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Business proprietary treatment requested for
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and Exhibits I-10, I-11, and I-17.

**BEFORE THE
INTERNATIONAL TRADE ADMINISTRATION
UNITED STATES DEPARTMENT OF COMMERCE AND
THE UNITED STATES INTERNATIONAL TRADE COMMISSION**

**FROZEN WARMWATER SHRIMP FROM ECUADOR, INDIA,
INDONESIA, AND THE SOCIALIST REPUBLIC OF VIETNAM**

**PETITIONS FOR THE IMPOSITION
OF ANTIDUMPING AND COUNTERVAILING DUTIES PURSUANT TO
SECTIONS 701 AND 731 OF THE TARIFF ACT OF 1930, AS AMENDED**

VOLUME I – GENERAL ISSUES AND INJURY

Consultants

Rui Fan
David DePrest

Roger B. Schagrín
Elizabeth J. Drake
Christopher T. Cloutier
William A. Fennell
Nicholas J. Birch
Justin M. Neuman*
Michelle R. Avrutin
Alessandra A. Palazzolo, *Law Clerk*
SCHAGRIN ASSOCIATES
900 Seventh Street, N.W., Suite 500
Washington, D.C. 20001
(202) 223-1700

Edward T. Hayes
LEAKE & ANDERSSON LLP
1100 Poydras Street, Suite 1700
New Orleans, LA 7063-1701
*Counsel to the American Shrimp
Processors Association*

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* Admitted only in Ohio. Practice limited to matters before federal courts and agencies.

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I-1	ASPA Member List	Public
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I-3	Import Administration, <i>AD Investigation Initiation Checklist: Certain Frozen and Canned Warmwater Shrimp from Thailand</i> (PUBLIC VERSION) (Jan. 20, 2004)	Public
I-4	International Trade Commission Shrimp Publications Excerpts	Public
I-5	Known Domestic Producers	Public
I-6	Support from Docks, Fishermen, and Others	Public
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These petitions are filed on behalf of the American Shrimp Processors Association (“ASPA” or “Petitioner”). Petitioner alleges that frozen warmwater shrimp from Ecuador and Indonesia are being or are likely to be sold at less than normal value in the United States within the meaning of Section 731 of the Tariff Act of 1930, as amended (the “Act”) (19 U.S.C. § 1673). Petitioner also alleges that frozen warmwater shrimp from Ecuador, India, Indonesia, and the Socialist Republic of Vietnam (“Vietnam”) benefit from countervailable subsidies within the meaning of Section 701 of the Act (19 U.S.C. § 1671). Petitioner further alleges that these unfairly traded imports from Ecuador, India, Indonesia, and Vietnam have materially injured the United States domestic industry producing fresh and frozen warmwater shrimp and threaten to cause further material injury if remedial action is not taken. The petitions contain information reasonably available to Petitioner in support of these allegations.

Separate volumes regarding the allegations of dumping by subject producers in Ecuador and Indonesia, as well as countervailable subsidies provided to producers and exporters in Ecuador, India, Indonesia, and Vietnam, are being filed simultaneously at both the U.S. Department of Commerce (“Commerce”) and the U.S. International Trade Commission (the “Commission”). Petitioner requests that antidumping (“AD”) and countervailing duties (“CVD”) be imposed to offset the dumping and subsidies detailed in the specific AD and CVD volumes.

I. GENERAL ISSUES

This section contains certain information required in AD and CVD petitions by 19 C.F.R. §§ 207.11 and 351.202(b)(1) – (9).

A. Contact information for the Petitioner (19 C.F.R. § 207.11(a); 19 C.F.R. § 351.202(b)(1))

The Petitioner is the American Shrimp Processors Association (“ASPA”). Contact information for ASPA is below:

American Shrimp Processors Association
P.O. Box 399
Port Arthur, TX 77640
(409) 719-7090
Trey Pearson, President
treypjbs@aol.com

ASPA is a trade association, a majority of whose members produce frozen warmwater shrimp in the United States, and it is thus an interested party within the meaning of 19 U.S.C. § 1677(9)(E) and 19 C.F.R. § 351.102(a)(29)(vii). ASPA is therefore eligible to file these AD and CVD petitions on behalf of the domestic industry pursuant to 19 U.S.C. §§ 1671a(b)(1) & 1673a(b)(1). A list of ASPA's members is attached at **Exhibit I-1**.

B. The domestic like product proposed by Petitioner (19 C.F.R. § 207.11(b)(1))

There is a single domestic like product that includes frozen warmwater shrimp that is coextensive with the scope of these petitions, as well as fresh warmwater shrimp. A description of the subject merchandise is provided in Section I.F, below. Commerce has previously determined that frozen warmwater shrimp coextensive with the scope comprise a single like product for the purposes of determining industry support in prior cases on frozen warmwater shrimp.¹ Commerce, at the request of the petitioner, has also included support from producers of fresh warmwater shrimp, *i.e.*, the boats that harvest warmwater shrimp in the United States, in its industry support calculations in prior cases on frozen warmwater shrimp.² The Commission, pursuant to its semifinished like product analysis, has also determined there both fresh and

¹ See Import Administration, *CVD Investigation Initiation Checklist: Frozen Warmwater Shrimp from Ecuador* (PUBLIC VERSION) (Jan. 17, 2013) (hereinafter "*Ecuador CVD Initiation Attachment*") at Attachment II, attached at **Exhibit I-2**.

² See Import Administration, *AD Investigation Initiation Checklist: Certain Frozen and Canned Warmwater Shrimp from Thailand* (PUBLIC VERSION) (Jan. 20, 2004) (hereinafter "*Thailand AD Initiation Attachment*") at Attachment I, attached at **Exhibit I-3**. Canned shrimp was eventually excluded from the cases by the Commission.

frozen warmwater shrimp are part of the domestic like product in its own prior investigations on frozen warmwater shrimp.³ In the Commission’s recently concluded sunset review of AD orders on frozen warmwater shrimp from China, India, Thailand, and Vietnam, no party contested this definition of the domestic like product, and the record indicated no changes in the characteristics or uses of fresh and frozen warmwater shrimp.⁴ Thus, the Commission once again found that both fresh and frozen warmwater shrimp are included in the domestic like product.⁵

Both Commerce and the Commission should adopt the same definition of the domestic like product in this case and include both fresh and frozen shrimp in the domestic like product. Factors considered in the semifinished like product analysis which support the inclusion of fresh warmwater shrimp in the domestic like product are reviewed below.

