

## **Executive Summary**

**of the**

### **Request for a partial interim review in accordance with Article 19 of Council Regulation (EC) No 597/2009 of 11 June 2009 on protection against subsidised imports from countries not members of the European Community of the countervailing measures imposed on imports of polyethylene terephthalate (PET) originating in India**

**Submitted by VVGB on behalf of**

**Reliance Industries Limited (“Reliance”)**

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#### **1. PRODUCT CONCERNED**

The product concerned by the present request is polyethylene terephthalate (PET) with a viscosity of 78 ml/g or higher, according to ISO Standard 1628-5, currently falling within CN code 3907 60 20 and originating in India.

The product concerned is normally used in the plastics packaging industry, for the production of bottles. Another kind of PET, for use in polyester fibre production, is excluded from the definition of the product concerned.

The product concerned is produced by the polycondensation of purified terephthalic acid (PTA) (Reliance does not use the DMT route) with mono ethylene glycol (MEG). Unlike textile grade PET, however, the product concerned undergoes a further process called ‘Solid State Polymerisation’ which increases its ‘intrinsic viscosity’ value above 78 ml/g.

#### **2. EXECUTIVE SUMMARY**

The request is filed by Reliance Industries Limited (“Reliance”), an Indian exporting producer of PET.

Reliance has been subject to definitive countervailing measures since the entry into force of Regulation (EC) No 2603/2000 in November 2000. Following an expiry review, Council Regulation (EC) No 193/2007 extended the original duty of 8.23% by five years. In December 2008 and September 2011, following partial interim reviews, the duty for Reliance was twice revised to, respectively, 13.8% and 10.7%. In May 2013, after another expiry review, the duty was again extended by five years. In August 2015, following a partial interim review, the duty on Reliance was further revised to 6.2%, based on the subsidy margin that the European Commission (“Commission”) calculated for the period from 1 April 2013 to 31 March 2014. Article 19 of the basic Regulation requires that at least one year has passed since the imposition of the measure before an interim request can be made. This one year waiting period lapsed on 3 August 2016.

The request for a partial interim review filed by Reliance is based on the fact that the duty rate of 6.2% is no longer necessary to offset countervailing subsidies because the level of subsidization applicable to Reliance has decreased significantly. More specifically, Reliance's subsidy margin during the period from 1 January 2016 to 30 June 2016 period decreased to *de minimis*-levels as a result of, among other lasting changes, the abolishment of both FPS and FMS in April 2015 and their replacement by the new Merchandise Export from India Scheme ("MEIS").

### **3. LIST OF INTERESTED PARTIES**

#### **a. Party requesting the partial interim review**

- i. Reliance Industries Limited

#### **b. EU producers**

- i. Committee of Polyethylene Terephthalate Manufacturers in Europe
- ii. Indorama Polymers Europe, UAB
- iii. Equipolymers
- iv. Neo Group, UAB
- v. Novapet SA