

EU ANTI-DUMPING MONITOR · CHEMICAL RAW MATERIALS

Product sheet 1,4-butanediol (BDO) · one of 57 products in the monitor

# 1 What you pay

The rate follows the producing company, not the seller. What matters at declaration is the TARIC additional code.

Product: 1,4-butanediol, CAS 110-63-4, EC number 203-786-5, CN codes 2905 39 26 and 2905 39 28. Definitive anti-dumping duty on the net free-at-Union-frontier price, before duty. Case ref. AD734. All entries from Article 1(1) and 1(2).

| Producer                                                      | Duty rate | TARIC additional code | Reference |
|---------------------------------------------------------------|-----------|-----------------------|-----------|
| Country of origin: People's Republic of China                 |           |                       |           |
| Xinjiang Markor Chemical Industry Co., Ltd.                   | 105.6 %   | 88AL                  | Art. 1(2) |
| Wanhua Chemical (Sichuan) Co., Ltd.                           | 113.7 %   | 88AM                  | Art. 1(2) |
| Shandong Yuanli Science and Technology Co., Ltd.              | 107.5 %   | 88AP                  | Annex     |
| Inner Mongolia Dongjing Biological Green Technology Co., Ltd. | 107.5 %   | 88AQ                  | Annex     |
| Henan Kaixiang Fine Chemical Co., Ltd.                        | 107.5 %   | 88AR                  | Annex     |
| Xinjiang Blue Ridge Tunhe Energy Co., Ltd.                    | 107.5 %   | 88AS                  | Annex     |
| All other imports originating in the PRC                      | 113.7 %   | 8999                  | Art. 1(2) |
| Country of origin: Kingdom of Saudi Arabia                    |           |                       |           |
| International Diol Company                                    | 52.4 %    | 88AN                  | Art. 1(2) |
| All other imports originating in Saudi Arabia                 | 52.4 %    | 8999                  | Art. 1(2) |
| Country of origin: United States of America                   |           |                       |           |
| Lyondell Chemical Company                                     | 135.7 %   | 88AO                  | Art. 1(2) |
| All other imports originating in the USA                      | 142.5 %   | 8999                  | Art. 1(2) |

Without the declaration under Article 1(3) on the commercial invoice, the residual rate applies. On Chinese material that is 113.7 % instead of 105.6 % or 107.5 %, on US material 142.5 % instead of 135.7 %.

"I, the undersigned, certify that the [volume in kilograms] of 1,4-butanediol sold for export to the European Union covered by this invoice was manufactured by [company name and address] ([TARIC additional code]) in [country concerned]. I declare that the information provided in this invoice is complete and correct."

The declaration must be dated and signed by an official of the invoicing entity, identified by name and function. It does not on its own satisfy the customs authorities, who may require further documents (rec. 199). Companies related to a named producer are not covered unless they are themselves listed in the operative part (rec. 196).

# The essentials

Six points. The part where each is set out in full is given alongside.

|    |                                                                                                                                                                    |               |
|----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| 01 | From Saudi Arabia everyone pays the same rate<br>52.4 %, whoever the producer is. This is the only origin where a missing document cannot push the rate up.        | Part 1        |
| 02 | One sentence on the invoice decides eight percentage points<br>On Chinese material 105.6 % instead of 113.7 %. On goods worth EUR 100,000 that is about EUR 8,000. | Part 1        |
| 03 | Four producers in Europe<br>INEOS filed the complaint. The other three imported BDO themselves during the investigation period.                                    | Part 2        |
| 04 | Around 98,000 tonnes a year are affected<br>That is what recently came from the three countries. At the same time European plants had some 60 % spare capacity.    | Part 3        |
| 05 | The duty does not cover downstream products<br>PBT, THF and other derivatives remain duty-free. I consider a separate case on them likely.                         | Parts 4 and 5 |
| 06 | South Korea and Taiwan help, but not for long<br>Both are duty-free. If volumes there rise sharply, that is the usual trigger for a new case.                      | Part 5        |

## 2 Who stands behind it

Who filed the complaint, who produces in Europe and who fought the duties.

