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documents: **62** Pages

## Ministry of Commerce of the People's Republic of China

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China's co-polymer formaldehyde industry applied for anti-dumping investigation into imports originating in the European Union, the United States, Taiwan and Japan

### Application for anti-dumping investigation of the co-polymer formaldehyde industry in mainland China

Anti-dumping investigation applicants:

Yunnan Yun Tinyuan Co., Ltd.

State Energy Group Ningxia Coal Industry Limited  
Liability Company Opening Longyu Chemical Co.,  
Ltd. Lunan Chemical Co., Ltd. Tangshan Zhonghao  
Chemical Co., Ltd.

China Petroleum Inner Mongolia New Materials  
Limited

Applicant's Plenipotentiary Agent:

Beijing City Law Firm

April 22, 2002

## Anti-dumping investigation applicants:

1 and It Yunnan Yun Tinyuan Co., Ltd.  
 The The 1417 Mountain Road in the West Mountains  
 The The 650100  
 The The paragraph is broad.  
 Contact The king.  
 Get The 023-40717352

in phone:  
 2 The It National Energy Group Ningxia Coal  
 Name is Limited Liability Company  
 The The Ningxia Hui Autonomous Region, Yinchuan  
 The The 750004  
 The It's a victory.  
 Contact Oh, Wang Hui.  
 Get The 0951-6975636

in phone:  
 3 The It  
 name is Kaifeng Longyu Chemical Co., Ltd.  
 The The Gugang Town, Kaifeng City, Henan  
 The The 475200  
 The Li Wubin. - Yeah.  
 Contact Jang Ho! - Yeah.  
 Get The 0371-22277887

in phone:  
 4 The It is  
 name called: Lunan Chemical Co., Ltd.  
 The The Tengzhou City, Shandong Province (Runan  
 The Postal 277527  
 The Zhang Ling,  
 Contact Dragon Heukun.  
 Get The 0632-2368360

in phone:  
 5 The It is  
 Name called: Tangshan Zhonghao Chemical Co., Ltd.  
 The The South of Fu Street, Tangshan City  
 The Postal 063611  
 The The King Jun  
 Contact Wang Dong,  
 Get The 0315-3034887

6 The name is: China Petroleum Inner Mongolia New Materials Limited

Location of: Kin River Town, Saikang District, Inner Mongolia Autonomous Region

ThePostal Code: 010020

The Statutory Representative: HU Xiao-Rong.

Contact person in the case: Li Soo-soo-yi.

Contact the phone: 0471-5607185

### **Applicant's Plenipotentiary Agent:**

It's a name. It is called: Beijing City Law Firm

The land. The site: 23Huang Temple Street, Beijing's West City District, Room1205 of BeiguangTower

ThePostal Code: 100120

Representation of counsel: Guo Dongping, Lanxiong.

Contact the phone: 010-82230591/92/93/94

Pass it on. It really is: 010-82230598

Thee-mail: Please contact us at [tgdp@bohenglaw.com](mailto:tgdp@bohenglaw.com)

Thenetwork The site: [Please contact us at www.bohenglaw.com](http://www.bohenglaw.com)

## Letter of confirmation

As the sole agent of the applicant who submitted anti-dumping investigation to the EU, the United States, Taiwan and Japan and exported to mainland China, we have all reviewed the application for anti-dumping investigation and its annexes, and represent the applicant in this case to sign this anti-dumping investigation application. Based on the information and information we currently have, we confirm that the contents of this anti-dumping investigation application and the accompanying evidence are true and complete.

In accordance with the provisions of the Foreign Trade Law of the People's Republic of China and the Anti-Dumping Regulations of the People's Republic of China, this anti-dumping investigation application is hereby formally filed.

Applicant's Plenipotentiary Agent: B



Registered lawyer in China:

Lawyer Guo Dong Attorney's Practitioner's Certificate: 11101200310402136 (signature)

Lawyer Blue Man. Attorney's Practitioner's Certificate: 11101200310817778  
(signature)

April22, 24, 24

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## Body of the first part of the application

### I. Relevant information on stakeholders

(一) Applicants, other production enterprises and industry organizations of similar products in mainland China

#### 1、 Relevant information of the applicant

(1) Name is called: Yunnan Yun Tinyuan Co., Ltd.

Location of: 1417 Mountain Road in the West Mountains of Kunming City, Yunnan Province

Postal Code: 650100

The Statutory Representative: The paragraph is broad.

Contact person in the case: The king.

Get in touch. The phone: 023-40717352

(2) It's a name. It is called: National Energy Group Ningxia Coal Limited Liability Company

The land. The site: Ningxia Hui Autonomous Region, Yinchuan City, Beijing Central Road 168

The Post. The coding: 750004

The Statutory Representative: It's a victory.

Contact person in the case: Oh, Wang Hui.

Get in touch. The phone: 0951-6975636

(3) It's a name. It is called: Kaifeng Longyu Chemical Co., Ltd.

The land. The site: Gugang Town, Kaifeng City, Henan Province

The Post. The coding: 475200

The Statutory Representative: Li Wubin. - Yeah.

Contact person in the case: Jang Ho! - Yeah.

Contact the phone: 0371-22277887

(4) It's a name. It is called: Lunan Chemical Co., Ltd.

The land. The site: Tengzhou City, Shandong Province (Runan High-Tech Chemical Park)

The Postal Code: 277527

The Statutory Representative: Zhang Ling,



Contact person in the case: Dragon Heukun.

Contact the phone: 0632-2368360

- (5) It's a name. It is called: Tangshan Zhonghao Chemical Co., Ltd.  
The land. The site: South of Fu Street, Tangshan City Harbour  
Development Zone, Hebei Province  
ThePostal Code: 063611  
The Statutory Representative: The King Jun  
Contact person in the case: Wang Dong,  
Contact the phone: 0315-3034887

- (6) Name is called: PetroChina (Inner Mongolia) New Materials LLC  
Location of: Kin River Town, Saikang District, Inner Mongolia Autonomous  
Region  
ThePostal Code: 010020  
The Statutory Representative: HU Xiao-Rong.  
Contact person in the case: Li Soo-soo-yi.  
Contact the phone: 0471-5607185

(See annex I:Applicant's business license and power of attorney)

## **2、 Agent delegated by the applicant**

For the purpose of the application to discuss the anti-dumping investigation, the applicant authorizes Beijing Boheng legal affairs to make his full representative, representing the application and investigation work of anti-dumping cases, and the specific representation authority is provided in the power of attorney.(Annex I:Applicant's business license and power of attorney)

According to the request of the applicant, the Beijing Law Firm of Bohn assigned the firm's lawyer Guo Dongping and Mr. Lanxiong to jointly handle all the matters entrusted by the applicant in connection with the case.(Annex II:Letter of assignment of counsel and certificate of practice of counsel)

Plenipotentiary Agent of the Applicant for Anti-Dumping Investigations:

Beijing City Law Firm

LawyerGuo Dongping. Attorney's Practitioner's

Certificate:11101200310402136

TheBlue Lawyer Attorney's Practitioner's

Certificate:11101200310817778

Location of: 23Huang Temple Street, Beijing's West City District, Room1205 of  
BeiguangTower

ThePostal Code: 100120

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Pass it on. It really is: 010-82230598

Thee-mail: Please contact us at [gdp@bohenglaw.com](mailto:gdp@bohenglaw.com)

Thenetwork The site: [Please contact us at www.bohenglaw.com](http://www.bohenglaw.com)

### **3、 Other manufacturers of similar products in mainland China**

According to the applicant's understanding, the currently known production enterprises of the same kind in mainland China, in addition to six applicants, also include the following enterprises:

(1) Name of the company: Baotai Engineering Plastics (Nantong) Limited<sup>1</sup>

Location of: Nantong Economic and Technological Development Zone, Jiangsu Province<sup>1</sup>

Contact the phone: 0513-85922000

(2) Name of the company: Oxytoformdehyde into polyformaldehyde (Langjiagong) Limited<sup>2</sup>

Location of: East Sea Road, Yangtze River International Chemical Industry Park, Zhangjiagang Province, Jiangsu Province

Contact the phone: 0512-58389013

(3) Name of the company: Hebiyu New Materials Co., Ltd.

Location of: Henan Province, Henan Province, Poshan City Economic and Technological Development Zone North Side No. 001

Contact the phone: 0392-8200617

(4) Name of the company: Xinjiang State New Materials Technology Co., Ltd.

Location of: 0994-5656700

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<sup>1</sup>According to Annex III, "Note on the production of co-polymer formaldehyde", the company is a holding subsidiary of Powili Plastic Corporation of Japan.

<sup>2</sup>According to the information provided by Ai Enterprise Investigation, the company is a wholly-owned subsidiary of Japan's Assange Corporation.

Contact the phone: 3092183North Road in five Xinjiang Uyghur Autonomous Region

(5) Name of the company: Tianjin Hui Yongli Chemical Company Co., Ltd.  
Location of: Tianjin Binhai New Area, Lianghai 10Road 3369  
Contact the phone: 022-59865000

(6) Name of the company: Hengli Petrochemical (Dalian) New Materials Technology Limited  
Location of: Coastal Road in Dalian, Dalian, Liaoning Province  
Contact the phone: 0411-66522222

#### 4、 Industry organizations formed by manufacturers of similar products in mainland China

Name of Association: China Synthetic Resin Association  
Location of: Kinsheng Hua'an office building at46 Xinxu Shuncheng Streetin the west city of Beijing  
ThePostal Code: 100035  
Contact the phone: 010-64553908  
It's a fax: 010-64450969

#### 5, the proportion of the applicant's production of similar products as a proportion of the total production of similar products in mainland China before the date of submission of the application

The Unit:Tons of

During the period	In2021	In2022	In2023
Total output of the applicant's similar	350,778	358,548	391,115
Total production of similar products in	430,000	445,000	481,000
<b>The total output of the applicant as a</b>	<b>82%</b>	<b>81%</b>	<b>81%</b>

Note to:(1)The applicant's aggregate formaldehyde production data can be found in Annex XI:"The applicant's financial data and statements";

(2)The total production of co-polymer formaldehyde in mainland China can be found in Annex III:"Note on the production of co-polymer formaldehyde".

The above statistics show that from2021to2023, the total output of the applicant's similar products accounted for more than50%of the total production of similar products in mainland China during the same period.According to the provisions of the Anti-Dumping Regulations of the People's Republic of China, the applicant has the right to file this anti-dumping investigation application on behalf of the co-poly formaldehyde industry in mainland China.

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## (二) Introduction of China's co-polymer formaldehyde industry

Polyformaldehyde can be divided into homogeneous formaldehyde and co-polymer formaldehyde, both polyformaldehyde and co-polymer formaldehyde can be divided into modified and unmodified products. Poly formaldehyde belongs to one of the six major engineering plastics, and the co-polymer formaldehyde (unmodified) in this case belongs to a type of polyformaldehyde. Co-polymer formaldehyde is known as "steel", "supersteel" or "race steel", which has good self-lubrication, good fatigue resistance, and good chemical resistance in a wide range of temperature and humidity. Moreover, the cost of copolymer formaldehyde is low, compared with metal products relatively easy to process, and light weight, is widely used to replace zinc, brass, aluminum and steel and other metal products for new energy vehicles, electronic appliances, industrial machinery, sports equipment, medical equipment and other fields.

The exploration of formaldehyde production technology in mainland China began in the 1960s, some research institutes and factories invested capital and technology for technical development, and finally in the 60-70s in Shanghai solvent factory and Ishii Trench chemical plant built into an annual output of 2500 tons and 1000 tons of production equipment, due to the backward technology and means, the product quality is not high, and finally closed in the early 1990s.

With the development of manufacturing industry in mainland China, the demand for co-polymer formaldehyde in mainland China is growing rapidly, and relevant domestic and foreign enterprises are starting to consider building polyformdehyde factories in mainland China. Yunnan Natural Gas Chemical Plant (former to Yuntin Chemical Group) has keen insight into the industry and has been seeking technology to build co-polymer formaldehyde devices since 1993. However, due to the immature of technology, polyformaldehyde technology owners do not want to transfer technology until 1997, Yun Tienification Group reached a technology transfer agreement with the Polish ZAT company, and in 2001 it was successfully put into production, becoming the first set of co-polymer formaldehyde devices in mainland China, and broke the overseas co-polymer formaldehyde manufacturers' monopoly on the Chinese mainland market.

With the rapid development of emerging industries such as the electronics industry and the automobile industry in mainland China, the downstream industry's demand for co-polymer formaldehyde continues to grow. In order to meet the growing market demand, since the 21st century, mainland China through the introduction of overseas technology and the absorption of investment from overseas enterprises, a number of co-polymer formaldehyde devices have been rapidly established, and the production technology level of co-polymer

formaldehyde in mainland China has also been rapidly improved. In particular, since 2011, the construction of a number of co-polymer formaldehyde devices has been put into operation, so that the production scale of co-polymer formaldehyde in mainland China has been significantly improved.

The mainland Chinese market, which continues to grow in demand, has also generated great attraction for overseas co-polymer formaldehyde manufacturers. In order to suppress the development of co-polymer formaldehyde in mainland China, seize the market share in mainland China, overseas, especially South Korea, Thailand and Malaysia co-polymer formaldehyde manufacturers began to take obvious unfair dumping behavior, leading to China's co-polymer formaldehyde industry suffered serious substantial damage, the industry continued to lose money, operation is very difficult, some enterprises even shut down production.

In order to curb unfair trade practices abroad, on September 12, 2016, Yunnan Yuntin Chemical Co., Ltd., Shanghai Blue Star Polyformdehyde Co., Ltd., Kaifeng Longyu Chemical Co., Ltd. as the applicant, Lunan Fertilizer Factory as a support company, on behalf of China's co-polymer formaldehyde industry filed an anti-dumping investigation application with the Ministry of Commerce, requesting anti-dumping investigation on imports originating in Korea, Thailand and Malaysia. The Ministry of Commerce filed a case on October 24, 2016, and issued a final ruling on October 23, 2017, imposing anti-dumping duties on imports originating in South Korea, Thailand and Malaysia. On October 23, 2023, the Ministry of Commerce issued an announcement of the end-of-life review ruling, continuing to maintain the five-year anti-dumping measures in the case.

With mainland China's anti-dumping investigation and the adoption of anti-dumping measures on imports of South Korea, Malaysia and Thailand, the market competition environment has improved, coupled with the continuous growth of market demand, from 2021 to 2023, the production and sales of similar products in mainland China's industry have generally increased trend, and reversed the original investigation period of 2012 to 2016, the situation of continued large losses in the first half of 2016.

However, in order to circumvent the anti-dumping measures of the co-polymer formaldehyde case in South Korea, Thailand and Malaysia, maintain or continue to seize the market share of mainland China, suppress the development of China co-polymer formaldehyde, South Korea, Thailand and Malaysia co-polymer formaldehyde related manufacturers,<sup>3</sup> such as Seranis Corporation, Paolo Plastics Corporation, Mitsubishi Vas

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<sup>3</sup>According to the applicant's understanding, Seranis Corporation, Baoli Plastics Corporation, Mitsubishi Vas Chemical Corporation, Uxima Corporation and its affiliates have co-polymer formaldehyde production units in the

Chemical Corporation and its affiliated companies have<sup>4</sup>significantly increased the export of formaldehyde from the European Union, the United States, Taiwan and Japan to the mainland of China, and a large number of low-priced dumping products to the Chinese mainland market.

Prima facie evidence shows a significant downward trend in import prices for products applied for survey products from the European Union, the United States, Taiwan and Japan, with a15.03%decline in2023compared to2022.Moreover, the four countries (regions) applied to check the dumping margin of products to mainland China on average more than30%.Applications for survey products not only significantly lower the prices of similar products in mainland China, but also greatly inhibited the prices of similar products in mainland China.

Application for survey product manufacturers to adopt the above low-priced strategy to suppress the intention and effect of the co-polymer formaldehyde industry in mainland China.

Show it up.The evidence shows that through the low price suppression strategy,2023compared to2021, the number of applications for survey products to achieve a substantial increase in exports to China by nearly16%.

Under the impact of applying to investigate a large number of products and low-priced dumping, the production and operation and financial situation of similar products in mainland China have been significantly affected and affected, and the industry in mainland China has suffered material damage once again:

On the one hand, from2021to2023, although the production and sales of similar products in mainland China industry are generally growing, the overall growth has not brought corresponding economies of scale and profits to mainland China industry.Moreover, the market share and labor productivity of similar products have generally declined, with a certain decline in employment and per capita wages in2023compared to2022.

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world such as the United States, the European Union, South Korea, Thailand, Malaysia, Saudi Arabia, Taiwan, Japan and mainland China, the combined capacity of these installations account for more than60%of the total global co-polymer formaldehyde production capacity.

<sup>4</sup>According to Annex III, Seranis Corporation of the United States is the parent company of Korea Engineering Plastics Corporation of Korea, with a shareholding ratio of50%;Japan Baoli Plastics Corporation is the controlling shareholder of Malaysia Poli Plastics (Asia Pacific), with a shareholding ratio of100%;Mitsubishi Vas Chemical Corporation of Japan is the controlling shareholder of Thailand polyformaldehyde Limited, with a shareholding ratio of70%;Celanese is the controlling shareholder ofthe **European Union Celanese Production Germany GmbH** & Co.KG, a100%shareholding;Japan Baoli Plastics Corporation is the controlling shareholder of Taiwan Bao Plastics Co., Ltd., with a shareholding ratio of75%.

