

FACT SHEET

Preliminary Determinations in the Countervailing Duty Investigations on Bottle-Grade Polyethylene Terephthalate (BG PET) Resin from India and Thailand

On August 24, 2004, the Department of Commerce announced its preliminary determinations in the countervailing duty investigations on bottle-grade polyethylene terephthalate (BG PET) resin from India and Thailand. We preliminarily find that countervailable subsidies are being provided to producers/exporters of BG PET resin from India, with net subsidy rates ranging from 1.62 percent to 30.24 percent. We preliminarily find that no countervailable subsidies are being provided to producers/exporters of BG PET resin from Thailand.

Upon publication of the preliminary determinations in the *Federal Register*, U.S. Customs and Border Protection (CBP) will begin to suspend liquidation of entries of subject merchandise from India and to collect a bond or cash deposit based on the subsidy rates for Indian producers/exporters. The Department will not direct CBP to suspend liquidation of entries of the subject merchandise from Thailand.

Next Steps: Interested parties are invited to submit comments on these preliminary determinations. The Department will consider these comments along with all other record evidence before making its final determinations on or about **January 3, 2005**. If the Department makes a final affirmative determination in either or both investigations, the U.S. International Trade Commission (ITC) is scheduled to make its final injury determination on or about **February 17, 2005**. If the ITC makes a final affirmative determination that imports are materially injuring, or threaten to materially injure, the domestic industry, the Department will issue countervailing duty orders and will instruct U.S. Customs and Border Protection to collect cash deposits on imports of subject merchandise.

Companion Antidumping Investigations: The Department's preliminary determinations in the antidumping (AD) investigations of imports of PET resin from India, Indonesia, Taiwan, and Thailand are currently scheduled to be announced on October 20, 2004. The final determinations in both the AD and CVD investigations have been aligned and are currently scheduled for January 3, 2005.

Petitioners: The petition requesting these investigations was filed on March 24, 2004, by the United States PET Resin Producers Coalition, an *ad hoc* association of domestic producers of BG PET resin. Individual members of the coalition include: DAK Americas, LLC (PA); Nan Ya Plastics Corporation America (SC); Voridian (TN); and Wellman, Inc.(NJ).

Product Description: The merchandise covered by each of these investigations is BG PET resin. BG PET resin is commonly used to manufacture bottles, sheet, and strapping, whose applications include packaging for consumer goods such as soft drinks, water, juice, fresh fruit, as well as cosmetics and household cleaners.

The scope includes BG PET resin that contains various additives introduced in the manufacturing process. The scope of the investigations does not include post-consumer recycle or post-industrial recycle PET resin, waste and scrap PET resin, and fiber-grade PET resin. Additional information on the scope of the investigations may be found in the Department's Notice of Preliminary Determination, to be published in the *Federal Register*.

The merchandise subject to these investigations is properly classified under subheading 3907.60.0010 of the

Harmonized Tariff Schedule of the United States (HTSUS); however, merchandise classified under HTSUS subheading 3907.60.0050 that otherwise meets the written description of the scope is also subject to these investigations. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Preliminary Countervailable Subsidy Rates:

Country	Producer/Exporter	Net Subsidy Rate
India	Reliance Industries Ltd.	30.24%
	South Asia Petrochem Ltd.	19.13%
	Futura Polyesters Ltd.	1.62% (<i>de minimis</i>)
	Elque Polyesters Ltd.	12.02%
	All Others	24.01%
Thailand	Thai Shinkong Industry Corporation Ltd.	0.09% (<i>de minimis</i>)
	Bangkok Polyester Public Company Ltd.	0.57% (<i>de minimis</i>)
	Indopet (Thailand) Ltd.	0.37% (<i>de minimis</i>)
	All Others	0.26% (<i>de minimis</i>)

Case Calendar:

EVENT	DATE OF ACTION
Petition Filed	March 24, 2004
Initiation Date	April 13, 2004
ITC Preliminary Determination	May 10, 2004
ITA Preliminary Determinations	August 23, 2004
ITA Final Determinations (Estimated)	January 3, 2005
ITC Final Determination (Estimated)*	February 17, 2005
Signature of Order (Estimated)**	February 24, 2005

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

** This will take place only in the event of a final affirmative determination from both the Department of Commerce and the International Trade Commission.

Import Statistics:

Country	Year	Volume (Kilograms)	Value (\$ U.S.)
India	2001	7,137,765	\$6,797,575
	2002	15,901,101	\$11,732,331
	2003	35,622,020	\$32,235,618
Thailand	2001	21,261,088	\$19,730,865
	2002	50,188,399	\$40,301,572
	2003	93,149,855	\$78,141,312

Source: U.S. ITC Trade DataWeb for HTS 3907.60.0010. (Note: merchandise classified under HTSUS subheading 3907.60.0050 that otherwise meets the written description of the scope is also subject to these investigations).