



DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-131]

Twist Ties from the People's Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value

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

SUMMARY: The Department of Commerce (Commerce) determines twist ties from the People's Republic of China (China) are being, or are likely to be, sold in the United States at less than fair value (LTFV). The period of investigation is October 1, 2019, through March 31, 2020.

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

FOR FURTHER INFORMATION CONTACT: Alex Wood, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1959.

SUPPLEMENTARY INFORMATION:

Background

This final determination is made in accordance with section 735(a) of the Tariff Act of 1930, as amended (the Act). On December 10, 2020, Commerce published in the *Federal Register* its preliminary affirmative determination of sales at LTFV of twist ties from China.¹ On December 10, 2020, Commerce published in the *Federal Register* its preliminary affirmative determination of sales at LTFV in the antidumping duty (AD) investigation of twist ties from China.² We invited interested parties to comment on the *Preliminary Determination*. On

¹ See *Twist Ties from the People's Republic of China: Preliminary Affirmative Determination of Sales at Less Than Fair Value*, 85 FR 79468 (December 10, 2020) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum (PDM).

² See *Twist Ties from the People's Republic of China: Preliminary Affirmative Determination of Sales at Less Than Fair Value*, 85 FR 79468 (December 10, 2020) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum (PDM).

January 11, 2021, we received a case brief from Tianjin Kyoei Packaging Supplies Co., Ltd. (Kyoei).³ On January 19, 2021, we received a rebuttal brief from Bedford Industries, Inc. (the petitioner).⁴

For a complete description of the events that followed the *Preliminary Determination*, as well as a full discussion of the issues raised by parties for this final determination, *see* the Issues and Decision Memorandum.⁵ The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

Scope of the Investigation

The products covered by this investigation are twist ties from China. For a complete description of the scope of this investigation, *see* Appendix I to this notice.

Scope Comments

During the course of this and the concurrent countervailing duty (CVD) investigation, Commerce received scope comments from interested parties. Commerce issued a Preliminary Scope Decision Memorandum to address these comments and invited parties to comment on this memorandum.⁶ No interested party submitted comments on the Preliminary Scope Decision Memorandum. Therefore, for this final determination, the scope of this investigation remains unchanged from that published in the *Preliminary Determination*.

³ *See* Kyoei's Letter, "Twist Ties from the People's Republic of China: Kyoei's Case Brief," dated January 11, 2021.

⁴ *See* Petitioner's Letter, "Antidumping Duty Investigation of Twist Ties from China; Preliminary Determination - Petitioner's Rebuttal Case Brief," dated January 19, 2021.

⁵ *See* Memorandum, "Issues and Decision Memorandum for the Final Affirmative Determination in the Less-Than-Fair-Value Investigation of Twist Ties from the People's Republic of China," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

⁶ *See* Memorandum, "Antidumping and Countervailing Duty Investigations of Twist Ties from the People's Republic of China: Scope Comments Decision Memorandum for the Preliminary Determinations," dated November 23, 2020 (Preliminary Scope Decision Memorandum).

Analysis of Comments Received

All issues raised in the case brief submitted by Kyohei in this investigation are addressed in the Issues and Decision Memorandum. A list of the issues addressed in the Issues and Decision Memorandum is attached to this notice at Appendix II.

China-Wide Entity

For the reasons explained in the *Preliminary Determination*, we are continuing to find that the use of adverse facts available (AFA), pursuant to sections 776(a) and (b) of the Act, is appropriate and are applying a rate based entirely on AFA to the China-wide entity.⁷ The China-wide entity includes mandatory respondents Zhenjiang Hongda Commodity Co., Ltd. (Zhenjiang Hongda) and Zhenjiang Zhonglian I/E Co., Ltd. (Zhenjiang Zhonglian).⁸ These companies failed to respond to Commerce's requests for information and withdrew from participation in this investigation. As these non-responsive companies did not demonstrate that they are eligible for separate rate status, Commerce continues to consider them to be part of the China-wide entity. Consequently, we continue to find that the China-wide entity, which includes these non-responsive companies, withheld requested information, significantly impeded this proceeding, and failed to cooperate to the best of its ability.