On the other hand, because the price is lowered and suppressed by the application survey products, it has become a serious negative impact on the efficiency of similar products. From 2021 to 2023, the domestic sales price, unit gross profit, pre-tax profit and investment income of similar products in mainland China all showed a significant downward trend, and the net cash flow trend continued to decline. Moreover, the divisions were still losing money in 2023.

The above situation shows that a large number of applications for investigation products and low-priced dumping are the reasons for the substantial damage caused by the co-polymer formaldehyde production industry in mainland China, and there is a clear relationship between the large number of low-priced dumping of the products applied for investigation and the substantial damage suffered by similar products in mainland China.

To this end, six applicants, on behalf of mainland China's co-polymer formaldehyde industry, urgently put forward this anti-dumping investigation application for co-polymer formaldehyde originating in the European Union, the United States, Taiwan and Japan and exported to mainland China, in order to safeguard the legitimate rights and interests of the co-polymer formaldehyde industry in mainland China, and to safeguard the healthy development of the co-polymer formaldehyde industry in mainland China.

### **(三) Other import relief sought**

On October 24, 2016, in response to the application of mainland China industry, the Ministry of Commerce issued a notice filing, decided to conduct an anti-dumping investigation on imports of co-polymer formaldehyde originating in Korea, Thailand and Malaysia, and issued a final ruling on October 23, 2017, to impose anti-dumping duties on imports of co-polymer formaldehyde originating in Korea, Thailand and Malaysia, and 5 years from October 24, 2017.

On October 23, 2022, in response to the application of mainland China industry, the Ministry of Commerce issued an announcement, decided to conduct a final review investigation of anti-dumping measures applicable to imports of co-polymer formaldehyde originating in South Korea, Thailand and Malaysia from October 24, 2022. On October 23, 2023, the Ministry of Commerce issued a final review ruling, continuing to maintain the anti-

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The anti-dumping duty rate applied by the Korean Engineering Plastics Corporation is 30.0%, the tax rate of 6.2% for Colonel Plastics Co., and 30.4% for other Korean companies; The tax rate of polyformaldehyde Limited in Thailand is 18.5%, while other Thai companies are 34.9%; Malaysia Plastic (Asia Pacific) has a corporate tax rate of 8.0% and other Malaysian companies at 9.5%.

dumping measures in this case for a period of 5 years.

In addition to the above application, China's co-polymer formaldehyde industry has not applied for trade relief for any enterprise, organization or country or region exported to mainland China in accordance with the Foreign Trade Law of the People's Republic of China, the Anti-Dumping Regulations of the People's Republic of China and other relevant laws and regulations.

### **The situation of known producers, exporters and importers of products applying for investigation**

On the basis of reasonably available information and information, the applicant provides the following known list of manufacturers, exporters and importers of the products that apply for investigation:

#### **1 The Manufacturer**

##### **1.1 The European Union**

Name of the company: **Celanese Production Germany GmbH & Co.**<sup>6</sup>  
(Seranis manufactures German limited and dual companies)  
Company address: **Amisys-PARK 1, 65843 Sulzbach, Germany**  
It's the electricity. The word: +49 (0)69-45009-0  
Pass it on. It really is: +49 (0)69-45009-50000  
The network The site: Please contact us at [www.celanese.com](http://www.celanese.com)

##### **1.2 The United States**

Name of the company: **Celanese Corporation** (Celanese Corporation)  
Company address: **222 W. Las Colinas Blvd, Suite 900N, Irving  
Texas 75039, United States**  
Contact the phone: +1-972-443-4000  
It's a fax: +1-859-372-3125  
Site of the network: [www.celanese.com](http://www.celanese.com)

##### **1.3 Taiwan area**

(1) Name of the company: **Taiwan Plastic Plastics Co., Ltd.**<sup>7</sup>

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<sup>6</sup>The company is a wholly owned subsidiary of Seranis, USA.

<sup>7</sup>Japan Baoli Plastics Corporation is the controlling shareholder of Taiwan Bao Plastics Co., Ltd., with a



Company address: Taipei Citizens Born East Road 4 54, 11st Floor  
Contact the phone: 02-(02)2719-2805  
It's a fax: (02)2715-3145, 2718-8153  
Site of the network: <https://www.polyplastics.com>

- (2) Name of the company: Taiwan Plastics Industry Co., Ltd.  
Company address: 100 water pipeline, Rinwu District, Kaohsiung City.  
Contact the phone: (07) 371-1411, (02) 2712-2211  
Pass it on. It really is: (02)-27178412  
The network The site: Please contact us at <http://www.fpc.com.tw/fpcw/>

## 1.4 Japan

- (1) Name of the company: Polyplastics Co., Ltd. (Poli Plastics Corporation)  
Company address: Contact phone number 18JR Shinagawa, Tokyo Metropolitan District: +81-3-6711-8600  
Pass it on. It really is: +81-3-6711-8606  
The network The site: Please contact us at <https://www.polyplastics-global.com/jp/>
- (2) Name of the company: Asahi Kasei Corp. (Asahi Kasei Corp.)  
Company address: Tokyo's Chitoda district has 1 double 2 Shibi Valley Mitsui (Tokyo Shibi Valley)  
Contact the phone: +81-03-6699-3000  
It's a fax: +81-81-3-6699-3472  
Site of the network: Please contact us at <http://www.asahi-kasei.co.jp>
- (3) Name of the company: MITSUBISHI GAS CHEMICAL COMPANY, INC.  
(Mitsubishi Gas Chemical Corporation)  
Company address: Tokyo, Chiyoda District 2-5-2 Mitsubishi  
Contact the phone: +81-03-3283-5000  
It's a fax: +81-03-3287-0833  
Site of the network: <https://www.mgc.co.jp/>

## 2- The Exporter

According to the applicant's knowledge, the major producers themselves engaged in

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shareholding ratio of 75%.

export business, that is, the exporter.

### 3The importer

Known importers in mainland China include, but are not limited to, the following enterprises:

- (1) Name of the company: Zhejiang New Great Wall Polymolecular Materials Co., Ltd.  
Company address: No. 23, Yuyao City, Zhejiang Province  
Contact the phone: 0574-62531622
  
- (2) Name of the company: Guangdong Shunde Trading Co., Ltd.  
Company address: Huaguou Community Committee, Huaguchi Street Office, Shunde District, Guangdong Province  
First floor 7 of Huatian Road.  
Contact the phone: 0757-23616583
  
- (3) Name of the company: Qingyuan City Land Union Trade Limited  
Company address: No. 27 Jingfu Road, New City, Guangdong Province, towards South Business Center, 8th floor office No. 05  
Contact the phone: 18933645397
  
- (4) Name of the company: Foshan Jun Trading Co., Ltd.  
Company address: Guangdong Province, Foshan, Guangdong Province, Hocheng Street 1721 1  
Contact the phone: 0757-88880089
  
- (5) Name of the company: Ceranis (Shanghai) International Trade Co., Ltd.  
Company address: China (Shanghai) Experimental Free Trade Zone 473411 Room 411  
Contact the phone: 021-68862809
  
- (6) Name of the company: Xiamen Tianpower Import and Export Co., Ltd.  
Company address: Mainland China (Fujian) Xiamen Part Zone (Fujian) Pilot Free Trade Zone (Fujian)  
22 Elephant Four Road, 10th Floor A3.  
Contact the phone: 059- 22613478

Specific description of the application investigation product and the scope of the applicant's application for investigation of the products involved

(一) Specific description of the products applied for investigation

**Name of Chinese:** Copolymeric formaldehyde, also known as polyoxymethyl copolymers, or polymethylene oxide copolymers

**The English name is:** Polyformaldehyde Copolymer, or Polyoxymethylene Copolymer, or Copolymer-type Acetal Resin, or Acetal Copolymer, usually referred to as POM Copolymer

**The chemical formula:**  $[\text{CH}_2\text{-O}]_n\text{-}[\text{CH}_2\text{-O-CH}_2\text{-CH}_2\text{-CH}_2]_m\text{-}(n>m)$

**Physical Chemistry Characteristics:** Co-polymer formaldehyde is synthesized by formaldehyde, with -CH<sub>2</sub>-O-O-Main Chain and -[CH<sub>2</sub>-O-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-O-] (containment of more than 50%), and at the same time meets the following performance indicators:

The mass flow rate of the soluble (190, 2.16) /	≤ 4	4 < . ≤ 7	7 < . ≤ 11	11 < . ≤ 16	16 < . ≤ 35	35 < . ≤ 60	>> 60
Molten Temperature/	160 ≤ . < 170						
Density/(g/cm <sup>3</sup> )	1.38 to 1.43						
Succumb to Stress/MPa	≥ 58			≥ 60			
Break nominal strain /%	≥ 20			≥ 15			
Stretch elastic modulus/MPa	≥ 2400						
Jane beam gap impact	≥ 5.5	≥ 4.5			≥ 3.0		
1.8 MPa load deformation	≥ 85						

**Main uses:** Copolymer formaldehyde has high mechanical strength, high fatigue resistance, high creep resistance and other good mechanical comprehensive properties, can partially replace copper, zinc, tin, lead and other metal materials, can be directly used or modified for automotive accessories, electronic appliances, industrial machinery, daily supplies, sports equipment, medical appliances, pipe fittings, building materials and other fields.

**(二) Country of origin and export of the products applied for investigation (region)**

Scope of the application survey:Co-polymer formaldehyde originating in the European Union, the United States, Taiwan and Japan and exported to mainland China.

**(三) The serial number of the application for survey products in the customs tax rules of the People's Republic of China (tax code)**

The serial numbers in the Customs Tariff Rules of the People's Republic of China for application for investigation are:39071010 and39071090.Other products such as polyformdehyde and modified polyformaldehyde under the two tax codes are not within the scope of this application investigation products.

(See annex IV:"The Customs Import and Export Tax of the People's Republic of China,2021-2023")

**(四) Import Tariff Rate, Value Added Tax for Applications for Survey Products**

Import Tariff Taxes:The import tariff rates applicable to the EU, the United States, Taiwan and Japan for co-polymer formaldehyde are shown in the following table:

During the period	The European Union		The United States.	
	39071010	39071090	39071010	39071090
In 2021	6.5%	6.5%	6.5%	6.5%
In 2022	6.5%	6.5%	6.5%	6.5%
In 2023	6.5%	6.5%	6.5%	6.5%

Note to:Mainland China imposes an additional29%special tariff on copolymeric formaldehyde imports from the United States.

During the period	Area of Taiwan		Japan	
	39071010	39071090	39071010	39071090
In 2021	0% of	6.5%	6.5%	6.5%
In 2022	0% of	6.5%	6.1%	5.9%
In 2023	0% of	6.5%	5.7%	5.3%

VAT rate:13% of it.

(See annex IV:"The Customs Import and Export Tax of the People's Republic of China,2021-2023")

## Specific description of similar products in mainland China and comparisons with products applied for investigation

### (一) Description of similar products in mainland China

**Name of Chinese:** Copolymeric formaldehyde, also known as polyoxymethyl copolymers, or polymethylene oxide copolymers

**The English name is:** Polyformaldehyde Copolymer, or Polyoxymethylene Copolymer, or Copolymer-type Acetal Resin, or Acetal Copolymer, usually referred to as POM Copolymer

**The chemical formula:**  $[\text{CH}_2\text{-O}]_n\text{-}[\text{CH}_2\text{-O-CH}_2\text{-CH}_2]_m\text{-}(n>m)$

**Physical Chemistry Characteristics:** Co-polymer formaldehyde is synthesized by formaldehyde, with -CH<sub>2</sub>-O-O-Main Chain and -[CH<sub>2</sub>-O-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-O- containment of more than 50%), and at the same time meets the following performance indicators:

The mass flow rate of the soluble (190, 2.16) /	≤ 4	4 < . ≤ 7	7 < . ≤ 11	11 < . ≤ 16	16 < . ≤ 35	35 < . ≤ 60	>> 60
Molten Temperature/	160 ≤ . < 170						
Density/(g/cm <sup>3</sup> )	1.38 to 1.43						
Succumb to Stress/MPa	≥ 58			≥ 60			
Break nominal strain /%	≥ 20			≥ 15			
Stretch elastic modulus/MPa	≥ 2400						
Jane beam gap impact	≥ 5.5	≥ 4.5			≥ 3.0		
1.8 MPa load deformation	≥ 85						

**Main uses:** Copolymer formaldehyde has high mechanical strength, high fatigue resistance, high creep resistance and other good mechanical comprehensive properties, can partially replace copper, zinc, tin, lead and other metal materials, can be directly used or modified for automotive accessories, electronic appliances, industrial machinery, daily supplies, sports equipment, medical appliances, pipe fittings, building materials and other fields.

(二) Comparison of application survey products with similar products in mainland China

**The physical and chemical properties of the products applied for investigation are the same or similar to similar products of the Chinese mainland industry.**

The products applied for the investigation have the same chemical molecular formula -  $[\text{CH}_2\text{-O}]_n[\text{CH}_2\text{-O-CH}_2\text{-CH}_2\text{-CH}_2\text{-CH}_2\text{-CH}_2]_m$  ( $n > m$ ), both of which have -CH<sub>2</sub>-O-O- main chain and -[CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>-CH<sub>2</sub>] - inlay bonds (by weight - CH<sub>2</sub>-O) with a thermoplastic resin with a content greater than 50%. At the same time, the technical indicators and quality levels of applied survey products and co-polymer formaldehyde production in mainland China are basically the same, and can replace each other.

**(2) Applying the same or similarity to the appearance of similar products in mainland China industry**

The application for investigation products and the appearance of co-polymer formaldehyde produced by the Chinese mainland industry is the same, and is usually milky white or pale yellow granular solid at normal temperature.

**The same or similarity to the raw materials used in similar products in mainland China.**

Applications for investigation products and co-polymer formaldehyde produced in mainland China industry are methanol as the main raw material.

**The same or similarity of application for survey products in the production process of similar products in mainland China industry**

The application for investigation products and the co-polymer formaldehyde produced by the Chinese mainland industry are polymers made of methanol as the main raw material. The main production processes include formaldehyde preparation, trimer formaldehyde and other co-polymer single system preparation and aggregation reaction.

**Apply for the same or similarity of the use of similar products in mainland China industry**

The application for investigation products and the use of co-polymer formaldehyde produced in mainland China is basically the same, and can be directly used or modified for automotive accessories, electronic appliances, industrial machinery, daily necessities, sports equipment, medical appliances, pipes, building materials and other fields.

**The same or similarity between the sales channels and customer groups of similar products in mainland China.**

The co-polymer formaldehyde produced in mainland China industry is sold in the mainland Chinese market through direct sales and agency sales, and applications for investigation products are also sold in the mainland Chinese market through direct sales and agency sales. The two mainland China customer groups are basically the same, some downstream users both buy or use application survey products, but also buy or use co-polymer formaldehyde products produced in mainland China, such as [downstream customer 1), downstream customer 2, downstream customer 3, downstream customer 4, downstream customer 4, downstream customer 5, downstream customer 6], etc., so there is obvious competition and substitution between applying for investigation products and mainland Chinese industrial production.

[The information in parentheses above is the downstream customer name of the applicant's similar products, which belongs to the applicant's trade secret, and the disclosure will have a serious adverse impact on the relevant enterprises, so the application confidential processing, no longer listed. Oh, yeah. - Yeah.

## **7 The Conclusion**

In summary, the application of the survey products in mainland China industry production of the same chemical formula, the physical and chemical characteristics of base Ben are not different, technical quality indicators, appearance, main raw materials, production process, product use, sales channels and customer groups are basically the same or similar, there is competition and substitution between each other, belongs to the same kind of products.