### Producers in the Union

| Company                        | Role                                   | Position in the proceeding                                                                                                                                                                                                                    | Reference                        |
|--------------------------------|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|
| INEOS Solvents SA              | Complainant                            | Lodged the complaint on 24.4.2025. Had suspended BDO production because of the imports. Resumes in Q2 2026, targeting 75,000 to 100,000 t/a. Below a utilisation rate of 45 to 65 % the plant cannot be run at all, according to the company. | rec. 2, 154 with fn 13           |
| BASF SE                        | Union producer                         | Increased production in Ludwigshafen. Filed comments on the provisional disclosure. The Government of Saudi Arabia sought to have BASF excluded from the Union industry because of its link to BASF Corporation; this was rejected.           | rec. 5, 71, 154 with fn 12       |
| Lyondell Chemie Nederland B.V. | Union producer                         | Took a neutral position in the standing test. Argued that only two Union producers were active. Rejected.                                                                                                                                     | rec. 5, 12 with fn 5, 152 to 157 |
| Novamont S.p.A                 | Union producer, also importer and user | Based in Novara, Italy. Verified on site. Requested that the duties be extended to downstream products and that duty-free quotas be introduced to allow the market to adjust. Both refused.                                                   | rec. 20, 177 to 180, 188         |

All four producers in the Union imported BDO themselves in 2023 and during the investigation period. The Commission treated this as a defensive step against the dumped imports rather than self-inflicted injury (rec. 72, 123).

### Users who fought the duties

| Company                                 | Products affected             | Claim                                                                                                                                                                                                                                                                                                                                                            | Reference            |
|-----------------------------------------|-------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| Envalior BV / Envalior GmbH             | PBT, THF                      | States that Chinese PBT resin is already replacing Union production. Considers the average 14 % cost share unrepresentative for PBT and THF and cites a 2022 S&P; study according to which PBT and THF account for some 57 % of EU demand for BDO. The Commission rejected this, among other reasons because the data do not relate to the investigation period. | rec. 170, 182, 183   |
| Covestro                                | TPU, polyurethane dispersions | Reports cost increases and indicates it may reduce production in the Union. Requested an exemption for certain grades without specifying them, and application of the lesser duty rule. The first was rejected, the second was already being applied.                                                                                                            | rec. 182, 185 to 187 |
| Lubrizol Advanced Materials Europe BVBA | TPU                           | Sees its competitiveness against Chinese and Turkish producers impaired and points to a structural supply risk, since neither capacity nor the number of active suppliers has increased.                                                                                                                                                                         | rec. 164             |

## 3 Market and volumes

All figures from the legal act. What is not in it is listed in the annex.

| Item                              | Entry                                                                       | Reference     |
|-----------------------------------|-----------------------------------------------------------------------------|---------------|
| Imports from the three countries  | 8,132 t monthly average in the investigation period, some 98,000 t per year | rec. 223      |
| Imports after initiation          | 8,079 t monthly average from July 2025 to January 2026                      | rec. 223      |
| Spare capacity in the Union       | around 60 % in the investigation period                                     | rec. 156, 167 |
| Producers in the Union            | four in the investigation period                                            | rec. 154      |
| Origins without anti-dumping duty | South Korea and Taiwan                                                      | rec. 157, 167 |
| Cost share in downstream products | 14 % of total cost on average                                               | rec. 174      |
| Profitability of users            | 9 to 11 % in the investigation period                                       | rec. 174      |

| Item                                       | Entry                                                                                                                                                                                        | Reference     |
|--------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| Share of BDO-related goods in users' sales | around 36 %                                                                                                                                                                                  | rec. 174      |
| Target profit used in the calculation      | 10 to 25 %, derived from the year 2022                                                                                                                                                       | rec. 139, 141 |
| Downstream products                        | PBT, THF, gamma-butyrolactone, TPU, polyurethane dispersions                                                                                                                                 | rec. 170, 182 |
| End uses                                   | Pharmaceuticals such as antibiotics, statins and vitamins, medical devices such as catheters, tubing and pacemakers, biodegradable plastics, electric and hybrid vehicles, lithium batteries | rec. 191      |
| Storability                                | difficult in the Union because of its chemical properties                                                                                                                                    | rec. 191      |

## 4 Risks and dates

What can still change and what is already settled.

