



DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-889]

Diocetyl Terephthalate from the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review; 2018-2019

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that Hanwha Chemical Corporation (Hanwha Chemical) made sales of subject merchandise at less than normal value (NV) during the August 1, 2018 through July 31, 2019 period of review (POR). Commerce preliminarily determines that sales of subject merchandise have not been made below NV by Aekyung Petrochemical Co., Ltd. (AKP) and LG Chem Ltd. (LG Chem) during the POR. Interested parties are invited to comment on these preliminary results of review.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Laurel LaCivita or Patrick Barton, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4243 or (202) 482-0012, respectively.

SUPPLEMENTARY INFORMATION:

Background

On October 7, 2019, based on timely requests for review, in accordance with 19 CFR 351.221(c)(1)(i), Commerce initiated an administrative review of the antidumping duty (AD) order on dioctyl terephthalate (DOTP) from the Republic of Korea (Korea), covering three

companies: AKP, Hanwha Chemical, and LG Chem.¹ Hanwha Chemical informed Commerce that it would not be participating in the review on January 3, 2020.²

On April 21, 2020, in accordance with section 751(a)(3)(A) of the Tariff Act of 1930, as amended (the Act), Commerce extended the preliminary results deadline by 118 days.³ On April 24, 2020, Commerce tolled all deadlines in administrative reviews by 50 days.⁴ On July 21, 2020, Commerce tolled all deadlines in administrative reviews by an additional 60 days.⁵ The deadline for these preliminary results is now December 16, 2020.

For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.⁶

Scope of the Order

The merchandise covered by this order is DOTP, regardless of form. DOTP that has been blended with other products is included within this scope when such blends include constituent parts that have not been chemically reacted with each other to produce a different product. For such blends, only the DOTP component of the mixture is covered by the scope of this order. Subject merchandise is currently classified under subheading 2917.39.2000 of the Harmonized Tariff Schedule of the United States (HTSUS). Subject merchandise may also enter under subheadings 2917.39.7000 or 3812.20.1000 of the HTSUS. While the Chemical Abstract Service (CAS) registry number and HTSUS classification are provided for convenience and customs purposes, the written description of the scope of this order is

¹ *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 84 FR 53411 (October 7, 2019) (*Initiation Notice*).

² *See* Memorandum, “Notification from Hanwha Chemical Corp. Regarding Decision to Not Participate in the 2018-2019 Administrative Review of Dioctyl Terephthalate from the Republic of Korea,” dated January 6, 2020.

³ *See* Memorandum, “Dioctyl Terephthalate from the Republic of Korea: Extension of Deadline for Preliminary Results of the 2018-2019 Antidumping Duty Administrative Review,” dated April 21, 2020.

⁴ *See* Memorandum, “Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews in Response to Operational Adjustments Due to COVID-19,” dated April 24, 2020.

⁵ *See* Memorandum, “Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews,” dated July 21, 2020.

⁶ *See* Memorandum, “Decision Memorandum for the Preliminary Results of the 2018-2019 Antidumping Duty Administrative Review: Dioctyl Terephthalate from the Republic of Korea,” dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

dispositive. *See* the Preliminary Decision Memorandum for a full description of the scope of the order.

Methodology

Commerce is conducting this review in accordance with sections 751(a)(1)(B) and (2) of the Act. We calculated export price and constructed export price in accordance with section 772 of the Act. We calculated NV in accordance with section 773 of the Act. For a full description of the methodology underlying our calculations, *see* the Preliminary Decision Memorandum.

The Preliminary Decision Memorandum is a public document and 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>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed and electronic versions of the Preliminary Decision Memorandum are identical in content. A list of the topics discussed in the Preliminary Decision Memorandum is attached as the Appendix to this notice.

Application of Facts Available with Adverse Inferences

Pursuant to section 776(a) of the Act, Commerce is preliminarily relying upon facts otherwise available to determine a weighted-average dumping margin for Hanwha Chemical in this review. Commerce preliminarily finds that necessary information is not available on the record, and that Hanwha Chemical withheld information requested by Commerce, failed to provide the requested information in the form and manner requested, and significantly impeded the proceeding, warranting a determination on the basis of the facts available under section 776(a) of the Act. Further, Commerce preliminarily determines that Hanwha Chemical failed to cooperate to the best of its ability, and thus, Commerce is applying facts available with adverse inferences (AFA) to Hanwha Chemical, in accordance with section 776(b) of the Act.

For a full description of the methodology underlying our conclusions regarding the application of AFA, *see* the Preliminary Decision Memorandum.