## **IV. Basic status of imports of products applied for investigation**

### **(一) Changes in the number of imports applying for survey products**

#### **1, the change in the absolute number of imports of the products applied for investigation**

**Table of changes in the number of imports applied for survey products**

Number of units: Tons  
of

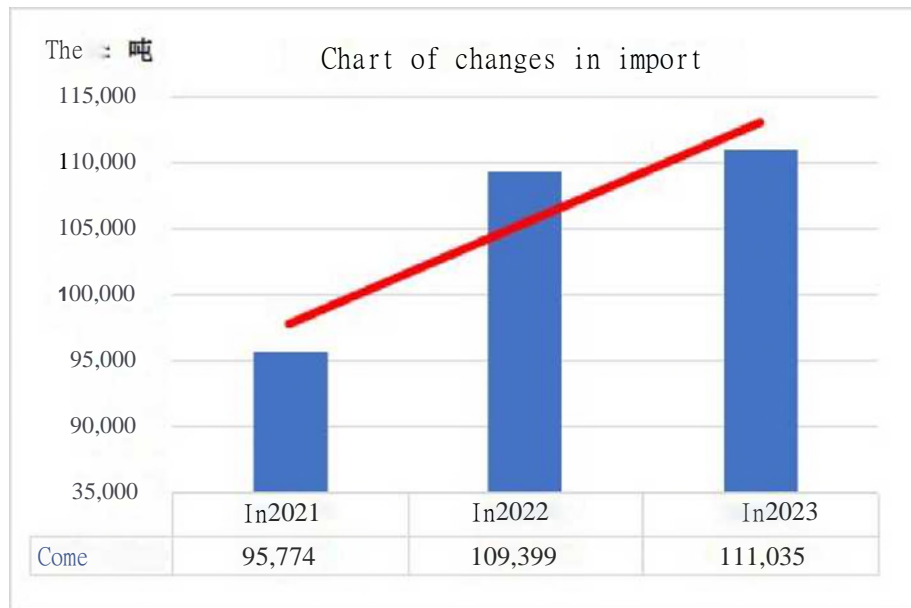
<b>During the period</b>	<b>Country (area)</b>	<b>Number of imports</b>	<b>Proportion of quantity</b>	<b>Magnitude of change in</b>
<b>In 2021</b>	Total imports from	218,381	100.00%	-
	The European Union	29,663	13.58%	-

	The United States.	15,264	6.99%	-
	Area of Taiwan	33,015	15.12%	-
	Japan	17,832	8.17%	-
	<b>Total of four</b>	<b>95,774</b>	<b>43.86%</b>	-
<b>In 2022</b>	Total imports from	214,264	100.00%	1.89%
	The European Union	31,911	14.89%	7.58%
	The United States.	18,039	8.42%	18.18%
	Area of Taiwan	29,484	13.76%	10.70%
	Japan	29,965	13.99%	68.05%
	<b>Total of four</b>	<b>109,399</b>	<b>51.06%</b>	<b>14.23%</b>
<b>In 2023</b>	Total imports from	229,012	100.00%	6.88%
	The European Union	32,598	14.23%	2.15%
	The United States.	21,296	9.30%	18.06%
	Area of Taiwan	36,129	15.78%	22.54%
	Japan	21,011	9.17%	29.88%
	<b>Total of four</b>	<b>111,035</b>	<b>48.48%</b>	<b>1.50%</b>

Note to:(1) Sources of data can be found in Annex V:"Mainland China co-polymer formaldehyde import and export statistics";

(2) The proportion of quantity = the number of imported products applied for investigation /total imports of similar products in mainland China.





The above-mentioned chart data show that from 2021 to 2023, the proportion of total imports of similar products applied for survey products in mainland China has generally increased, from 43.86% in 2021 to 51.06% in 2022 and 48.48% in 2023. From 2021 to 2023, the annual proportion of total imports of similar products applied for survey products in mainland China is close to 50%.

From the absolute import volume, the total import volume of products applied for investigation has continued to rise. From 2021 to 2023, 9.58 million tons, 10.94 million tons and 11.10 million tons, respectively, 2022, 2023 compared to the previous year, 14.23% and 1.50% respectively, 2023 compared to the previous year, 2023, a significant increase of 15.93% compared to 2021.

## 2, application for survey products relative to changes in the number of imports 2.1 Change in demand for similar products in mainland China

### Changes in demand for co-polymer formaldehyde in mainland China

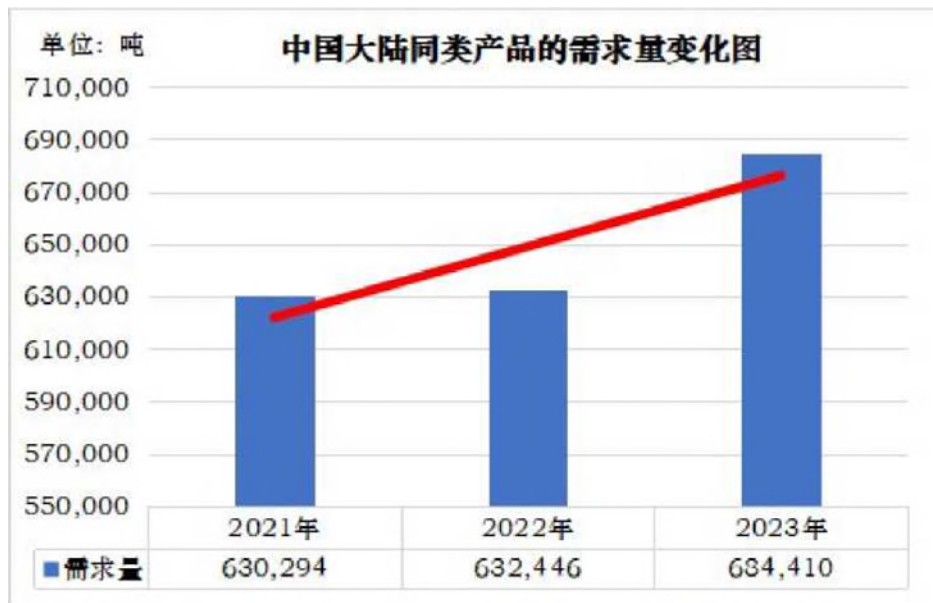
Number of units:Tons  
of

During the period	Total production of	Total amount of	Total export volume	View of Consumption	Magnitude of change
In 2021	430,000	218,381	18,087	630,294	-
In 2022	445,000	214,264	26,818	632,446	0.34%
In 2023	481,000	229,012	25,602	684,410	8.22 percent

Note to:(1) The total production sources of similar products in mainland China can be found in Annex III, and the source of data on total imports and total exports can be found in Annex V;

(2) Apparent consumption=total output+total imports-total exports;

(3) Applicant consumption as demand data.



As shown in the above chart, from 2021 to 2023, the demand for co-polymer formaldehyde in mainland China has continued to grow, from 63.03 million tons in 2021 to 63.24 million tons in 2022, and 68.44 million tons in 2023, compared with the previous year, respectively, an increase of 0.34% and 8.22%, 2023 compared to 2021 cumulative growth of 8.59%.

## 2.2 Changes in imports of products applied for investigation relative to mainland China's demand

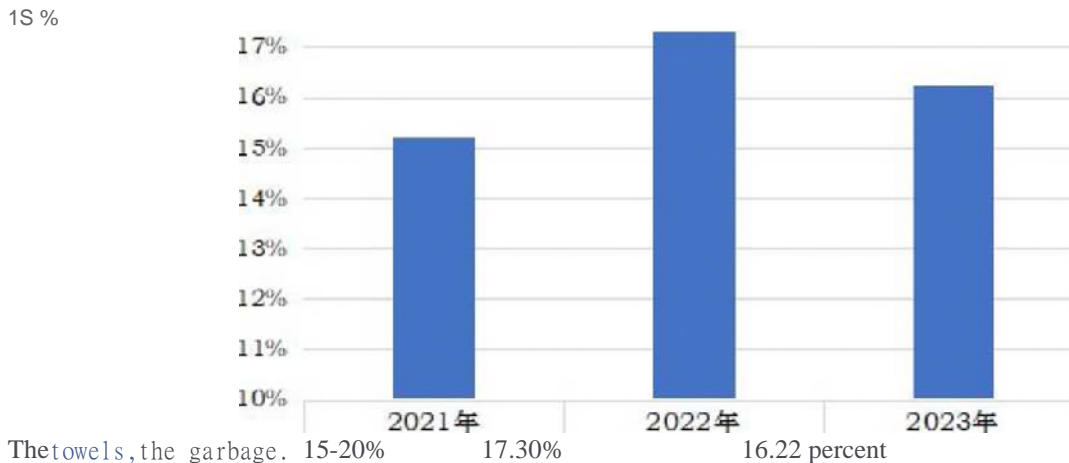
Application survey products accounted for changes in market share in mainland China

Number of units: Tons  
of

During the period	Number of imported products applied	Demand for similar products in mainland	Application for survey product	Percentage increase or
In 2021	95,774	630,294	15.20%	-
In 2022	109,399	632,446	17.30%	2.10
In 2023	111,035	684,410	16.22 percent	-1.07

Note to: Market share = the number of imports applied for survey products / demand for co-polymer formaldehyde in mainland China.

Chart of changes in the market share of mainland China.



As shown in the chart above, between 2021 and 2023, the market share of mainland China for survey products was 15.20%, 17.30% and 16.22%, respectively, an increase of 2.1 percentage points in 2022 compared to the previous year, 2023 down 1.07 percentage points from the previous year, but an increase of 1.03 percentage points compared to 2021.

## (二) Changes in import prices of products applied for investigation

### CIF Import Price Changes for Applied Products

The Unit: Tons, United States dollars, United States dollars/tonnes

During the period	Country (area)	Number of imports	Amount of imports	Prices of imports	Magnitude of price change
In 2021	Total imports from	218,381	396,055,094	1,814	-
	The European Union	29,663	53,349,063	1,798	-
	The United States.	15,264	27,184,036	1,781	-
	Area of Taiwan	33,015	70,102,583	2,123	-
	Japan	17,832	38,429,457	2,155	-
	<b>Total (average)</b>	<b>95,774</b>	<b>189,065,139</b>	<b>1,974</b>	-
In 2022	Total imports	214,264	469,901,911	2,193	20.93%
	The European Union	31,911	66,239,939	2,076	15.42%
	The United States.	18,039	35,362,854	1,960	10.08%
	Area of Taiwan	29,484	73,188,069	2,482	16.91%
	Japan	29,965	65,336,332	2,180	1.17%
	<b>Total (average)</b>	<b>109,399</b>	<b>240,127,194</b>	<b>2,195</b>	<b>11.19%</b>
In 2023	Total imports from	229,012	405,084,058	1,769	-19.35%
	The European Union	32,598	67,816,470	2,080	0.22%
	The United States.	21,296	37,218,704	1,748	10.85%
	Area of Taiwan	36,129	63,214,478	1,750	29.51%
	Japan	21,011	38,833,343	1,848	-15.24%

	Total (average)	111,035	207,082,995	1,865	-15.03%
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Note to:(1) The data sources in the table above can be found in Annex V;

(2) Import price = import amount/import quantity.



As shown in the chart above, from 2021 to 2023, the weighted average import price of products applied for survey products was \$1,974/ton, \$2,195/ton and \$1,865 per ton, respectively, up 11.19% in 2022 and 2023 compared to the previous year, respectively, and a decrease of 15.03% in 2023 compared to 2021.

## V. Dumping of products applied for investigation

According to the preliminary evidence currently available to the applicant, there is dumping of co-polymer formaldehyde originating in the European Union, the United States, Taiwan and Japan and exported to mainland China. Following, the applicant applied for the dumping investigation period from January 1, 2023 to December 31, 2023, based on the information and data currently available, preliminary estimates of the dumping margins of co-polymer formaldehyde originating in the European Union, the United States, Taiwan Bay Area and Japan and exported to mainland China.

### Method of calculating the dumping margin

Subject to information, the applicant cannot know in detail the specific transaction price of polyformdehyde originating in the European Union, the United States, Taiwan and Japan for export to mainland China in 2023, and the weighted average CIF price calculated by the applicant based on the customs import data obtained as the basis for calculating its export price.

Despite multiple investigations and efforts, due to trade secrets, the applicant is temporarily unable to understand the actual transaction price of copolymer formaldehyde in the European Union, the United States, Taiwan and Japan in its home market. According to Article 4, paragraph 2, of the Anti-Dumping Regulations: "If the same product of the imported product is not sold in the normal course of trade in the exporting country (region) market, or the price and quantity of the same product cannot be fairly compared, at the comparable price of the same product to an appropriate third country (region) or to the production cost of the same product in the country of origin plus reasonable costs, profits as normal value", so the applicant temporarily structure the normal value of the four countries (regions) in the form of cost plus reasonable costs and profits.

3, based on the above adjustment of the export price and normal value, the applicant shall make appropriate adjustments, and compare the level of the same trade link, and then estimate the dumping margin of co-polymer formaldehyde originating in the European Union, the United States, Taiwan and Japan and out to mainland China.

The applicant reserves the right to further change and claim based on further information and information collection, with regard to the calculation of export prices and normal values and dumping margins.

## (2) Export Prices of Applications for Survey Products

### Export Prices Before Adjustment

The Unit: Tons, United States dollars, United States dollars/tonnes

During the period	Countries (regions)	Number of exports	Amount of export	Prices of exports
In 2023	The European Union	32,598	67,816,470	2,080.41
	The United States.	21,296	37,218,704	1,747.65
	Area of Taiwan	36,129	63,214,478	1,749.68
	Japan	21,011	38,833,343	1,848.21

Note to: (1) Data to be found in Annex V;

(2) Export price = export amount/export quantity.

## 2- Price Adjustment

According to the law, with regard to price adjustment and price comparison, the applicant shall make appropriate adjustments to the normal value, export price in terms of sales, taxes, trade links, quantity, physical characteristics, etc., when comparing the normal value and export price, as far as possible in the same trade link, the same time of sale.

For the purpose of estimating the dumping margin, the applicant makes the following adjustments:

### 2.1 Appropriate adjustment of import duties, VAT, importer's profits

Since the applicant understands that the export price is a weighted average CIF price and does not include import duties, VAT, etc., this adjustment shall not apply.

### 2.2 Appropriate adjustments to terms of sale and trade links

Since the applicant understands that the export price is a weighted average CIF export price, in order to compare the normal value at the factory price level, the above price should be deducted from the EU, the United States, Taiwan region and Japan from factory to mainland China costs, including international freight, international insurance, port charges, domestic freight charges, domestic premiums, packaging fees, discounts, commissions, credit costs, storage, business inspection fees and other charges.

Overall, the cost of the above link can be roughly divided into the European Union, the United States, Taiwan and Japan to mainland China and the internal link cost of the European Union, the United States, Taiwan region and Japan.

Regarding the cost of overseas links, according to the applicant's understanding, the European Union, the United States, Taiwan and Japan to mainland China to co-polymer formaldehyde mainly through the way of shipping, each 20-foot container can transport about 17 tons of co-polymer formaldehyde products, in order to make reasonable adjustments to sea freight and insurance premiums, the applicant provisionally obtained from the European Union, the United States, the Taiwan Bay region and Japan to mainland China as the basis for the export price adjustment of these sea freight and insurance rate. According to international practice, premiums are calculated on the basis of 110% of the CIF value of the goods, and the premium is equal to the  $CIF \times 110\% \times \text{insurance rate}$ . With regard to other costs, the deduction is suspended on the basis of the principle of soundness. The prima facie evidence of sea freight and insurance costs obtained by the applicant is as follows:

The Unit: U.S. Dollars/Tons

Country (area)	Sea freight (20ft container)	Shipping unit price (17tons per container)	Rate of insurance	Price of insurance premiums
The European Union	800	47.06	0.45%	10.30

The United States.	2,400	141.18	0.45%	8.65
Area of Taiwan	285	16.76	0.25%	4.81
Japan	300	17.65	0.25%	5.08

Note to: (1) Shipping freight unit price = sea freight / 17 tons; Insurance premium price = export price CIF \* 110% \* insurance rate;

(2) For evidence of sea freight and insurance rates, see Annex VI: Data sources and descriptions for sea freight and insurance premiums.

Regarding the cost of the domestic link, at present the applicant does not have reasonable channels to understand the specific costs, the applicant provisionally uses the four countries (region) export trade issued by the World Bank Group (including preparation documents, customs clearance costs, domestic transportation fees, etc.) as the basis for adjusting the CIF export price. According to the World Bank Group report, the internal costs of exporting 20-foot containers from the EU, the United States, Taiwan and Japan were \$990, \$235, \$719 and \$675, respectively, for each of the four countries (regions) at an average load of 17 tons of products per cabinet, and \$58.24, US\$ 13.82, \$42.29 and \$39.71, respectively (see annex VII).

As a result, this adjustment is as follows:

The Unit: U.S.  
dollars/tons

Country (area)	Export Prices Before Adjustment (CIF)	Adjustments in terms of sale and trade links			Export prices adjusted for this item
		Subtract from: Shipping unit prices	Subtract from: Price of insurance	Subtract from: Costs of internal links	
The	2,080.41	47.06	10.30	58.24	1,964.82
The	1,747.65	141.18	8.65	13.82	1,584.00
Area of	1,749.68	16.76	4.81	42.29	1,685.81
Japan	1,848.21	17.65	5.08	39.71	1,785.78

### 2.3 Adjustments in other aspects such as volume of sales and physical characteristics

Due to the representative and comparable quantity of co-polymer formaldehyde produced by the European Union, the United States, Taiwan and Japan for export to mainland China, and is basically the same in terms of physiochemical characteristics, this adjustment should not be considered for the time being.

## Adjusted export prices

After the above adjustment, the adjusted export price is:

The Unit:U.S. dollars/tons

During the period	Countries (regions)	Adjusted export prices
In 2023	The European Union	1,964.82
	The United States.	1,584.00
	Area of Taiwan	1,685.81
	Japan	1,785.78

### (3) The normal value of applying for investigation products

#### 1) Normal Structural Value

##### 1.1 Costs of production

As mentioned above, because of trade secrets, applicants are unable to obtain the actual trading price of co-polymer formaldehyde in the European Union, the United States, Taiwan and the Japanese market. The applicant structure the normal value of formaldehyde in the EU, the United States, Taiwan and Japan in a way of cost plus reasonable fees and profits.

