



FACT SHEET

Commerce Preliminarily Finds Dumping of Imports of Acetone from Belgium, South Africa, and South Korea

- On September 18, 2019, the Department of Commerce (Commerce) announced its affirmative preliminary determinations in the antidumping duty (AD) investigations of imports of acetone from Belgium, South Africa, and South 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.
- For the purpose of AD investigations, dumping occurs when a foreign company sells an imported product in the United States at an unfair price.
- In the Belgium investigation, Commerce assigned a preliminary dumping rate of 28.17 percent to the sole mandatory respondent INEOS Europe AG/INEOS Phenol Belgium NV (collectively, INEOS Europe). Commerce assigned a preliminary dumping rate of 28.17 percent for all other Belgian producers and exporters.
- In the South Africa investigation, Commerce assigned a preliminary dumping rate of 45.85 percent to mandatory respondent Sasol South Africa Limited. Commerce assigned a preliminary dumping rate of 45.85 percent for all other South African producers and exporters.
- In the South Korea investigation, Commerce assigned a preliminary dumping rate of 47.70 percent to mandatory respondent Kumho P&B Chemicals, Inc. Commerce assigned a preliminary dumping rate of 7.67 percent to mandatory respondent LG Chem, Ltd. Commerce assigned a preliminary dumping rate of 21.80 percent for all other South Korean producers and exporters.
- The petitioner is the Coalition for Acetone Fair Trade. The members of the Coalition for Acetone Fair Trade are AdvanSix, Inc. (Parsippany, NJ), Altivia Petrochemicals, LLC (Haverhill, OH), and Olin Corporation (Clayton, MO).
- The merchandise covered by these investigations includes all grades of liquid or aqueous acetone. Acetone is also known under the International Union of Pure and Applied Chemistry (IUPAC) name propan-2-one. In addition to the IUPAC name, acetone is also referred to as β -ketopropane (or beta-ketopropane), ketone propane, methyl ketone, dimethyl ketone, DMK, dimethyl carbonyl, propanone, 2-propanone, dimethyl formaldehyde, pyroacetic acid, pyroacetic ether, and pyroacetic spirit. Acetone is an isomer of the chemical formula C_3H_6O , with a specific molecular formula of CH_3COCH_3 or $(CH_3)_2CO$.

The scope includes acetone that is combined or mixed with other products, including, but not limited to, isopropyl alcohol, benzene, diethyl ether, methanol, chloroform, and ethanol, regardless of the quantity or value of the acetone component. For such combined products, only the acetone component is covered

by the scope of these investigations. Acetone that has been combined with other products is included within the scope, regardless of whether the combining occurs in third countries. Notwithstanding the foregoing language, an acetone combination or mixture that is transformed through a chemical reaction into another product, such that, for example, the acetone can no longer be separated from the other products through a distillation process (*e.g.*, methyl methacrylate (MMA) or Bisphenol A (BPA)) is excluded from these investigations.

The scope also includes acetone that is commingled with acetone from sources not subject to these investigations, regardless of the quantity or value of the subject acetone component. Only the subject merchandise component of such commingled products is covered by the scope of these investigations. Acetone that has been comingled with acetone from sources not subject to these investigations is included within the scope, regardless of whether the combining occurs in third countries. The acetone component from sources not subject to these investigations may still be subject to other acetone investigations.

The Chemical Abstracts Service (CAS) registry number for acetone is 67-64-1.

The merchandise covered by these investigations is currently classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 2914.11.1000 and 2914.11.5000. Acetone and acetone combinations and mixtures covered by these investigations may also enter under different HTSUS subheadings, such as 2902.20.0000, 2902.70.0000, 2905.12.0050, or 2914.12.0000, however, this list of HTSUS subheadings is non-exhaustive. Although these HTSUS subheadings and CAS registry number are provided for convenience and customs purposes, the written description of the scope of these investigations is dispositive.

- In 2018, imports of acetone from Belgium, South Africa, and South Korea were valued at an estimated \$51.1 million, \$21.8 million, and \$61.2 million, respectively.
- The Preliminary Decision Memoranda are 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-423-814 for Belgium, A-791-824-819 for South Africa and A-580-899 for South Korea.

NEXT STEPS

- Commerce is scheduled to announce its final determinations on or about December 3, 2019.
- If Commerce makes affirmative final determinations, and the U.S. International Trade Commission (ITC) makes affirmative final determinations that imports of acetone from Belgium, South Africa, and/or South Korea materially injure, or threaten material injury to, the domestic industry, Commerce will issue AD orders. If either Commerce or the ITC issues negative final determinations, no AD orders will be issued. The ITC is scheduled to make its final injury determinations approximately 45 days after Commerce issues its final determinations, if affirmative.

PRELIMINARY DUMPING RATES:

COUNTRY	EXPORTER/PRODUCER	DUMPING RATE
Belgium	INEOS Europe AG/INEOS Phenol Belgium NV (collectively, INEOS Europe)	28.17%
	All Others	28.17%

COUNTRY	EXPORTER/PRODUCER	DUMPING RATE
South Africa	Sasol South Africa Limited	45.85%
	All Others	45.85%

COUNTRY	EXPORTER/PRODUCER	DUMPING RATE
South Korea	Kumho P&B Chemicals, Inc.	47.70%
	LG Chem, Ltd.	7.67%
	All Others	21.80%

CASE CALENDAR:

EVENT	AD INVESTIGATIONS
Petitions Filed	February 19, 2019
DOC Initiation Date	March 11, 2019
ITC Preliminary Determinations	April 5, 2019
DOC Preliminary Determinations	September 17, 2019
DOC Final Determinations	December 2, 2019
ITC Final Determinations**	January 16, 2020
Issuance of Order***	January 23, 2020

NOTE: Commerce preliminary and final determination deadlines are governed by statute. For AD investigations, the deadlines are set forth in sections 733(b) and 735(a)(1) of the Tariff Act of 1930, as amended. These deadlines may be extended under certain circumstances.

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

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

IMPORT STATISTICS:

Belgium	2016	2017	2018
Quantity (metric tons)	30,545	45,020	62,755
Value (USD)	14,934,049	31,454,384	51,101,814

South Africa	2016	2017	2018
Quantity (metric tons)	25,947	24,277	27,216
Value (USD)	12,355,598	17,256,941	21,805,079

South Korea	2016	2017	2018
Quantity (metric tons)	23,536	50,519	90,115
Value (USD)	12,296,879	37,046,081	61,249,963

Source: U.S. Census Bureau, accessed through Global Trade Atlas using the Harmonized Tariff Schedule of the United States (HTSUS) subheadings 2914.11.1000 and 2914.11.5000.