



DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-166, A-533-926, A-580-919, A-583-876, A-549-850]

Certain Epoxy Resins from the People's Republic of China, India, the Republic of Korea, Taiwan, and Thailand: Initiation of Less-Than-Fair-Value Investigations

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

DATES: Applicable April 23, 2024.

FOR FURTHER INFORMATION CONTACT: Jacob Waddell or Mark Flessner (the People's Republic of China (China)) at (202) 482-1369 or (202) 482-6312, respectively; Amaris Wade (India) at (202) 482-6334; Laura Delgado (the Republic of Korea (Korea)) at (202) 482-1468; Benito Ballesteros (Taiwan) at (202) 482-7425; and Rachel Jennings (Thailand) at (202) 482-1110, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

The Petitions

On April 3, 2024, the U.S. Department of Commerce (Commerce) received antidumping duty (AD) petitions concerning imports of certain epoxy resins (epoxy resins) from China, India, Korea, Taiwan, and Thailand filed in proper form on behalf of the U.S. Epoxy Resin Producers *Ad Hoc* Coalition (the petitioner).¹ These AD Petitions were accompanied by countervailing duty (CVD) petitions concerning imports of epoxy resins from China, India, Korea, and Taiwan.²

¹ See Petitioner's Letter, "Petitions for the Imposition of Antidumping and Countervailing Duties," dated April 3, 2024 (the Petitions). The members of the U.S. Epoxy Resin Producers *Ad Hoc* Coalition are Olin Corporation and Westlake Corporation.

² *Id.*

Between April 8 and 16, 2024, Commerce requested supplemental information pertaining to certain aspects of the Petitions in supplemental questionnaires.³ The petitioner responded to Commerce’s supplemental questionnaires between April 10 and 18, 2024.⁴

In accordance with section 732(b) of the Tariff Act of 1930, as amended (the Act), the petitioner alleges that imports of epoxy resins from China, India, Korea, Taiwan, and Thailand are being, or are likely to be, sold in the United States at less than fair value (LTFV) within the meaning of section 731 of the Act, and that imports of such products are materially injuring, or threatening material injury to, the epoxy resins industry in the United States. Consistent with section 732(b)(1) of the Act, the Petitions were accompanied by information reasonably available to the petitioner supporting its allegations.

Commerce finds that the petitioner filed the Petitions on behalf of the domestic industry, because the petitioner is an interested party, as defined in section 771(9)(F) of the Act.⁵

Commerce also finds that the petitioner demonstrated sufficient industry support for the initiation of the requested LTFV investigations.⁶

Periods of Investigation

Because the Petitions were filed on April 3, 2024, pursuant to 19 CFR 351.204(b)(1), the period of investigation (POI) for the India, Korea, Taiwan, and Thailand LTFV investigations is April 1, 2023, through March 31, 2024. Because China is a non-market economy (NME)

³ See Commerce’s Letters, “Supplemental Questions,” dated April 8, 2024 (General Issues Questionnaire), and “Supplemental Questions,” dated April 8, 2024 (China Supplemental); *see also* Country-Specific Supplemental Questionnaires: India Supplemental, Korea Supplemental, Taiwan Supplemental, and Thailand Supplemental, dated April 9, 2024; and Memorandum, “Phone Call with Counsel to Petitioner,” dated April 16, 2024 (April 16 Memorandum).

⁴ See Petitioner’s Letters, “Petitioner’s Response to Volume II Supplemental Questionnaire (China Antidumping),” dated April 10, 2024, and “Petitioner’s Response to Volume I Supplemental Questionnaire,” dated April 12, 2024 (First General Issues Supplement); *see also* Country-Specific AD Supplemental Responses: India AD Supplement, Korea AD Supplement, Taiwan AD Supplement, and Thailand AD Supplement, dated April 15, 2024; Petitioner’s Letter, “Petitioner’s Response to Second General Issues Supplemental Questionnaire,” dated April 18, 2024 (Second General Issues Supplement); and Country-Specific AD Supplemental Responses: Second China AD Supplement, Second India AD Supplement, Second Korea AD Supplement, Second Taiwan AD Supplement, and Second Thailand AD Supplement, dated April 18, 2024.

⁵ The members of the petitioning coalition are interested parties under section 771(9)(C) of the Act.

⁶ See section on “Determination of Industry Support for the Petitions,” *infra*.

country, pursuant to 19 CFR 351.204(b)(1), the POI for the China LTFV investigation is October 1, 2023, through March 31, 2024.

Scope of the Investigations

The products covered by these investigations are epoxy resins from China, India, Korea, Taiwan, and Thailand. For a full description of the scope of these investigations, *see* the appendix to this notice.

Comments on the Scope of the Investigations

On April 8 and 16, 2024, Commerce requested information and clarification from the petitioner regarding the proposed scope to ensure that the scope language in the Petitions is an accurate reflection of the products for which the domestic industry is seeking relief.⁷ On April 12 and 18, 2024, the petitioner provided clarifications and revised the scope.⁸ The description of merchandise covered by these investigations, as described in the appendix to this notice, reflects these clarifications.