Due to trade secrets, the applicant is unable to grasp the real production cost data of the European Union, the United States, Taiwan and Japan for co-polymerizing formaldehyde. However, considering that methanol is the main raw material for the production of copolymer formaldehyde, the applicant provisionally estimates the EU, the United States, Taiwan based on the single consumption of methanol and the cost of methanol as a proportion of co-polymer formaldehyde production costs.

The production cost of polyformaldehyde in the Bay Area and Japan.

According to the relevant evidence obtained by the applicant (see Annex III), generally, the production of 1 ton of copolymer formaldehyde products requires approximately 1.30-1.34 tons of methanol (the applicant takes its average of 1.32), and the proportion of methanol to the cost of copolymeric formaldehyde production is about 28%-30% (the applicant takes its average value of 29%).



For the input price of the main raw material methanol, the applicant will first consider the sales price in the European Union, the United States, Taiwan and the Japanese local market. At present, the applicant is temporarily unable to obtain the price of methanol in the local market of the above-mentioned countries (regions). However, in view of the circulation of imported products in these countries (regional) local markets, reflecting the sales price in their home market, the applicant provisionally uses the import price of methanol in the above countries (region) plus the relevant import link costs as their main raw material input price.

Based on the above calculation methods and preliminary cost price data, the applicant estimates the cost of production of the products applied for investigation in the EU, the United States, Taiwan and Japan as follows:

**Estimation of production costs of applying for survey products**

In2023	The European Union	The United States	Area of Taiwan	Japan
Methanol input cost price (US\$/ton)	411.84	397.07	356.79	374.12
Single consumption (tons/tonnes)	1.32	1.32	1.32	1.32
Methanol input cost (US\$/ton)	543.63	524.13	470.97	493.83
Methanol as a proportion of production costs	29%	29%	29%	29%
<b>Apply for survey product production costs (US\$/tonne)</b>	<b>1,874.58</b>	<b>1,807.36</b>	<b>1,624.02</b>	<b>1,702.87</b>

Note to: (1) Sources of input cost of methanol can be found in Annex VIII;

(2) Methanol input cost = methanol input unit price \* single consumption;

(3) The production cost of applying for the survey = methanol input/cost ratio.

## (2) Costs and profits

At present, the applicant has no reasonable channels to obtain reasonable fees and profits for the EU, the United States, Taiwan and Japan to co-polymer formaldehyde. Given that Seranis is the main manufacturer of formaldehyde in the European Union and the United States, the applicant provisionally uses the company's gross profit margin as the gross profit margin of the European Union and the United States co-polymer formaldehyde. For Taiwan and Japan, given that Taiwan Bay Baoli Plastics Co., Ltd., Baoli Plastics Corporation is one of the main producers of formaldehyde in Taiwan and Japan, and the controlling shareholders of these two companies are Japan's corporate consortium (see Annex III), the applicant temporarily uses the gross profit margin of the Company's

Grand Competition as the Mao profit margin of Taiwan and Japan's co-located formaldehyde (see Annex IX for relevant evidence: see Annex IX for relevant evidence:"Gross profit evidence material").At the same time, since the gross profit margin already includes the related costs of the product, the applicant uses the above gross margin to structure the normal value of the survey product.

### (3) Structural price

Based on the above production costs and gross profit margins, the normal value of the applicant's structural application survey product is as follows:

The Unit:U.S. dollars/tons

<b>In 2023</b>	<b>Cost of production</b>	<b>Gross profit margin</b>	<b>Normal Structural Value</b>
The European Union	1,874.58	23.79%	2,459.87
The United States.	1,807.36	23.79%	2,371.66
Area of Taiwan	1,624.02	28.06%	2,257.45
Japan	1,702.87	28.06%	2,367.06

Note to:Structural normal value = cost of production/(1-gross margin).The source of gross profit margin data can be found in Annex IX.

## 2- Price Adjustment

According to the law, with regard to price adjustment and price comparison, the applicant shall make appropriate adjustments to the normal value, export price in terms of sales, taxes, trade links, quantity, physical characteristics, etc., when comparing the normal value and export price, should be as far as possible on the same trade link, the same time sales, pre-factory level.

For the purpose of estimating the dumping margin, the applicant makes the following adjustments.

### 2.1 Adjustments in terms of sale and trade links

For the purpose of calculating the dumping margin, the applicant compares the export price on the basis of the factory price.Due to the applicant's estimate of the normal value of the EU, the United States, Taiwan and Japan co-polymer formaldehyde has been

the factory price level. Adjustments or deductions to the conditions of sale and trade, including domestic freight, domestic premiums, packaging fees, discounts, commissions, credit costs, warehousing and other expenses shall not be taken into account.

## 2.2 Adjustment of Taxes

Since the normal value of the applicant's estimated structure does not include VAT, this adjustment should not be taken into account.

## 2.3 Adjustments in other aspects such as physical features

According to the applicant's preliminary understanding, co-polymer formaldehyde produced in the European Union, the United States, Taiwan and Japan and its co-polymer formaldehyde exports to mainland China are basically the same in materialization characteristics, and this adjustment should not be considered for the time being.

### Adjusted normal value

The Unit: U.S. dollars/tons

In 2023	Adjusted normal value
The European Union	2,459.87
The United States.	2,371.66
Area of Taiwan	2,257.45
Japan	2,367.06

### (4) Estimated dumping margins

The Unit: United States dollars/tonnes

In 2023	The European	The United	Area of Taiwan	Japan
Export Price (CIF)	2,080.41	1,747.65	1,749.68	1,848.21
Export prices (adjusted)	1,964.82	1,584.00	1,685.81	1,785.78
Normal value (adjusted)	2,459.87	2,371.66	2,257.45	2,367.06
Absolute amount of dumping*	495.05	787.65	571.64	581.28
<b>Margin of dumping**</b>	<b>23.80%</b>	<b>45.07%</b>	<b>32.67%</b>	<b>31.45%</b>

Note to: (1) Dumping absolute\* = normal value (adjusted) - export price (adjusted); (2) Dumping margin\*\* = absolute dumping/export price (CIF).

## VI. Damage to Mainland China's industries

### (1) Cumulative assessment

According to Article 9 of the Anti-Dumping Regulations:

Dumped imported products from more than two countries (regions) and at the same time meet the following conditions, a cumulative assessment of the impact of dumped imports on mainland China's industry can be carried out:

The dumping margin of not less than 2% of dumped imports from each country (region) and its imports are not negligible;

(2) Based on competition between dumped imported products and between products of the same type of industry in mainland China

Conditions, a cumulative assessment is appropriate.

Negligible means that the amount of dumped imports from a country (region) accounts for less than 3% of total imports of similar products; However, the total imports of a number of countries (regions) below 3% exceed 7 per cent of total imports of similar products. Oh, yeah.

The applicant considers: Applying for the survey product meets the conditions of the cumulative assessment provided for in the above-mentioned law, and shall carry out a cumulative assessment in determining the damage caused by China's land industry.

**1, the respective dumping margins of the countries (regions) applying for investigation are not negligible.**

According to the applicant's prima facie estimates, the dumping margin of the EU, the United States, Taiwan and Japan's exports to mainland China is above 2%, which is not within the scope of negligible law.

<b>In 2023</b>	<b>Preliminarily estimated dumping margins</b>
The European Union	23.80%
The United States.	45.07%
Area of Taiwan	32.67%
Japan	31.45%

(2) The amount of exports of each country (region) to mainland China does not fall within the scope of negligible

Number of units:Tons of

During the period	Countries (regions)	Number of imports	Proportion of quantity
In 2023	Total imports from mainland China	229,012	100.00%
	The European Union	32,598	14.23%
	The United States.	21,296	9.30%
	Area of Taiwan	36,129	15.78%
	Japan	21,011	9.17%

Through the above form, it can be seen that during the period of the application for dumping investigation, the number of exports of the EU, the United States, Taiwan and Japan to mainland China accounted for the proportion of total imports of similar products in mainland China is more than 3%, not within the negligible scope of the law.

#### **Competition Conditions Between Applying Survey Products and Applying Survey Products with similar products in Mainland China**

First, as mentioned in the relevant sections above, the EU, the United States, Taiwan and Japan respectively exported to mainland China, the application survey products between the survey products and the basic materialization characteristics of the copolymer formaldehyde produced by mainland China industry, product technical indicators and quality levels are basically the same, have the same or similar uses, can be replaced, so they are competing with each other in mainland China market.

Second, the application for investigation products and similar products in mainland China industry sales channels are basically the same, they are sold in the mainland Chinese market through direct sales, substitute sales, etc., and the sales area coincides. Therefore, the applicant believes that they are directly competing in the mainland Chinese market.

Third, the downstream customer group applying for survey products and similar products in mainland China is basically the same, and some customers fully coincide, such as [downstream customer 1], downstream customer 2, downstream customers 3, downstream customers 4, downstream customers 5, downstream customers 5, downstream customers 6, etc., these manufacturers both use application survey products, but also use the same products in mainland China. Therefore, the applicant believes that there is a direct

competition between the products under investigation and between products of the Chinese mainland industry and similar products in mainland China.

[The information in parentheses above is the downstream customer name of the applicant's similar products, which belongs to the applicant's trade secret, and the disclosure will have a serious adverse impact on the relevant enterprises, so the application confidential processing, no longer listed. Oh, yeah. - Yeah.

In view of the above analysis and reasoning, the applicant believes that the EU, the United States, Taiwan and Japan exports to mainland China and the same competition conditions between the same products as the Chinese mainland industry, direct competition in the market, can be replaced, should be the EU, the United States, Taiwan region and Japan exported to mainland China for a cumulative assessment of the industrial damage caused by mainland China industry.

(2) Application to investigate the number of imports of products, the changes in prices and the situation of mainland China industry

**Increase in the number of applications for survey products**

**1.1 Changes in absolute imports of products applied for investigation**

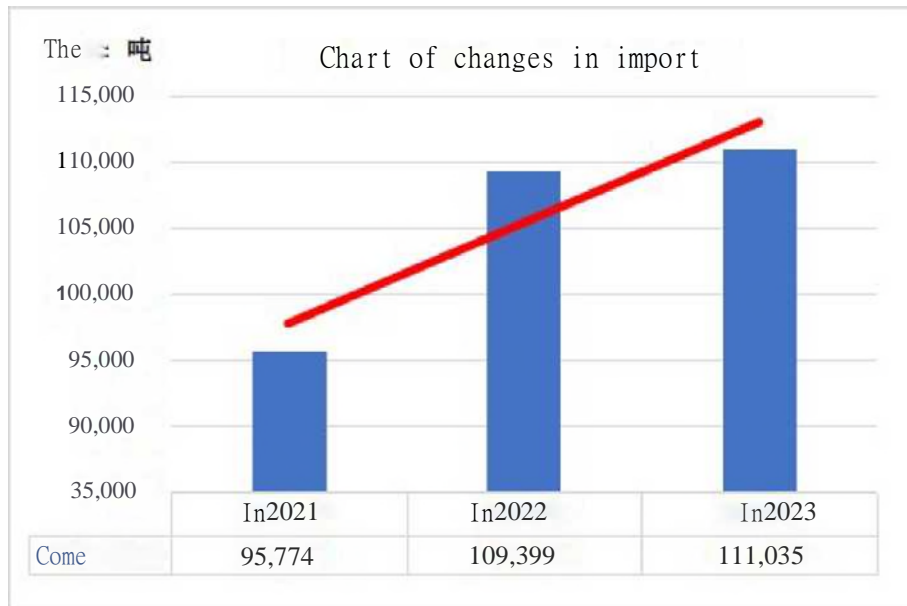
**Table of changes in the number of imports applied for survey products**

Number of units: Tons of

During the period	Country (area)	Number of imports	Proportion of quantity	Magnitude of change in
In 2021	Total imports from	218,381	100.00%	-
	<b>Total application for</b>	<b>95,774</b>	<b>43.86%</b>	-
In 2022	Total imports from	214,264	100.00%	1.89%
	<b>Total application for</b>	<b>109,399</b>	<b>51.06%</b>	<b>14.23%</b>
In 2023	Total imports from	229,012	100.00%	6.88%
	<b>Total application for</b>	<b>111,035</b>	<b>48.48%</b>	<b>1.50%</b>

Note to: (1) For the data sources in the table above, please refer to Annex V: "Mainland China co-polymer formaldehyde import and export statistics";

(2) The proportion of quantity = the number of imported products applied for investigation / total imports of similar products in mainland China.



The above-mentioned chart data show that from 2021 to 2023, the proportion of total imports of similar products applied for survey products in mainland China has generally increased, from 43.86% in 2021 to 51.06% in 2022 and 48.48% in 2023. From 2021 to 2023, the annual proportion of total imports of similar products applied for survey products in mainland China is close to 50%.

From the absolute import volume, the total import volume of products applied for investigation has continued to rise. From 2021 to 2023, 9.58 million tons, 10.94 million tons and 11.10 million tons, respectively, 2022, 2023 compared to the previous year, 14.23% and 1.50% respectively, 2023 compared to the previous year, 2023, a significant increase of 15.93% compared to 2021.

## 1.2 Changes in the number of products applied for investigation relative to imports

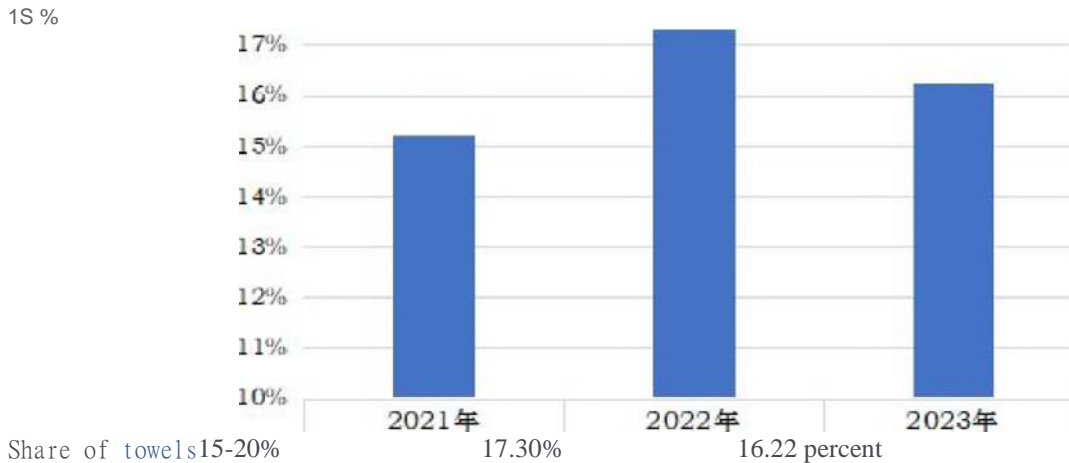
### Application survey products accounted for changes in market share in mainland China

Number of units: Tons of

During the period	Number of imported products applied	Demand for similar products in mainland	Application for survey product	Percentage increase or
In 2021	95,774	630,294	15.20%	-
In 2022	109,399	632,446	17.30%	2.10
In 2023	111,035	684,410	16.22 percent	-1.07

Note to: Market share = the number of imports applied for survey products / demand for co-polymer formaldehyde in mainland China.

Chart of changes in the market share of mainland China.



As shown in the chart above, between 2021 and 2023, the market share of mainland China for survey products was 15.20%, 17.30% and 16.22%, respectively, an increase of 2.1 percentage points in 2022 compared to the previous year, 2023 down 1.07 percentage points from the previous year, but an increase of 1.03 percentage points compared to 2021.

**Application to investigate the impact of products on the prices of similar products in mainland China**

### 2.1 Changes in import prices of CIFs applying for survey products

#### CIF Import Price Changes for Applied Products

The Unit: Tons, United States dollars, United States dollars/tonnes

During the period	Number of imports	Amount of imports	Prices of imports	Magnitude of price change
In 2021	95,774	189,065,139	1,974	-
In 2022	109,399	240,127,194	2,195	11.19%
In 2023	111,035	207,082,995	1,865	-15.03%

Note to: (1) The data sources in the table above can be found in Annex V;

(2) Import price = import amount/import quantity.





As shown in the chart above, from 2021 to 2023, the weighted average import price of products applied for survey products was \$1,974/ton, \$2,195/ton and \$1,865 per ton, respectively, up 11.19% in 2022 and 2023 compared to the previous year, respectively, and a decrease of 15.03% in 2023 compared to 2021.

## 2.2 Application to investigate the impact of products on prices of similar products in mainland China

### 2.2.1 Application for survey products and market competition analysis of similar products in mainland China industry

The applicant believes that the application for survey products and similar products of the Chinese mainland industry has a direct price competition relationship in mainland China market, and the changes in the number and price of imported products applied for investigation have had a significant adverse impact on the prices of similar products in mainland China:

According to the evidence obtained by the applicant (see Annex III, "Introduction on the production of co-polymer formaldehyde"), Seranis Corporation, Baoli Plastic Corporation, Mitsubishi Vas Chemical Corporation, and its affiliated companies and their affiliated companies in the world such as the European Union, the United States, South Korea, Thailand, Malaysia, Saudi Arabia, Taiwan, Japan and China, have long-term experience in the production and sales of formaldehyde, have brand superiority in the global and mainland Chinese markets have established a perfect sales channel and service network in the global and mainland China market.

