



DEPARTMENT OF COMMERCE

International Trade Administration

[C-583-880]

Certain Monomers and Oligomers from Taiwan: Preliminary Affirmative Critical Circumstances Determination in Countervailing Duty Investigation

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

SUMMARY: The U.S. Department of Commerce (Commerce) preliminarily determines that
critical circumstances exist with respect to imports of certain monomers and oligomers
(monomers and oligomers) from Taiwan. The period of investigation is January 1, 2024,
through December 31, 2024. Interested parties are invited to comment on this preliminary
determination of critical circumstances.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Suresh Maniam, AD/CVD Operations,
Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of
Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-
0176.

SUPPLEMENTARY INFORMATION:

Background

On April 23, 2025, Commerce published the notice of initiation of this countervailing
duty (CVD) investigation in the *Federal Register*.¹ On August 29, 2025, Commerce published
its *Preliminary Determination*.² In the *Preliminary Determination*, Commerce applied adverse

¹ See *Certain Monomers and Oligomers from Taiwan: Initiation of Countervailing Duty Investigation*, 90 FR 17032 (April 23, 2025) (*Initiation Notice*).

² See *Certain Monomers and Oligomers from Taiwan: Preliminary Affirmative Countervailing Duty Determination*, 90 FR 42184 (August 29, 2025) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum (PDM).

facts available (AFA) to Eternal Materials Co., Ltd. (Eternal Materials), Qualipoly Chemical Corporation (Qualipoly), the two mandatory respondents, and the Taiwan Authority (TA).³

On August 18, 2025, Arkema Inc. (the petitioner) filed a timely critical circumstances allegation, pursuant to section 703(e)(1) of the Act, and 19 CFR 351.206, alleging that critical circumstances exist with respect to monomers and oligomers from Taiwan.⁴ However, given the timing of the allegation, Commerce did not address the critical circumstances allegation in the *Preliminary Determination*.

In accordance with sections 703(e)(1) of the Act and 19 CFR 351.206(c)(1), because the petitioner submitted the critical circumstances allegation more than 30 days before the scheduled date of the final determination, Commerce will make a preliminary finding as to whether there is a reasonable basis to believe or suspect that critical circumstances exist. Commerce is issuing its preliminary finding of critical circumstances within 30 days after the petitioner submitted the allegation as the allegation was submitted later than 20 days before the scheduled date of the preliminary determination.⁵

Critical Circumstances Allegation

The petitioner alleges that there was a massive increase in imports of monomers and oligomers from Taiwan and provided monthly import data for the period January 2025 through June 2025.⁶ The petitioner states that a comparison of total imports, by quantity, for the base period of January 2025 through March 2025 to the comparison period of April 2025 through June 2025, shows that imports from Taiwan increased 38 percent, which is considered “massive” under 19 CFR 351.206(h)(2) and section 703(e)(1)(b) of the Act.⁷ The petitioner also alleges that there is a reasonable basis to believe that there are subsidies in this investigation which are inconsistent with the Subsidies and Countervailing Measures (SCM Agreement) of the World

³ See *Preliminary Determination* PDM at 19-37.

⁴ See Petitioner’s Letter, “Allegation of Critical Circumstances,” dated August 18, 2025 (Petitioner’s Allegation).

⁵ See 19 CFR 351.206(c)(2)(ii).

⁶ See Petitioner’s Allegation at 3-5.

⁷ *Id.*

Trade Organization Agreement.⁸

Critical Circumstances Analysis

Section 703(e)(1) of the Act provides that Commerce will preliminarily determine that critical circumstances exist in a CVD investigation if there is a reasonable basis to believe or suspect that: (A) the alleged countervailable subsidy is inconsistent with the SCM Agreement;⁹ and (B) there have been massive imports of the subject merchandise over a relatively short period.

In determining whether “massive imports” occurred over a “relatively short period,” pursuant to section 703(e)(1)(B) of the Act and 19 CFR 351.206(h) and (i), Commerce normally compares the import volumes of the subject merchandise for at least three months immediately preceding the filing of the petition (*i.e.*, the base period) to a comparable period of at least three months following the filing of the petition (*i.e.*, the comparison period). However, the regulations also provide that if Commerce finds that importers, or exporters or producers, had reason to believe, at some time prior to the beginning of the proceeding, that a proceeding was likely, Commerce may consider a period of not less than three months from the earlier time.¹⁰ Imports normally will be considered massive when imports during the comparison period have increased by 15 percent or more compared to imports during the base period.¹¹