Dedication for Use. The vast majority of fresh warmwater shrimp – as much as 95 percent – undergoes further processing.⁶ According to the Commission, fresh shrimp is

³ See U.S. International Trade Commission, *Certain Frozen or Canned Warmwater Shrimp and Prawns from Brazil, China, Ecuador, India, Thailand, and Vietnam*, Inv. Nos. 731-TA-1063-1068 (Prelim), USITC Pub. 3672 (Feb. 2004) (hereinafter “*Shrimp 2004 ITC Prelim*”) at 13 – 14, excerpts attached at **Exhibit I-4**. See also U.S. International Trade Commission, *Certain Frozen or Canned Warmwater Shrimp and Prawns from Brazil, China, Ecuador, India, Thailand, and Vietnam*, Inv. Nos. 731-TA-1063-1068 (Final), USITC Pub. 3748 (Jan. 2005) (hereinafter “*Shrimp 2004 ITC Final*”) at 6, excerpts attached at **Exhibit I-4**; U.S. International Trade Commission, *Frozen Warmwater Shrimp From China, Ecuador, India, Indonesia, Malaysia, Thailand, and Vietnam*, Inv. Nos. 701-TA-491-497 (Preliminary), USITC Pub. 4380 (Feb. 2013) (hereinafter “*Shrimp 2013 ITC Prelim*”) at 8 – 10, excerpts attached at **Exhibit I-4**; U.S. International Trade Commission, *Frozen Warmwater Shrimp from China, Ecuador, India, Malaysia, and Vietnam*, Inv. Nos. 701-TA-491-493, 495, and 497 (Final), USITC Pub. 4429 (Oct. 2013) (hereinafter “*Shrimp 2013 ITC Final*”) at 9, excerpts attached at **Exhibit I-4**.

⁴ See U.S. International Trade Commission, *Frozen Warmwater Shrimp from China, India, Thailand, and Vietnam*, Inv. Nos. 731-TA-1064 and 1066-1068 (Third Review), USITC Pub. 5432 (June 2023) (hereinafter “*Shrimp 2023 ITC Sunset*”) at 14 – 15, excerpts attached at **Exhibit I-4**.

⁵ See *id.*

⁶ *Shrimp 2013 ITC Prelim* at 10, excerpts attached at **Exhibit I-4**.

“overwhelmingly used as an input in the production of frozen product” and is “overwhelmingly sold in processed form.”⁷

Separate Markets. There are separate markets for harvested shrimp and processed warmwater shrimp in the sense that vessels sell their catch to a dock house or processor, while processors sell shrimp to end users and distributor. However, fresh shrimp and shrimp frozen on the vessel are both sold at the dock.⁸

Differences in Physical Characteristics and Functions of the Upstream and Downstream Articles. The processing of fresh shrimp into frozen does not change the essential character or functions of the upstream article.⁹ As the Commission has noted, the “initial stages of processing did not significantly change the physical characteristics and use of the product and appeared to add at most moderate value to the product.”¹⁰

Differences in Value. As noted above, the Commission has previously found that processing adds at most moderate value to frozen warmwater shrimp. In addition, in its most recent sunset review on frozen warmwater shrimp, the Commission found that raw material costs represent the largest component of the price of frozen shrimp, with the ratio of raw material costs to net sales ranging from 74.1 to 79.3 percent.¹¹ Raw shrimp accounted for 96.5 percent of these raw material costs, and thus the cost of the raw shrimp input alone accounted for anywhere from 71.5 to 76.5 of the final sales value of the frozen product.¹² Thus, additional raw materials,

⁷ *Shrimp 2023 ITC Sunset* at 13, excerpts attached at **Exhibit I-4**.

⁸ *Shrimp 2013 ITC Prelim* at 10, excerpts attached at **Exhibit I-4**.

⁹ *See id.*

¹⁰ *Shrimp 2023 ITC Sunset* at 13 - 15, excerpts attached at **Exhibit I-4**.

¹¹ *Id.* at III-19, Table III-12.

¹² *Id.* at III-30, Table III-15 (0.741*0.965=0.715 and 0.793*0.965=0.765).

processing costs, selling, general, and administrative expenses, and profit together accounted for less than 30 percent of the value of the final frozen processed product.

Extent of Processes Used to Transform Downstream Product into Upstream Product. The most basic processing needed to transform fresh shrimp to processed shrimp – freezing and deheading – is not extensive. Processors use a variety of cleaning, weighing, and sorting equipment, as well as blast freezers, to further process frozen, shell-on shrimp, and may also peel and devein the shrimp.¹³

For all of these reasons, Commerce and the Commission should define the domestic like product to include frozen warmwater shrimp coextensive with the scope as well as fresh warmwater shrimp pursuant to the semifinished like product analysis.

C. Identity of the industry on whose behalf the petitions are filed (19 C.F.R. § 207.11(b)(ii) and 19 C.F.R. § 351.202(b)(2))

These petitions are filed on behalf of the United States industry that produces frozen warmwater shrimp in the United States. As explained in Section I.B, above, the domestic like product in this case should be defined as all frozen warmwater shrimp, co-extensive with the scope, as well as fresh warmwater shrimp. The names and contact information for ASPA members that produce frozen warmwater shrimp are attached at **Exhibit I-1**. Names and contact information for other known domestic processors of frozen warmwater shrimp, as well as known domestic producers of fresh warmwater shrimp (*i.e.*, boats), are attached at **Exhibit I-5**. Contact information for boats that harvest warmwater shrimp is also contained in **Exhibit I-11**.

¹³ *Shrimp 2013 ITC Prelim* at 10, excerpts attached at **Exhibit I-4**.

D. Information relating to the degree of industry support for the petition (19 C.F.R. § 351.202(b)(3))

Under the statute, the Petitioner and any other domestic producers supporting a petition must account for more than 25 percent of the production of the domestic like product and more than 50 percent of those expressing a position on the petition.¹⁴ As explained in Section I.C, above, the domestic like product should be defined to include both frozen warmwater shrimp coextensive with the scope and fresh warmwater shrimp. In prior cases on frozen warmwater shrimp, Commerce has relied on data from the National Oceanic and Atmospheric Administration (“NOAA”) regarding the volume of domestic frozen processed shrimp production and NOAA data regarding landings of warmwater shrimp as the denominators of total domestic production for industry support purposes.¹⁵ Data on the production of processed frozen warmwater shrimp in 2022 is not available from NOAA as of the date of the filing of these petitions and thus not reasonably available to the Petitioner.¹⁶

To calculate domestic production of frozen warmwater shrimp in 2022, Petitioner has adopted the methodology used by the Commission in its most recent sunset review on frozen warmwater shrimp.¹⁷ Petitioner has taken shrimp landings in the Gulf and South Atlantic regions in 2022 reported by NOAA and added an estimate for farmed shrimp to arrive at total head on production. Petitioner has then converted the volume of head on production to headless using a

¹⁴ 19 U.S.C. §§ 1671a(c)(4)(A), 1673a(c)(4)(A). In addition to the support from domestic producers of the domestic like product (*i.e.*, processors and boats) established in these petitions, hundreds of individual docks, fishermen, and other individuals related to the shrimp industry support these petitions. See **Exhibit I-6**. While these entities are not included in the industry support calculation, they underscore the broad support for these petitions throughout all segments of the industry.