According to the applicant's preliminary understanding, the total capacity of Seranis Corporation, Baoli Plastic Corporation, Mitsubishi Vas Chemical Corporation, Xuying Corporation and its affiliates together together with formaldehyde accounts for more than 60% of the total global production capacity of co-polymer formaldehyde, and the implementation of global joint sales. Therefore, Seranis Corporation, Baoli Plastic Corporation, Mitsubishi Vas Chemical Corporation, Xueshan Corporation and its affiliates have a very important position in the global and mainland China co-polymer formaldehyde market, and its co-polymer formaldehyde sales price is the price benchmark in the global market, which has a major impact on the global and mainland China's co-polymer formaldehyde price trend.

On October 24, 2016, the Ministry of Commerce issued an announcement, decided to conduct an anti-dumping investigation into imports originating in South Korea, Thailand and Malaysia. On October 23, 2017, the Ministry of Commerce issued a positive final ruling on the case, imposing anti-dumping duties on imports originating in South Korea, Thailand and Malaysia.

As mentioned above, in order to circumvent the above anti-dumping measures, maintain or continue to seize the market share of mainland China, to suppress the development of co-polymer formaldehyde in mainland China, Seranis Corporation, Baoli Plastics Corporation, Mitsubishi Vas Chemical Corporation and its affiliates have significantly increased the export of South Korea, Thailand and Malaysia outside the European Union, the United States, Taiwan and Japan to the mainland market for large, low-priced dumping application investigation products.

Prima facie evidence shows a significant downward trend in the import price of products applied for survey products from the European Union, the United States, Taiwan and Japan, with a 15.03% decline in 2023 compared to 2022. Moreover, the four countries (regions) applied for the dumping margin of survey products to mainland China on average more than 30%.

In fact, the intention and effect of applying for investigation product manufacturers to suppress the co-polymer formaldehyde industry in mainland China is clear. The evidence shows that through the low price suppression strategy, 2023 compared to 2021, the number of applications for survey products to achieve a substantial increase in exports to China by nearly 16%, the market share of mainland China is also maintained at an average level of about 16%. For example, Go plus Seranis affiliates Korea Engineering Plastics Corporation and the Saudi State Methanol Company, a wholly owned subsidiary of Baoli Plastics Corporation Malaysia (Asia Pacific), Mitsubishi Vas Chemical Corporation's controlling subsidiary Thai Polyformed Formaldehyde Co., Ltd. co-polymer formaldehyde in China, and

the amount of formaldehyde in China, and the amount of formaldehyde in China that applied to investigate product manufacturers and their associated companies in China in 2023. the market share has reached about 40%, and the application for survey product manufacturers and their affiliates to jointly sell polyformaldehyde in mainland China market, and the products have brand advantages.

In addition, as mentioned above, the application for investigation products is exactly the same molecular formula of similar products in mainland China, the physical and chemical characteristics are basically the same, the product quality and quality are basically the same, and the two can be replaced with each other. Moreover, there is a large number of crossovers and overlaps between customers with similar products in mainland China, many customers both buy or use applications to investigate products, but also buy or use mainland China industry similar products, there is a direct competition between the two, the product price on the downstream customer procurement choice has a very important and decisive impact. When determining the purchase price of similar products in mainland China, customers will often refer to the price of Seranis, Baoli Plastic, Axima, Tai Plastic, Mitsubishi Gas and their associated companies to gather formaldehyde. When determining the sales price of similar products, the mainland Chinese industry will usually refer to the application to check the price of product manufacturers and their affiliates to co-polymer formaldehyde, and use it as the basis for price adjustment and determination.

Under the above comprehensive background, in the case of a significant decline in the import price of the products applied for investigation, mainland China industry can only follow the application for survey products to reduce the price. Applications for survey products not only reduce the price of similar products in mainland China, but also inhibit the prices of similar products in mainland China. The following applicants are further explained by specific data:

### **2.2.2 Application survey products have caused obvious price pressure on similar products in mainland China.**

Apply for survey products compared with prices of similar products in mainland China industry

The Unit:United States dollars/ton, dollars/tonnes

During the	Apply for import prices	Magnitude of	Prices of similar	Magnitude of
In 2021	1,974	-	14,149	-
In 2022	2,195	11.19%	15,133	6.95%
In 2023	1,865	-15.03%	10,756	28.92%

Note to:(1)The import price of the products applied for investigation is referred to Annex V;  
(2) The domestic prices of similar products in mainland China can be found in Annex XI:"Applicant financial data and statements".

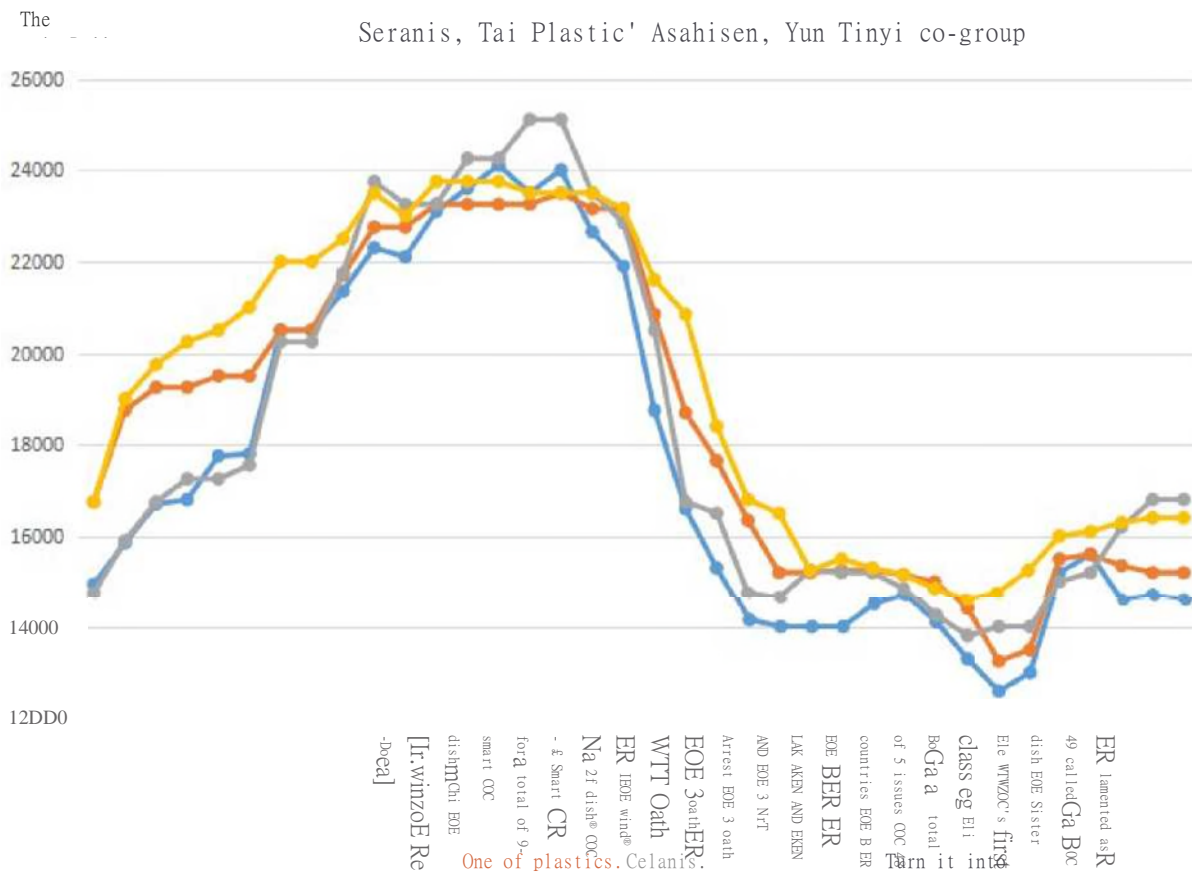


As mentioned above, the import price of the products applied for investigation has a major impact on the pricing of similar products in mainland China, and mainland China industry can only follow the application for survey product pricing.

The above chart shows that the import price of the products applied for investigation is the same trend as the domestic price of similar products in mainland China. In 2022, compared with 2021, the import price of products applied for investigation increased by 11.19%, and the domestic price of similar products in mainland China also increased by 6.95%. In 2023 compared to 2022, the import price of products applied for survey fell 15.03%, mainland China industry can only be forced to follow the application for survey products to reduce prices, domestic sales prices also decreased 28.92%. The import price of products has significantly lowered the prices of similar products in mainland China.

In addition, from the chart below, the application survey products and similar products in mainland China and the mainstream and representative grades of similar

products (Seranis KP20,Taiwan plastic FM090, Asaic into 4520, Yuntinized M90)in the spot price change in themainland Chinesemarket (see annex 10), the two prices have a strong correlation.



The chart above shows that between January 2021 and April 2022, the price of the mainstream brand of the application for survey products generally showed an upward trend, and the price of similar products represented by cloud dayization in mainland China also showed an overall upward trend.

However, since May 2022, the price of application survey products has shown a significant downward trend, in December 2023 compared with April 2022, the price of the Ceranis KP20 has fallen by 33%, the price of the table plastic FM090 has fallen by 35%, and the price of Asaic into 4520 has fallen by 30%. Adversely affected by the sharp drop in import prices of the products applied for investigation, the price of the cloud-climatized M90 also fell by 39%. The price of applications for survey products has lowered the prices of similar products in mainland China industry.

### 2.2.3 Application survey products have caused obvious price suppression of similar products in mainland China.

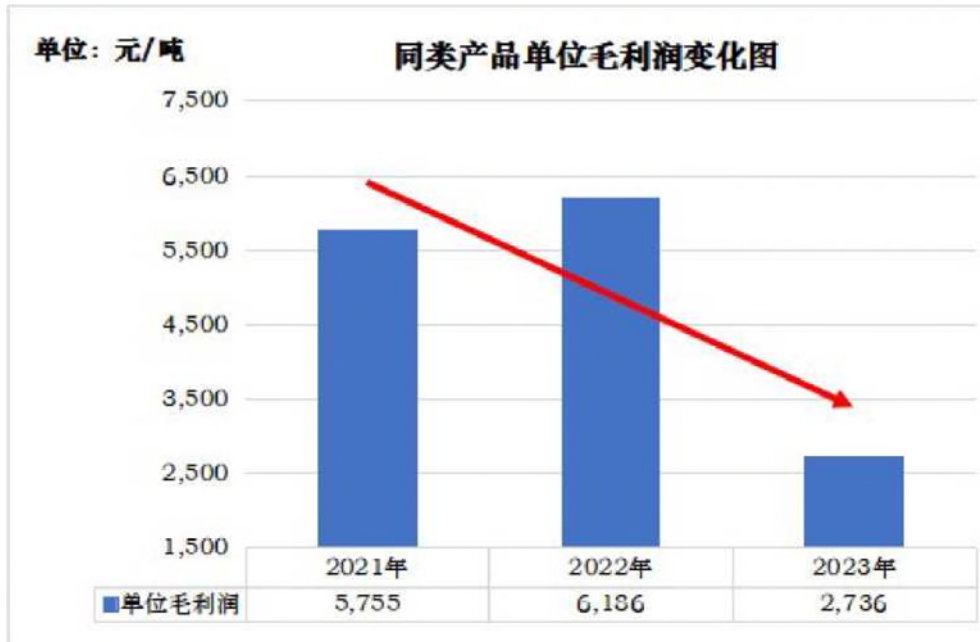
#### Gross profit statement of similar products in mainland China

The Unit: Dollars / ton

During the	Prices of similar	Unit Sales Costs	Gross profit per	Margin of change in
In 2021	14,149	8,394	5,755	-

In 2022	15,133	8,947	6,186	7.49%
In 2023	10,756	8,020	2,736	55.76%

Note to: (1) Domestic prices and unit sales costs of similar products can be found in Annex XI: "Applicant financial data and statements"; (2) Unit gross profit = internal selling price of similar products - unit sales cost of similar products.



Because prices are significantly lowered by the application survey products, resulting in the overall decline in gross profit per unit of similar products in mainland China. As the chart above shows, in 2023, the unit gross profit of similar products in mainland China (i.e., the difference between price and cost) was 2,736 yuan/ton, a sharp decline of nearly 55.76% compared to 2022 and 52.45% compared to 2021. It can be seen that the application for investigation products has caused serious price constraints on similar products in mainland China, and in turn has caused a significant adverse impact on the productivity of similar products in mainland China.

In summary, the sharp decline in the import price of the products applied for investigation has caused obvious price pressure and price suppression of similar products in mainland China industry, and in turn has caused a significant adverse impact on the production and operation of similar products in mainland China industry and financial situation has been significantly negatively affected and damaged (see below "The impact of application survey products on relevant economic indicators or factors of mainland China industry").

## The Impact of Applying Survey Products on Economic Indicators or Factors of Mainland China Industry

According to the law, when analyzing the impact of dumped imports on the relevant economic factors and indicators of mainland China's industry, it mainly includes a comprehensive assessment of all relevant economic factors and indicators of the industrial situation of mainland China, including actual or potential changes, such as production, sales, market share, profits, investment efficiency, start-up rate, price, employment, wages, capital mobilization or investment capacity and other indicators and factors.

Given that the six applicants in this case are relatively large and representative production enterprises in mainland China, and since 2021, the production of similar products accounted for the main part of the total production of similar products in mainland China, the trend of the relevant economic indicators can represent and reasonably reflect the situation of China's co-polymer formaldehyde industry. This application in the following analysis of the application survey The impact of products related to economic factors and indicators of similar products in mainland China industry, the economic factors and indicators of mainland China industry, in addition to the special description, are the combined data of six applicants.

The applicant applied for an industrial damage investigation period from January 1, 2021 to December 31, 2023. In the following analysis of the impact of dumped imported products on the relevant economic factors and indicators of similar products in mainland China, the applicant assesses the changing trend of economic indicators and factors such as production capacity, production, start-up rate, sales, sales, market share, end-of-age inventory, sales revenue, price, profit, investment rate, wages and employment, labor productivity, cash flow and other economic indicators and factors from 2021 to 2023. Through this analysis and evaluation, the applicant believes that: Due to the large number of low-priced dumping of products applied for investigation, China's co-polymer formaldehyde industry has suffered substantial damage.

### 3.1 Changes in demand for similar products in mainland China

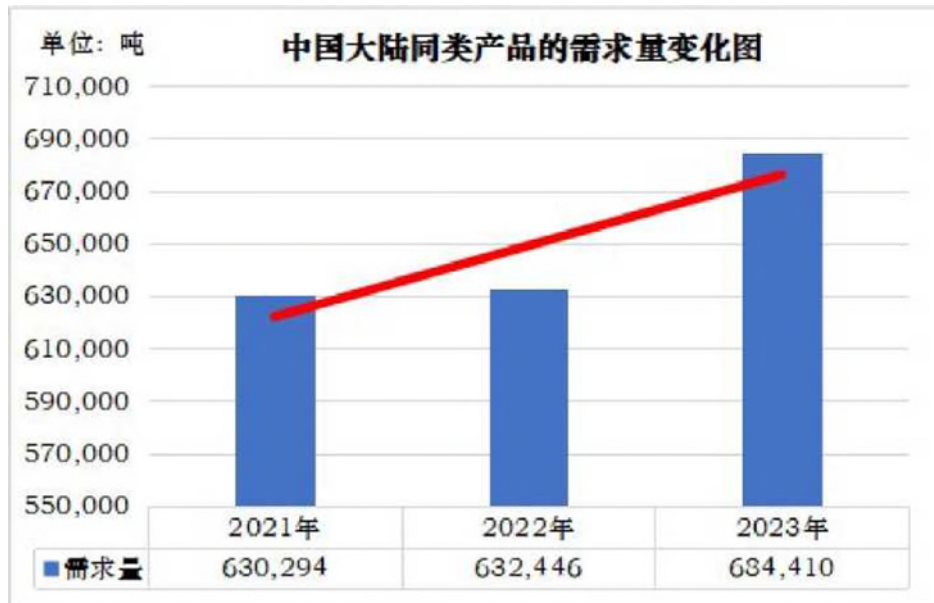
#### Changes in demand for co-polymer formaldehyde in mainland China

Number of units: Thousands of tons.

During the period	China's Mainland Demand	Magnitude of change
In 2021	63.03	-
In 2022	63.24	0.34%



In 2023	68.44	8.22 percent
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As shown in the above chart, during the application survey period, the demand for co-polymer formaldehyde in mainland China has continued to grow, from 2021 to 2023, 63.03 million tons, 63.24 million tons and 68.44 million tons respectively, 2022, 2023 compared with the previous year, respectively increased by 0.34% and 8.22%, 2023 compared to 2021 cumulative growth of 8.59%.

Under the favorable market background of continuous demand growth, China's industrial similar products should have been well developed. However, as shown below, the application for a large number of low-priced imports of products in mainland China has become a clear impact and impact, and the industry in mainland China has suffered material damage once again.

### 3.2 Changes in production capacity, output and start rate of similar industrial products in mainland China

#### Changes in production capacity, output and start rate of similar products

Number of units:Thousands of tons.

During the period	Capacity of production	Production of	Rate of work	Increase and decrease the rate
In 2021	38.20	35.08	91.83%	-
In 2022	38.80	35.85	92.41%	0.58
In 2023	41.90	39.11	93.34%	0.94

Note to:(1) Data from Annex XI:"Applicant financial data and statements";  
(2) Start rate = production/production capacity.