Alleged Countervailable Subsidies Are Inconsistent with the SCM Agreement

Commerce considered the evidence on the record that certain programs are inconsistent with the SCM Agreement because they are contingent upon export performance. Based on information on the record, we preliminarily find a reasonable basis to believe or suspect that Eternal Materials, Qualipoly, and all other producers and/or exporters received countervailable

⁸ *Id.*

⁹ Commerce limits its critical circumstances findings to those subsidies contingent upon export performance or use of domestic over imported goods (*i.e.*, those prohibited under Article 3 of the SCM Agreement). *See, e.g., Final Affirmative Countervailing Duty Determination and Final Negative Critical Circumstances Determination: Carbon and Certain Alloy Steel Wire from Germany*, 67 FR 55808, 55809-10 (August 30, 2002).

¹⁰ *See* 19 CFR 351.206(i).

¹¹ *See* 19 CFR 351.206(h)(2).

subsidies inconsistent with the SCM Agreement under section 703(e)(1)(A) of the Act. Such programs include: Eximbank Medium- and Long-Term Export Credit; Eximbank Medium- and Long-Term Import Credit; Eximbank Overseas Investment Credit; Eximbank Short-Term Export Credit; Eximbank General Export Credit; Eximbank Export Credit Guarantee; Eximbank Import Credit Guarantee; Preferential Loans from Chinese State-Owned Banks; Export Seller's Credit; Export Buyer's Credit; Export Credit Guarantees; and Foreign Trade Development Grants.¹² Thus, because there is a reasonable basis to believe or suspect these programs are inconsistent with the SCM Agreement, we preliminarily find that the criterion under section 703(e)(1)(A) of the Act has been met.

Massive Imports

As explained in the *Preliminary Determination*, Eternal Materials and Qualipoly did not cooperate in this investigation, and we preliminarily applied total adverse facts available under sections 776(a) and (b) of the Act. Therefore, in accordance with sections 776(a) and (b) of the Act, we preliminarily find that critical circumstances exist with respect to imports of monomers and oligomers from Taiwan for Eternal Materials and Qualipoly under section 703(e)(1) of the Act.

For all other producers and/or exporters, to determine their total volume of shipments, Commerce's normal practice is to subtract shipments reported by the cooperating mandatory respondents from the total shipment data of subject merchandise. However, as stated above, there are no cooperative respondents under investigation. Therefore, for all other exporters and/or producers, we compared the monthly shipment data using import data from Trade Data Monitor (TDM) for a base and a comparison period, consistent with the data source used in the

¹² See Petitioner's Letter, "Petition for the Imposition of Antidumping and Countervailing Duties on Imports of Certain Monomers and Oligomers from the Republic of Korea and Taiwan," dated March 27, 2025 (Petition), at Volumes I and III; see also Checklist, "Certain Monomers and Oligomers from Taiwan," dated April 16, 2025 (Initiation Checklist).

companion *AD Preliminary Determination*.¹³

When determining whether massive shipments occurred within the meaning of 19 CFR 351.206(h), Commerce's practice is to include the month the petition was filed in the base period if the petition was filed during the last half of the month.¹⁴ Further, when provisional measures have been applied, Commerce's practice is to use the longest period for which information is available through the month in which provisional measures were applied or the month prior to provisional measures being applied if the preliminary determination published in the first half of the month.¹⁵ The Petition was filed during the second half of March 2025, and the *Preliminary Determination* published during the second half of August 2025 (*i.e.*, the month in which provisional measures were applied). Thus, to determine whether there was a massive surge in imports, and because August 2025 import data was not yet available, Commerce used the longest period for which total import volume information was available up until provisional measures were imposed, *i.e.*, the four-month base period of December 2024 through March 2025 and a four-month comparison period of April 2025 through July 2025.¹⁶ The quantity of shipments reported in the TDM data for the Harmonized Tariff Schedule of the United States (HTSUS) numbers codes 2916125050, 2916142050, 3824992900, 3907290000, 3907300000, 2916.12.1000 and 3824.99.9397 during the comparison period exceeded the quantity of shipments reported for the base period by greater than 15 percent.¹⁷ Therefore, we determine that the record supports a determination that there is a massive surge in imports between the base

¹³ See *Certain Monomers and Oligomers from Taiwan: Preliminary Affirmative Determination of Sales at Less Than Fair Value and Preliminary Affirmative Determination of Critical Circumstances*, 90 FR 43409 (September 9, 2025) (*AD Preliminary Determination*), and accompanying PDM at 12.