As discussed in the *Preamble* to Commerce's regulations, we are setting aside a period for interested parties to raise issues regarding product coverage (*i.e.*, scope).⁹ Commerce will consider all scope comments received from interested parties and, if necessary, will consult with interested parties prior to the issuance of the preliminary determinations. If scope comments include factual information,¹⁰ all such factual information should be limited to public information. To facilitate preparation of its questionnaires, Commerce requests that scope comments be submitted by 5:00 p.m. Eastern Time (ET) on May 13, 2024, which is 20 calendar days from the signature date of this notice.¹¹ Any rebuttal comments, which may include factual

⁷ *See* General Issues Questionnaire; *see also* April 16 Memorandum.

⁸ *See* First General Issues Supplement at 3-10 and Exhibit I-S4; *see also* Second General Issues Supplement at 2-3 and Exhibit I-SS1.

⁹ *See Antidumping Duties; Countervailing Duties, Final Rule*, 62 FR 27296, 27323 (May 19, 1997) (*Preamble*); *see also* 19 CFR 351.312.

¹⁰ *See* 19 CFR 351.102(b)(21) (defining "factual information").

¹¹ *See* 19 CFR 351.303(b)(1).

information, and should also be limited to public information, must be filed by 5:00 p.m. ET on May 23, 2024, which is 10 calendar days from the initial comment deadline.

Commerce requests that any factual information that parties consider relevant to the scope of these investigations be submitted during that period. However, if a party subsequently finds that additional factual information pertaining to the scope of the investigations may be relevant, the party must contact Commerce and request permission to submit the additional information. All scope comments must be filed simultaneously on the records of the concurrent LTFV and CVD investigations.

Filing Requirements

All submissions to Commerce must be filed electronically via Enforcement and Compliance's Antidumping Duty and Countervailing Duty Centralized Electronic Service System (ACCESS), unless an exception applies.¹² An electronically filed document must be received successfully in its entirety by the time and date it is due.

Comments on Product Characteristics

Commerce is providing interested parties an opportunity to comment on the appropriate physical characteristics of epoxy resins to be reported in response to Commerce's AD questionnaires. This information will be used to identify the key physical characteristics of the subject merchandise in order to report the relevant factors of production (FOP) or cost of production (COP) accurately, as well as to develop appropriate product comparison criteria.

Interested parties may provide any information or comments that they feel are relevant to the development of an accurate list of physical characteristics. Specifically, they may provide comments as to which characteristics are appropriate to use as: (1) general product characteristics; and (2) product comparison criteria. We note that it is not always appropriate to

¹² See *Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures*, 76 FR 39263 (July 6, 2011); see also *Enforcement and Compliance: Change of Electronic Filing System Name*, 79 FR 69046 (November 20, 2014) for details of Commerce's electronic filing requirements, effective August 5, 2011. Information on using ACCESS can be found at <https://access.trade.gov/help.aspx> and a handbook can be found at https://access.trade.gov/help/Handbook_on_Electronic_Filing_Procedures.pdf.

use all product characteristics as product comparison criteria. We base product comparison criteria on meaningful commercial differences among products. In other words, although there may be some physical product characteristics utilized by manufacturers to describe epoxy resins, it may be that only a select few product characteristics take into account commercially meaningful physical characteristics. In addition, interested parties may comment on the order in which the physical characteristics should be used in matching products. Generally, Commerce attempts to list the most important physical characteristics first and the least important characteristics last.

In order to consider the suggestions of interested parties in developing and issuing the AD questionnaires, all product characteristics comments must be filed by 5:00 p.m. ET on May 13, 2024, which is 20 calendar days from the signature date of this notice.¹³ Any rebuttal comments must be filed by 5:00 p.m. ET on May 23, 2024, which is 10 calendar days from the initial comment deadline. All comments and submissions to Commerce must be filed electronically using ACCESS, as explained above, on the record of each of the LTFV investigations.

Determination of Industry Support for the Petitions

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) at least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 732(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, Commerce shall: (i) poll the industry or rely on other information in order to determine if there is support for the petition, as

¹³ See 19 CFR 351.303(b)(1).

required by subparagraph (A); or (ii) determine industry support using a statistically valid sampling method to poll the “industry.”

Section 771(4)(A) of the Act defines the “industry” as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs Commerce to look to producers and workers who produce the domestic like product. The U.S. International Trade Commission (ITC), which is responsible for determining whether “the domestic industry” has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both Commerce and the ITC apply the same statutory definition regarding the domestic like product,¹⁴ they do so for different purposes and pursuant to a separate and distinct authority. In addition, Commerce’s determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to law.¹⁵

Section 771(10) of the Act defines the domestic like product as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title.” Thus, the reference point from which the domestic like product analysis begins is “the article subject to an investigation” (*i.e.*, the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition).

With regard to the domestic like product, the petitioner does not offer a definition of the domestic like product distinct from the scope of the investigations.¹⁶ Based on our analysis of the information submitted on the record, we have determined that epoxy resins, as defined in the

¹⁴ See section 771(10) of the Act.

¹⁵ See *USEC, Inc. v. United States*, 132 F. Supp. 2d 1, 8 (CIT 2001) (citing *Algoma Steel Corp., Ltd. v. United States*, 688 F. Supp. 639, 644 (CIT 1988), *aff’d Algoma Steel Corp., Ltd. v. United States*, 865 F.2d 240 (Fed. Cir. 1989)).