(I) production capacity 33.20 33.30 41.90  
: The nose. 35.08 35.85 39.11  
Rate of work 91.83% 92.41% 93.34%

With mainland China's anti-dumping investigation and the adoption of anti-dumping measures on imports of South Korea, Malaysia and Thailand, the market competition environment has improved, coupled with the continuous growth trend of market demand, from 2021 to 2023, China's mainland industrial similar products production capacity, output, start-up rate are trend.

However, as mentioned above, in order to circumvent the above anti-dumping measures, maintain or continue to seize the market share of mainland China, suppress the development of co-polymer formaldehyde in mainland China, Seranis Corporation, Baoli Plastics Corporation, Mitsubishi Vas Chemical Corporation and its affiliates have significantly

increased the export of formaldehyde outside Korea, Thailand and Malaysia, the United States, Taiwan region and Japan to the mainland China market, a large number of low-priced dumping applications for investigation products. Affected by this adverse effect, the expansion of similar products in mainland China has not brought corresponding scale benefits and profits, on the contrary, since 2023, the pre-tax profits and investment yields of similar products in mainland China have declined significantly since 2023.

The profitability has been greatly reduced.

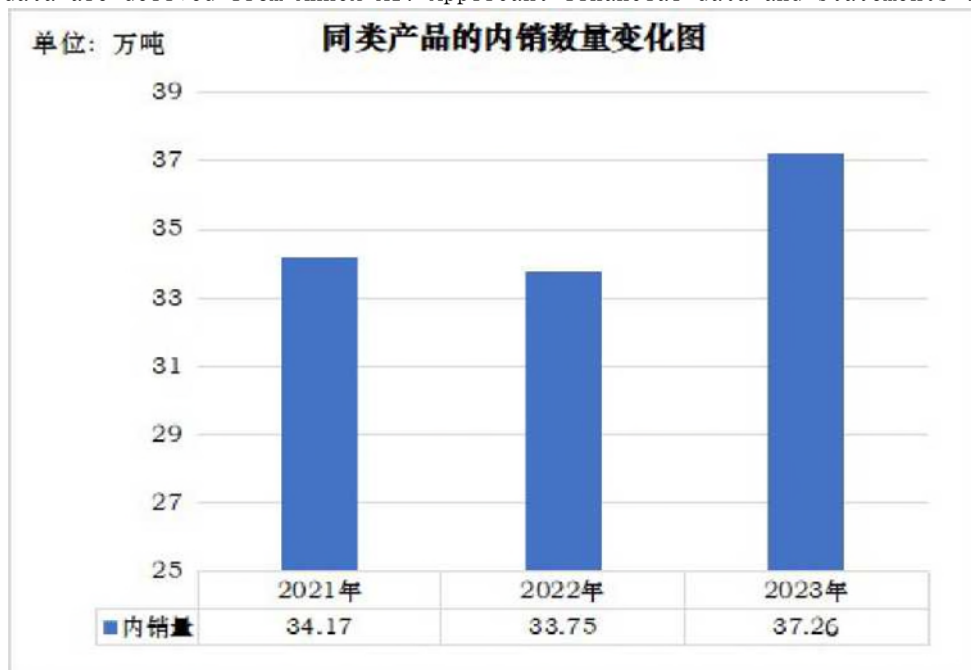
### 3.3 Changes in sales of similar products in mainland China industry

#### Changes in sales of similar products in mainland China industry

The Unit: Thousands of tons.

During the period	Number of internal sales	Magnitude of change
In 2021	34.17	-
In 2022	33.75	- 1.23 percent
In 2023	37.26	10.39%

Note to: The data are derived from Annex XI: "Applicant financial data and statements".



The above chart shows that with the expansion of the scale of the industry, since 2021, the number of domestic sales of similar products in mainland China industry has also shown an overall growth trend. In 2022, 2023 compared with the previous year, the number of domestic sales of similar products in mainland China fell 1.23%, an increase of 10.39%, and an increase of 9.03% in 2023 compared to 2021.

During the application survey period, although the number of domestic sales of similar products in mainland China industry has generally increased trend, but the overall growth of similar product sales not only did not bring corresponding scale benefits and profits to the mainland China industry, on the contrary, due to the price of the application for survey products and suppression, mainland China industry can only maintain a certain sales and start-up level on the basis of sacrificing prices and profits, resulting in mainland China's industrial similar products unit gross profit, pre-tax profit, investment yield

in2023.

### **3.4**Changes in market share of similar products in mainland China

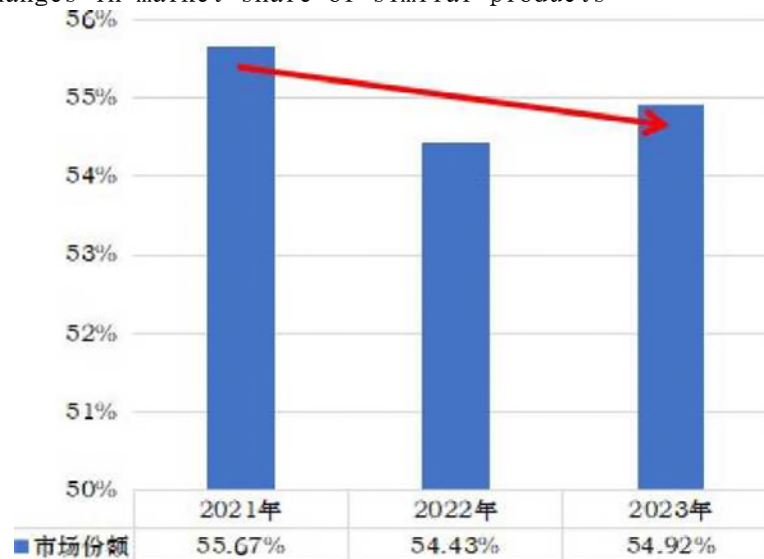
## Changes in market share of similar products in mainland China

Number of units:Thousands of tons.

During the period	Internal sales and self-use	Amount of demand	Market share	Share increase by percentage point
In 2021	35.09	63.03	55.67%	-
In 2022	34.43	63.24	54.43%	-1.24
In 2023	37.59	68.44	54.92%	0.49

Note to:(1)Internalsales and self-use=in-house sales+self-use, data sources can be found in Annex XI:"Applicant financial data and statements"; (2) Market share=internal sales plus self-use/demand.

Changes in market share of similar products



The above chart shows that due to the impact of a large number of products and low-priced dumping, the market share of similar products in mainland China industry has generally declined. In 2022, 2023 compared with the previous year, the market share of similar products in mainland China fell by 1.24 percentage points and an increase of 0.49 percentage points, 2023 compared with 2021 by a cumulative decrease of 0.75 percentage points, and the market share of application survey products increased by 1.03 percentage points in the same period.

## 3.5 Changes in end-end inventory of similar products in mainland China industry

## Changes in end-end inventory of similar products in mainland China

Number of units:Thousands of tons.

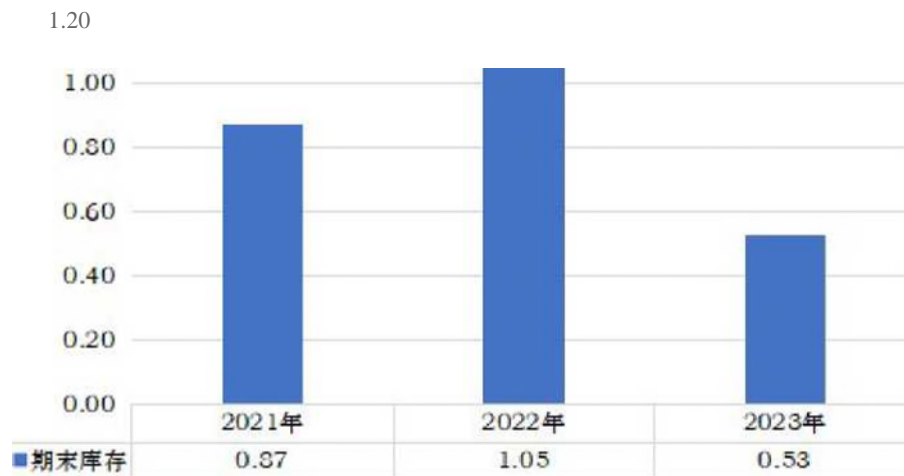
During the period	End of Period Stock	Magnitude of change
In 2021	0.87	-

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In 2022	1.05	20.17%
In 2023	0.53	49.67%

Note to:(1)The data are derived from Annex XI:"Applicant financial data and statements".

TheUnit:Thousands of tons. Chart of end-of-end inventory changes for similar products



China's industrial similar products are implemented to sell the policy, the inventory is relatively small. The above chart shows that during the application for inspection period, the end inventory of similar products in mainland China industry has risen and dropped, and the overall trend is downward. In 2022 and 2023 compared with the previous year, the end-of-term inventory of similar products in mainland China increased by 20.17% and decreased by 49.67%, respectively.

### 3.6 Changes in prices of similar products in mainland China

#### Changes in domestic prices of similar products in mainland China

The Unit:Dollars / ton

During the period	The Inside Price	Magnitude of change
In 2021	14,149	-
In 2022	15,133	6.95%
In 2023	10,756	28.92%

Note to:(1)Annex XI of the data sources:"Applicant financial data and statements";  
(2)Internalsales price = internal revenue / amount of internal sales.





The above chart shows: In 2022, compared to 2021, the price of domestic sales of similar products in mainland China industry increased by 6.95%. However, due to the impact of a large number of products and low-priced dumping, 2023 compared with 2022, the domestic prices of similar products in mainland China fell 28.92%, 2023 compared with 2021 fell by nearly 24%.

As prices are significantly lowered and suppressed by the obvious price of the products applied for investigation, it has had a significant adverse impact on the domestic revenue, unit gross profit and efficiency of similar products in mainland China.

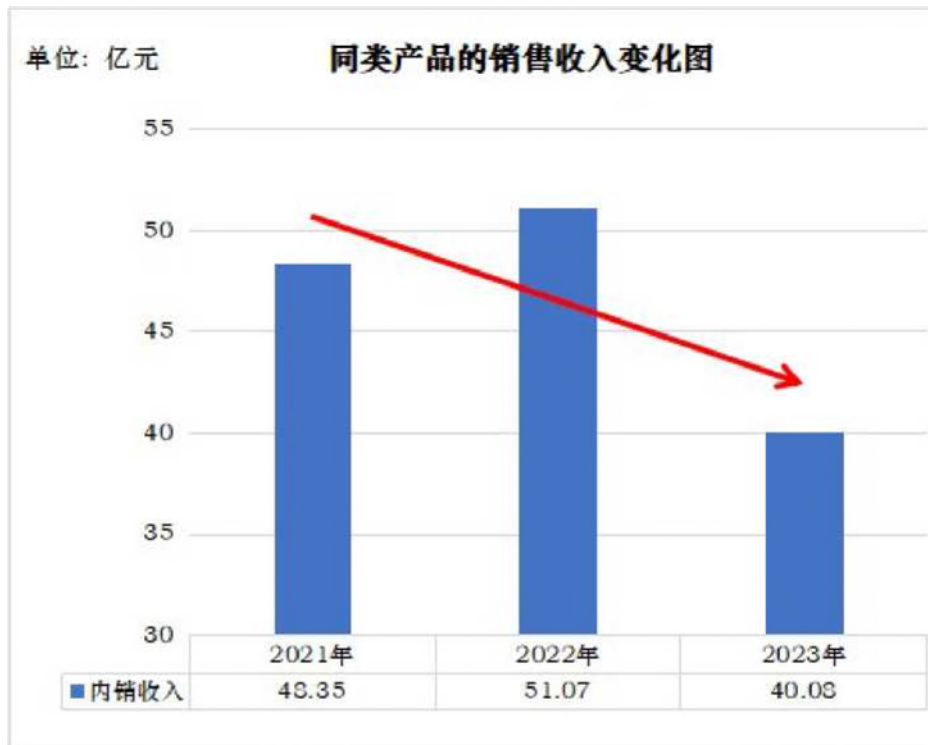
### 3.7 Changes in sales revenue of similar products in mainland China

#### Changes in domestic sales revenue of similar products in mainland China

The Unit: Billions of dollars.

During the period	Internal Revenue	Magnitude of change
In 2021	48.35	-
In 2022	51.07	5.64%
In 2023	40.08	-21.53%

Note to: The data are derived from Annex XI: "Applicant financial data and statements".



The above chart shows that similar to the trend of price changes, 2022 compared to 2021, domestic revenue of similar products in mainland China increased by 5.64%. However, due to the impact of a large number of products and low-priced dumping, 2023 compared with 2022, mainland China's industrial similar products domestic sales revenue fell by 21.53%, 2023 compared to 2021 also decreased 17.11%, and in turn has a significant adverse impact on the efficiency of similar products in mainland China.

### 3.8 Changes in pre-tax profits of similar products in mainland China

#### Changes in pre-tax profits for similar products in mainland China

The Unit: Billions of dollars.

During the period	Pre-tax profits	Magnitude of change
In 2021	12.40	-
In 2022	15.21	22.70%
In 2023	6.22	-59.15%

Note to: The data are derived from Annex XI: "Applicant financial data and statements".

The Unit: Billions of dollars. Chart of changes in pre-tax profits for similar products



The above chart shows that similar to the trend of price and income, 2022 compared to 2021, pre-tax profits of similar products in mainland China increased by 22.70%. However, due to the impact of a large number of products and low-priced dumping, 2023 compared with 2022, the pre-tax profit of similar products in mainland China fell 59.15%, 2023 compared to 2021 fell by nearly 50%, and some enterprises were even in a loss state in 2023.

### 3.9 Changes in return on investment of similar products in mainland China

#### Changes in return on investment of similar products in mainland China

Number of units: Billions of dollars.

During the period	Average amount of investment	Pre-tax profits	Rate of return on investment	Increase and decrease
In 2021	71.82	12.40	17.27%	-
In 2022	69.41	15.21	21.92%	4.65
In 2023	68.26	6.22	9.11%	-12.81

Note to: (1) Data from Annex XI "Financial Data and Statements of Applicants";

(2) Rate of return on investment = pre-tax profit/average investment.



During the application investigation period, mainland China industry invested a lot of money in the production and construction of similar products, and the average annual investment of similar products was as high as 7 billion yuan.

Consistent with the changes in pre-tax profits, investment returns on similar products in mainland China increased by 4.65 percentage points in 2022 compared to 2021, but decreased by 12.81 percentage points in 2023 compared to 2022 and 8.16 percentage points compared to 2021. The huge investment spent by mainland China's industry to build devices of the same kind cannot be effectively recycled, which will hinder the further development of the industry.

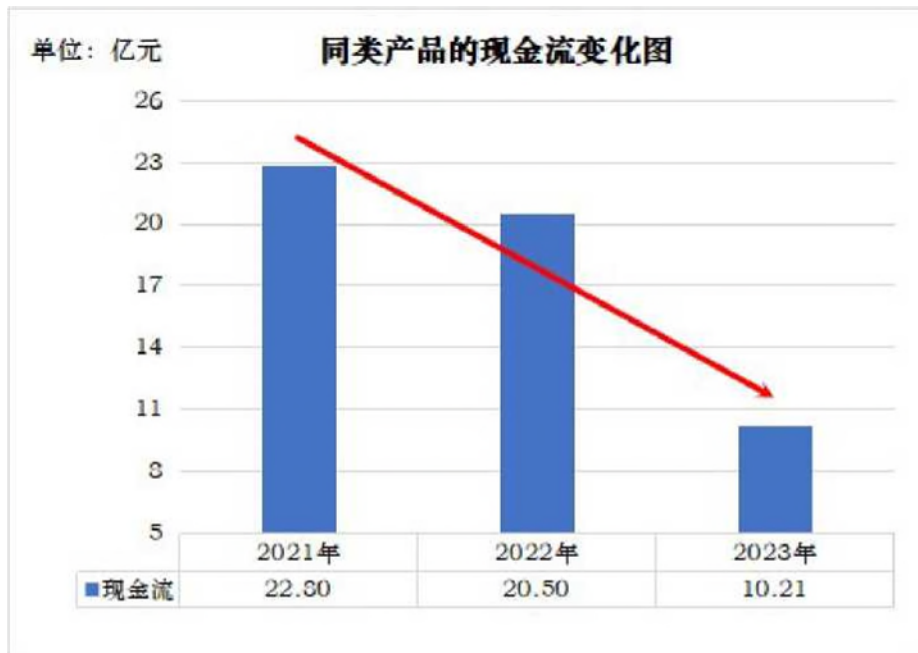
### 3.10 Changes in net cash flows related to business activities of similar products in Mainland China

#### Changes in net cash flow of similar products in mainland China

The Unit: Billions of dollars.

During the period	Net cash flow	Magnitude of change
In 2021	22.80	-
In 2022	20.50	-10.09%
In 2023	10.21	50.19%

Note to: The data are derived from Annex XI: "Applicant financial data and statements".



The above chart shows that during the application survey period, the net cash flow of similar products operating activities in mainland China industry has continued to decline. In 2022, 2023 compared with the previous year, the net cash flow of similar products in mainland China fell by 10.09% and 50.19% respectively.