¹⁵ See *Ecuador CVD Initiation Attachment*, attached at **Exhibit I-2**. See also *Thailand AD Initiation Attachment*, attached at **Exhibit I-3**.

¹⁶ See NOAA website and correspondence, attached at **Exhibit I-7**.

¹⁷ See *Shrimp 2023 ITC Sunset* at I-43 – I-44, Table I-13, excerpts attached at **Exhibit I-4**.

conversion factor of 0.629. Petitioner has used the same methodology to estimate the production of fresh warmwater shrimp in 2022.

2022 Domestic Shrimp Production
Thousand Pounds

	Item	Thousand Pounds	Source
A	Landings (Head on)	214,963	Exhibit I-8
B	Farmed Production (Head on)	5,185	Shrimp 2023 ITC Sunset ¹⁸
C	Total (Head on)	220,148	A + B
D	Total (Headless)	138,473	C * 0.629

To calculate industry support, Petitioner has included in the numerator for processed production the pounds produced by ASPA members in 2022¹⁹ and the pounds produced by two additional processors that are not ASPA members that have expressed support for the petitions, Fulton Seafood, Inc. and Texas Pack, Inc.²⁰ In the numerator for fresh production, Petitioner has included the pounds harvested in 2022 by nearly eight hundred shrimp boats in Alabama, Florida, Georgia, Louisiana, Mississippi, and Texas that have expressed their support for these petitions.²¹

2022 Frozen Shrimp Production and Industry Support
Thousand Pounds, Headless

	Item	Thousand Pounds	Source
A	ASPA Production	119,827	Exhibit I-9
B	Additional Processor Support	[]	Exhibit I-10
C	Total Support	[]	A + B
D	Total Domestic Production	138,473	Above Table
E	ASPA Support %	86.5%	A / D
F	Total Support %	[]	C / D

¹⁸ *See id.* As far as Petitioner is aware, there is no more recent data on the production of farmed shrimp in the United States in 2022.

¹⁹ ASPA production data is attached at **Exhibit I-9**.

²⁰ Production data for these two companies is attached at **Exhibit I-10**.

²¹ Production data for boats supporting the petitions is attached at **Exhibit I-11**.

2022 Fresh Shrimp Production and Industry Support
Thousand Pounds, Headless

	Item	Thousand Pounds	Source
A	Boat Support	75,657	Exhibit I-11
B	Total Domestic Production	138,473	Above Table
C	ASPA Support %	54.6%	A / B

Combined Industry Support
Thousand Pounds, Headless

	Item	Thousand Pounds	Source
A	ASPA Production	119,827	Exhibit I-9
B	Additional Processer Support	[]	Exhibit I-10
C	Boat Support	75,657	Exhibit I-11
D	Total Support	[]	A + B + C
E	Processed and Fresh Production	276,947	2 * 138,473
F	Total Support %	[]	D / E

Thus, ASPA and other supporters of the petitions account for at least 25 percent of the total production of the domestic like product and more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for or opposition to the petition. These petitions are therefore filed on behalf of the domestic industry within the meaning of 19 U.S.C. §§ 1671a(c)(4)(A) and 1673a(c)(4)(A).

E. Previous requests for import relief (19 C.F.R. § 351.202(b)(4))

Petitioner has not filed for relief from imports of the subject merchandise under Section 337 of the Act, Sections 201 or 301 of the Trade Act of 1974, or Section 232 of the Trade Expansion Act of 1962.

In response to a petition from the domestic industry and an affirmative injury determination by the Commission, Commerce imposed antidumping orders on frozen warmwater

shrimp from Brazil, China, Ecuador, India, Thailand, and Vietnam in 2005.²² The orders on Brazil and Ecuador were subsequently revoked; the orders on China, India, Thailand, and Vietnam were recently continued as the result of the third sunset review of the orders.²³ The domestic industry also filed subsidy petitions on frozen warmwater shrimp from China, Ecuador, India, Indonesia, Malaysia, Thailand, and Vietnam in 2012, but no orders were imposed.²⁴

F. Description of the subject merchandise (19 C.F.R. § 351.202(b)(5))

The scope of these investigations includes 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,²⁵ deveined or not deveined, cooked or raw, or otherwise processed in frozen form.

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 species include, but are not limited to, whiteleg shrimp (*Penaeus vannamei*), banana prawn (*Penaeus merguensis*), fleshy prawn (*Penaeus chinensis*), giant river prawn (*Macrobrachium rosenbergii*), giant tiger

²² See *Shrimp 2004 ITC Final*, excerpts attached at **Exhibit I-4**.

²³ See *Certain Frozen Warmwater Shrimp From the People's Republic of China, India, Thailand, and the Socialist Republic of Vietnam: Continuation of Antidumping Duty Orders*, 88 Fed. Reg. 42,914 (Dep't Commerce July 5, 2023).

²⁴ See *Shrimp 2013 ITC Final*, excerpts attached at **Exhibit I-4**.

²⁵ "Tails" in this context means the tail fan, which includes the telson and the uropods.

prawn (*Penaeus monodon*), redspotted shrimp (*Penaeus brasiliensis*), southern brown shrimp (*Penaeus subtilis*), southern pink shrimp (*Penaeus notialis*), southern rough shrimp (*Trachypenaeus curvirostris*), southern white shrimp (*Penaeus schmitti*), blue shrimp (*Penaeus stylirostris*), western white shrimp (*Penaeus occidentalis*), 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, 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 (HTSUS subheading 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 (HTSUS subheadings 0306.36.0020 and 0306.36.0040); (4) shrimp and prawns in prepared meals (HTSUS subheading 1605.20.05.10); (5) dried shrimp and prawns; (6) canned warmwater shrimp and prawns (HTSUS subheading 1605.20.10.40); (7) certain dusted shrimp; and (8) certain battered shrimp. Dusted 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 IQF freezing immediately after application of the dusting layer. 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.

The products covered by the scope are currently classified under the following HTSUS subheadings: 0306.17.0004, 0306.17.0005, 0306.17.0007, 0306.17.0008, 0306.17.0010, 0306.17.0011, 0306.17.0013, 0306.17.0014, 0306.17.0016, 0306.17.0017, 0306.17.0019, 0306.17.0020, 0306.17.0022, 0306.17.0023, 0306.17.0025, 0306.17.0026, 0306.17.0028, 0306.17.0029, 0306.17.0041, 0306.17.0042, 1605.21.1030, and 1605.29.1010. 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.

Proposed scope language is attached at **Exhibit I-12**. The relevant excerpts from the HTSUS and relevant customs rulings are attached at **Exhibit I-13**. Excerpts from the Commission's report in the most recent sunset review on frozen warmwater shrimp describing the technical characteristics and uses of the product are attached at **Exhibit I-4**.

