

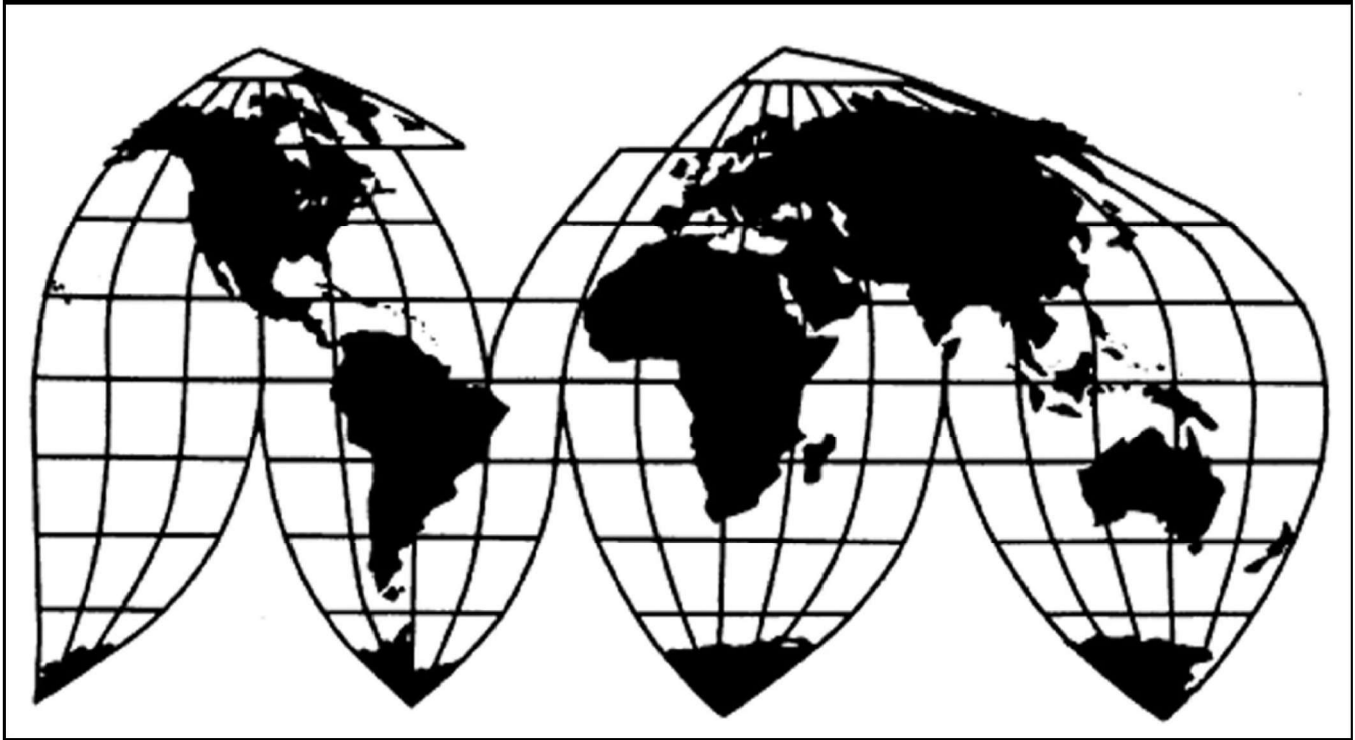
Acetone from Belgium, Korea, and South Africa

Investigation Nos. 731-TA-1435-1436, and 1439 (Final)

Publication 5038

March 2020

U.S. International Trade Commission



Washington, DC 20436

U.S. International Trade Commission

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Note.—Information that would reveal confidential operations of individual concerns may not be published. Such information is identified by brackets in confidential reports and is deleted and replaced with asterisks (***) in public reports.

Views of the Commission

Based on the record in the final phase of these investigations, we determine that an industry in the United States is materially injured by reason of imports of acetone from Belgium, Korea, and South Africa found by the U.S. Department of Commerce (“Commerce”) to be sold in the United States at less than fair value (“LTFV”).

I. Background

The petitions in these investigations, as well as petitions for antidumping duty investigations of imports of acetone from Saudi Arabia, Singapore, and Spain, were filed on February 19, 2019 by the Coalition for Acetone Fair Trade, consisting of AdvanSix Inc., Altivia Petrochemicals, LLC, and Olin Corporations, domestic producers of acetone (collectively, “petitioner”).¹ The investigation schedules became staggered, however, when Commerce subsequently postponed its preliminary and final antidumping duty determinations regarding imports of acetone from Belgium, Korea, and South Africa,² but not from Singapore and Spain,³

¹ The U.S. International Trade Commission (“Commission”) terminated the investigation with respect to acetone from Saudi Arabia. *Acetone From Belgium, Korea, Saudi Arabia, Singapore, South Africa, and Spain*, 84 Fed. Reg. 14673 (Apr. 11, 2019).

