

Brazil initiates sunset review on imports of polyvinyl chloride obtained in suspension (PVC-S) from China and South Korea

On August 15, 2019, Brazil's Secretariat of Foreign Trade ("SECEX") of the Ministry of Economics published Notice of Initiation No. 50, initiating the sunset review of the duties applied on imports of polyvinyl chloride obtained in suspension (PVC-S) originating in China and South Korea. The product is commonly classified under item 3904.10.10 of the Mercosur Common Nomenclature – NCM (HS based). The petitioner is Braskem S.A.

The product under investigation was defined as polyvinyl chloride, not mixed with any other substances, obtained in suspension (PVC-S), exported from China and South Korea to Brazil.

For purposes of initiating the investigation, the Brazilian authority has calculated the following differences:

Country	Normal value CIF internalized (R\$/t)	Domestic price (R\$/t)	Absolute difference (R\$/t)	Relative difference (%)
China	4,802.58	3,839.13	963.45	25.1%
Coreia do Sul	4,470.57	3,839.13	631.44	16.4%

Imports of PVC-S during the period of investigation were as follows:

Period	China		South Korea		Total	
	US\$ FOB	Net weight (kg)	US\$ FOB	Net weight (kg)	US\$ FOB	Net weight (kg)
Jan.2014 - Dec. 2014	0	0	9,101,533	8,737,900	412,769,345	379,351,667
Jan.2015 - Dec. 2015	12,122	17,000	4,440,309	4,711,500	261,333,431	296,572,035
Jan.2016 - Dec. 2016	0	0	1,24,286	1,75,000	215,400,579	263,354,481
Jan.2017 - Dec. 2017	0	0	46,861	52,000	260,606,560	272,986,617
Jan.2018 - Dec. 2018	0	0	51,411	54,000	287,463,973	306,721,244

Exporters and importers participating in the investigation can demonstrate that the product is not dumped to Brazil, avoiding the imposition of antidumping duties. Alternatively, if the authority understands that exports were dumped, exporting companies participating in the investigation may request individual dumping margins, which results in lower duties on their exports.



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— A D V O G A D O S —

Producers/exporters will receive questionnaires indicating the information necessary to the investigation, and shall have a 30-day deadline for response, counting from the date of notification. Interested parties may participate in the investigation through legal representatives duly registered before the Department of Trade Remedies. Other parties who consider themselves as interested in the proceeding shall file a request for participation within a 20-day deadline counting from the beginning of the investigation. Notice of initiation No. 50 can be accessed at the following [link \(in Portuguese\)](#).