### 3.11 Changes in wages and employment of similar products in mainland China

#### Changes in total wages, employment and per capita wages of similar products in mainland China

The Unit: The dollar; The people; The dollar/person.

During the period	Total salary	Number of employed	Magnitude of change	Salary per capita	Magnitude of change
In 2021	199,634,018	1,700	-	117,410	-
In 2022	240,185,728	1,952	14.80%	123,046	4.80%
In 2023	235,552,059	1,932	1.02%	121,921	0.91%

Note to: (1) Data from Annex XI: "Applicant financial data and statements"; (2) The per capita wage = total wage / number of employed persons.

The above chart shows that during the application survey period, the number of employment and per capita wages of similar products in mainland China industry has increased first and then decreased. In 2022, the number of employed persons and per capita wages increased by 14.80% and 4.80% respectively. In 2023, the number of employed persons and per capita wages decreased by 1.02% and 0.91%, respectively.

### 3.12 Changes in labor productivity of similar products in mainland China

**Changes in labor productivity of similar products in mainland China**

The Unit:Tons, people, tons/persons

During the period	Productivity of labour	Magnitude of change
In 2021	206.30	-
In 2022	183.68	-10.96%
In 2023	202.44	10.21%

Note to:(1) Data from Annex XI:"Applicant financial data and statements";  
(2) Labour productivity= $\text{output}/\text{employment}$ .

The above chart shows that during the period of the application survey, labor productivity of similar products in mainland China industry has risen first, and the overall trend is downward. In 2022 and 2023 compared with the previous year, labor productivity in mainland China's industrial equivalent products fell by 10.96 percent and increased by 10.21%, respectively. It is down 1.87% in 2023 compared to 2021.

### Extent and type of damage

Through the above analysis and description, it can be seen that: In order to circumvent the anti-dumping measures of the co-polymer formaldehyde case in South Korea, Thailand and Malaysia, maintain or continue to seize the market share of mainland China, suppress the development of co-polymer formaldehyde in mainland China, Seranis Corporation, Baoli Plastics Corporation, Mitsubishi Vas Chemical Corporation and its affiliates have significantly increased the production and financial situation of South Korea, Thailand and Malaysia outside the EU, the United States, Taiwan region and Japan converging formaldehyde on the mainland, the export of formaldehyde to China, a large number of low-priced dumping applications to investigate products, and the production and financial situation of China's mainland industry similar products has caused obvious impact and impact on China's mainland real industry.

1, with mainland China on South Korea, Malaysia and Thailand import co-polymer formaldehyde investigation and the adoption of anti-dumping measures, the market competition environment has improved, coupled with the continuous growth of market demand, from 2021 to 2023, the production and sales of similar products in mainland China industry have generally increased trend. However, the overall growth of production and sales of similar products has not brought corresponding economies of scale and profits to mainland China's industries.

2, affected by a large number of applications for investigation products, low-priced dumping, the market share of similar products in mainland China has shown a downward

trend, 2022, 2023 compared with the previous year decreased by 1.24 percentage points and an increase of 0.49 percentage points, 2023 and 2021 compared with the cumulative decline of 0.75 percentage points, compared with the same period of application survey product market share increased by 1.03 percentage points.

During the period of the application investigation, the domestic price and unit gross profit of similar products in mainland China industry have declined overall. In 2022 compared to 2021, the domestic price and unit gross profit of similar products in mainland China increased by 6.95% and 7.49%, respectively. However, due to the negative impact of the low and suppressed prices of the products applied for investigation, 2023 compared with 2022, the domestic price of similar products in mainland China fell 28.92%, and the unit gross profit decreased significantly by 55.76%. In 2023 compared to 2021, domestic prices and unit gross profit decreased by nearly 24% and 52.45%, respectively.

During the period of the application investigation, the domestic sales revenue of similar products in mainland China industry generally showed a downward trend. In 2022, domestic sales revenue increased by 5.64% compared to 2021. However, affected by the large number and low-priced dumping of products applied for investigation, domestic sales revenue fell by 21.53 percent compared to 2022 in 2023 and 17.11% in 2023 compared to 2021.

Similar to the trend of price and income, the overall pre-tax profit of similar products in mainland China has declined. Pre-tax profits increased by 22.70% in 2022 compared to 2021, but 2023 was down 59.15% from 2022, down nearly 50% in 2023 compared to 2021, and some businesses were even losing money in 2023.

Consistent with the changes in pre-tax profits, investment returns on similar products in mainland China have also shown a downward trend. Investment income rose 4.65 percentage points in 2022 compared to 2021, but by 12.81 percentage points in 2023 compared to 2022, 8.16 percentage points lower than in 2021. The huge investment spent by mainland China's industry for the construction of similar products can not be effectively recycled, which will hinder the further development of the industry.

During the application survey period, the net cash flow of similar products in mainland China continued to decline, and in 2022 and 2023 compared with the previous year, respectively, decreased by 10.09% and 50.19%.

During the application survey period, the number of employment and per capita wages of similar products in mainland China industry showed a trend of increase and decline. Employment and per capita wages increased by 14.80% and 4.80% respectively in 2022 compared to

2021, but employment and per capita wages fell by 1.02% and 0.91% respectively in 2023 compared to 2022.

During the period of the application survey, the labor productivity of similar products in mainland China industry fell first and then increased, and the overall trend was downward. In 2022, 2023 decreased by 10.96 percent and an increase of 10.21%, respectively, and 1.87 % in 2023 compared to 2021.

Prima facie evidence shows that the dumping margin of the products applied for investigation to mainland China is on average more than 30%, and the dumping margin is huge.

In summary, the applicant believes that under the impact of the large number and low-priced dumping of the products applied for investigation: On the one hand, during the application survey period, although the production and sale of similar products in mainland China industry has shown an overall growth trend, the overall growth in production and sales of similar products has not brought corresponding scale benefits and profits to mainland China industry. Moreover, market share and labor productivity of similar products have generally declined. Employment and per capita wages also declined somewhat in 2023 compared to 2022.

On the other hand, because the price is lowered and suppressed by the application survey products, it has become a serious negative impact on the efficiency of similar products. Throughout the application investigation period, the domestic price, unit gross profit, pre-tax profit and investment income of similar products in mainland China industry all showed a significant downward trend, and the net cash flow trend continued to decline. Moreover, the divisions were still losing money in 2023.

In summary of the above situation, the applicant believes that the production, operation and financial situation of similar products in mainland China industry are deteriorating significantly. The large number and low-priced dumping of products applied for investigation are causing substantial damage to mainland China's industry. If anti-dumping measures are not taken in time, mainland China's industry will suffer more serious damage.



## 七、 Causal link between dumping and damage

### (一) Application for investigation products cause substantial industrial damage in mainland China

With mainland China's anti-dumping investigation and the adoption of anti-dumping measures on imports of South Korea, Malaysia and Thailand, the market competition environment has improved, coupled with the continuous growth of market demand, from 2021 to 2023, the production and sales of similar products in mainland China's industry have generally increased trend, and reversed the original investigation period of 2012 to 2016, the situation of continued large losses in the first half of 2016.

However, in order to circumvent the anti-dumping measures of the co-polymer formaldehyde case in South Korea, Thailand and Malaysia, maintain or continue to seize the market share of mainland China, to suppress the development of co-polymer formaldehyde in mainland China, Seranis Corporation, Baoli Plastics Corporation, Mitsubishi Vas Chemical Corporation and its affiliates have significantly increased the export of formaldehyde outside South Korea, Thailand and Malaysia, the United States, Taiwan region and Japan to the mainland market for large, low-priced dumping of products.

Prima facie evidence shows a significant downward trend in the import price of products applied for survey products from the European Union, the United States, Taiwan and Japan, with a 15.03% decline in 2023 compared to 2022. Moreover, the four countries (regions) applied for the dumping margin of survey products to mainland China on average more than 30%.



In fact, the low-cost strategy adopted by the application to investigate product manufacturers to suppress the intention and effect of the co-polymer formaldehyde industry in mainland China is obvious. The evidence shows that through the low price suppression strategy, 2023 compared with 2021, the number of applications for survey products to the mainland of China has increased significantly by nearly 16%, and the market share of mainland China is also maintained at an average level of about 16%.

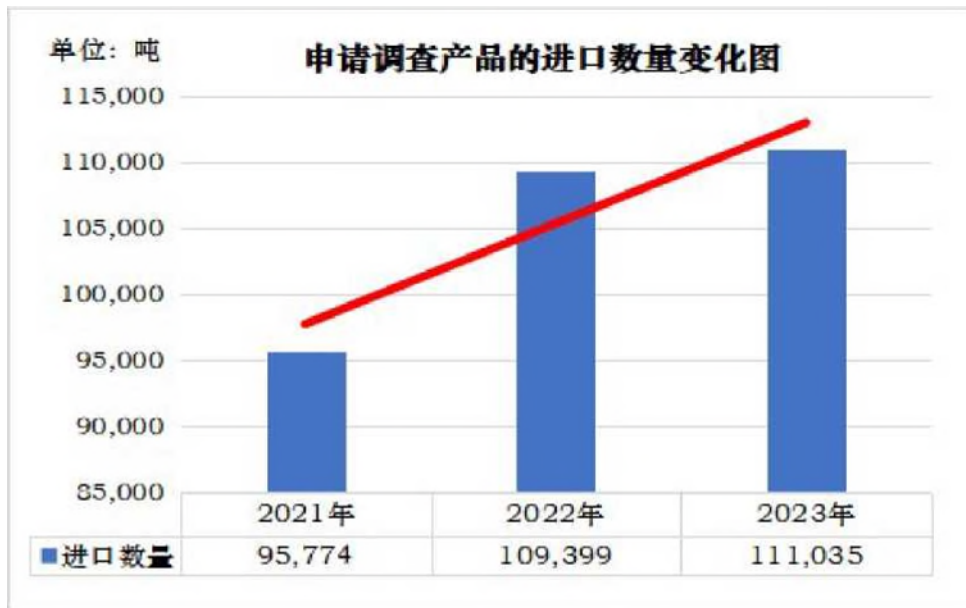
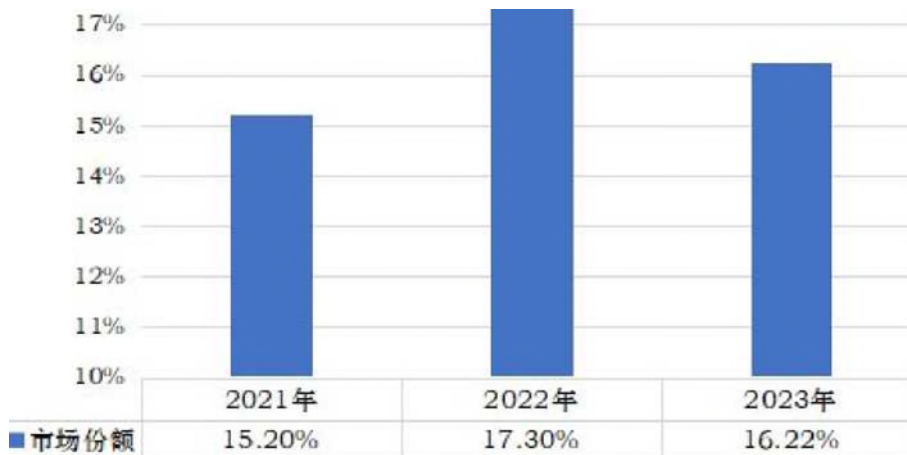


Chart of changes in the market share of mainland China.

13% of



During the period of the application survey, the average market share of the application survey products in mainland China was about 16%, if added to Sierra Nice's affiliate Korea Engineering Plastics Corporation and the Saudi State Methanol Corporation, a wholly owned subsidiary of Baoli Plastics Corporation Malaysia (Asia Pacific), Mitsubishi Was Chemical Corporation's holding subsidiary, Thai polyformaldehyde, limited companies converging the amount of formaldehyde in China, and the application to investigate the product manufacturer's two related companies in mainland China. in 2023, the total market share of applied survey product manufacturers and their affiliates in mainland China has been as high as 40%.

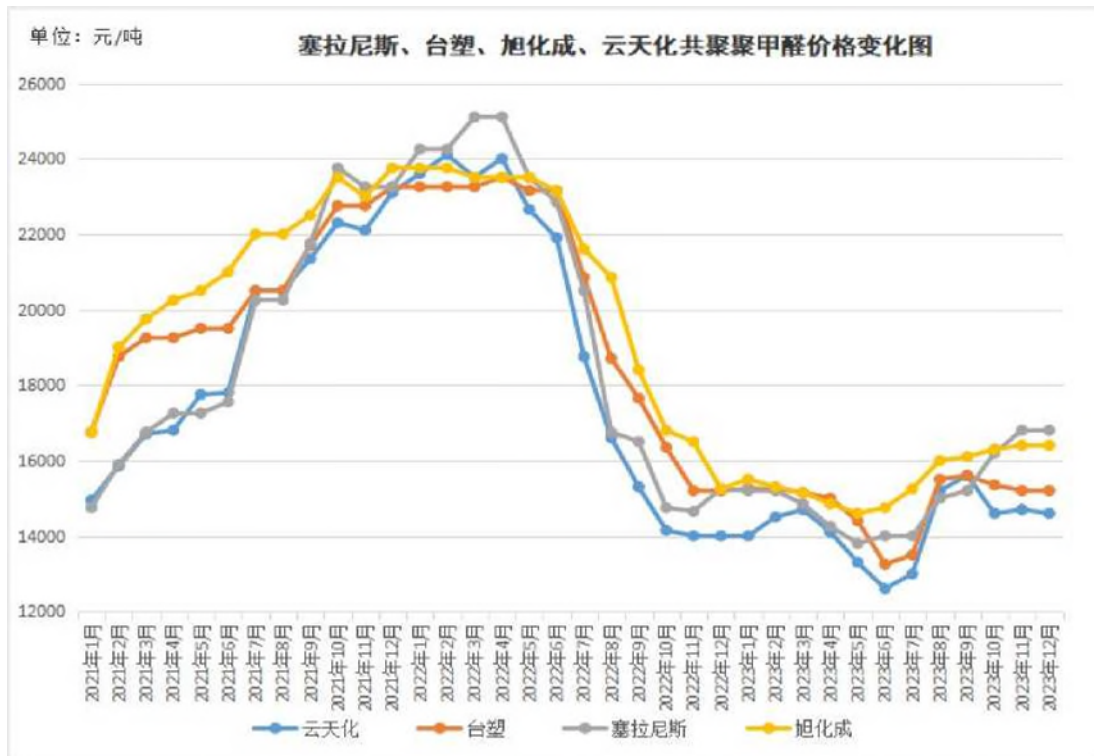
As mentioned above, the application for survey product manufacturers and their affiliates have a very important position in the global and mainland China co-polymer formaldehyde market, and its co-polymer formaldehyde sales price is the price benchmark in the global market, which has a major impact on the global and mainland China co-polymer

formaldehyde price trend. Moreover, the application for survey product manufacturers and their affiliates co-selling polyformaldehyde in the mainland Chinese market has a brand advantage, and the price is an important factor affecting sales.

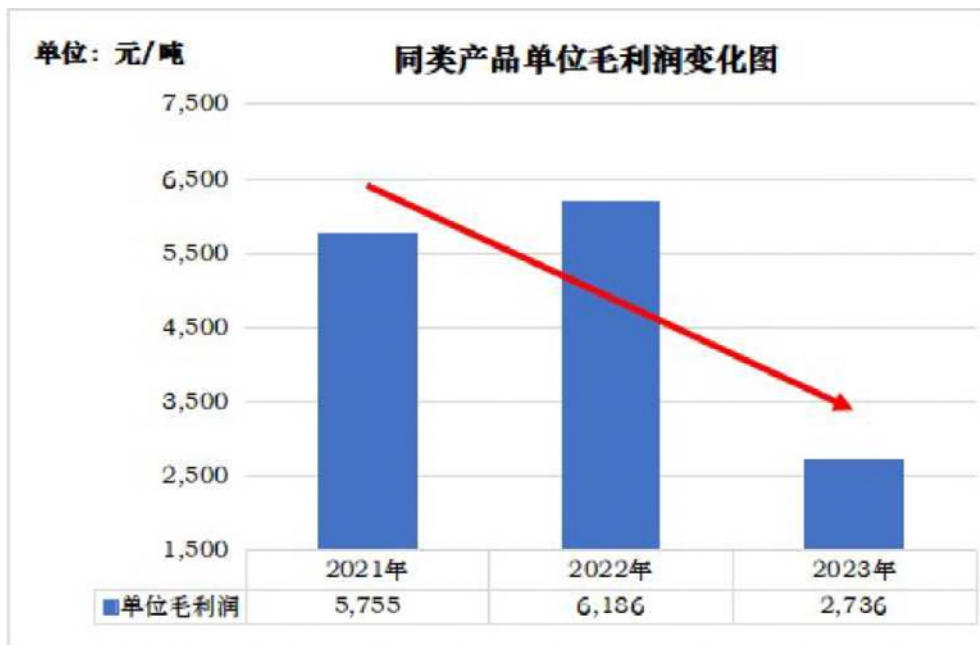
In the above context, the import price of the products applied for investigation has a major impact on the pricing of similar products in mainland China, and mainland China industry can only follow the application for survey product pricing.