² *Acetone From Belgium, the Republic of Korea, and the Republic of South Africa: Postponement of Preliminary Determinations in the Less-Than-Fair-Value Investigations*, 84 Fed. Reg. 33739 (July 15, 2019); *Acetone From Belgium: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*, 84 Fed. Reg. 49999 (Sept. 24, 2019); *Acetone From the Republic of Korea: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*, 84 Fed. Reg. 50005 (Sept. 24, 2019); *Acetone From the Republic of South Africa: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*, 84 Fed. Reg. 49984 (Sept. 24, 2019).

³ *Acetone From Spain: Preliminary Affirmative Determination of Sales at Less Than Fair Value, and Preliminary Determination of No Shipments*, 84 Fed. Reg. 37990 (Aug. 5, 2019); *Acetone From Singapore: Preliminary Affirmative Determination of Sales at Less Than Fair Value*, 84 Fed. Reg. 38005 (Aug. 5, 2019).

thereby necessitating earlier final Commission determinations in the final antidumping duty investigations regarding acetone from Singapore and Spain. Commerce issued its final affirmative determinations regarding LTFV imports of acetone from Singapore and Spain on October 15, 2019,⁴ and the Commission issued its final affirmative determinations regarding LTFV imports from Singapore and Spain on December 5, 2019.⁵

Pursuant to the statutory provision on staggered investigations, the record for the current investigations on LTFV acetone from Belgium, Korea, and South Africa closed on December 5, 2019, the same time as that for the investigations on LTFV acetone from Singapore and Spain. The only additions to the record for these investigations are the final Commerce antidumping duty determinations on acetone from Belgium, Korea, and South Africa and the parties' final comments concerning those determinations.⁶

II. Material Injury by Reason of Cumulated Subject Imports

Section 771(7)(G)(iii) of the Tariff Act of 1930, as amended (“the Act”), provides that the Commission must make its material injury determination in the instant investigations on the basis of the same record as that in the antidumping duty investigations regarding acetone from Singapore and Spain, except to the extent discussed above.⁷ Therefore, in these investigations, we adopt the findings and analyses from our determinations and views regarding subject

⁴ *Acetone From Spain: Final Determination of Sales at Less Than Fair Value, and Final Determination of No Shipments*, 84 Fed. Reg. 56166 (Oct. 21, 2019); *Acetone From Singapore: Final Determination of Sales at Less Than Fair Value*, 84 Fed. Reg. 56171 (Oct. 21, 2019).

⁵ *Acetone From Singapore and Spain*, 84 Fed. Reg. 67476 (Dec. 10, 2019); *Acetone from Singapore and Spain*, Inv. Nos. 731-TA-1438 and 1440 (Final), USITC Pub. 4997 (Dec. 2019) (“*Acetone-Singapore and Spain Final Determinations*”).

⁶ See 19 U.S.C. § 1677(7)(G)(iii).

⁷ 19 U.S.C. § 1677(7)(G)(iii).

imports from Singapore and Spain with respect to the issues of domestic like product, domestic industry, cumulation, conditions of competition, and material injury by reason of cumulated subject imports.^{8 9 10}

Accordingly, we determine that the domestic industry producing acetone is materially injured by reason of subject imports from Belgium, Korea, and South Africa found by Commerce to be sold in the United States at LTFV.

⁸ *Acetone-Singapore and Spain Final Determinations*, USITC Pub. 4997.

⁹ Pursuant to Section 771(24) of the Tariff Act, imports from a subject country of merchandise corresponding to a domestic like product that account for less than 3 percent of all such merchandise imported into the United States during the most recent 12 months for which data are available preceding the filing of the petition shall generally be deemed negligible. 19 U.S.C. § 1677(24)(A)(i). During the 12-month period prior to the filing of the petition, (February 2018 through January 2019), LTFV imports of acetone from Belgium accounted for *** percent of total imports of acetone, imports from Korea accounted for *** percent, and imports from South Africa accounted for *** percent. Subject imports from each of these countries are above the 3 percent individual subject country statutory negligibility threshold applicable to an antidumping investigation. *Acetone from Belgium, Korea, Singapore, South Africa, and Spain*, Inv. Nos. 731-TA-1435-1436, 1438 -1440 (Final), Confidential Report, INV-RR-114 (Nov. 4, 2019) at Table IV-4. Accordingly, we find that the subject imports from Belgium, Korea, and South Africa are not negligible.

