EXPLANATION OF COMMISSION'S DETERMINATIONS ON ADEQUACY

in

Polyvinyl Alcohol from China, Japan, and Korea
Inv. Nos. 731-TA-1014, 731-TA-1016, and 731-TA-1017 (Review)

On September 5, 2008, the Commission unanimously determined that it should proceed to full reviews in the subject five-year reviews pursuant to section 751(c)(5) of the Tariff Act of 1930, as amended, 19 U.S.C. § 1675(c)(5).

In response to the notice instituting five-year reviews of the antidumping duty orders on imports of polyvinyl alcohol from the People's Republic of China ("China"), Japan, and Korea, the Commission received six responses. The petitioners in the original investigations, domestic producers Celanese Chemicals, Ltd. ("Celanese") and E.I. DuPont de Nemours & Co. ("DuPont"), filed a joint submission. Solutia Inc. ("Solutia"), a domestic producer that captively consumes all of its polyvinyl alcohol production, also filed a response to the notice of institution. The Commission found each of these domestic interested party responses to the notice of institution to be individually adequate. Based on the current record, because Celanese, DuPont, and Solutia account for all known U.S. polyvinyl alcohol production, the Commission additionally found that the domestic interested party group response to the notice of institution was adequate.

With respect to the review on polyvinyl alcohol from China, the Commission received two responses to the notice of institution, one from Anhui Wanwei Updated High Tech Chemical Industry Co. Ltd. and one from Hunan Xiangwei Co. Ltd., both producers of the subject merchandise in China. The Commission found each of these respondent interested party responses to the notice of institution to be individually adequate. The current record suggests that there are several other producers of subject merchandise in China that may have accounted for a much greater share of the production of subject merchandise in China and/or the exports of subject merchandise from China during the original investigations and/or subsequent to Commerce's issuance of the underlying antidumping duty order. In light of these facts, the Commission determined that the respondent interested party group response was inadequate in this review.[1]

With respect to the review on polyvinyl alcohol from Japan, one respondent interested party filed a response to the notice of institution, Japan VAM & POVAL Co. Ltd. ("JVP"), a producer of subject merchandise in Japan that exported subject merchandise to the United States during the original investigations and subsequent to Commerce's imposition of the antidumping duty order on subject merchandise from Japan. The current record suggests that three additional firms produced subject merchandise in Japan and/or exported subject merchandise to the United

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[1] Commissioner Charlotte R. Lane found the respondent interested party group response was adequate in the review of the order on subject merchandise from China.

States during the original investigations and/or subsequent to Commerce's imposition of the antidumping duty order on subject merchandise from Japan. Thus, although the Commission found that JVP's response to the notice of institution was individually adequate, given JVP's share of Japanese production and exports to United States, the Commission determined that the group respondent interested party response was inadequate in this review.[2]

With respect to the review on polyvinyl alcohol from Korea, the Commission received one response to the notice of institution from DC Chemical, a producer and exporter of subject merchandise in Korea. The Commission found that this response to the notice of institution was individually adequate, and because DC Chemical is the only known producer of subject merchandise in Korea, the Commission further determined that the respondent interested party group response was adequate in this review.

Notwithstanding the Commission's determination that the respondent interested party group response was inadequate with respect to the reviews of the orders on subject merchandise from China and Japan, given the Commission's decision to conduct a full review of the order on subject merchandise from Korea, the Commission unanimously determined to conduct full reviews of the orders on polyvinyl alcohol from China, Japan, and Korea in order to promote administrative efficiency.

A record of the Commissioners' votes is available from the Office of the Secretary and the Commission's web site (www.usitc.gov).

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[2] Commissioner Charlotte R. Lane and Commissioner Dean A. Pinkert found that the respondent interested party group response was adequate in the review of the order on subject merchandise from Japan. They took into consideration JVP's status as a substantial producer of subject merchandise in Japan, and its prior exports to the United States.