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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-916]

Laminated Woven Sacks from the People's Republic of China: Preliminary Results of the Antidumping Duty Administrative Review; 2018-2019

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

SUMMARY: The Department of Commerce (Commerce) preliminarily finds that 20 companies subject to the administrative review of the antidumping duty (AD) order on laminated woven sacks (LWS) from the People's Republic of China (China) are part of the China-wide entity because none filed a separate rate application (SRA) or separate rate certification (SRC). The period of review (POR) is August 1, 2018 through July 31, 2019. Interested parties are invited to comment on these preliminary results.

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

FOR FURTHER INFORMATION CONTACT: Kabir Archuletta, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2593.

SUPPLEMENTARY INFORMATION:

[Background](#)

On August 2, 2019, Commerce published a notice of opportunity to request an administrative review of the AD order on LWS from China.¹

Pursuant to a request from Laminated Woven Sacks Fair Trade Coalition and its individual members, Polytex Fibers Corporation and ProAmpac Holdings Inc. (collectively, the petitioners),² Commerce initiated an administrative review with respect to 20 companies: Cangnan Color Make The Bag, Changle Baodu Plastic Co., Ltd., First Way (H.K.) Limited, Han Shing Chemical Co., Ltd., Jiangsu Hotson Plastics Co., Ltd., Ningbo Yong Feng Packaging Co., Ltd., Polywell Industrial Co., Polywell Plastic Product Factory, Shandong Longxing Plastic Products Company Ltd., Shandong Qikai Plastics Product Co., Ltd., Shandong Qilu Plastic Fabric Group, Ltd., Shandong Shouguang Jianyuan Chun Co., Ltd., Shandong Youlian Co., Ltd., Wenzhou Hotson Plastics Co., Ltd., Zibo Aifudi Plastic Packaging Co., Ltd., Zibo Linzi Luitong Plastic Fabric Co., Ltd., Zibo Linzi Qitianli Plastic Fabric Co., Ltd., Zibo Linzi Shuaiqiang Plastics Co., Ltd., Zibo Linzi Worun Packing Product Co., Ltd., and Zibo Qigao Plastic Cement Co., Ltd.³ The deadline for interested parties to submit an SRA or an SRC was November 6, 2019.⁴ No party submitted an SRA or an SRC.⁵

Scope of the Order

The product covered by this order is laminated woven sacks. Laminated woven sacks are bags or sacks consisting of one or more plies of fabric consisting of woven polypropylene strip

¹ See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 84 FR 37834 (August 2, 2019).

² See Petitioners' Letter, "Laminated Woven Sacks from the People's Republic of China: Request for Antidumping Administrative Review," dated August 30, 2019.

³ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 84 FR 53411 (October 7, 2019) (*Initiation Notice*).

⁴ See *Initiation Notice*, 84 FR at 53413 ("Separate Rate Certifications are due to Commerce no later than 30 calendar days after publication of this *Federal Register* notice. . . . Separate Rate Status Applications are due to Commerce no later than 30 calendar days of publication of this *Federal Register* notice").

⁵ *Id.*

and/or woven polyethylene strip, regardless of the width of the strip; with or without an extrusion coating of polypropylene and/or polyethylene on one or both sides of the fabric; laminated by any method either to an exterior ply of plastic film such as biaxially-oriented polypropylene (BOPP) or to an exterior ply of paper that is suitable for high quality print graphics. Effective July 1, 2007, laminated woven sacks are classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 6305.33.0050 and 6305.33.0080. Laminated woven sacks were previously classifiable under HTSUS subheading 6305.33.0020. The HTSUS subheadings are provided for convenience and customs purposes only; the written product description of the scope of the order is dispositive. For a full description of the scope of the order, *see* the appendix to this notice.

Methodology

Commerce is conducting this administrative review in accordance with section 751(a)(1)(B) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.213.

Preliminary Results of Review

Commerce no longer considers the non-market economy (NME) entity as an exporter conditionally subject to an AD administrative review.⁶ Accordingly, the NME entity will not be under review unless Commerce specifically receives a request for, or self-initiates, a review of the NME entity.⁷ Commerce considers China to be a NME country⁸ and, in accordance with

⁶ *See Antidumping Proceedings: Announcement of Change in Department Practice for Respondent Selection in Antidumping Duty Proceedings and Conditional Review of the Non-Market Economy Entity in NME Antidumping Duty Proceedings*, 78 FR 65963, 65970 (November 4, 2013).