Preliminary Results of the Review

As a result of this review, we preliminarily determine the following weighted-average dumping margins for the period August 1, 2018 through July 31, 2019:

Exporter or Producer	Weighted-Average Dumping Margin (Percent)
Aekyung Petrochemical Co., Ltd.	0.00
Hanwha Chemical Corporation	22.97
LG Chem, Ltd.	0.00

Assessment Rates

Upon completion of the administrative review, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries covered by this review.

For any individually examined respondents whose weighted-average dumping margin is not zero or *de minimis* (*i.e.*, less than 0.50 percent) or not based entirely on AFA, we will calculate importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for the importer's examined sales to the total entered value of those same sales in accordance with 19 CFR 351.212(b)(1).⁷ We will instruct CBP to assess antidumping duties on all appropriate entries covered by this review when the importer-specific assessment rate calculated in the final results of this review is not zero or *de minimis*. If a respondent's weighted-average dumping margin is zero or *de minimis* within the meaning of 19 CFR 351.106(c)(1), or an importer-specific rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties. In accordance with our practice, for entries of subject merchandise during the POR for which a respondent did not know that the merchandise was destined for the United States, we will instruct CBP to

⁷ In these preliminary results, Commerce applied the assessment rate calculation methodology adopted in *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings; Final Modification*, 77 FR 8101 (February 14, 2012).

liquidate such entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction.⁸ Further, because Hanwha Chemical withdrew its participation from this review, we will instruct CBP to apply an assessment rate equal to the dumping margin of 22.97 percent, as indicated above, to all entries produced and/or exported by Hanwha Chemical. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for future deposits of estimated duties, where applicable.⁹

We intend to issue liquidation instructions to CBP 15 days after publication of the final results of this review.

Cash Deposit Requirements

The following deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for each specific company listed above will be that established in the final results of this review, except if the rate is less than 0.50 percent and, therefore, *de minimis* within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rate will be zero; (2) for previously investigated companies not participating in this review, the cash deposit will continue to be the company-specific rate published for the most recently completed segment of this proceeding in which the company participated; (3) if the exporter is not a firm covered in this or a previously completed review, or in the original less-than-fair-value (LTFV) investigation, but the producer is, the cash deposit rate will be the rate established for the most recent segment for the producer of the merchandise; and (4) the cash

⁸ See *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

⁹ See section 751(a)(2)(C) of the Act.

deposit rate for all other producers or exporters will continue to be 3.69 percent, the all-others rate established in the LTFV investigation.¹⁰

These cash deposit requirements, when imposed, shall remain in effect until further notice.

Disclosure and Public Comment

Commerce intends to disclose the calculations performed in connection with these preliminary results to interested parties within five days after the date of publication of this notice.¹¹ Interested parties may submit case briefs no later than 30 days after the date of publication of this notice.¹² Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than seven days after the time limit for filing case briefs.¹³ Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.¹⁴ Case and rebuttal briefs should be filed using ACCESS.¹⁵

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS. An electronically-filed document must be received successfully in its entirety by ACCESS by 5 p.m. Eastern Time within 30 days after the date of publication of this notice.¹⁶ Hearing requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to issues raised in the briefs. If a request for a hearing is made, Commerce intends to hold the hearing at a time and date to be determined.¹⁷

¹⁰ See *Diocetyl Terephthalate from the Republic of Korea: Antidumping Duty Order*, 82 FR 39410 (August 18, 2017).

¹¹ See 19 CFR 351.224(b).

¹² See 19 CFR 351.309(c)(1)(ii).

¹³ See 19 CFR 351.309(d)(1); see also *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020) (*Temporary Rule*).

¹⁴ See 19 CFR 351.309(c)(2) and (d)(2).

¹⁵ See 19 CFR 351.303.

¹⁶ See 19 CFR 351.310(c).

¹⁷ *Id.*

Commerce intends to issue the final results of this administrative review, including the results of its analysis raised in any written briefs, not later than 120 days after the publication of these preliminary results in the *Federal Register*, unless otherwise extended.¹⁸

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Notification to Interested Parties

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: December 16, 2020.

Jeffrey I. Kessler,
Assistant Secretary for Enforcement and Compliance.

¹⁸ See section 751(a)(3)(A) of the Act.

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
 - II. Background
 - III. Scope of the Order
 - IV. Application of Facts Available and Use of Adverse Inferences
 - V. Discussion of the Methodology
 - VI. Currency Conversion
 - VII. Recommendation
- [FR Doc. 2020-28335 Filed: 12/22/2020 8:45 am; Publication Date: 12/23/2020]