¹⁶ See Petitions at Volume I at 17-21 and Exhibits I-18 through I-23; *see also* First General Issues Supplement at 12-15 and Exhibit I-S6; and Second General Issues Supplement at 8.

scope, constitute a single domestic like product, and we have analyzed industry support in terms of that domestic like product.¹⁷

In determining whether the petitioner has standing under section 732(c)(4)(A) of the Act, we considered the industry support data contained in the Petitions with reference to the domestic like product as defined in the “Scope of the Investigations,” in the appendix to this notice. To establish industry support, the petitioner provided its members’ production data of the domestic like product in 2023 and compared this to total production of the domestic like product by the U.S. epoxy resins industry.¹⁸ We have relied on the data provided by the petitioner for purposes of measuring industry support.¹⁹

Our review of the data provided in the Petitions, the First General Issues Supplement, the Second General Issues Supplement, and other information readily available to Commerce indicates that the petitioner has established industry support for the Petitions.²⁰ First, the Petitions established support from domestic producers (or workers) accounting for more than 50 percent of the total production of the domestic like product and, as such, Commerce is not required to take further action in order to evaluate industry support (*e.g.*, polling).²¹ Second, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(i) of the Act because the domestic producers (or workers) who support the Petitions account for at least 25 percent of the total production of the domestic like product.²² Finally, the domestic producers (or workers) have met the statutory criteria for industry support

¹⁷ For a discussion of the domestic like product analysis as applied to these cases and information regarding industry support, *see* Checklists, “Antidumping Duty Investigation Initiation Checklists: Certain Epoxy Resins from the People’s Republic of China, India, the Republic of Korea, Taiwan, and Thailand,” dated concurrently with, and hereby adopted by, this notice (Country-Specific AD Initiation Checklists), at Attachment II, Analysis of Industry Support for the Antidumping and Countervailing Duty Petitions Covering Certain Epoxy Resins from the People’s Republic of China, India, the Republic of Korea, Taiwan, and Thailand (Attachment II). These checklists are on file electronically via ACCESS.

¹⁸ *See* Petitions at Volume I (pages 6-7 and Exhibit I-5; *see also* First General Issues Supplement at 10-12 and Exhibits I-S2 and I-S5; and Second General Issues Supplement at 3-8 and Exhibits I-SS2 - I-SS5).

¹⁹ *See* Petitions at Volume I (pages 6-7 and Exhibit I-5); *see also* First General Issues Supplement at 10-12 and Exhibits I-S2 and I-S5; and Second General Issues Supplement at 3-8 and Exhibits I-SS2 through I-SS5. For further discussion, *see* Attachment II of the Country-Specific AD Initiation Checklists.

²⁰ *See* Attachment II of the Country-Specific AD Initiation Checklists.

²¹ *Id.*; *see also* section 732(c)(4)(D) of the Act.

²² *See* Attachment II of the Country-Specific AD Initiation Checklists.

under section 732(c)(4)(A)(ii) of the Act because the domestic producers (or workers) who support the Petitions account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the Petitions.²³ Accordingly, Commerce determines that the Petitions were filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act.²⁴

Allegations and Evidence of Material Injury and Causation

The petitioner alleges that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the imports of the subject merchandise sold at LTFV. In addition, the petitioner argues that subject imports from Korea, Taiwan, and Thailand exceed the negligibility threshold provided for under section 771(24)(A) of the Act.²⁵

With regard to China, while the allegedly dumped imports do not exceed the statutory requirements for negligibility,²⁶ the petitioner alleges and provides supporting evidence that: (1) a significant portion of the imported epoxy resins entering from Canada into the U.S. market are produced in China, and once the transshipment issue is corrected, imports from China are not negligible;²⁷ and (2) there is the potential that imports from China will imminently exceed the negligibility threshold and, therefore, are not negligible for purposes of a threat determination.²⁸

With regard to India, while the allegedly dumped imports do not exceed the statutory requirements for negligibility,²⁹ the petitioner alleges and provides supporting evidence that there is the potential that imports from India will imminently exceed the negligibility threshold and, therefore, are not negligible for purposes of a threat determination.³⁰ The petitioner's arguments regarding the potential for imports from India and China to imminently exceed the negligibility

²³ *Id.*

²⁴ *Id.*

²⁵ See Petitions at Volume I (page 22 and Exhibit I-7).

²⁶ *Id.* at 23-24 and Exhibits I-7, I-14, I-24, and I-25.

²⁷ *Id.* at 23-25 and Exhibits I-7, I-14, I-24, and I-25.

²⁸ *Id.* at 23 and Exhibit I-31; see also First General Issues Supplement at 15-17 and I-S7.

²⁹ See Petitions at Volume I (page 25-26 and Exhibit I-24).

³⁰ *Id.* at 25-26.

threshold are consistent with the statutory criteria for “negligibility in threat analysis” under section 771(24)(A)(iv) of the Act, which provides that imports shall not be treated as negligible if there is a potential that subject imports from a country will imminently exceed the statutory requirements for negligibility.