G. The names of the home market countries and the name of any intermediate country through which the merchandise is transshipped (19 C.F.R. § 351.202(b)(6))

The frozen warmwater shrimp covered by these petitions are produced in and exported to the United States from Ecuador, India, Indonesia, and Vietnam. Petitioner does not have any evidence indicating that the subject merchandise is currently being transshipped through an intermediate country.

H. The names and addresses of each person believed to sell the merchandise at less than normal value and the proportion of total exports to the United States (19 C.F.R. § 351.202(b)(7)(i)(A))

The names and addresses of the entities believed by Petitioner to be producing and exporting subject Shrimp are provided in **Exhibit I-16**. Public information reasonably available to Petitioner does not allow the identification of the proportion of total exports to the United States accounted for during the most recent twelve-month period by the listed producers.

I. All factual information related to the calculation of Export Price and the Constructed Export Price of the subject merchandise and the Normal Value of the foreign like product (19 C.F.R. § 351.202(b)(7)(i)(B)&(C))

Volume II of these petitions contains the necessary information concerning the calculation of the export price and normal value for merchandise produced and exported from Ecuador. Volume III of these petitions contains the necessary information concerning the calculation of the export price and normal value for merchandise produced and exported from Indonesia.

J. The names and addresses of each person believed to benefit from a countervailable subsidy who exports the subject merchandise to the United States and the proportion of total exports to the United States (19 C.F.R. § 351.202(b)(7)(ii)(A))

The names and address of the entities in Ecuador, India, Indonesia, and Vietnam believed by Petitioner to be benefiting from countervailable subsidies and who have exported frozen warmwater shrimp subject to these petitions are provided in **Exhibit I-16**. Information reasonably available to Petitioner does not allow the identification of the proportion of total exports to the United States accounted for during the most recent twelve-month period by the listed producers.

K. The alleged countervailable subsidies and related factual information (19 C.F.R. § 351.202(b)(7)(ii)(B))

Volume IV of these petitions contains information concerning the alleged countervailable subsidies to producers and exporters of frozen warmwater shrimp from Ecuador. Volume V of these petitions contains information concerning the alleged countervailable subsidies to producers and exporters of frozen warmwater shrimp from India. Volume VI of these petitions contains information concerning the alleged countervailable subsidies to producers and exporters of frozen warmwater shrimp from Indonesia. Volume VII of these petitions contains information

concerning the alleged countervailable subsidies to producers and exporters of frozen warmwater shrimp from Vietnam.

L. The volume and value of the subject merchandise imported during the most recent two-year period (19 C.F.R. § 351.202(b)(8))

Imports of frozen warmwater from the four subject countries during the most recent two-year period are attached at **Exhibit I-14**. The data are summarized below.

Subject Imports of Frozen Warmwater Shrimp²⁶

	2020	2021	2022
Million Pounds	1,303	1,633	1,507
U.S. \$ Million	\$5,154	\$6,857	\$6,661

M. Contact information for each entity the Petitioner believes imports or is likely to import the subject merchandise (19 C.F.R. § 207.11(b)(2)(iii); 19 C.F.R. § 351.202(b)(9))

The names and contact information for those firms believed to be importers of the subject merchandise are contained in **Exhibit I-15**. Petitioner believes that there may be a number of importers of subject frozen warmwater shrimp that are unknown to Petitioner at this time. Petitioner respectfully requests that Commerce and the Commission obtain this information from Customs and Border Protection. Petitioner does not have access to this information.

N. Identification of pricing products (19 C.F.R. § 207.11(b)(2)(iv))

The Petitioner requests that the Commission collect pricing data on U.S. shipments of following pricing products:

- Product 1. – Frozen, raw warmwater shrimp or prawns, all species, 71 to 90 count, headless, peeled and deveined (P&D), tail-off, block frozen (cut or not cut).
- Product 2. – Frozen, raw warmwater shrimp or prawns, all species, 31 to 40 count, headless, shell-on, block frozen.

²⁶ See Import Statistics, attached at **Exhibit I-14**.

- Product 3. – Frozen, raw warmwater shrimp or prawns, all species, 26 to 30 count, headless, shell-on, block frozen.
- Product 4. – Frozen, cooked warmwater shrimp or prawns, all species, 26 to 30 count, P&D, headless, tail-on or-tail off, individually quick frozen (IQF).

These products were used by the Commission as pricing products in the most recent sunset reviews on frozen warmwater shrimp.²⁷

O. Lost sales and revenue (19 C.F.R. § 207.11(b)(2)(v))

Lost sales and lost revenue allegations are attached at **Exhibit I-17**. These allegations are also being filed electronically pursuant to 19 C.F.R. § 207.11 and the Commission’s instructions.

II. INJURY INFORMATION (19 C.F.R. § 351.202(b)(10))

According to the Act, a domestic industry is entitled to antidumping or countervailing duty relief if it is experiencing material injury or the threat of material injury by reason of unfairly traded imports. 19 U.S.C. §§ 1671, 1673. As outlined below, the domestic industry producing warmwater shrimp in the United States is both suffering from material injury and threatened with further material injury by reason of dumped and subsidized imports of frozen warmwater shrimp from the subject countries.

A. The domestic like product and domestic industry

In determining whether an industry in the United States has suffered material injury or is threatened with material injury, the Commission first defines the domestic like product, *i.e.*, “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation.”²⁸ As explained in Section I.B, above, there is a single domestic like product in these investigations that consists of all frozen warmwater shrimp

²⁷ *Shrimp 2023 ITC Sunset* at V-5, excerpts attached at **Exhibit I-4**.

²⁸ 19 U.S.C. § 1677(10).

corresponding to the scope as well as fresh warmwater shrimp. The Commission has included both processors and boats in the domestic industry in prior shrimp proceedings. Thus, these petitions allege injury to both boats and processors. ASPA, as an association of processors, provides below information demonstrating injury to its own members, who account for the vast majority of domestic processed production. ASPA also provides below information reasonably available to the Petitioner demonstrating the injury that has been suffered by the industry as a whole, including domestic harvesters of warmwater shrimp.

B. Subject imports are not negligible

Pursuant to 19 U.S.C. § 1677(24)(A)(i), imports are not considered to be negligible if they account for at least 3 percent of the volume of all such merchandise imported into the United States in the most recent twelve-month period for which data are available that precedes the filing of the petitions.²⁹ In this case, the most recent twelve-month period for which data are available is September 2022 through August 2023. During that twelve-month period, imports from Ecuador accounted for 27.19 percent of total imports of frozen warmwater shrimp from the world, imports from India accounted for 40.72 percent, imports from Indonesia accounted for 17.66 percent, and imports from Vietnam accounted for 5.96 percent.³⁰ Thus, imports from each subject country are not negligible.