⁷ In accordance with 19 CFR 351.213(b)(1), parties should specify that they are requesting a review of entries from exporters comprising the entity, and to the extent possible, include the names of such exporters in their requests.

⁸ *See Antidumping Duty Investigation of Certain Aluminum Foil from the People's Republic of China: Affirmative Preliminary Determination of Sales at Less-Than-Fair-Value and Postponement of Final Determination*, 82 FR 50858, 50861 (November 2, 2017) (citing Memorandum, "China's Status as a Non-Market Economy," dated October 26, 2017), unchanged in *Certain Aluminum Foil from the People's Republic of China: Final Determination*

section 771(18)(C)(i) of the Act, we continue to treat China as a NME country for purposes of this administrative review. In this administrative review, no party requested a review of the China-wide entity and we have not self-initiated a review of the China-wide entity. Because no review of the China-wide entity is being conducted, the China-wide entity's entries are not subject to the review and the rate applicable to the NME entity is not subject to change as a result of this review.

In proceedings involving NME countries, such as China, Commerce maintains a rebuttable presumption that the export activities of all companies within the country are subject to government control.⁹ It is Commerce's policy to assign all exporters of the subject merchandise from an NME country a single rate unless an exporter can affirmatively demonstrate an absence of government control, both in law (*de jure*) and in fact (*de facto*), with respect to exports.¹⁰ In the *Initiation Notice*, Commerce notified parties of the application process by which companies may obtain separate rate status in NME proceedings.¹¹ To demonstrate separate rate eligibility, Commerce normally requires a company for which a review was requested, and which was assigned a separate rate in the most recent segment of the proceeding in which the company participated, to submit an SRC stating that it continues to meet the criteria for obtaining a separate rate.¹² For a company that was not assigned a separate rate in a previous segment of the proceeding, however, Commerce requires an SRA to demonstrate

of Sales at Less Than Fair Value, 83 FR 9282 (March 5, 2018), and accompanying Issues and Decision Memorandum at Comment 1.

⁹ See Policy Bulletin 05.1, Separate-Rates Practice and Application of Combination Rates in Antidumping Investigations involving Non-Market Economy Countries, dated April 15, 2005, available at <https://enforcement.trade.gov/policy/bull05-1.pdf>.

¹⁰ *Id.*

¹¹ See *Initiation Notice*, 84 FR at 53412-13.

¹² *Id.*

separate rate eligibility.¹³ The deadline for interested parties to submit an SRA or SRC in this administrative review was November 6, 2019.¹⁴ None of the 20 companies subject to this review filed an SRA or SRC. Commerce preliminarily determines that these companies have not demonstrated their eligibility for separate rate status. As such, Commerce also preliminarily determines that the companies subject to review are part of the China-wide entity. The China-wide entity rate is 91.73 percent.¹⁵

Public Comment

Interested parties are invited to comment on these preliminary results and may submit case briefs and/or written comments, filed electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS) within 30 days after the date of publication of these preliminary results of review.¹⁶ ACCESS is available to registered users at <http://access.trade.gov>. Rebuttal briefs, limited to issues raised in the case briefs, must be filed within seven days after the time limit for filing case briefs.¹⁷ Parties who submit case or rebuttal briefs in this proceeding are requested to submit with each argument a statement of the issue, a brief summary of the argument, and a table of authorities.¹⁸

¹³ *Id.*

¹⁴ *Id.*

¹⁵ See *Laminated Woven Sacks from the People's Republic of China: Notice of Court Decision Not in Harmony with Final Determination Under Section 129 of the Uruguay Round Agreements Act*, 81 FR 23457 (April 21, 2016); see also *Notice of Antidumping Duty Order: Laminated Woven Sacks from the People's Republic of China*, 73 FR 45941 (August 7, 2008); *Implementation of Determinations Under Section 129 of the Uruguay Round Agreements Act: Certain New Pneumatic Off-the-Road Tires; Circular Welded Carbon Quality Steel Pipe; Laminated Woven Sacks; and Light-Walled Rectangular Pipe and Tube from the People's Republic of China*, 77 FR 52683 (August 30, 2012).

¹⁶ See 19 CFR 351.309(c)(1)(ii).

¹⁷ See 19 CFR 351.309(d)(1) and (2); see also *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19*, 85 FR 17006 (March 26, 2020) (*Temporary Rule*) ("To provide adequate time for release of case briefs via ACCESS, E&C intends to schedule the due date for all rebuttal briefs to be 7 days after case briefs are filed (while these modifications are in effect)").