The petitioner contends that the industry’s injured condition is illustrated by the significant volume of subject imports; reduced market share; underselling and price depression and/or suppression; lost sales and revenues; and adverse impact on U.S. shipments, production, capacity utilization, and financial performance.³¹ We assessed the allegations and supporting evidence regarding material injury, threat of material injury, causation, as well as negligibility, and we have determined that these allegations are properly supported by adequate evidence, and meet the statutory requirements for initiation.³²

Allegations of Sales at LTFV

The following is a description of the allegations of sales at LTFV upon which Commerce based its decision to initiate LTFV investigations of imports of epoxy resins from China, India, Korea, Taiwan, and Thailand. The sources of data for the deductions and adjustments relating to U.S. price and normal value (NV) are discussed in greater detail in the Country-Specific AD Initiation Checklists.

U.S. Price

For China, Korea, Taiwan, and Thailand, the petitioner based export price (EP) on pricing information for sales, or offers for sale, of epoxy resins produced in and exported from each country.³³ For Thailand, the petitioner also based EP on transaction-specific average unit values (AUVs) (*i.e.*, month- and port-specific AUVs) derived from official import statistics and

³¹ *Id.* at 22-46 and Exhibits I-4 through I-7, I-14, I-16, I-22, I-24 through I-26, and I-28 through I-31; *see also* First General Issues Supplement at 17 and Exhibit I-S8; and Second General Issues Supplement at 8 and Exhibit I-SS6.

³² *See* Country-Specific AD Initiation Checklists at Attachment III, Analysis of Allegations and Evidence of Material Injury and Causation for the Antidumping and Countervailing Duty Petitions Covering Certain Epoxy Resins from the People’s Republic of China, India, the Republic of Korea, Taiwan, and Thailand.

³³ *See* Country-Specific AD Initiation Checklists.

tioned to ship manifest data.³⁴ For India, the petitioner based EP on transaction-specific AUVs (*i.e.*, month- and port-specific AUVs) derived from official import statistics and tied to ship manifest data.³⁵ For each country, the petitioner made certain adjustments to U.S. price to calculate a net ex-factory U.S. price, where applicable.³⁶

Normal Value³⁷

For Thailand, the petitioner based NV on home market pricing information it obtained for epoxy resins produced in and sold, or offered for sale, in Thailand during the applicable time period.³⁸ The petitioner provided information indicating that the prices for epoxy resins sold or offered for sale in Thailand were below the COP. Therefore, for Thailand, the petitioner based NV on constructed value.³⁹ For India, Korea, and Taiwan, the petitioner stated that it was unable to obtain home market or third country pricing information for epoxy resins to use as a basis for NV.⁴⁰ Therefore, for India, Korea, and Taiwan, the petitioner calculated NV based on CV.⁴¹ For further discussion of CV for India, Korea, Taiwan, and Thailand, *see* the section “Normal Value Based on Constructed Value,” below.

Commerce considers China to be an NME country.⁴² In accordance with section 771(18)(C)(i) of the Act, any determination that a foreign country is an NME country shall remain in effect until revoked by Commerce. Therefore, we continue to treat China as an NME country for purposes of the initiation of the China LTFV investigation. Accordingly, we base

³⁴ See Thailand AD Initiation Checklist.

³⁵ See India AD Initiation Checklist.

³⁶ See Country-Specific AD Initiation Checklists.

³⁷ In accordance with section 773(b)(2) of the Act, for the India, Korea, Taiwan, and Thailand investigations, Commerce will request information necessary to calculate the constructed value (CV) and COP to determine whether there are reasonable grounds to believe or suspect that sales of the foreign like product have been made at prices that represent less than the COP of the product.

³⁸ See Thailand AD Initiation Checklist.

³⁹ *Id.*

⁴⁰ See Country-Specific AD Initiation Checklists.

⁴¹ *Id.*

⁴² See, e.g., *Certain Freight Rail Couplers and Parts Thereof from the People’s Republic of China: Preliminary Affirmative Determination of Sales at Less Than Fair Value and Preliminary Affirmative Determination of Critical Circumstances*, 88 FR 15372 (March 13, 2023), and accompanying Preliminary Decision Memorandum at 5, unchanged in *Certain Freight Rail Couplers and Parts Thereof from the People’s Republic of China: Final Affirmative Determination of Sales at Less-Than-Fair Value and Final Affirmative Determination of Critical Circumstances*, 88 FR 34485 (May 30, 2023).

NV on FOPs valued in a surrogate market economy country in accordance with section 773(c) of the Act.

The petitioner claims that Malaysia is an appropriate surrogate country for China because it is a market economy that is at a level of economic development comparable to that of China and is a significant producer of comparable merchandise.⁴³ The petitioner provided publicly available information from Malaysia to value all FOPs except labor.⁴⁴ Consistent with Commerce's recent practice in cases involving Malaysia as a surrogate country,⁴⁵ to value labor, the petitioner provided labor statistics from another surrogate country, Romania.⁴⁶ Based on the information provided by the petitioner, we believe it is appropriate to use Malaysia as a surrogate country for China to value all FOPs except labor and to value labor using labor statistics from Romania for initiation purposes.