C. Subject imports should be cumulated

For the purposes of evaluating volume and price effects for a determination of material injury, the statute directs the Commission to cumulate imports from all subject countries as to

²⁹ The higher negligibility threshold for CVD cases on certain developing countries only applies to Ecuador, which far exceeds that threshold. *See Designations of Developing and Least-Developed Countries Under the Countervailing Duty Law*, 85 Fed. Reg. 7613, 7615 (USTR Feb. 10, 2020).

³⁰ *See* Import Statistics, attached at **Exhibit I-14**.

which petitions were filed on the same day if such imports compete with each other and the domestic like product in the U.S. market.³¹ In assessing whether subject imports compete with each other and the domestic like product, the Commission generally considers four factors: (1) the degree of fungibility between subject imports from each country and between subject imports and the domestic like product; (2) the presence of sales or offers to sell in the same geographic markets; (3) the existence of common or similar channels of distribution; and (4) whether the subject imports are simultaneously present in the U.S. market.³² Only a reasonable overlap of competition is required.³³ In this case, these petitions are all being filed on the same day, and, as described in more detail below, each of the factors the Commission considers supports a finding that imports of Shrimp from each of the four subject countries compete with each other and with the domestic like product. The Commission should therefore cumulate subject imports in its determination of material injury, and the remainder of the injury analysis in these petitions is presented on a cumulated basis.

1. Fungibility

Shrimp from all subject countries and the domestic like product are fungible. The Commission has previously determined that there was at least a moderate degree of substitutability between shrimp from Ecuador, India, Indonesia, Vietnam, and the United States, and there is no indication that conditions have changed to limit that degree of fungibility today.³⁴

³¹ 19 U.S.C. § 1677(7)(G)(i).

³² *See, e.g., Low Melt Polyester Staple Fiber from Korea and Taiwan*, Inv. Nos. 731-TA-1378-1379 (Final), USITC Pub. 4808 (Aug. 2018) at 7.

³³ *See id.*

³⁴ *Shrimp 2013 CVD Prelim* at 15, excerpts attached at **Exhibit I-4**.

2. Channels of distribution

Shrimp from all subject countries and the domestic like product are present in the same channels of distribution. The Commission has previously found that domestic shrimp and shrimp from Ecuador, India, Indonesia, and Vietnam are sold to distributors, end users, and retail/institutional customers such as grocers and restaurants, and Petitioner believes that continues to be the case today.³⁵

3. Geographic overlap

The Commission has previously found that the market for frozen warmwater shrimp is nationwide and that domestic and imported shrimp are sold throughout the United States.³⁶ The import statistics attached at **Exhibit I-14** show that frozen warmwater shrimp from each of the subject countries entered at ports in all regions of the country.

4. Simultaneous presence in the market

Imports of frozen warmwater shrimp from each of the subject countries have been present in every month of the period of investigation (“POI”).³⁷ Subject imports and the domestic like product are thus simultaneously present in the market.

5. Conclusion

Subject imports from each of the four countries and the domestic like product are fungible, are present in the same distribution channels, overlap geographically, and are simultaneously present in the U.S. market. Thus, each of the factors the Commission considers

³⁵ *Id.*

³⁶ *Id.*

³⁷ *See* Import Statistics, attached at **Exhibit I-14**.

regarding cumulation supports cumulating subject imports from all four countries in these investigations.

D. Subject imports are causing material injury to the domestic industry

In determining whether a domestic industry is experiencing present material injury by reason of unfairly traded imports, the Commission must consider: (1) the volume of subject imports; (2) the effect of imports of subject merchandise on U.S. prices for the domestic like product; and (3) the impact of subject imports on domestic producers.³⁸ In this case, each factor favors a finding of present material injury.

1. The volume of subject imports is significant

In assessing the volume of subject imports, the Commission must “consider whether the volume of imports of the merchandise, or any increase in that volume, either in absolute terms or relative to production or consumption in the United States, is significant.”³⁹

Cumulated imports of frozen warmwater shrimp from Ecuador, India, Indonesia, and Vietnam are significant. Imports from these four countries exceeded 1.5 billion pounds in 2022, and they were valued at nearly \$6.7 billion.

Subject Imports of Frozen Warmwater Shrimp⁴⁰

	2020	2021	2022	H1 2022	H1 2023
Million Pounds	1,303	1,633	1,507	784	668
U.S. \$ Million	5,154	6,857	6,661	3,561	2,493

By volume, subject imports increased 15.6 percent from 2020 to 2022, and subject imports remained elevated in the first half of 2023.

³⁸ 19 U.S.C. § 1677(7)(B).

³⁹ 19 U.S.C. § 1677(7)(C)(i).

⁴⁰ See Import Statistics, attached at **Exhibit I-14**.

Subject imports are also significant relative to domestic consumption, and they captured an increasing share of the U.S. market over the POI. In 2020, subject imports held 78.7 percent of the domestic market for frozen warmwater shrimp – by 2022, that share had increased to 83.5 percent. This increase in subject import market share came partly at the expense of the domestic industry, whose market share fell from 8.5 percent in 2020 to 7.4 percent in 2022.

Market Shares of Frozen Warmwater Shrimp⁴¹
Thousand Pounds

	2020	2021	2022
Landings (head on)	221,801	229,266	214,963
Farmed (head on)	5,185	5,185	5,185
Production (head on)	226,986	234,451	220,148
Production (headless)	142,774	147,470	138,473
Exports	2,297	4,000	4,308
Domestic shipments	140,477	143,470	134,165
Subject imports	1,303,442	1,633,174	1,507,391
Nonsubject imports	211,597	182,066	164,092
Apparent consumption	1,655,516	1,958,710	1,805,648
Domestic %	8.5%	7.3%	7.4%
Subject %	78.7%	83.4%	83.5%
Nonsubject %	12.8%	9.3%	9.1%

While subject imports fell by 14.7 percent from the first half of 2022 to the first half of 2023,⁴² preliminary landings data for the Gulf and South Atlantic from NOAA indicate that domestic landings fell almost twice as fast during the same period, plummeting by 28.6 percent from the first half of 2022 to the first half of 2023.⁴³ Thus, even if imports declined absolutely, they continued to gain market share from domestic producers.

⁴¹ See *id.* U.S. domestic shipments are estimated based on landings plus farmed production, minus exports. Landings are attached at **Exhibit I-8**. Exports are attached at **Exhibit I-14**. Head on pounds are converted to headless using the conversion factor of 0.629. Apparent consumption is domestic shipments plus imports.

⁴² See Import Statistics, attached at **Exhibit I-14**.

⁴³ Monthly Gulf Shrimp Statistics, attached at **Exhibit I-8**.

