

EXPLANATION OF COMMISSION DETERMINATIONS ON ADEQUACY

in

Cotton Shop Towels from China, Pakistan, Peru, and Bangladesh, Inv. Nos. 731-TA-103 (Review), 701-TA-202 (Review), 701-TA-E (Review), and 731-TA-514 (Review)

On April 8, 1999, the Commission 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 (19 U.S.C. § 1675(c)(5)).¹ The Commission, in consultation with the Department of Commerce, grouped these reviews because they involve similar domestic like products.²

With regard to each of the reviews, the Commission determined that the domestic interested party group response to the notice of institution was adequate and the respondent interested party group responses were inadequate.³

Notwithstanding its finding that there was not an adequate respondent group response, the Commission determined to conduct a full review of *Shop Towels from Peru*,⁴ based on the substantive response to the Commission's notice of institution filed by the Comité Textil - Sociedad Nacional de Industrias, a national association of Peruvian textile producers.⁵ The Commission voted to conduct a full review even though the Comité Textil is not an interested

¹ Chairman Bragg, Vice Chairman Miller and Commissioner Crawford dissenting.

² See 19 U.S.C. § 1675(c)(5)(D); 63 *Fed. Reg.* 29372, 29374 (May 29, 1998).

³ The Commission found (Commissioner Askey dissenting with respect to the Peruvian individual response) that there was not an adequate individual response from any respondent interested party in these reviews. A response with regard to the investigation of *Cotton Shop Towels from Peru* was filed by a Peruvian trade association, Comité Textil-Sociedad Nacional de Industrias, but a majority of its members are not producers, exporters or importers of the subject merchandise. Therefore, the Commission concluded that the Comité Textil is not an interested party (19 U.S.C. § 1677(9)(A)). Chairman Bragg notes that its submission was responsive to the Commission's information request. With respect to *Cotton Shop Towels from Bangladesh*, the Commission found that the request for an extension of time to file a response submitted by the Embassy of Bangladesh did not constitute an adequate response to the notice of institution. No responses were filed by a respondent interested party with respect to *Cotton Shop Towels from China* or *Cotton Shop Towels from Pakistan*.

⁴ Chairman Bragg, Vice Chairman Miller and Commissioner Crawford dissenting.

⁵ See section 207.62(b)(2) ("If the Commission concludes that interested parties' responses to the notice of institution are adequate, or otherwise determines that a full review should proceed, investigative activities pertaining to that review will continue.") 19 C.F.R. § 207.62(b)(2) (emphasis added).

party, because: (1) although there is reportedly no current production of the subject merchandise in Peru, which may be attributable in part to the 1984 suspension agreement under which Peruvian producers agreed to cease export of the merchandise to the United States,⁶ the four known former producers in Peru, including the two that signed the suspension agreement, are members of the Comité Textil, and (2) the Comité Textil furnished the information requested in the notice of institution and expressed its willingness to participate in this review by providing information requested by the Commission.

The Commission further determined to conduct full reviews of *Cotton Shop Towels from China, Pakistan, and Bangladesh* to promote administrative efficiency in light of the Commission's decision to conduct a full review with respect to *Cotton Shop Towels from Peru*. See 63 Fed. Reg. 30599, 30604 (June 5, 1998).⁷

A record of the Commissioners' votes is available from the Office of the Secretary and at the Commission's web site.

⁶49 Fed. Reg. 35835 (Sept. 12, 1984).

⁷ Chairman Bragg, Vice Chairman Miller and Commissioner Crawford dissenting.