¹⁰ The statute additionally instructs the Commission to consider the “magnitude of the margin of dumping” in an antidumping duty proceeding as part of its consideration of the impact of imports. 19 U.S.C. § 1677(7)(C)(iii)(V). In its final antidumping duty determination with regard to LTFV imports from Belgium, Commerce calculated an antidumping duty margin of 28.10 percent for INEOS Europe AG and for all others. *Acetone From Belgium: Final Determination of Sales at Less Than Fair Value*, 85 Fed. Reg. 8249 (Feb. 13, 2020). With regard to LTFV imports from Korea, Commerce calculated antidumping duty margins of 47.86 percent for Kumho P&B Chemicals, Inc.; 25.05 percent for LG Chem, Ltd.; and 33.10 percent for all others. *Acetone From the Republic of Korea: Final Determination of Sales at Less Than Fair Value*, 85 Fed. Reg. 8252 (Feb. 13, 2020). With regard to LTFV imports from South Africa, Commerce calculated antidumping duty margins of 414.92 percent for Sasol South Africa Limited and 314.51 percent for all others. *Acetone From the Republic of South Africa: Final Determination of Sales at Less Than Fair Value*, 85 Fed. Reg. 8247 (Feb. 13, 2020).

We have taken the magnitude of these dumping margins into account, as well as other factors affecting domestic prices, and they do not require modification of the analysis in *Acetone-Singapore and Spain Final Determinations*. See USITC Pub. 4997 at 38 n.219. Specifically, our analysis of the price effects of the subject imports, particularly the significant underselling, as set out in *Acetone-Singapore and Spain Final Determinations*, is especially probative to an assessment of the impact of subject imports and the lost sales experienced by the domestic industry. *Acetone-Singapore and Spain Final Determinations*, USITC Pub. 4997 at 34-35.

III. Conclusion

For the reasons stated above, we determine that an industry in the United States is materially injured by reason of subject imports of acetone from Belgium, Korea, and South Africa found by Commerce to be sold in the United States at LTFV.

Part I: Introduction

Background

These investigations result from petitions filed with the U.S. Department of Commerce (“Commerce”) and the U.S. International Trade Commission (“USITC” or “Commission”) by AdvanSix Inc., Parsippany, New Jersey, Altivia Petrochemicals, LLC, Haverhill, Ohio, and Olin Corporation, Clayton, Missouri, on February 19, 2019, alleging that an industry in the United States is materially injured and threatened with material injury by reason of less-than-fair-value (“LTFV”) imports of acetone from Belgium, Korea, Saudi Arabia,¹ Singapore, South Africa, and Spain. The following tabulation provides information relating to the background of these investigations.^{2 3}

¹ On April 5, 2019, the Commission determined that LTFV imports from Saudi Arabia were negligible and therefore terminated its antidumping duty investigation with regard to acetone from Saudi Arabia, 84 FR 14673.

² Pertinent *Federal Register* notices are referenced in appendix A and may be found at the Commission’s website (www.usitc.gov).

³ The U.S. Department of Commerce postponed its final antidumping determinations with respect to the following countries: Belgium, Korea, and South Africa.

Effective date	Action
February 19, 2019	Petitions filed with Commerce and the Commission; institution of the Commission's investigations (84 FR 6819, February 28, 2019)
March 11, 2019	Commerce's notice of initiation (84 FR 9755, March 18, 2019)
April 5, 2019	Commission's preliminary determinations
August 5, 2019	Commerce's preliminary determinations (Singapore: 84 FR 38005 and Spain:84 FR 37990)
July 29, 2019	Scheduling of final phase of Commission's investigations (84 FR 44635, August 26, 2019)
October 21, 2019	Commerce's final determinations (Singapore: 84 FR 56171 and Spain: 84 FR 56166)
October 21, 2019	Commission's hearing
November 14, 2019	Commission's vote (Singapore and Spain)
November 29, 2019	Commission's views (Singapore and Spain)
February 13, 2020	Commerce's final antidumping duty determinations (Belgium: 85 FR 8249, Korea: 85 FR 8252, and South Africa: 85 FR 8247, February 13, 2020)
February 26, 2020	Scheduling of final phase of Commission's investigations for Belgium, Korea, and South Africa (85 FR 11102)
March 17, 2020	Commission's vote (Belgium, Korea, and South Africa)
March 30, 2020	Commission's views (Belgium, Korea, and South Africa)

The information contained in this report is intended to be used in conjunction with data presented in the Commission's report on Acetone from Singapore and Spain: Investigation Nos. 731-TA-1438 and 1440 (Final), USITC Publication 4997, December 2019, and the corresponding confidential version contained in Investigation Nos. 731-TA- 1438 and 1440 (Final): Acetone from Singapore and Spain– Staff Report, INV-RR-114, November 4, 2019. No new information except for Commerce's final determinations concerning acetone from Belgium, Korea, and South Africa and party comments thereon is included in the record for this proceeding.⁴

⁴ The Commission only received comments from the petitioner, the Coalition for Acetone Fair Trade.