Moreover, the absolute decline in subject imports during the interim period likely understates that actual presence of subject imports in the market, because it is only based on imports currently entering the United States and does not include shipments of imports from inventory. Anecdotal information indicates that inventories have been extremely high at the end of 2022 and in 2023, and thus the shipments of imports into the U.S. market in the more recent period are likely higher than the volume of new imports arriving.⁴⁴

In short, the volume of subject imports is significant, both absolutely and relative to consumption, and the increase in subject import volume and market share over the period is also significant.

2. Subject imports have had significant adverse price effects

In evaluating the effect of subject imports on prices, the Commission must consider whether “there has been significant price underselling by the imported merchandise,” and whether the effect of imports “otherwise depresses prices to a significant degree or prevents price increases, which otherwise would have occurred, to a significant degree.”⁴⁵ Subject imports of frozen warmwater shrimp have undersold the domestic like product, and there are indications that these imports also suppressed prices to a significant degree.

In the recently completed sunset review, the Commission found significant underselling by India and Vietnam in the period from January 2019 through September of 2022, which overlaps with the majority of the POI for these petitions. Imports from India undersold the

⁴⁴ See, e.g., “With wholesalers ‘still full of inventory,’ US shrimp import volumes continue to tumble,” *Undercurrent News* (Dec. 12, 2022), attached at **Exhibit I-18**.

⁴⁵ 19 U.S.C. § 1677(7)(c)(ii).

domestic like product in every single comparison, and imports from Vietnam undersold the domestic like product in 68.8 percent of comparisons.⁴⁶

Import average unit values show that imports from Indonesia are priced between imports from Vietnam and India, while imports from Ecuador are priced the lowest of all four countries. Thus, the underselling apparent in the sunset review for India and Vietnam likely extends to imports from Ecuador and Indonesia.

Import Average Unit Values⁴⁷
Landed, Duty-Paid Value / LB

	2020	2021	2022	H1 2022	H1 2023
India	\$4.03	\$4.18	\$4.45	\$4.57	\$3.80
Ecuador	\$2.91	\$3.48	\$3.56	\$3.64	\$3.19
Indonesia	\$4.22	\$4.45	\$4.93	\$5.09	\$3.97
Vietnam	\$5.16	\$5.53	\$6.09	\$6.04	\$5.44

Comparing the average domestic shipment unit value of ASPA processors to subject imports, subject imports undersold the domestic like product in every period, by margins of up to 16 percent. These comparisons do not take into account count size and product form, but they offer another indication that imports from the subject countries are underselling domestic producers.

Underselling⁴⁸
Dollars / LB

	2020	2021	2022	H1 2022	H1 2023
ASPA Commercial Shipments	\$4.49	\$5.02	\$4.52	\$4.90	\$4.05
Subject Imports	\$3.95	\$4.20	\$4.42	\$4.54	\$3.73

⁴⁶ *Shrimp 2023 ITC Sunset* at V-17, Table V-10, excerpts attached at **Exhibit I-4**.

⁴⁷ See Import Statistics, attached at **Exhibit I-14**.

⁴⁸ See Import Statistics, attached at **Exhibit I-14**.

Moreover, the numerous lost sales and lost revenue allegations attached at **Exhibit I-17** further confirm that widespread underselling by subject imports has been significant.

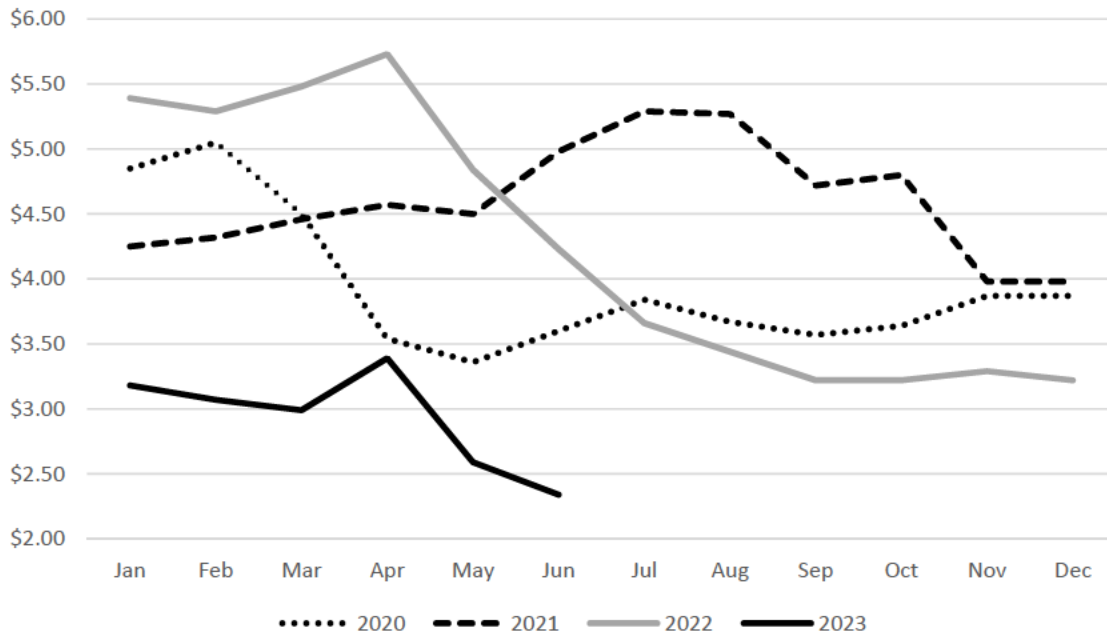
Rising levels of low-priced subject imports also suppressed and depressed domestic prices. While the average unit value of ASPA members' commercial shipments rose slightly from 2020 to 2022, prices failed to keep pace with rising costs due to the growing presence of low-priced subject imports. As a result, the domestic industry's already high ratio of costs of goods sold to sales rose from 89.8 percent in 2020 to 90.7 percent in 2022.⁴⁹ Subject imports also depressed domestic prices, particularly in 2023. The average unit value of subject imports fell by 17.9 percent from the first half of 2022 to the first half of 2023, driving a similar decline in domestic commercial shipment unit values of 17.3 percent.⁵⁰

The rising volumes of low priced imports also depressed prices for shrimp harvesters, particularly towards the end of the period. NOAA data on ex-vessel prices for shrimp landings in the Gulf and South Atlantic show dockside prices falling sharply in 2022 and the first half of 2023, reaching their lowest prices of the period in the first half of 2023. For size 26/30 shrimp landed in the Gulf, for example, the average price fell from \$4.23/pound in June of 2022 to just \$2.34/pound in June of 2023, a decline of 44.7 percent. These declines coincided with the increase in import volume from 2020 to 2022 and the decline in subject import unit values in the first half of 2023, providing further evidence of price depression throughout the industry due to subject imports.

⁴⁹ See ASPA Member Data, attached at **Exhibit I-9**.

