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US retains trade pressure on Chinese potassium phosphates, citing 95.40% dumping margin

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The US Department of Commerce has concluded its third expedited sunset review, finding that dumping and subsidisation of Chinese potassium phosphate salts would likely continue or recur if existing trade measures were revoked

The United States has reinforced its trade restrictions on Chinese potassium phosphate salts, with the US Department of Commerce determining that dumping would continue or recur at a margin of 95.40 per cent and subsidisation at a rate of 109.11 per cent if the existing measures were withdrawn. Issued on October 5, 2026, the final determination followed the third expedited sunset review of anti-dumping (AD) and countervailing duty (CVD) measures covering the products. The findings indicate that, in the Commerce Department's assessment, removing the measures would likely restore or perpetuate unfairly priced imports and subsidisation from China.

The determination marks another stage in a trade dispute that began in 2009 and has been sustained through successive reviews. Sunset reviews assess whether existing trade remedies should remain in place based on the likelihood that dumping or subsidisation, and the associated injury to domestic industry, would continue or recur if the measures were revoked. The

Commerce Department's findings concern the likelihood of future dumping and subsidisation. They should not be interpreted as evidence that every Chinese potassium phosphate product attracts the same rate or that the rates represent the actual duties paid by every exporter.

Trade case dates back to 2009

The investigation originated in October 2009, when the Commerce Department initiated proceedings concerning imports of potassium phosphates and sodium phosphates from China. An initiation notice was issued on October 15, with the investigations formally initiated on October 21. The case followed a sharp increase in US imports of sodium and potassium phosphates from China. Imports rose 65.6 per cent between 2006 and 2008, reaching approximately $31.50 million in 2008, according to the background information associated with the investigation.

On June 1, 2010, the Commerce Department issued its final anti-dumping and countervailing duty determinations. Later that month, on June 30, the US International Trade Commission (ITC) issued its final injury determination. The ITC found that dumped and subsidised imports of anhydrous dipotassium hydrogen phosphate (DKP) and tetrapotassium pyrophosphate (TKPP) materially injured the US domestic industry, while anhydrous potassium dihydrogen phosphate did not meet the injury finding described in the case history. The Commerce Department subsequently issued AD and CVD orders covering DKP and TKPP.

The distinction between the products is important: the trade measures arose from findings concerning specified phosphate salts rather than an unrestricted determination covering every potassium phosphate compound.

Three reviews sustain trade restrictions

The current determination follows three rounds of sunset reviews. The first review began on June 1, 2015, with the Commerce Department issuing its final determination on October 5 that year. The second review was initiated on November 3, 2020, and focused specifically on potassium phosphates. The department completed an expedited review and issued its final determination on March 8, 2021.

The third review commenced on June 1, 2026. Alongside the Commerce Department's assessment of the likelihood of continued or recurring dumping and subsidisation, the ITC conducted an injury sunset review to determine whether revoking the measures would likely lead to material injury to the US industry within a reasonably foreseeable period. The Commerce Department issued its latest final determination on concluding that dumping and subsidisation would likely continue or recur in the absence of the measures.

Implications for phosphate trade

The decision underscores the continuing use of trade remedies in the US chemicals market, where anti-dumping and countervailing duty orders can influence sourcing decisions, landed costs and the competitive position of overseas suppliers. For Chinese exporters, the findings preserve a significant trade-policy barrier in a market where the applicable orders remain in force. US importers sourcing covered products must continue to account for the relevant trade measures and product-specific requirements when evaluating suppliers.

The broader commercial impact will depend on the precise scope of the orders, applicable exporter-specific rates, customs classification and the implementation of the final review process. The Commerce Department's likelihood findings alone do not establish the final duty liability for every shipment. With the third review completed, the dispute illustrates how trade remedies can remain embedded in international chemical supply chains long after the original investigations. For potassium phosphate producers and buyers, access to the US market will continue to depend not only on price and supply reliability but also on the regulatory treatment of the products concerned.