A. Programs Determined To Be Countervailable

1. Export Financing from the Indonesia Export-Import Bank

2. Article 31E Income Tax Reduction

B. Programs Determined To Be Not Countervailable

1. Import Duty Exemptions for Raw Materials Imported into Bonded Zones

2. VAT Exemptions for Raw Materials and Equipment Imported into Bonded Zones

3. VAT Exemptions for Purchases of Fish Feed

C. Programs Determined To Have Been Not Used By Respondents or To Not Confer a Benefit During the POI

1. Import Duty Exemptions for Equipment Imported into Bonded Zones

2. Debt Forgivenness from the Government of Indonesia

3. Government Provision of Loans to the Indonesian Fishing and Aquaculture Sector

4. Government Loans to the Indonesian Fishing and Aquaculture Sector through Bank Rakyat Indonesia

5. Government Provision of Electricity to the Indonesian Fishing and Aquaculture Sector for LTAR

4 See Preliminary Determination, 78 FR 33349.
6. Government Provision of Goods and Services Used to Promote the Indonesian Fishing and Aquaculture Sector for LTAR
7. Government Provision of Land to the Indonesian Fishing and Aquaculture Sector for LTAR
8. Government Provision of Shrimp Breeding Stock and Fry for LTAR
9. Tax Incentives from the Capital Investment Coordinating Board
10. Government Provision of Grants to the Indonesian Fishing and Aquaculture Sector
12. Export Credit Insurance
13. Export Credit Guarantees
14. Export Ban on Raw Shrimp
15. Government Provision of Assistance through the Aquaculture Intensification (INBUKDAKAN) Program
16. Government Provision of Assistance through the Fish Culture Intensification (FCIP) Program
17. Government Provision of Assistance through the Revitalisation of Aquaculture Development (RPPB) Program
18. Government Provision of Clean Water Facilities to the Indonesian Fishery Sector for LTAR
19. Government Provision of Fishing Boats for LTAR
20. Government Provision of Cold Storage Facilities for LTAR
21. Government Provision of Shrimp Breeding Stock and Seed for LTAR
22. Government Loans to Coastal Community Businesses under the Project of Coastal Community Empowerment/Loans for the Economic Development of Coastal Communities (PEMP) Program

V. Analysis of Comments

General Issues
Comment 1: The Application of Section 731 of the Act (the Agricultural Processing Provision) to Subsidies to Fresh Shrimp Farmers
Comment 2: The Attribution of Fresh Shrimp Subsidies to Respondent Processors; Use of a Simple or Weighted Average
Comment 3: The Attribution of Fresh Shrimp Subsidies to Respondent Processors: Proper Sales Denominator

Cross-Ownership
Comment 4: CPP and the Plasma Farmers
Comment 5: CPP and CWS
Comment 6: Windu Mantap and its Cross-Owned Companies

Debt Forgiveness
Comment 7: CPP’s 2001 Restructuring Agreement

Comment 8: CPP’s Repayment Terms
Comment 9: CPP’s Forgiven Loans to CPP’s Plasma Farmers

Comment 10: CPP’s Investment Commitments for the Shrimp Pond Revitalization Project

Comment 11: The Indonesia Ex-Im Bank’s Waiver for CPP Export Financing

Comment 12: CPP’s Export Financing Income Tax Reduction
Comment 13: The Article 31E Income Tax Reduction Program

VAT Exemptions for Strategic Goods
Comment 14: VAT Exemptions are Countervailable in their Entirety

Comment 15: Time Value of Money
Benefits from VAT Exemptions
Import Duty Exemptions for Bonded Zones
Comment 16: Import Duty Exemptions for Equipment Imported into Bonded Zones

Comment 17: Import Duty Exemptions for Raw Materials Imported into Bonded Zones

VAT Exemptions for Bonded Zones
Comment 18: VAT Exemptions for Equipment and Raw Materials Imported into Bonded Zones

Land
Comment 19: First Marine’s Land Lease at the Jakarta Fishery Port

Comment 20: Land Provided to CPP and CWS by KIM
Creditworthiness
Comment 21: The Department’s Preliminary Determination Regarding CPP’s Uncreditworthiness During 2011

Comment 22: Petitioner’s Other Uncreditworthiness Allegations
Voluntary Respondents
Comment 23: The Department’s Denial of Bumi Menara’s Voluntary Respondent Request

Miscellaneous
Comment 24: CPP’s Minor Corrections
VI. Recommendation

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE
International Trade Administration
[C–532–854]
Certain Frozen Warmwater Shrimp from India: Final Affirmative Countervailing Duty Determination

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

SUMMARY: The Department of Commerce (the Department) determines that countervailable subsidies are being provided to producers and/or exporters of certain frozen warmwater shrimp (frozen shrimp) from India. For information on the estimated subsidy rates, see the “Suspension of Liquidation” section of this notice.

DATES: Effective Date: August 19, 2013.

FOR FURTHER INFORMATION CONTACT: Thomas Schauer or Shane Subler, AD/ CVD Operations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482–0410 and (202) 482–0189, respectively.

Background

The petitioner in this investigation is the Coalition of Gulf Shrimp Industries (Petitioner). This investigation covers 42 government programs. In addition to the Government of India, the company respondents in this investigation are Devi Fisheries Limited (Devi Fisheries), and Devi Seafoods Ltd. (Devi Seafoods).

Period of Investigation

The period for which we are measuring subsidies, or period of investigation, is April 1, 2011, through March 30, 2012.

Case History

The events that have occurred since the Department published the Preliminary Determination on June 4, 2013, are discussed in the Memorandum to Paul Piquado, Assistant Secretary for Import Administration, “Issues and Decision Memorandum for the Final Determination in the Countervailing Duty Investigation of Certain Frozen Warmwater Shrimp from India” (Decision Memorandum).

Scope Comments

On March 28, 2013, Petitioner asked the Department to clarify that the scope of this investigation does not include brine-frozen shrimp. We have

1 The members of the Coalition of Gulf Shrimp Industries are: Bayou Shrimp Processors, Inc.; Bluewater Shrimp Company, Inc.; Carson & Co., Inc.; C.F. Gollott & Sons Seafood, Inc.; Dean Blanchard Seafood, Inc.; Dominick Seafood; Fisherman’s Reef Packing Plant; Golden Gulf Coast Pkg. Co., Inc. (and Gollott’s Oil Dock & Ice House); Graham Fisheries, Inc.; Gulf Crown Seafood Co., Inc.; Gulf Fish Inc.; Gulf Island Shrimp & Seafood, LLC; Gulf Pride Enterprises, Inc.; Hi-Seas of Dulac, Inc.; Indian Ridge Shrimp Co.; IBS Packing Co., Inc.; Lafitte Frozen Foods Corp.; M&M Shrimp (Biloxi Freezing and Processing); Ocean Springs Seafood Market, Inc.; Paul Piazza & Sons, Inc.; R.A. Lesso Brokerage Co., Inc.; Sea Pearl Seafood Co., Inc.; Smith and Sons Seafood; Tidelands Seafood Co., Inc.; Tommy’s Seafood; Vincent Piazza & Sons Seafood, Inc.; Wood’s Fisheries; Mariah Jade Shrimp Company, LLC; David Chauvin’s Seafood Company, LLC; and Rountree Enterprises, Inc. (d/b/a Leonard & Sons Shrimp Co. and R&R Fisheries).


3 Public versions of all business proprietary documents and all public documents are on file electronically via Import Administration’s Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). Access to IA ACCESS is available to registered users at http://iaaccess.trade.gov and in the Department’s Central Records Unit (CRU), room 7046 of the main Department of Commerce building.