FACT SHEET

Commerce Initiates Antidumping Duty Investigation of Imports of Ultra-High Molecular Weight Polyethylene from Korea

- On March 25, 2020, the Department of Commerce (Commerce) announced the initiation of an antidumping duty (AD) investigation of imports of ultra-high molecular weight polyethylene from Korea.
- The AD law provides U.S. businesses and workers with a transparent, quasi-judicial, and internationally accepted mechanism to seek relief from the market-distorting effects caused by injurious dumping of imports into the United States, establishing an opportunity to compete on a level playing field.
- For the purpose of AD investigations, dumping occurs when a foreign company sells a product in the United States at less than its fair value.
- The petitioner is Celanese Corporation (Irving, TX).
- The scope of this investigation is provided in Appendix I.
- In 2019, imports of ultra-high molecular weight polyethylene from Korea were valued at an estimated \$12.6 million.
- The Initiation Decision Checklist is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at *https://access.trade.gov*, and to all parties in the Central Records Unit, Room B8024 of the main Department of Commerce building. Please refer to case number A-580-907.

NEXT STEPS

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INTERNATIONAL TRADE ADMINISTRATION

- The U.S. International Trade Commission (ITC) is scheduled to make its preliminary injury determination on or before April 20, 2020.
- If the ITC determines that there is a reasonable indication that imports of ultra-high weight polyethylene from Korea materially injure, or threaten material injury to, the domestic industry in the United States, then Commerce's investigation will continue and Commerce will be scheduled to announce its preliminary determination on August 12, 2020 (although this date may be extended). If the ITC's determination is negative, then Commerce's investigation will be terminated.

ALLEGED DUMPING MARGINS:

| COUNTRY | DUMPING MARGINS | |
|---------|-------------------------|--|
| Korea | 13.16 to 153.35 percent | |

CASE CALENDAR:

| EVENT | AD INVESTIGATION | | |
|--------------------------------|-------------------------|--|--|
| Petition Filed | March 4, 2020 | | |
| DOC Initiation Date | March 24, 2020 | | |
| ITC Preliminary Determination* | April 20, 2020 † | | |
| DOC Preliminary Determination | August 11, 2020 | | |
| DOC Final Determination | October 26, 2020† | | |
| ITC Final Determination** | December 9 2020 | | |
| Issuance of Order*** | December 16, 2020 | | |

NOTE: Commerce's preliminary and final determination deadlines are governed by statute. For AD investigations, the deadlines are set forth in sections 733(b) and 735(a) of the Tariff Act of 1930, as amended (the Act). These deadlines may be extended under certain circumstances.

* If the ITC makes a negative preliminary determination of injury, the investigation is terminated.

**This will take place only in the event of a final affirmative determination from Commerce.

***This will take place only in the event of final affirmative determinations from Commerce and the ITC.

[†]Where the deadline falls on a weekend/holiday, the appropriate date is the next business day.

IMPORT STATISTICS:

| KOREA | 2017 | 2018 | 2019 |
|-------------|------------|------------|------------|
| Volume (Kg) | 8,580,116 | 6,313,834 | 6,205,814 |
| Value (USD) | 13,594,210 | 12,642,866 | 12,643,019 |

Source: U.S. Census Bureau, accessed through Global Trade Atlas (Harmonized Tariff Schedule of the United States (HTSUS) subheading 3901.10.1000 and 3901.20.1000. These HTSUS subheadings are basket categories and cover both subject and non-subject merchandise; therefore, the above import statistics may be significantly overstated.

Appendix I:

The merchandise covered by the scope is ultra-high molecular weight polyethylene. Ultra-high molecular weight polyethylene is a linear polyethylene, in granular or powder form. It is defined by its melt mass-flow rate of <0.1 g/10 min, measured at 190°C and 21.6 kg load, based on the methods and calculations set forth in the International Organization for Standardization (ISO) standards 21304-1 and 21304-2. Ultra-high molecular weight polyethylene has a Chemical Abstract Service (CAS) registry number of 9002-88-4.

The scope includes all ultra-high molecular weight polyethylene in granular or powder forms meeting the above specifications regardless of additives introduced in the manufacturing process. Ultra-high molecular weight polyethylene blended with other products is included in the scope of this investigation where ultra-high molecular weight polyethylene accounts for more than 50 percent, by actual weight, of the blend and the resulting blend maintains a melt mass-flow rate of <0.1 g/10 min.

Excluded from the scope of the investigation is medical-grade ultra-high molecular weight polyethylene. Medical grade ultra-high molecular weight polyethylene has a minimum viscosity of 2000 ml/g at a concentration of 0.02% at 135°C (275°F) in decahydronaphthalene and an elongational stress of 0.2 MPa or greater. Medical-grade ultra-high molecular weight polyethylene is further defined by its ash and trace element content, which shall not exceed the following maximum quantities as set forth in ISO-5834-1: ash (125 mg/kg), titanium (40 mg/kg), calcium (5 mg/kg), chlorine (30 mg/kg), and aluminum (20 mg/kg). ISO 5834-1 further defines medical grade ultra-high molecular weight polyethylene by its particulate matter

content, which requires that there shall be no more than three particles of contaminant per 300 ± 20 g tested. Each of the above criteria is calculated based on the standards and methods used in ISO 5834-1.

Ultra-high molecular weight polyethylene is classifiable under the HTSUS subheadings 3901.10.1000 and 3901.20.1000. Although the HTSUS subheadings and CAS registry number are provided for convenience and customs purposes, the written description of the scope is dispositive.