Interested parties will have the opportunity to submit comments regarding surrogate country selection and, pursuant to 19 CFR 351.301(c)(3)(i), will be provided an opportunity to submit publicly available information to value FOPs within 30 days before the scheduled date of the preliminary determination.

Factors of Production

Because information regarding the volume of inputs consumed by Chinese producers/exporters was not reasonably available, the petitioner used product-specific consumption rates from a U.S. producer of epoxy resins as a surrogate to value Chinese manufacturers' FOPs (except labor).⁴⁷ Additionally, the petitioner calculated factory overhead,

⁴³ See China AD Initiation Checklist.

⁴⁴ *Id.*

⁴⁵ See, e.g., Certain Collated Steel Staples from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; and Final Determination of No Shipments; 2021-2022, 88 FR 85242 (December 7, 2023), and accompanying Issues and Decision Memorandum (IDM) at Comment 2; and *Light-Walled Rectangular Pipe and Tube from the People's Republic of China: Final Results of Antidumping Duty Administrative Review*, 88 FR 15671 (March 14, 2023), and accompanying IDM at Comment 2.

⁴⁶ See China AD Initiation Checklist.

⁴⁷ *Id.*

selling, general, and administrative (SG&A) expenses, and profit based on the experience of a Malaysian producer of identical merchandise.⁴⁸

Normal Value Based on Constructed Value

As noted above for Thailand, the petitioner provided information indicating that the prices for epoxy resins sold or offered for sale in Thailand were below the COP. Also as noted above, for India, Korea, and Taiwan, the petitioner stated that it was unable to obtain home market or third-country prices for epoxy resins to use as a basis for NV. Therefore, for India, Korea, Taiwan, and Thailand, the petitioner calculated NV based on CV.⁴⁹

Pursuant to section 773(e) of the Act, the petitioner calculated CV as the sum of the cost of manufacturing, SG&A expenses, financial expenses, and profit.⁵⁰ For India, Korea, Taiwan, and Thailand, in calculating the cost of manufacturing, the petitioner relied on the production experience and input consumption rates of a U.S. producer of epoxy resins, valued using publicly available information applicable to the respective countries, where applicable.⁵¹ In calculating SG&A expenses, financial expenses, and profit ratios, the petitioner relied on the fiscal year 2022-2023 financial statements of producers of identical merchandise domiciled in India, Korea, Taiwan, and Thailand, respectively.⁵²

Fair Value Comparisons

Based on the data provided by the petitioner, there is reason to believe that imports of epoxy resins from China, India, Korea, Taiwan, and Thailand are being, or are likely to be, sold in the United States at LTFV. Based on comparisons of EP to NV in accordance with sections 772 and 773 of the Act, the estimated dumping margins for epoxy resins for each of the countries covered by this initiation are as follows: (1) China – 266.37 to 354.99 percent; (2) India – 9.92

⁴⁸ *Id.* As noted above, the petitioner calculated labor using information specific to Romania.

⁴⁹ *See* Country-Specific AD Initiation Checklists.

⁵⁰ *Id.*

⁵¹ *Id.*

⁵² *Id.*

to 15.68 percent; (3) Korea – 35.29 to 57.38 percent; (4) Taiwan – 91.15 to 139.29 percent; and (5) Thailand – 143.73 to 176.34 percent.⁵³

Initiation of LTFV Investigations

Based upon the examination of the Petitions and supplemental responses, we find that they meet the requirements of section 732 of the Act. Therefore, we are initiating LTFV investigations to determine whether imports of epoxy resins from China, India, Korea, Taiwan, and Thailand are being, or are likely to be, sold in the United States at LTFV. In accordance with section 733(b)(1)(A) of the Act and 19 CFR 351.205(b)(1), unless postponed, we will make our preliminary determinations no later than 140 days after the date of these initiations.

Respondent Selection

Thailand

In the Petitions, the petitioner identified one company in Thailand (*i.e.*, Aditya Birla Chemicals) as a producer/exporter of epoxy resins and provided independent, third-party information as support.⁵⁴ We currently know of no additional producers/exporters of epoxy resins from Thailand.

Accordingly, Commerce intends to individually examine all known producers/exporters in the investigations from Thailand (*i.e.*, the companies cited above). We invite interested parties to comment on this issue. Such comments may include factual information within the meaning of 19 CFR 351.102(b)(21). Parties wishing to comment must do so within three business days of the publication of this notice in the *Federal Register*. Comments must be filed electronically using ACCESS. An electronically filed document must be received successfully in its entirety via ACCESS by 5:00 p.m. ET on the specified deadline. Because we intend to examine all known producers/exporters in Thailand, if no comments are received or if comments received further support the existence of this sole producer/exporter in Thailand, we do not intend to

⁵³ *Id.*

⁵⁴ See Petitions at Volume I (page 17 and Exhibit I-17); see also First General Issues Supplement at 2-3 and Exhibits I-S1 and I-S3.

conduct respondent selection and will proceed to issuing the initial AD questionnaires to the companies identified. However, if comments are received which create a need for a respondent selection process, we intend to finalize our decisions regarding respondent selection within 20 days of publication of this notice.