⁵⁰ See *id.* See also Import Statistics, attached at **Exhibit I-14**.

Warmwater Shrimp Ex-Vessel Prices, Gulf 26/30⁵¹
\$/LB, Headless



In short, subject imports have undersold the domestic like product and suppressed and/or depressed domestic prices, resulting in significant adverse price effects for the entire domestic warmwater shrimp industry.

3. Subject imports have had a significant adverse impact on the domestic industry

In examining the impact of subject imports on the domestic industry, the Commission is instructed to “evaluate all relevant economic factors which have a bearing on the state of the industry, in the United States.”⁵² These factors include, but are not limited to:

- Actual and potential declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity;
- Factors affecting domestic prices;
- Actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment;

⁵¹ See Landings Data, attached at **Exhibit I-8**.

⁵² 19 U.S.C. § 1677(7)(c)(iii).

- Actual and potential negative effects on the existing development and production efforts of the domestic industry, including efforts to develop a derivative or more advanced version of the domestic like product; and
- The magnitude of the margin of dumping.⁵³

As explained in more detail below, these factors support a determination that the domestic industry has been materially injured by subject imports.

Subject imports increased significantly and gained market share from 2020 to 2022. Subject import market share increased from 78.7 percent in 2020 to 83.5 percent in 2022.⁵⁴ This increase came at the expense of the domestic industry, whose market share declined from 8.5 percent in 2020 to 7.4 percent in 2022.⁵⁵ In addition, while subject imports fell absolutely in interim 2023, preliminary data from NOAA indicates that domestic landings fell almost twice as fast during the period.⁵⁶

The increase in subject imports prevented the domestic industry from participating in the growth in demand over the period. From 2020 to 2022, apparent domestic consumption of frozen warmwater shrimp rose by 9.1 percent, but subject imports rose by a more rapid 15.6 percent.⁵⁷ As a result, landings and domestic shipments actually fell from 2020 to 2022, denying domestic producers the opportunity to enjoy any of the increase in demand.⁵⁸ These trends only worsened in interim 2023 due to a large inventory overhang and still significant import levels.

⁵³ *Id.*

⁵⁴ *See* Section II.D.1, above.

⁵⁵ *See id.*

⁵⁶ *See id.*

⁵⁷ *See id.*

⁵⁸ *See id.*

Domestic Industry Trade and Production Trends⁵⁹

Indicator	2020 to 2022	H1 2022 to H1 2023
Landings	- 3.1%	- 28.6
ASPA Production	- 0.4%	- 13.9%
ASPA Domestic Shipments (qty)	- 8.2%	- 10.7%
ASPA Ending Inventories	+ 45.3%	+14.1%

Subject imports also had a negative impact on domestic prices, sales revenue, and financial performance. As reviewed in Section I.D.2, above. The unit value of ASPA members' commercial shipments fell by 17.3 percent from the first half of 2022 to the first half of 2023, and dockside prices plummeted to their lowest levels of the period in the first half of 2023. As a result, processors' sales revenue, operating income, and net income all fell over the period.

Domestic Industry Financial Performance⁶⁰

\$1,000

Indicator	2020	2021	2022	H1 2022	H1 2023
Sales Revenue	577,113	684,733	524,339	275,861	197,627
Operating Income	17,240	4,381	2,048	880	748
Net Income	9,334	-5,793	-6,171	-2,196	-9
Operating Income %	3.0%	0.6%	0.4%	0.3%	0.4%
Net Income %	1.6%	-0.8%	-1.2%	-0.8%	0.0%

The fact that the domestic industry suffered lagging production and shipments, growing inventories, declining prices, and falling profits is attributable to the rapid increase in low-priced imports from the four subject countries. The injury the industry experienced is not attributable to trends in demand, as apparent consumption grew by a healthy 9.1 percent from 2020 to 2022. Trends in nonsubject imports also cannot explain the injury the industry suffered, as nonsubject

⁵⁹ See Landings Data, attached at **Exhibit I-8**. See also ASPA Member Data, attached at **Exhibit I-9**.

⁶⁰ See ASPA Member Data, attached at **Exhibit I-9**.

imports also declined and lost market share to subject imports.⁶¹ In addition, they entered at average unit values that were significantly higher than subject unit values.⁶²

In short, the domestic shrimp industry is at a breaking point. During a period of rising demand, domestic harvesters and processors saw production, shipments, and market share all decline as subject imports rose and took market share. In 2023, as the market was overloaded with inventory, landings plummeted and processors' production and shipments fell sharply. Persistent underselling by subject imports drove down sales revenue and prices, creating a market where domestic producers were barely able to break even. The survival of the domestic industry depends on securing relief from imported shrimp from the four subject countries.

For all of these reasons, the Commission should find that the domestic industry has been materially injured by imports of frozen warmwater shrimp from Ecuador, India, Indonesia, and Vietnam.

E. Subject imports threaten the domestic industry with additional material injury

In examining the threat of material injury by subject imports, the statute directs the Commission to consider a number of specific factors, including: (1) an increase in foreign producers' productive capacity or existing unused capacity; (2) a significant rate of increase of the volume or market penetration of the subject imports; and (3) the likelihood that imports of the subject merchandise are entering at prices that will have a significant depressing or suppressing effect on domestic prices.⁶³ Based on these criteria, there is ample evidence that

⁶¹ See Import Statistics, attached at **Exhibit I-14**.

⁶² See *id.*

⁶³ 19 U.S.C. § 1677(7)(F)(i).

subject imports of Shrimp present an imminent threat of additional material injury to the U.S. industry.

1. Cumulative assessment of threat

Under the statute, the Commission may “cumulatively assess the volume and price effects of imports of the subject merchandise” with respect to which petitions were filed on the same day, if such products compete with each other and with the domestic like product.⁶⁴ As discussed in Section II.D above, subject merchandise from Ecuador, India, Indonesia, and Vietnam are fungible and compete directly with each other and the domestic like product. There is no indication that these conditions will change in the imminent future. The Commission should therefore assess the cumulative impact of such imports when determining whether imports threaten additional material injury.

2. Countervailable subsidies encourage production and export of shrimp from all four countries

As part of its threat analysis, the Commission must consider “if a countervailable subsidy is involved” and, in particular, “whether the countervailable subsidy is a subsidy described in Article 3 or 6.1” of the WTO Agreement on Subsidies and Countervailing Measures.⁶⁵ Article 3 of the WTO Subsidies Agreement describes subsidies that are prohibited because they are contingent upon export performance or upon the use of domestic over imported goods.⁶⁶

As documented in Volumes IV, V, VI, and VII of these petitions, the governments of Ecuador, India, Indonesia, and Vietnam have in place numerous subsidy programs to encourage

⁶⁴ 19 U.S.C. § 1677(7)(H).

⁶⁵ 19 U.S.C. § 1677(7)(F)(i)(I).

