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DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-037]

Certain Biaxial Integral Geogrid Products from the People's Republic of China: Countervailing Duty Order

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: Based on affirmative final determinations by the Department of Commerce (the Department) and the International Trade Commission (ITC), the Department is issuing the countervailing duty order on certain biaxial integral geogrid products (geogrids) from the People's Republic of China (PRC).

DATES: Effective [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

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SUPPLEMENTARY INFORMATION:

Background

In accordance with section 705(d) of the Tariff Act of 1930, as amended (the Act), on January 11, 2017, the Department published its affirmative final determination that countervailable subsidies are being provided to producers and exporters of geogrids from the PRC.¹ On February 24, 2017, the ITC notified the Department of its affirmative determination that an industry in the United States is materially injured within the meaning of section

¹ See *Countervailing Duty Investigation of Certain Biaxial Integral Geogrid Products from the People's Republic of China: Final Affirmative Determination and Final Determination of Critical Circumstances, in Part*, 82 FR 3282 (January 11, 2017).

735(b)(1)(A)(ii) of the Act, by reason of subsidized imports of subject merchandise from the PRC, and its determination that critical circumstances do not exist with respect to imports of subject merchandise from the PRC that are subject to the Department's affirmative critical circumstances finding.²

Scope of the Order

The scope of this order covers geogrids from the PRC. For a complete description of the scope, *see* Appendix.

Countervailing Duty Order

On February 24, 2017, in accordance with sections 705(b)(1)(A)(i) and 705(d) of the Act, the ITC notified the Department of its final determination in this investigation, in which it found that an industry in the United States is materially injured by reason of imports of geogrids from the PRC, and that critical circumstances do not exist with respect to imports of subject merchandise that are subject to the Department's affirmative critical circumstances finding.³ Therefore, in accordance with section 705(c)(2) of the Act, the Department is issuing this countervailing duty order. Because the ITC determined that imports of geogrids from the PRC are materially injuring a U.S. industry, unliquidated entries of such merchandise from the PRC, entered or withdrawn from warehouse for consumption, are subject to the assessment of countervailing duties.

Therefore, in accordance with section 706(a) of the Act, the Department will direct U.S. Customs and Border Protection (CBP) to assess, upon further instruction by the Department, countervailing duties for all relevant entries of geogrids from the PRC. Countervailing duties will

² *See* Letter to Ronald Lorentzen, Acting Assistant Secretary of Commerce for Enforcement and Compliance, from Rhonda K. Schmidlein, Chairman of the U.S. International Trade Commission, regarding geogrids from the PRC, (February 24, 2017) (ITC Letter).

³ *See* ITC Letter.

be assessed on unliquidated entries of geogrids from the PRC entered, or withdrawn from warehouse, for consumption on or after June 24, 2016, the date of publication of the *Preliminary Determination*,⁴ but will not include entries occurring after the expiration of the provisional measures period and before publication of the ITC’s final injury determination as further described below.

Suspension of Liquidation

In accordance with section 706 of the Act, the Department will instruct CBP to reinstitute the suspension of liquidation of geogrids from the PRC. We will also instruct CBP to require, pursuant to section 706(a)(1) of the Act, countervailing duties for each entry of the subject merchandise in an amount based on the net countervailable subsidy rates for the subject merchandise. These instructions suspending liquidation will remain in effect until further notice. The all-others rate applies to all producers and exporters of subject merchandise.

Company	Subsidy Rate
BOSTD Geosynthetics Qingdao Ltd. and Beijing Orient Science & Technology Development Co., Ltd.	15.61
Taian Modern Plastic Co., Ltd.	56.24
All-Others	35.93
Chengdu Tian Road Engineering Materials Co., Ltd.*	152.50
Chongqing Jiudi Reinforced Soil Engineering Co., Ltd.*	152.50
CNBM International Corporation*	152.50
Dezhou Yaohua Geosynthetics Ltd.*	152.50
Dezhou Zhengyu Geosynthetics Ltd.*	152.50
Hongye Engineering Materials Co., Ltd.*	152.50
Hubei Nete Geosynthetics Ltd.*	152.50
Jiangsu Dingtai Engineering Material Co., Ltd.*	152.50
Jiangsu Jiuding New Material Ltd.*	152.50

⁴ See *Countervailing Duty Investigation of Certain Biaxial Integral Geogrid Products from the People’s Republic of China: Preliminary Determination and Alignment of Final Determination with Final Antidumping Duty Determination*, 81 FR 41292 (June 24, 2016).