India, Korea, and Taiwan

In the Petitions, the petitioner identified six companies in India, four companies in Korea, and four companies in Taiwan as producers/exporters of epoxy resins.⁵⁵ Following standard practice in LTFV investigations involving market economy countries, in the event Commerce determines that the number of companies is large, and it cannot individually examine each company based upon Commerce's resources, where appropriate, Commerce intends to select mandatory respondents based on U.S. Customs and Border Protection (CBP) data for imports under the appropriate Harmonized Tariff Schedule of the United States (HTSUS) subheading(s) listed in the "Scope of the Investigations," in the appendix.

On April 18, 2024, Commerce released CBP data on imports of epoxy resins from India, Korea, and Taiwan under administrative protective order (APO) to all parties with access to information protected by APO and indicated that interested parties wishing to comment on CBP data and/or respondent selection must do so within three business days of the publication date of the notice of initiation of these investigations.⁵⁶ Comments must be filed electronically using ACCESS. An electronically filed document must be received successfully in its entirety via ACCESS by 5:00 p.m. ET on the specified deadline. Commerce will not accept rebuttal comments regarding the CBP data or respondent selection.

⁵⁵ See Petitions at Volume I (page 17 and Exhibit I-17); see also First General Issues Supplement at 2-3 and Exhibits I-S1 and I-S3; and Second General Issues Supplement at 1.

⁵⁶ See Memoranda, "Antidumping Duty Petition of Certain Epoxy Resins from India: U.S. Customs and Border Protection Data Release," dated April 19, 2024; "Epoxy Resins from the Republic of Korea: Release of U.S. Customs and Border Protection Entry Data," dated April 18, 2024; and "Certain Epoxy Resins from Taiwan: Release of U.S. Customs and Border Protection Entry Data," dated April 18, 2024.

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305(b). Instructions for filing such applications may be found on Commerce's website at <https://www.trade.gov/administrative-protective-orders>.

China

In the Petitions, the petitioner named 28 companies in China as producers and/or exporters of epoxy resins.⁵⁷ Our standard practice for respondent selection in AD investigations involving NME countries is to select respondents based on quantity and value (Q&V) questionnaires in cases where Commerce has determined that the number of companies is large, and it cannot individually examine each company based upon its resources. Therefore, considering the number of producers and/or exporters identified in the Petitions, Commerce will solicit Q&V information that can serve as a basis for selecting exporters for individual examination in the event that Commerce determines that the number is large and decides to limit the number of respondents individually examined pursuant to section 777A(c)(2) of the Act. Because there are 28 Chinese producers and/or exporters identified in the Petitions, Commerce has determined that it will issue Q&V questionnaires to the largest producers and/or exporters that are identified in the CBP data for which there is complete address information on the record.

Commerce will post the Q&V questionnaires along with filing instructions on Commerce's website at <https://www.trade.gov/ec-adcvd-case-announcements>. Producers/exporters of epoxy resins from China that do not receive Q&V questionnaires may still submit a response to the Q&V questionnaire and can obtain a copy of the Q&V questionnaire from Commerce's website. Responses to the Q&V questionnaire must be submitted by the relevant Chinese producers/exporters no later than 5:00 p.m. ET on May 7, 2024, which is two weeks from the signature date of this notice. All Q&V questionnaire responses must be filed electronically via ACCESS. An electronically filed document must be

⁵⁷ See Petitions at Volume I (page 17 and Exhibit I-17); see also First General Issues Supplement at 2 and Exhibit I-S1.

received successfully, in its entirety, by ACCESS no later than 5:00 p.m. ET on the deadline noted above.

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305(b). As stated above, instructions for filing such applications may be found on Commerce's website at <https://www.trade.gov/administrative-protective-orders>.

Separate Rates

In order to obtain separate rate status in an NME investigation, exporters and producers must submit a separate rate application. The specific requirements for submitting a separate rate application in an NME investigation are outlined in detail in the application itself, which is available on Commerce's website at <https://access.trade.gov/Resources/nme/nme-sep-rate.html>. The separate rate application will be due 30 days after publication of this initiation notice. Exporters and producers must file a timely separate rate application if they want to be considered for individual examination. Exporters and producers who submit a separate rate application and have been selected as mandatory respondents will be eligible for consideration for separate rate status only if they respond to all parts of Commerce's AD questionnaire as mandatory respondents. Commerce requires that companies from China submit a response both to the Q&V questionnaire and to the separate rate application by the respective deadlines to receive consideration for separate rate status. Companies not filing a timely Q&V questionnaire response will not receive separate rate consideration.

Use of Combination Rates

Commerce will calculate combination rates for certain respondents that are eligible for a separate rate in an NME investigation. The Separate Rates and Combination Rates Bulletin states:

{w}hile continuing the practice of assigning separate rates only to exporters, all separate rates that {Commerce} will now assign in its NME investigation will be specific to those producers that supplied the exporter during the period of investigation. Note, however, that one rate is calculated for the exporter and all of the producers which supplied subject merchandise to it during the period of investigation. This practice applies both to mandatory respondents receiving an

individually calculated separate rate as well as the pool of non-investigated firms receiving the {weighted average} of the individually calculated rates. This practice is referred to as the application of “combination rates” because such rates apply to specific combinations of exporters and one or more producers. The cash-deposit rate assigned to an exporter will apply only to merchandise both exported by the firm in question *and* produced by a firm that supplied the exporter during the period of investigation.⁵⁸

Distribution of Copies of the Petitions

In accordance with section 732(b)(3)(A) of the Act and 19 CFR 351.202(f), copies of the public version of the Petitions have been provided to the governments of China, India, Korea, Taiwan, and Thailand via ACCESS. To the extent practicable, we will attempt to provide a copy of the public version of the Petitions to each exporter named in the Petitions, as provided under 19 CFR 351.203(c)(2).