| Item                                 | Substance                                                                                                                                                                                                   | Reference                                                                                                        |
|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|
| In force since                       | 25 June 2026                                                                                                                                                                                                | Article 4                                                                                                        |
| Expected end                         | around 25 June 2031                                                                                                                                                                                         | NOT in the legal act. Follows from the five-year period in Article 11(2) of the basic Regulation (EU) 2016/1036. |
| Downstream products unprotected      | PBT, THF and other derivatives carry no duty. Novamont's request for an extension was refused because dumping and injury would have to be investigated separately for them.                                 | rec. 177 to 180                                                                                                  |
| No duty-free quota                   | Both undertaking offers were refused. Unlike the fused alumina case, there is no quota arrangement here.                                                                                                    | rec. 179, 208 to 220                                                                                             |
| No retroactive collection            | The registered imports remain unburdened, as no further substantial rise was established.                                                                                                                   | rec. 223                                                                                                         |
| Circumvention investigation possible | If exports by a company with a low rate rise considerably after the measures are imposed, the volume increase alone may be read as a change in the pattern of trade. The result can be a country-wide duty. | rec. 200                                                                                                         |
| New Chinese exporters                | May request the rate for cooperating companies not sampled, that is 107.5 %, if they meet the three conditions.                                                                                             | Article 3                                                                                                        |
| Change of a producer's name          | Requires a request to the Commission and a separate regulation. Until then the residual rate applies.                                                                                                       | rec. 197                                                                                                         |

The row shaded in violet is not taken from the legal act.

## 5 A purchasing view

Personal assessment by the author. Not part of the legal act.

The following section sets out my own reading. It contains no entries from the legal act, no customs or legal advice, and no recommendation to third parties on how to arrange their sourcing. Anyone drawing conclusions from it does so for their own company and on their own responsibility.

### Three terms in short

TARIC additional code. A four-character code tied to one specific producer. It goes into the customs declaration and decides which duty rate is applied.

Residual rate. The rate for every supplier not named in the regulation. It is always the highest rate for that country.

Dumping margin and injury margin. Two calculations by the Commission. One shows how far the price sits below the normal price, the other how much harm European producers suffer. The duty is always the lower of the two.

### From Saudi Arabia everyone pays the same rate

For material from China and the USA the duty rate depends on which company made it. For material from Saudi Arabia it does not. Everyone pays 52.4 % there, whoever supplies it. Nothing can go wrong if a document is missing. If you want to keep the handling effort small, that origin is the simplest.

### One sentence on the invoice decides eight percentage points

On every invoice the supplier has to state in writing which company produced the goods, with address and TARIC additional code. If that sentence is missing or wrong, customs automatically applies the highest rate. On Chinese material that is 113.7 % instead of 105.6 %. On goods worth EUR 100,000 that is about EUR 8,000. This is not a price question but a question of care at the supplier, and it belongs in supplier assessment.

### Switching to a cheaper Chinese producer will not last forever

The Commission watches how import volumes shift once duties are in place. If volumes rise sharply for a producer with a low rate, it can look into that and end up setting one rate for the whole country. The regulation says so plainly. Moving from 113.7 % to 105.6 % is therefore fine, but I would not build the saving into the next few years as fixed.

### Korea and Taiwan help now but are not a permanent answer

BDO from South Korea and Taiwan carries no duty. The Commission itself names both countries in the regulation as the place to switch to. If many European buyers now go there, volumes from those two countries will rise sharply. That kind of rise is the usual trigger for a new case. As a bridge the route makes sense. For a multi-year contract I would not rely on it.

### The duty covers BDO, not what is made from it

Only BDO itself is protected. Products made from it, such as PBT for engineering plastics or THF as a solvent, are not covered. Anyone producing those in Europe now pays more for the raw material while the finished product can still arrive from China duty-free. A European producer asked for the duties to be extended to these downstream products. The Commission refused, because that needs a separate investigation. I expect that investigation to come, and would keep the possibility in mind for PBT and THF contracts.

### Disclosure

This publication is issued by Asia Chemical Network UG (haftungsbeschränkt). The assessment in Part 5 reflects the personal view of the author. It was not produced on behalf of any of the companies named and does not represent the position of any third party.

Siggi Hirsch, 27 August 2026