Lewu New Material Ltd.*	152.50
Nanjing Jinlu Geosynthetics Ltd.*	152.50
Nanjing Kunchi Composite Material Ltd.*	152.50
Nanyang Jieda Geosynthetics Co., Ltd.*	152.50
Qingdao Hongda Plastics Corp.*	152.50
Shandong Dexuda Geosynthetics Ltd.*	152.50
Shandong Haoyang New Engineering Materials Co., Ltd.*	152.50
Shandong Tongfa Glass Fiber Ltd.*	152.50
Shandong Xinyu Geosynthetics Ltd.*	152.50
Tai'an Haohua Plastics Co., Ltd.*	152.50
Taian Hengbang Engineering Material Co., Ltd.*	152.50
Taian Naite Geosynthetics Ltd.*	152.50
Taian Road Engineering Materials Co., Ltd.*	152.50
Tenax*	152.50
Hengshui Zhongtiejian Group Co.*	152.50
Qingdao Sunrise Dageng Import and Export Co., Ltd.*	152.50

Provisional Measures

Section 733(d) of the Act states that instructions issued pursuant to an affirmative preliminary determination may not remain in effect for more than four months. In the underlying investigation, the Department published the *Preliminary Determination* on June 24, 2016. Therefore, the four-month period beginning on the date of the publication of the *Preliminary Determination* ended on October 22, 2016. Furthermore, section 737(b) of the Act states that definitive duties are to begin on the date of publication of the ITC's final injury determination.

Therefore, in accordance with section 733(d) of the Act and our practice, we instructed CBP to terminate the suspension of liquidation and to liquidate, without regard to antidumping duties, unliquidated entries of geogrids from the PRC entered, or withdrawn from warehouse, for consumption after October 22, 2016, the date the provisional measures expired, until and through the day preceding the date of publication of the ITC's final injury determination in the *Federal*

Register. Suspension of liquidation will resume on the date of publication of the ITC's final determination in the *Federal Register*.

Critical Circumstances

With regard to the ITC's negative critical circumstances determination on imports of geogrids from the PRC, we will instruct CBP to lift suspension and to refund any cash deposits made to secure the payment of estimated countervailing duties with respect to geogrids from the PRC entered, or withdrawn from warehouse, for consumption on or after March 26, 2016 (*i.e.*, 90 days prior to the date of the publication of the CVD *Preliminary Determination*), but before June 24, 2016 (*i.e.*, the date of publication of the CVD *Preliminary Determination*).

Notifications to Interested Parties

This notice constitutes the countervailing duty order with respect to geogrids from the PRC pursuant to section 706(a) of the Act. Interested parties can find a list of antidumping duty orders currently in effect at <http://enforcement.trade.gov/stats/iastats1.html>.

This order is issued and published in accordance with section 706(a) of the Act and 19 CFR 351.211(b).

Dated: February 24, 2017

Ronald K. Lorentzen
Acting Assistant Secretary
for Enforcement and Compliance

Appendix

The products covered by the scope are certain biaxial integral geogrid products. Biaxial integral geogrid products are a polymer grid or mesh material (whether or not finished, slit, cut-to-length, attached to woven or non-woven fabric or sheet material, or packaged) in which four-sided openings in the form of squares, rectangles, rhomboids, diamonds, or other four-sided figures predominate. The products covered have integral strands that have been stretched to induce molecular orientation into the material (as evidenced by the strands being thinner in width toward the middle between the junctions than at the junctions themselves) constituting the sides of the openings and integral junctions where the strands intersect. The scope includes products in which four-sided figures predominate whether or not they also contain additional strands intersecting the four-sided figures and whether or not the inside corners of the four-sided figures are rounded off or not sharp angles. As used herein, the term “integral” refers to strands and junctions that are homogenous with each other. The products covered have a tensile strength of greater than 5 kilonewtons per meter (kN/m) according to American Society for Testing and Materials (ASTM) Standard Test Method D6637/D6637M in any direction and average overall flexural stiffness of more than 100,000 milligram-centimeter according to the ASTM D7748/D7748M Standard Test Method for Flexural Rigidity of Geogrids, Geotextiles and Related Products, or other equivalent test method standards.

Subject merchandise includes material matching the above description that has been finished, packaged, or otherwise further processed in a third country, including by trimming, slitting, coating, cutting, punching holes, stretching, attaching to woven or non-woven fabric or sheet material, or any other finishing, packaging, or other further processing that would not otherwise remove the merchandise from the scope of the investigations if performed in the country of manufacture of the biaxial integral geogrid.

The products subject to the scope are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under the following subheading: 3926.90.9995. Subject merchandise may also enter under subheadings 3920.20.0050 and 3925.90.0000. The HTSUS subheadings set forth above are provided for convenience and U.S. Customs purposes only. The written description of the scope is dispositive.

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