ITC Notification

Commerce will notify the ITC of our initiation, as required by section 732(d) of the Act.

Preliminary Determinations by the ITC

The ITC will preliminarily determine, within 45 days after the date on which the Petitions were filed, whether there is a reasonable indication that imports of epoxy resins from China, India, Korea, Taiwan, and/or Thailand are materially injuring, or threatening material injury to, a U.S. industry.⁵⁹ A negative ITC determination for any country will result in the investigation being terminated with respect to that country.⁶⁰ Otherwise, these LTFV investigations will proceed according to statutory and regulatory time limits.

Submission of Factual Information

Factual information is defined in 19 CFR 351.102(b)(21) as: (i) evidence submitted in response to questionnaires; (ii) evidence submitted in support of allegations; (iii) publicly available information to value factors under 19 CFR 351.408(c) or to measure the adequacy of

⁵⁸ See Enforcement and Compliance’s Policy Bulletin No. 05.1, regarding, “Separate-Rates Practice and Application of Combination Rates in Antidumping Investigation involving NME Countries,” (April 5, 2005) at 6 (emphasis added), available on Commerce’s website at <https://access.trade.gov/Resources/policy/bull05-1.pdf>.

⁵⁹ See section 733(a) of the Act.

⁶⁰ *Id.*

remuneration under 19 CFR 351.511(a)(2); (iv) evidence placed on the record by Commerce; and (v) evidence other than factual information described in (i)-(iv). Section 351.301(b) of Commerce's regulations requires any party, when submitting factual information, to specify under which subsection of 19 CFR 351.102(b)(21) the information is being submitted⁶¹ and, if the information is submitted to rebut, clarify, or correct factual information already on the record, to provide an explanation identifying the information already on the record that the factual information seeks to rebut, clarify, or correct.⁶² Time limits for the submission of factual information are addressed in 19 CFR 351.301, which provides specific time limits based on the type of factual information being submitted. Interested parties should review the regulations prior to submitting factual information in these investigations.

Particular Market Situation Allegation

Section 773(e) of the Act addresses the concept of particular market situation (PMS) for purposes of CV, stating that "if a particular market situation exists such that the cost of materials and fabrication or other processing of any kind does not accurately reflect the cost of production in the ordinary course of trade, the administering authority may use another calculation methodology under this subtitle or any other calculation methodology." When an interested party submits a PMS allegation pursuant to section 773(e) of the Act (*i.e.*, a cost-based PMS allegation), Commerce will respond to such a submission consistent with 19 CFR 351.301(c)(2)(v). If Commerce finds that a cost-based PMS exists under section 773(e) of the Act, then it will modify its dumping calculations appropriately.

Neither section 773(e) of the Act, nor 19 CFR 351.301(c)(2)(v), sets a deadline for the submission of cost-based PMS allegations and supporting factual information. However, in order to administer section 773(e) of the Act, Commerce must receive PMS allegations and supporting factual information with enough time to consider the submission. Thus, should an

⁶¹ See 19 CFR 351.301(b).

⁶² See 19 CFR 351.301(b)(2).

interested party wish to submit a cost-based PMS allegation and supporting new factual information pursuant to section 773(e) of the Act, it must do so no later than 20 days after submission of a respondent's initial section D questionnaire response.

We note that a PMS allegation filed pursuant to sections 773(a)(1)(B)(ii)(III) or 773(a)(1)(C)(iii) of the Act (*i.e.*, a sales-based PMS allegation) must be filed within 10 days of submission of a respondent's initial section B questionnaire response, in accordance with 19 CFR 351.301(c)(2)(i) and 19 CFR 351.404(c)(2).

Extensions of Time Limits

Parties may request an extension of time limits before the expiration of a time limit established under 19 CFR 351.301, or as otherwise specified by Commerce. In general, an extension request will be considered untimely if it is filed after the expiration of the time limit established under 19 CFR 351.301, or as otherwise specified by Commerce.⁶³ For submissions that are due from multiple parties simultaneously, an extension request will be considered untimely if it is filed after 10:00 a.m. ET on the due date. Under certain circumstances, Commerce may elect to specify a different time limit by which extension requests will be considered untimely for submissions which are due from multiple parties simultaneously. In such a case, we will inform parties in a letter or memorandum of the deadline (including a specified time) by which extension requests must be filed to be considered timely. An extension request must be made in a separate, standalone submission; under limited circumstances we will grant untimely filed requests for the extension of time limits, where we determine, based on 19 CFR 351.302, that extraordinary circumstances exist. Parties should review Commerce's regulations concerning the extension of time limits and the *Time Limits Final Rule* prior to submitting factual information in these investigations.⁶⁴

⁶³ See 19 CFR 351.301; *see also* *Extension of Time Limits; Final Rule*, 78 FR 57790 (September 20, 2013) (*Time Limits Final Rule*), available at <https://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm>.

