

PUBLIC NOTICE OF MINISTRY OF COMMERCE

NO.62 OF YEAR 2017

Initiation of Antidumping Investigation on Hydriodic Acid Originating in the US and Japan

On September 6, 2017, the Ministry of Commerce (“MOFCOM”) received a petition requiring initiation of antidumping investigation formally submitted by Taian Havay Chemicals Co., Ltd. (the “petitioner”) on behalf of the PRC Hydriodic Acid (“the product concerned”) industry. The petitioner requested an antidumping investigation on Hydriodic Acid originating in the US and Japan (“the countries concerned”). Pursuant to the relevant provisions of *the Antidumping Regulation of the People’s Republic of China* (the “*Antidumping Regulation*”), MOFCOM examined the standing of the petitioner, the relevant information on the product concerned, the relevant information on domestic like products, the impact of the product concerned on the domestic industry, and the relevant information on the countries/areas concerned.

According to evidences provided by the petition and the preliminary examination of the Ministry of Commerce, the total output of Hydriodic Acid by the petitioner, Taian Havay Chemicals Co., Ltd., represents more than 50% of the total output of the like products in China in the year of 2015 and 2016, which justifies the initiation of an investigation pursuant to Article 11 and Article 13 of *the Antidumping Regulation*.

It is claimed in the petition that the Hydriodic Acid originating in the US and Japan is exported to China at a price lower than normal value. As per the evidences and information reasonably obtained, the petitioner takes the cost plus reasonable amounts of expenses and profit of the product as the basis for determining the normal values of the Hydriodic Acid originating in the US and Japan, and the price of customs statistics of the product concerned as imported to China as the basis for determining the export price, and after adjustments to all factors influencing price comparability, claims the great dumping of the product concerned. Meanwhile, it is claimed that owing to shocks of imports of the product originating in the US and Japan, indicators such as the output of the domestic industry, rate of operation, sale price, profit rate and investment income, have shown a trend of deterioration. The domestic industry has suffered substantial damages, and there is a causation between the dumping of the product concerned and such substantial damages. Upon examination, MOFCOM believes that the application includes contents and relevant evidences required for the filing of the anti-dumping investigation in Article 14 and Article 15 of *the Antidumping Regulation*.

In accordance with the above examination results and Article 16 of *the Antidumping*

Regulation, MOFCOM decides to initiate an antidumping investigation on Hydriodic Acid originating in the US and Japan on October 16, 2017 and hereby gives notice of relevant issues related to the investigation as follows:

1. The Initiation of Antidumping Investigation and the Period of Investigation.

As of the date of this Public Notice, MOFCOM begins the antidumping investigation on imports of Hydriodic Acid originating in the US and Japan. The period of investigation ("POI") for dumping is from July 1, 2016 through June 30, 2017, while the injury investigation period is from January 1, 2015 through June 30, 2017.

2. The Product Concerned and Scope of Investigation.

Scope of investigation: Hydriodic Acid originating in the US and Japan.

Name of the Product Concerned: Hydriodic Acid, also known as Hydrogen Iodide ("HI")

Chemical Formula: HI

Chemical Structural Formula: $\text{H} \text{---} \text{I}$

Description: Hydriodic Acid is the aqueous solution of hydrogen iodide, and it is colorless or light yellow liquid when it is fresh. In the air and under the sun, it will precipitate iodine out quickly and turn brown. Its molecular weight is 127.91, its boiling point under normal pressure is between 100°C—130°C, and its melting point is between -50.8°C—0°C. Hydriodic Acid is highly corrosive and strong reducing. Diluted hydriodic acid reacts with many metals (including aluminum, zinc, calcium, magnesium, iron, tin and all alkali metals) to produce flammable hydrogen. Also, it reacts with the hydroxide of these metals, carbonate and salt to produce metallic iodides.

Applications: It is mainly used in the synthesis of catalyst for acetic acid, the production of iodides, the reduction of graphene oxide, and also in the application of integrated circuit etching agents, chemical and pharmaceutical intermediates, disinfectants, dyes and spices materials, analytical reagents, etc.

Tariff Number (HS code): tariff number of the product concerned in *the PRC Customs Tariff Regulation* is 28111990. Other products other than Hydriodic Acid under the above HS code are not within the scope of investigation.