¹⁸ See 19 CFR 351.309(c)(2) and 351.309(d)(2).

Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until May 19, 2020, unless extended.¹⁹

Interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request to Commerce within 30 days of the date of publication of this notice.²⁰

Hearing requests should contain: (1) the party's name, address, telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case and rebuttal briefs.²¹ If a request for a hearing is made, parties will be notified of the time and date for the hearing to be held at the U.S.

Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.²²

Unless otherwise extended, Commerce intends to issue the final results of this administrative review, which will include the results of its analysis of all issues raised in the case briefs, within 120 days of the publication of these preliminary results, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

Upon issuance of the final results of this review, Commerce will determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries of subject merchandise covered by this review.²³ We intend to instruct CBP to liquidate entries containing subject merchandise exported by the companies under review that we determine in the final results to be part of the China-wide entity at the China-wide entity rate of 91.73 percent.

¹⁹ See *Temporary Rule*.

²⁰ See 19 CFR 351.310(c).

²¹ *Id.*

²² See 19 CFR 351.310(d)(1).

²³ See 19 CFR 351.212(b)(1).

Commerce intends to issue assessment instructions to CBP 15 days after the date of publication of the final results of this review in the *Federal Register*.²⁴

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this review for shipments of the subject merchandise from China entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by sections 751(a)(2)(C) of the Act: (1) for previously investigated or reviewed Chinese and non-Chinese exporters not listed above that received a separate rate in a prior segment of this proceeding, the cash deposit rate will continue to be the existing exporter-specific rate; (2) for all Chinese exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be that for the China-wide entity (*i.e.*, 91.73 percent); and (3) for all non-Chinese exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the Chinese exporter that supplied that non-Chinese exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a reminder to importers of their responsibility under 19 CFR 315.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Notification to Interested Parties

²⁴ For a full discussion of this practice, see *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694 (October 24, 2011).

We are issuing and publishing these preliminary results in accordance with sections 751(a)(1) and 777(i) of the Act, and 19 CFR 351.213(h) and 351.221(b)(4).

Dated: April 10, 2020.

Jeffrey I. Kessler,

Assistant Secretary

for Enforcement and Compliance.

Appendix

Scope of the Order

The merchandise covered by the order is laminated woven sacks. Laminated woven sacks are bags or sacks consisting of one or more plies of fabric consisting of woven polypropylene strip and/or woven polyethylene strip, regardless of the width of the strip; with or without an extrusion coating of polypropylene and/or polyethylene on one or both sides of the fabric; laminated by any method either to an exterior ply of plastic film such as biaxially-oriented polypropylene (“BOPP”) or to an exterior ply of paper that is suitable for high quality print graphics²⁵; printed with three colors or more in register; with or without lining; whether or not closed on one end; whether or not in roll form (including sheets, lay-flat tubing, and sleeves); with or without handles; with or without special closing features; not exceeding one kilogram in weight. Laminated woven sacks are typically used for retail packaging of consumer goods such as pet foods and bird seed.

Effective July 1, 2007, laminated woven sacks are classifiable under Harmonized Tariff Schedule of the United States (“HTSUS”) subheadings 6305.33.0050 and 6305.33.0080. Laminated woven sacks were previously classifiable under HTSUS subheading 6305.33.0020. Laminated woven sacks are also classifiable under HTSUS 6305.33.0040. If entered with plastic coating on both sides of the fabric consisting of woven polypropylene strip and/or woven polyethylene strip, laminated woven sacks may be classifiable under HTSUS subheadings 3923.21.0080, 3923.21.0095, and 3923.29.0000. If entered not closed on one end or in roll form (including sheets, lay-flat tubing, and sleeves), laminated woven sacks may be classifiable under other HTSUS subheadings including 3917.39.0050, 3921.90.1100, 3921.90.1500, and 5903.90.2500. If the polypropylene strips and/or polyethylene strips making up the fabric measure more than 5 millimeters in width, laminated woven sacks may be classifiable under other HTSUS subheadings including 4601.99.0500, 4601.99.9000, and 4602.90.0000. Although HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the order is dispositive.

²⁵ “Paper suitable for high quality print graphics,” as used herein, means paper having an ISO brightness of 82 or higher and a Sheffield Smoothness of 250 or less. Coated free sheet is an example of a paper suitable for high quality print graphics.

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