⁶⁴ See 19 CFR 351.302; *see also*, *e.g.*, *Time Limits Final Rule*.

Certification Requirements

Any party submitting factual information in an AD or CVD proceeding must certify to the accuracy and completeness of that information.⁶⁵ Parties must use the certification formats provided in 19 CFR 351.303(g).⁶⁶ Commerce intends to reject factual submissions if the submitting party does not comply with the applicable certification requirements.

Notification to Interested Parties

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305. Parties wishing to participate in these investigations should ensure that they meet the requirements of 19 CFR 351.103(d) (e.g., by filing the required letter of appearance). Note that Commerce has amended certain of its requirements pertaining to the service of documents in 19 CFR 351.303(f).⁶⁷

This notice is issued and published pursuant to sections 732(c)(2) and 777(i) of the Act, and 19 CFR 351.203(c).

Dated: April 23, 2024.

Ryan Majerus,

Deputy Assistant Secretary

for Policy and Negotiations,

performing the non-exclusive functions and duties

of the Assistant Secretary for Enforcement and Compliance.

⁶⁵ See section 782(b) of the Act.

⁶⁶ See *Certification of Factual Information to Import Administration During Antidumping and Countervailing Duty Proceedings*, 78 FR 42678 (July 17, 2013) (*Final Rule*). Additional information regarding the *Final Rule* is available at <https://access.trade.gov/Resources/filing/index.html>.

⁶⁷ See *Administrative Protective Order, Service, and Other Procedures in Antidumping and Countervailing Duty Proceedings*, 88 FR 67069 (September 29, 2023).

Appendix

Scope of the Investigations

The merchandise subject to these investigations are fully or partially uncured epoxy resins, also known as epoxide resins, polyepoxides, oxirane resins, ethoxyline resins, diglycidyl ether of bisphenol, (chloromethyl)oxirane, or aromatic diglycidyl, which are polymers or prepolymers containing epoxy groups (*i.e.*, three-membered ring structures comprised of two carbon atoms and one oxygen atom). Epoxy resins range in physical form from low viscosity liquids to solids. All epoxy resins are covered by the scope of these investigations irrespective of physical form, viscosity, grade, purity, molecular weight, or molecular structure, and packaging.

Epoxy resins may contain modifiers or additives, such as hardeners, curatives, colorants, pigments, diluents, solvents, thickeners, fillers, plasticizers, softeners, flame retardants, toughening agents, catalysts, Bisphenol F, and ultraviolet light inhibitors, so long as the modifier or additive has not chemically reacted so as to cure the epoxy resin or convert it into a different product no longer containing epoxy groups. Such epoxy resins with modifiers or additives are included in the scope where the epoxy resin component comprises no less than 30 percent of the total weight of the product. The scope also includes blends of epoxy resins with different types of epoxy resins, with or without the inclusion of modifiers and additives, so long as the combined epoxy resin component comprises at least 30 percent of the total weight of the blend.

Epoxy resins that enter as part of a system or kit with separately packaged co-reactants, such as hardeners or curing agents, are within the scope. The scope does not include any separately packaged co-reactants that would not fall within the scope if entered on their own.

The scope includes merchandise matching the above description that has been processed in a third country, including by commingling, diluting, introducing, or removing modifiers or additives, or performing any other processing that would not otherwise remove the merchandise from the scope of the investigations if performed in the subject country.

The scope also includes epoxy resin that is commingled or blended with epoxy resin from sources not subject to these investigations. Only the subject component of such commingled products is covered by the scope of these investigations.

Excluded from the scope are phenoxy resins, which are polymers with a weight greater than 11,000 Daltons, a Melt Flow Index (MFI) at 200°C (392°F) no less than 4 grams and no greater than 70 grams per 10 min, Glass-Transition Temperatures (T_g) no less than 80°C (176°F) and no greater than 100°C (212°F), and which contain no epoxy groups other than at the terminal ends of the molecule.

Excluded from the scope are certain paint and coating products, which are blends, mixtures, or other formulations of epoxy resin, curing agent, and pigment, in any form, packaged in one or more containers, wherein (1) the pigment represents a minimum of 10 percent of the total weight of the product, (2) the epoxy resin represents a maximum of 80 percent of the total weight of the product, and (3) the curing agent represents 5 to 40 percent of the total weight of the product.

Excluded from the scope are preimpregnated fabrics or fibers, often referred to as “pre-pregs,” which are composite materials consisting of fabrics or fibers (typically carbon or glass) impregnated with epoxy resin.

This merchandise is currently classifiable under Harmonized Tariff Schedule of the United

States (HTSUS) subheading 3907.30.0000. Subject merchandise may also be entered under subheadings 3907.29.0000, 3824.99.9397, 3214.10.0020, 2910.90.9100, 2910.90.9000, 2910.90.2000, and 1518.00.4000. The HTSUS subheadings are provided for convenience and customs purposes only; the written description of the scope is dispositive.
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