The evidence shows that the import price of the products applied for investigation is the same as the trend of domestic prices of similar products in mainland China. In 2022, compared with 2021, the import price of the products applied for investigation increased by 11.19%, and the domestic prices of similar products in mainland China also increased by 6.95%. However, in 2023 compared with 2022, the import price of the products applied for survey decreased by 15.03%, mainland China industry can only be forced to follow the application for survey products to reduce prices, and the domestic price of similar products also fell 28.92%. Moreover, judging from the mainstream and representative brands of application survey products and similar products in mainland China, the price changes in the mainland Chinese market, the prices of the two have a strong correlation. The import price of applications for survey products has significantly lowered the prices of similar products in mainland China industry.





In addition, the application for survey products not only greatly reduced the price of similar products in mainland China industry, but also caused obvious price suppression of similar products in mainland China industry. The evidence shows that in 2023, compared with 2022, the gross profit per unit of similar products in mainland China fell by nearly 56%, and a significant decrease of 52.45% compared to 2021.



Under the huge impact of applying to investigate a large number of products and low-

priced dumping, the production and operation and financial situation of similar products in mainland China have been significantly affected and affected, and the industry in mainland China has suffered material damage once again:

On the one hand, during the application survey period, although the production and sales of similar products in mainland China industry have generally shown an increasing trend, the overall growth in production and sales of similar products has not brought corresponding economies of scale and profits to the industry in mainland China. Moreover, the market share and labor productivity of similar products have generally declined. Employment and per capita wages also declined somewhat in 2023 compared to 2022.

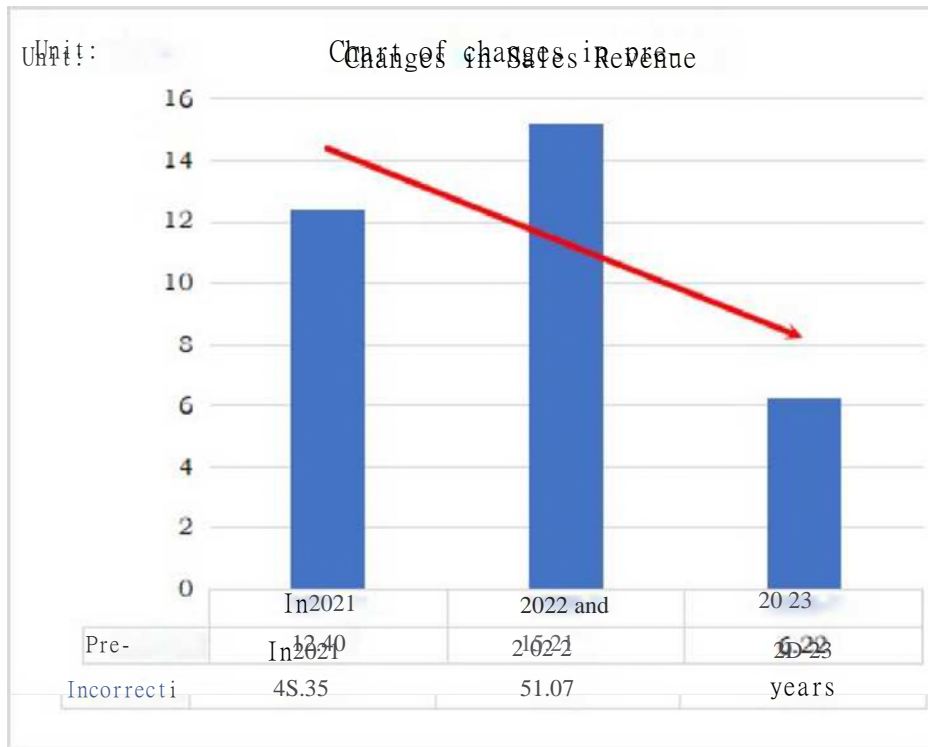
Changes in market share of similar products



On the other hand, because the price is lowered and suppressed by the application survey products, it has become a serious negative impact on the efficiency of similar products. Throughout the application investigation period, the domestic price, unit gross profit, pre-tax profit and investment income of similar products in mainland China industry all showed a significant downward trend, and the net cash flow trend continued to decline. And some companies are still losing money in 2023.









Compared to: Billions of dollars. Cash Flow Changes in Similar Products



In summary of the above analysis, the applicant believes that the large number of applications for investigation products and low-priced dumping is the cause of substantial damage to the formaldehyde industry in mainland China, and there is a clear relationship between the large number of applications for investigation products, low-priced dumping and material damage suffered by similar products in mainland China.

**(二) Analysis of other factors that may cause industrial damage in mainland China****Impact of imports from other countries and regions**

Relevant evidence shows that the main source countries (regions) of imports of co-polymer formaldehyde in mainland China are in addition to the European Union of this application.

The alliance, the United States, Taiwan and Japan, mainly include South Korea, Thailand, Malaysia and Saudi Arabia.

From the point of view of import volume, the total import volume of other products during the application survey period showed an overall downward trend, down 3.87% from 2021 in 2023. However, the total number of imports applying for survey products has continued to rise, rising by nearly 16% in 2023 compared to 2021. Moreover, since 2017, mainland China has imposed anti-dumping duties ranging from 6.2% to 34.9% on imports originating from South Korea, Thailand and Malaysia.

**Comparison of changes in the number of co-polymer formaldehyde imports**

The Unit: Tons of

During the period	Total imports of non-	Total number of imports applied for
In 2021	122,607	95,774
In 2022	104,865	109,399
In 2023	117,978	111,035

Note to: For data sources, please refer to annex V.

In summary, the applicant believes that the import co-polymer formaldehyde of other countries (regions) cannot deny the material damage caused by the application for investigation products to the mainland industry.

**Impact of Changes in Market Demand**

During the application survey period, the demand for co-polymer formaldehyde in mainland China showed a sustained growth trend, from 2021 to 2023 was 63.03 million tons, 63.24 million tons and 68.44 million tons respectively, 2022, 2023 compared with the previous year, respectively increased by 0.34% and 8.22%, 2023 compared to 2021 cumulative growth of 8.59%. Therefore, the applicant believes that the damage to the industry in mainland China is not caused by shrinking demand in the city.

### **Impact of Changes in Consumption Mode**

So far, there have been no policy changes in mainland China restricting the use of co-polymer formaldehyde products. And as mentioned above, since 2021, the demand for co-polymer formaldehyde in mainland China has continued to grow steadily, so there has been no situation of shrinking demand for co-polymer formaldehyde due to changes in other alternative products.

### **Impact of changes in exports**

During the application investigation period, the export volume of the applicant's similar products accounted for only 3% of the annual production, and the export price was higher than the domestic price. Therefore, the damage suffered by mainland China's industries is not due to exports.

### **Effect of normal competition at home and abroad**

As mentioned above, the application for survey products and products of the same kind in mainland China, the quality and quality of products, sales channels are basically the same.

Similarly, there are cross-cutting customer groups. In terms of production management, mainland Chinese production enterprises are also committed to the standardization and upgrading of management.

Therefore, similar products in mainland China have good market competition ability in terms of product quality or production and management. Moreover, mainland Chinese enterprises have obvious location advantages, and import products such as timeliness and convenience of delivery can not be replaced by favorable factors. If the application for investigation products to compete fairly with similar products in mainland China, mainland China's production industry has full local advantages and should not suffer such serious damage.

### **Commercial channels of circulation and the impact of trade policies**

With the further deepening of reform and opening-up and the continuous improvement of the market economy system, the current mainland China co-polymer formaldehyde products fully implement the market-oriented price mechanism, production and operation is completely regulated by market laws. Similar products in mainland China industry in the same sales

channels and applications for investigation products, in the field of commercial circulation there are no factors hindering the sale of similar products in mainland China or causing industrial damage in mainland China.

In addition, so far, mainland China has not promulgated other relevant policies restricting the trade behavior of the industry, and China's land industry has not been negatively affected in this regard.

### **Impact of force majeure factors**

During the period of the application for investigation in this case, the mainland China industry represented by the applicant did not have a natural disaster or other serious force majeure incident, and the production equipment of the same kind of product was operating normally and was not accidentally affected.

### **(三) Conclusion of**

Based on the above analysis, the applicant believes that there is a causal relationship between the material damage suffered by the co-polymer formaldehyde industry in mainland China, and other factors are not the cause of substantial damage to the co-polymer formaldehyde industry in mainland China.

## **八、 Considerations of public interest**

The applicant believes that the anti-dumping of the co-polymer formaldehyde industry is to correct the unfair trade competition of imported dumped products and eliminate the harmful effects of dumping caused by the co-polymer formaldehyde industry in mainland China. The purpose of anti-dumping measures is to restore and promote fair competition through unregulated low-priced dumping practices that undermine the normal market order in order to maintain and regulate the normal trade order. According to anti-dumping practices in countries and regions such as the European Union, when considering public interest issues, special attention should be paid to restoring distorted market order and protecting effective competition.

Due to the low-priced dumping of copoly formaldehyde products originating in the European Union, the United States, Taiwan and Japan in mainland China, it has seriously undermined the fair competition order of the mainland Chinese market and caused a serious impact on China's co-polymer formaldehyde industry. In this case, the adoption of anti-dumping measures will help restore this distorted competition order, which is conducive to

safeguarding the safety of the co-polymer formaldehyde industry in mainland China and is in the public interest.

Due to the significant high crystallization properties of copolymeric formaldehyde, resulting in its metal-like hardness, strength and steel, it is known as "captured steel", "supersteel" or "race steel", in a wide range of temperature and humidity are good self-lubrication, good fatigue resistance, and elasticity, and have good chemical resistance. Moreover, co-polymer formaldehyde is low, relatively easy to process compared with metal products, and is lighter, and is widely used to replace zinc, brass, aluminum and steel and other metal products used in automobiles, electronic appliances, industrial machinery, sports equipment, medical appliances and other fields.

In the automotive field, co-polymer formaldehyde is widely used in seat belt buckles, interiors, filters, oil pumps, wipers, electrical assembly, bumper bumper bumper, line button, glass lift and other aspects, used to replace zinc, copper, aluminum and steel and other gold products, can significantly reduce the weight of the body, can effectively achieve energy saving and emission reduction, conducive to carbon peak, carbon neutrality and goal realization.

Therefore, in the "Twelfth Five-Year" Development Plan of the New Materials Industry, the "Guidelines for the Development of New Materials Industry" during the "13rd Five-Year Plan" and the Catalogue to Encourage Foreign Investment Industry(2019Edition), polyformdehyde is listed as a new material production industry to encourage development. In the current Catalogue of Encouraging Foreign Investment Industries(2022edition), polyformaldehyde is listed as an industry encouraging development in the central and western regions (Qinghai). Moreover, in the "14th Five-Year" new materials industry development plan in Anhui, Hubei Province and Tianjin, polyformdehyde is listed as the industries that encourage the development of these provinces and cities.

In addition, the upstream raw material of co-polymer formaldehyde is methanol, about 70% of methanol in mainland China is coal-based methanol, polyformdehyde is an extension of the coal chemical industry chain, the development and growth of the coal formaldehyde industry industry in China to improve the added value of coal chemical industry chain related products, solve the upstream methanol and coal industry overcapacity, and promote the adjustment and optimization and upgrading of coal chemical industry structure is of great significance.

Co-polymer formaldehyde is also the only engineering plastic in engineering plastics that does not rely on crude oil and coal chemical products methanol as raw material, with a short process process, can be a large number of manufacturing engineering plastics, is an extremely important carbon-one chemical downstream product in the coal chemical product

chain. Therefore, the development of polyformaldehyde industry is in line with the national conditions of mainland China's oil-rich coal.

In recent years, the continuous improvement of the production and quality of collegial formaldehyde products in mainland China has provided good raw material support for the downstream industry, which is conducive to the downstream industry to solve the situation of long-term dependence on imports of raw materials, and can promote downstream industries to reduce costs, enhance industrial competitiveness, and enhance the competitiveness of the above industries in domestic and foreign markets.

In addition, the normal development of the co-polymer formaldehyde industry is also conducive to the normal production and operation of downstream enterprises, reasonable prediction and control of raw material costs and reasonable planning for the future development scale, without being misled by the dumping price of imported products, even to the market chaos or abnormal fluctuations of raw materials, and affect the downstream industry's normal production and operation. The applicant believes that the co-polymer formaldehyde industry and the downstream industry is an interdependent relationship, and any party in the upstream and downstream industries suffers damage inevitably affects the interests of the other party, and even suffer damage. Only the upstream market is regulated, the price is maintained at a reasonable, stable and orderly level, upstream and downstream enterprises can co-exist, and downstream enterprises can ultimately benefit from a stable market. Therefore, the ultimate interests of co-polymer formaldehyde downstream consumer enterprises and the co-polymer formaldehyde industry are consistent, to carry out anti-dumping investigations and levy anti-dumping duties on dumping imported products, which is conducive to the common development of the polyformdehyde industry and the downstream industry, anti-dumping measures will play a role in protecting the ultimate interests of downstream consumer enterprises.

Moreover, in the long run, the implementation of anti-dumping measures will not materially affect the interests of downstream industries. Anti-dumping need is the dumping of imported products in a price-discriminatory manner, does not resist normal foreign trade, nor will it cause obstacles to legitimate and flat imports. The purpose of anti-dumping measures is to adjust the price of dumped imported products to a level playing field, and not to keep imported products out of the door. If the relevant anti-dumping measures are taken in the future, the application for investigation products can also be exported to mainland China at a fair and normal price level, and its legitimate import will not be restricted.

In summary, the applicant believes that it is in the public interest to carry out

anti-dumping investigations and anti-dumping measures on imports originating in the European Union, the United States, Taiwan and Japan.

## 九、 Conclusions and requests

### (一) Conclusion of

According to the above facts and reasons, the applicant believes that imports of formaldehyde products originating in the European Union, the United States, Taiwan and Japan have obvious dumping behavior in the mainland Chinese market, and this dumping behavior has caused substantial damage to the co-polymer formaldehyde industry in mainland China.

In such cases, timely and effective anti-dumping investigations and taking corresponding anti-dumping measures are conducive to restoring the distorted market competition order, protecting the legitimate rights and interests of the polyformaldehyde industry, and safeguarding the normal development of mainland China's industry, and thus protecting the safety and economic security of mainland China's industries. At the same time, conducting co-polymer formaldehyde anti-dumping investigations and taking anti-dumping measures will not materially affect the normal production and operation of the downstream industry, but also conducive to the stable and orderly development of the downstream industry. Therefore, it is in the public interest to carry out anti-dumping investigations and the acquisition of anti-dumping measures originating in the EU, the United States, Taiwan and Japan.

### (二) Request for

In order to protect the legitimate rights and interests of the co-polymer formaldehyde industry in mainland China and the future development prospects, in accordance with the provisions of the Foreign Trade Law of the People's Republic of China and the Anti-Dumping Regulations of the People's Republic of China, the applicant requests the Ministry of Commerce of the People's Republic of China to conduct an anti-dumping investigation on co-polymer formaldehyde originating in the European Union, the United States, Taiwan and Japan and exported to mainland China, and based on the results of the investigation to the Customs Commission of the State Council to impose anti-dumping duties on aggregated formaldehyde products originating in the European Union, the United States, Taiwan and Japan and to mainland China.



## Part II Request for Confidentiality

### 一、 Application for Confidentiality

In accordance with the provisions of Article 22 of the Anti-Dumping Regulations of the People's Republic of China, the applicant requests the confidential handling of the materials and annexes contained in this application, i.e., that this part of the material may be kept confidential in any way other than that provided for in the investigation authorities in this case and the anti-dumping regulations of the People's Republic of China, and the anti-dumping regulations of the People's Republic of China may be kept confidential in any way, prohibited from contacting, reviewing, retrieving or understanding in any way.

### 二、 Non-confidential summary

In order for the interested parties in this case to understand the comprehensive information of this application and the annex, the applicant hereby prepares the application and the public text of the annex, while the materials and information relating to the application's confidentiality are described or a non-confidential summary in the public text of the application and the annex.

### III. Description of confidential treatment methods

For the relevant data and information relating to enterprise trade secrets in the body of the public text of this application, the applicant shall process confidentially in accordance with the following methods: For the confidential information involved in the text (the downstream customer name of the applicant's similar product), the original information is hidden in square brackets "[ ]", and the relevant non-confidential summary is provided in a text summary.

## Part III List of Evidence and List

- Annex I: Applicant's Business License and Power of Authorization
- Annex II: Letter of assignment of counsel and certificate of practice of counsel
- Annex III: Description of the production of co-polymer formaldehyde
- Annex IV: Customs Import and Export Tax of the People's Republic of China,2021-2023Edition
- Annex V: Mainland China co-polymer formaldehyde import and export statistics
- Annex VI: Data sources and descriptions for sea freight and insurance premiums
- Annex VII: Report of the World Bank Group on the costs of trade links in countries applying for investigation
- Annex VIII: Price of methanol input cost of applying for survey products
- Annex IX: Gross profit evidence material
- Annex X: Golden Union statistics China mainland market co-polymer formaldehyde mainstream brand price
- Annex XI: Applicant's financial data and statements