⁶⁶ Agreement on Subsidies and Countervailing Measures (April 14, 1994), Marrakesh Agreement Establishing the World Trade Organization, Annex 1, 1867 U.N.T.S. 14, at Art. 3.

and finance both the production and the export of frozen warmwater shrimp, including loans, export credits, tax preferences, grants, the provision of land, electricity, and water, and numerous other programs. Numerous foreign producers of frozen warmwater shrimp benefit from these and other subsidies and are highly focused increasing production and targeting attractive export markets, primarily the United States, as a result.

3. Subject producers have large and growing capacity and exports

Subject producers have large and growing frozen warmwater shrimp production capacity and exports. According to the Commission, Ecuador, India, Indonesia, and Vietnam were the world's four largest shrimp exporters in 2021, accounting for over 70 percent of global shrimp exports.⁶⁷ Together the four countries exported over four billion pounds of frozen warmwater shrimp to the world in 2021.⁶⁸ While the four countries devoted a significant 1.6 billion pounds of these exports to the U.S. market alone in 2021,⁶⁹ this level of global exports also means that the four countries had about 2.4 billion pounds of shrimp exported to third countries that could be diverted to the U.S. market if orders are not imposed.

Subject producers also have substantial unused capacity to increase production and exports in the absence of an order. In its recent sunset review, the Commission found that responding Indian producers had 480 million pounds of unused capacity and responding Vietnamese producers had 64 million pounds of unused capacity – enough for the two countries to increase production by more than half a billion pounds on existing equipment alone.⁷⁰ In

⁶⁷ *Shrimp 2023 ITC Sunset* at IV-62 – IV-63, Table IV-39, excerpts attached at **Exhibit I-4**.

⁶⁸ *See id.*

⁶⁹ *See* Import Statistics, attached at **Exhibit I-14**.

⁷⁰ *Shrimp 2023 ITC Sunset* at IV-32, Table IV-13, and IV-53, Table IV-31, excerpts attached at **Exhibit I-4**.

addition, as the articles attached at **Exhibit I-18** show, there is substantial and growing production in the four countries, including government production targets for farmed shrimp, pond and processor expansions, and a relentless focus on export markets. These volumes will be increasingly targeted at the U.S. as an already over-supplied market grapples with declining demand in China and other headwinds.⁷¹

4. Subject producers have demonstrated their ability to rapidly penetrate the U.S. market

As documented above, imports of frozen warmwater shrimp from Ecuador, India, Indonesia, and Vietnam are significant and rose rapidly over the period of investigation. *See* Section II.E.1, above. Subject imports also gained market share at the expense of the domestic industry over the POI. Absent relief, the domestic industry will continue to be forced to compete with large and rising volumes of low-priced subject imports. As noted above, global demand for shrimp is softening in 2023, which will only increase the incentive to target more exports to the United States. Indeed, after declining in the first half of 2023, subject imports increased in July and August of 2023,⁷² foreshadowing the further increases that will result if orders are not imposed. In short, subject producers will continue to rapidly increase exports to the attractive U.S. market in the absence of offsetting antidumping and countervailing duties.

5. Subject imports will likely enter at prices that will further undersell and suppress and/or depress U.S. prices

Producers of subject merchandise are likely to use aggressive underselling to gain market share if orders are not imposed. As demonstrated in Section II.E.2, above, importers of frozen warmwater shrimp from Ecuador, India, Indonesia, and Vietnam are engaged in pervasive and

⁷¹ *See, e.g.*, Jane Byrne, “RaboResearch: 2023 is year to forget for shrimp industry,” Feednavigator.com (Aug. 8, 2023), attached at **Exhibit I-18**.

⁷² *See* Import Statistics, attached at **Exhibit I-14**.

deep underselling of the domestic product. This underselling has also suppressed and/or depressed U.S. prices. Indeed, given the global glut in supply and slowing demand, Ecuador's export prices for shrimp slumped to the lowest level in over a decade this past August.⁷³ If relief is not imposed, these trends will worsen as importers continue to use underselling to gain market share and further suppress or depress domestic prices.

6. Rising volumes of low-priced imports will further injure the domestic industry

If orders are not imposed, the volume of frozen warmwater shrimp imports from Ecuador, India, Indonesia, and Vietnam will continue to grow, both absolutely and relative to domestic consumption. Importers will use aggressive underselling to seize market share. Domestic producers will be forced to choose between foregoing shipments and lowering prices in order to compete. As demonstrated above, the domestic industry was already denied the opportunity to participate in the growth in demand that occurred over the POI. In 2023, as subject import prices fell, domestic prices also fell for both processors and fishermen. As a result, the domestic industry has seen production and shipments fall and profits decline. Further increases in unfairly traded imports will only worsen these trends if orders are not imposed, threatening the future of the entire American warmwater shrimp industry.

7. Conclusion

In sum, the statutory factors the Commission must consider in deciding threat of injury indicate that there is an imminent threat of further material injury from subject imports. Existing trends in import market share, underselling, and price suppression or depression would lead to further injury if they continue without relief. The industries in Ecuador, India, Indonesia, and

⁷³ See Louis Harkell, "Trade insights: Ecuador's shrimp export price slumps to lowest level in over a decade," *Undercurrent News* (Sept. 25, 2023), attached at **Exhibit I-18**.

Vietnam have ample and growing capacity to export in ever more injurious quantities, and they have every incentive to do so given the glut in global supply, softening demand in China and elsewhere, and the attractiveness of the U.S. market. The governments of Ecuador, India, Indonesia, and Vietnam are encouraging more production and exports in the sector, including through prohibited export subsidies. Under these circumstances, there exists a serious threat of further material injury to the domestic industry.

III. CONCLUSION

Petitioner respectfully requests that Commerce initiate antidumping investigations on frozen warmwater shrimp from Ecuador and Indonesia and countervailing duty investigations on frozen warmwater shrimp from Ecuador, India, Indonesia, and Vietnam, that the Commission find that the domestic industry is materially injured or threatened with injury by these imports, and that antidumping and countervailing duty orders be imposed to offset the dumping and subsidies found.

Respectfully submitted,



Roger B. Schagrin
Elizabeth J. Drake
Christopher T. Cloutier
William A. Fennell
Nicholas J. Birch
Justin M. Neuman*
Michelle R. Avrutin
Alessandra A. Palazzolo, *Law Clerk*
SCHAGRIN ASSOCIATES
900 Seventh Street, N.W., Suite 500
Washington, D.C. 20001
(202) 223-1700

Edward T. Hayes
LEAKE & ANDERSSON LLP
1100 Poydras Street, Suite 1700
New Orleans, LA 7063-1701
*Counsel to the American Shrimp
Processors Association*

Consultants
Rui Fan
David DePrest

* Admitted only in Ohio. Practice limited to matters before federal courts and agencies.