¹⁴ See, *e.g.*, *Circular Welded Carbon Quality Steel Pipe from the People's Republic of China: Final Affirmative Countervailing Duty Determination and Final Affirmative Determination of Critical Circumstances*, 73 FR 31966 (June 5, 2008), and accompanying Issues and Decision Memorandum (IDM) at 91-92; see also *Overhead Door Counterbalance Torsion Springs from India: Preliminary Affirmative Determination of Critical Circumstances in the Countervailing Duty Investigation*, 90 FR 35660, 61 (July 29, 2025).

¹⁵ See, *e.g.*, *Certain Quartz Surface Products from the Republic of Turkey: Final Affirmative Countervailing Duty Determination and Final Affirmative Determination of Critical Circumstances, In Part*, 85 FR 25400 (May 1, 2020) and accompanying IDM at 2-3.

¹⁶ See Memorandum, "Preliminary Critical Circumstances Analysis," dated concurrently with this notice, at Attachment.

¹⁷ *Id.*

and comparison periods for all other exporters and producers of monomers and oligomers from Taiwan.¹⁸

Final Determination

We will make a final determination concerning critical circumstances in the final determination of this investigation, which is currently scheduled for November 10, 2025.

Public Comment

Currently, case briefs regarding the *Preliminary Determination* are due no later than September 18, 2025. Therefore, Commerce is setting a separate briefing schedule for comments regarding this preliminary determination of affirmative critical circumstances. Case briefs or other written comments limited to Commerce's preliminary determination of critical circumstances may be submitted to the Assistant Secretary for Enforcement and Compliance no later than seven days after the date on which this notice is published in the *Federal Register*. Rebuttal briefs, limited to issues raised in the case briefs, may be filed not later than five days after the date for filing case briefs.¹⁹ Interested parties who submit case briefs or rebuttal briefs in this proceeding must submit: (1) a table of contents listing each issue; and (2) a table of authorities.²⁰

As provided under 19 CFR 351.309(c)(2) and (d)(2), in prior proceedings we have encouraged interested parties to provide an executive summary of their brief that should be limited to five pages total, including footnotes. In this investigation, we instead request that interested parties provide at the beginning of their briefs a public, executive summary for each issue raised in their briefs.²¹ Further, we request that interested parties limit their executive summary of each issue to no more than 450 words, not including citations. We intend to use the public executive summaries as the basis of the comment summaries included in the issues and

¹⁸ *Id.*

¹⁹ See 19 CFR 351.309(d); see also *Administrative Protective Order, Service, and Other Procedures in Antidumping and Countervailing Duty Proceedings*, 88 FR 67069, 67077 (September 29, 2023) (*APO and Service Final Rule*).

²⁰ See 19 CFR 351.309(c)(2) and (d)(2).

²¹ We use the term "issue" here to describe an argument that Commerce would normally address in a comment of the Issues and Decision Memorandum.

decision memorandum that will accompany the final determination in this investigation. We request that interested parties include footnotes for relevant citations in the executive summary of each issue. Note that Commerce has amended certain of its requirements pertaining to the service of documents in 19 CFR 351.303(f).²²

Suspension of Liquidation

In accordance with section 703(e)(2)(A) of the Act, for Eternal Materials, Qualipoly, and all other producers and/or exporters, we intend to direct U.S. Customs and Border Protection (CBP) to suspend liquidation of any unliquidated entries of subject merchandise from Taiwan entered, or withdrawn from warehouse for consumption, on or after May 27, 2025, which is 90 days prior to the date of publication of the *Preliminary Determination* in the *Federal Register*. For such entries, CBP shall require a cash deposit equal to the estimated preliminary subsidy rates established in the *Preliminary Determination*. This suspension of liquidation will remain in effect until further notice.

U.S. International Trade Commission Notification

In accordance with section 703(f) of the Act, we will notify the ITC of this preliminary determination of critical circumstances.

Notification to Interested Parties

This determination is issued and published pursuant to sections 703(f) and 777(i) of the Act and 19 CFR 351.206.

Dated: September 16, 2025.

Christopher Abbott,

Deputy Assistant Secretary

for Policy and Negotiations,

performing the non-exclusive functions and duties

of the Assistant Secretary for Enforcement and Compliance.

[FR Doc. 2025-18231 Filed: 9/19/2025 8:45 am; Publication Date: 9/22/2025]

²² See *APO and Service Final Rule*.