Nature and extent of sales at LTFV

Sales at LTFV

On September 24, 2019, Commerce published a notice in the Federal Register of its preliminary determinations of sales at LTFV with respect to imports from Belgium⁵, Korea⁶, and South Africa.⁷ On February 13, 2020, Commerce published a notice in the Federal Register of its final determinations of sales at LTFV with respect to imports from Belgium⁸, Korea⁹, and South Africa.¹⁰ Table I-1 presents Commerce's dumping margins with respect to imports of acetone from Belgium, Korea, and South Africa.

Table I-1
Acetone: Commerce's preliminary and final weighted-average LTFV margins with respect to imports from Belgium, Korea, and South Africa

Exporter/ Producer	Preliminary dumping margin (percent)	Final dumping margin (percent)
Belgium		
INEOS Europe AG	28.17	28.10
All others	28.17	28.10
Korea		
Kumho P&B Chemicals, Inc	47.70	47.86
LG Chem, Ltd	7.67	25.05
All others	21.80	33.10
South Africa		
Sasol South Africa Limited	45.85	414.92
All others	45.85	314.51

Source: 84 FR 49999, 84 FR 50005, 84 FR 49984, September 24, 2019 and 85 FR 8249, 85 FR 8252, and 85 FR 8247, February 13, 2020.

⁵ 84 FR 49999, September 24, 2019.

⁶ 84 FR 50005, September 24, 2019.

⁷ 84 FR 49984, September 24, 2019.

⁸ 85 FR 8249, February 13, 2020.

⁹ 85 FR 8252, February 13, 2020.

¹⁰ 85 FR 8247, February 13, 2020.

APPENDIX A

FEDERAL REGISTER NOTICES

The Commission makes available notices relevant to its investigations and reviews on its website, www.usitc.gov. In addition, the following tabulation presents, in chronological order, *Federal Register* notices issued by the Commission and Commerce during the current proceeding.

Citation	Title	Link
84 FR 44635, August 26, 2019	<i>Acetone from Belgium, Korea, Singapore, South Africa, and Spain; Scheduling of the Final Phase of Anti-Dumping Duty Investigations</i>	https://www.govinfo.gov/content/pkg/FR-2019-08-26/pdf/2019-18334.pdf
84 FR 50005, September 24, 2019	<i>Acetone from the Republic of Korea: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures</i>	https://www.govinfo.gov/content/pkg/FR-2019-09-24/pdf/2019-20561.pdf
84 FR 49999, September 24, 2019	<i>Acetone from Belgium: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures</i>	https://www.govinfo.gov/content/pkg/FR-2019-09-24/pdf/2019-20562.pdf
84 FR 49984, September 24, 2019	<i>Acetone from the Republic of South Africa: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures</i>	https://www.govinfo.gov/content/pkg/FR-2019-09-24/pdf/2019-20563.pdf
84 FR 56171, October 21, 2019	<i>Acetone from Singapore: Final Determination of Sales at Less Than Fair Value</i>	https://www.govinfo.gov/content/pkg/FR-2019-10-21/pdf/2019-22872.pdf
84 FR 56166, October 21, 2019	<i>Acetone from Spain: Final Determination of Sales at Less Than Fair Value, and Final Determination of No Shipments</i>	https://www.govinfo.gov/content/pkg/FR-2019-10-21/pdf/2019-22879.pdf

Citation	Title	Link
85 FR 8249 February 13, 2020	<i>Acetone from Belgium: Final Determination of Sales at Less Than Fair Value</i>	https://www.govinfo.gov/content/pkg/FR-2020-02-13/pdf/2020-02908.pdf
85 FR 8252, February 13, 2020	<i>Acetone from Korea: Final Determination of Sales at Less Than Fair Value</i>	https://www.govinfo.gov/content/pkg/FR-2020-02-13/pdf/2020-02909.pdf
85 FR 8247 February 13, 2020	<i>Acetone from South Africa: Final Determination of Sales at Less Than Fair Value</i>	https://www.govinfo.gov/content/pkg/FR-2020-02-13/pdf/2020-02910.pdf
85 FR 11102 February 26, 2020	<i>Acetone from Belgium, Korea, South Africa; Scheduling for the final phase of Antidumping Duty Investigations</i>	https://www.govinfo.gov/content/pkg/FR-2020-02-26/pdf/2020-03820.pdf