3. Registration of Entry of Appearance

As to dumping investigation, any interested party who is willing to participate in the investigation must register with the Trade Remedy and Investigation Bureau of the Ministry of Commerce no later than twenty (20) days after the publication of this notice. Interested parties participating in the investigation shall provide basic identity information, the quantity and amount of the investigated product exported to or imported by China, the quantity and amount of similar products produced and sold, and relationships according to the Reference Format for Registry of Participation in Investigation. The Reference Format for Registry of Participation in Investigation may be downloaded from relevant websites (attached below, the same below).

For the purpose of the Announcement, interested parties refer to individuals and organizations specified in Article 19 of *the Antidumping Regulation*.

4. Inquiry of Public Information

Interested parties may download from relevant websites or look up, read, transcribe and copy the non-confidential text of the application submitted by the Applicants at the Trade Remedy Public Information Room of the Ministry of Commerce (Tel.: 0086-10-65197878). In the course of the investigation, any interested party may look up any public information on the case at relevant websites, or look up, read, transcribe and copy any public information on the case at the Trade Remedy Public Information Room of the Ministry of Commerce.

5. Comments on Filing of the Case

If any interested party needs to give comments on the scope of the investigated product, the qualifications of the Applicants, the investigated country (region) and other relevant issues, the said interested party may submit written opinions thereof to the Trade Remedy and Investigation Bureau of the Ministry of Commerce within 20 days after the date of release of the Announcement.

6. Investigation Methods

The investigating authorities may ask the relevant interested party for information to carry out investigation by way of questionnaire, sampling, hearing, and on-site verification, etc.

With the view of obtaining the information necessary for the case, the Ministry of Commerce usually distributes questionnaires to foreign exporters or manufacturers involved in the case as well as domestic producers and importers within ten (10) working days as of the deadline of registry of participation in the investigation set out hereunder. Interested party registered for participation in the investigation may download questionnaires from relevant websites.

The inquiry information in the Questionnaire for Foreign Exporters or Producers Involved in the Anti-dumping Case of Hydriodic Acid includes corporate structure and operation, the investigated product, export sales to China (Chinese mainland), domestic sales, business, finance and other relevant information, product costs and relevant expenses, estimated dumping margin, check list and other contents. The inquiry information in the Questionnaire for Domestic Producers Involved in the Anti-dumping Case of Hydriodic Acid includes corporate basic information, situations of domestic similar products, business and relevant information, finance and relevant information, other issues needing to be described. The inquiry information in the Questionnaire for Domestic Importers Involved in the Anti-dumping Case of Hydriodic Acid includes corporate basic information, trade of the investigated product and relevant information and other contents.

Any other interested parties not registered for participation in the investigation may directly download aforesaid questionnaires from relevant websites, or ask for them from the Trade Remedy and Investigation Bureau of the Ministry of Commerce and fill in and submit them according to the requirements.

All companies shall submit questionnaires with complete and accurate answers within a prescribed time. The answer sheets shall include all the information required by the questionnaires.

7. Submission and Processing of Confidential Information

If it is necessary to keep confidential the information submitted by an interested party to the Ministry of Commerce, the said interested party may make a request to the Ministry of Commerce for confidential treatment of relevant information and give reasons. If the Ministry of Commerce agrees about the said request, the interested party applying for confidentiality shall provide the non-confidential summary of the said confidential information. The non-confidential summary shall include full and meaningful information, so that other interested parties can

reasonably understand the confidential information. If the non-confidential summary cannot be provided, a specific reason shall be given. If the information submitted by an interested party does not state that it is necessary to keep it confidential, the Ministry of Commerce will deem the said information as public information.

8. Consequences of Non-cooperation

According to Article 21 of the Regulations of the People's Republic of China on Anti-dumping, when the Ministry of Commerce makes investigations, an interested party shall faithfully reflect situations and provide relevant materials. If an interested party fails to faithfully reflect situations or provide necessary information, or fails to provide necessary information within a reasonable time, or seriously impedes an investigation in any other way, the Ministry of Commerce may give a ruling according to facts already obtained and best information available.

9. Investigation Period

The investigation will start from October 16, 2017, and generally end before October 16, 2018. In a special circumstance, the deadline may be extended to April 16, 2019.

10. The Address of MOFCOM:

No. 2, Dong Chang'an Avenue, Beijing
Post Code: 100731

Trade Remedy and Investigation Bureau of the Ministry of Commerce
Tel: 0086-10-65198760, 65198076
Fax: 0086-10-65198172

Relevant websites: sub-website of the Trade Remedy and Investigation Bureau of the Ministry of Commerce (<http://trb.mofcom.gov.cn>); China Trade Remedy Information (<http://www.cacs.mofcom.gov.cn>)

Ministry of Commerce
People's Republic of China

October 16, 2017