

EXPLANATION OF COMMISSION DETERMINATION ON ADEQUACY

in

Solid Urea from Russia and Ukraine,
Inv. Nos. 731-TA-340E and 340H (Second Review)

On January 4, 2005, 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).

With regard to each of the reviews, the Commission determined that the domestic interested party group response to the notice of institution was adequate. The Commission received an adequate joint response with company specific data from four domestic producers: CF Industries, Inc., PCS Nitrogen Fertilizer, Terra Industries Inc., and Mississippi Chemical Corporation. It also received a separate adequate response with company specific data from another domestic producer, Agrium US, Inc. Because the Commission received an adequate response from domestic producers accounting for a substantial percentage of U.S. production, the Commission determined that the domestic interested party group response was adequate.

In the review concerning subject imports from Russia, the Commission received adequate responses from Nevinnomysskiy Azot; Novomoskovsk Azot JSC; Kuybyshevazot JSC; Salavatnefteorgsintez OJSC; Kemerovo OJSC "Azot;" OJSC Tolyatti Azot; Azot OJSC, Berezniki; and MCC EuroChem. Because the Commission received adequate responses representing a substantial percentage of the production of solid urea in Russia, the Commission determined that the respondent interested party group response for Russia was adequate. Accordingly, the Commission determined to proceed to a full review in *Solid Urea from Russia*.

The Commission did not receive a response from any respondent interested parties in the review concerning subject imports from Ukraine and therefore determined that the respondent interested party group response was not adequate. However, the Commission determined to conduct a full review concerning subject imports from Ukraine to promote administrative efficiency in light of its decision to conduct a full review with respect to *Solid Urea from Russia*. A record of the Commissioners' votes is available from the Office of the Secretary and the Commission's web site (<http://www.usitc.gov>).