China-Wide Rate

We continue to find that the use of AFA, pursuant to sections 776(a) and (b) of the Act, is warranted in determining the rate for the China-wide entity.⁹ In selecting the AFA rate for the China-wide entity, Commerce's practice is to select a rate that is sufficiently adverse to ensure that the uncooperative party does not obtain a more favorable result by failing to cooperate than

⁷ See *Preliminary Determination* PDM at 9-13.

⁸ See Memorandum, "Less-Than-Fair-Value Investigation of Twist Ties from the People's Republic of China: Respondent Selection," dated August 17, 2020; and Zhenjiang Hongda and Zhenjiang Zhonglian's Letter, "Twist Ties from the People's Republic of China: Withdrawal of Zhenjiang Hongda and Zhenjiang Zhonglian from the Antidumping Duty Investigation and Counsel's Certification of Compliance with the Terms of the APO," dated August 24, 2020.

⁹ The China-wide entity includes those companies who did not submit a separate rate application, and those companies Commerce determined were ineligible to receive a separate rate.

if it had fully cooperated.¹⁰ Specifically, it is Commerce’s practice to select, as an AFA rate, the higher of: (a) the highest dumping margin alleged in the petition; or (b) the highest calculated dumping margin of any respondent in the investigation.¹¹ There are no respondents for which we are calculating a separate dumping margin for the final determination. Therefore, the highest (and only) rate on the record of the proceeding is the rate found in the Petition,¹² which is the only information reasonably at Commerce’s disposal to determine a rate that is sufficiently adverse to induce cooperation.¹³

Thus, as AFA, Commerce assigned to the China-wide entity the rate of 72.96 percent, which is the sole dumping margin alleged in the Petition.¹⁴

Separate Rates

For the final determination, we continue to find that the evidence placed on the record of this investigation by Kyoei and Rongfa Plastic Products Co., Ltd. (also known as Zhenjiang Rongfa Plastic Co., Ltd) (Rongfa)¹⁵ demonstrates an absence of *de jure* and *de facto* government control. Accordingly, consistent with the *Preliminary Determination*, Commerce continues to assign Kyoei and Rongfa a separate rate, which is the petition rate because it is the only rate

¹⁰ See, e.g., *Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Purified Carboxymethyl Cellulose from Finland*, 69 FR 77216 (December 27, 2004), unchanged in *Notice of Final Determination of Sales at Less Than Fair Value: Purified Carboxymethyl Cellulose from Finland*, 70 FR 28279 (May 17, 2005).

¹¹ See *Silicon Metal from Australia: Affirmative Final Determination of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances in Part*, 83 FR 9839 (March 8, 2018), and accompanying Issues and Decision Memorandum (IDM) at Comment 1.

¹² See Petitioner’s Letter, “Petition for the Imposition of Antidumping and Countervailing Duties on Twist Ties from China,” dated June 26, 2020 (the Petition).

¹³ See, e.g., *Sodium Gluconate, Gluconic Acid, and Derivative Products from the People’s Republic of China: Preliminary Determination of Sales at Less Than Fair Value*, 83 FR 31949 (July 10, 2018), and accompanying PDM, unchanged in *Sodium Gluconate, Gluconic Acid, and Derivative Products from the People’s Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value*, 83 FR 47876 (September 21, 2018), and accompanying IDM; and *Certain Hardwood Plywood Products from the People’s Republic of China: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Preliminary Affirmative Determination of Critical Circumstances, in Part*, 82 FR 28629 (June 23, 2017), and accompanying PDM at pages 31-32, revised in *Certain Hardwood Plywood Products from the People’s Republic of China: Final Determination of Sales at Less Than Fair Value, and Final Affirmative Determination of Critical Circumstances, in Part*, 82 FR 53460 (November 16, 2017) (calculating a higher rate than the highest Petition rate to apply as the AFA rate in the final determination).

¹⁴ See Petition; and *Twist Ties from the People’s Republic of China: Initiation of Less-Than-Fair-Value Investigation*, 85 FR 45161 (July 27, 2020) (*Initiation Notice*), and accompanying Antidumping Duty Investigation Initiation Checklist.

¹⁵ See Kyoei’s Letter, “Twist Ties from the People’s Republic of China: Separate Rate Application,” dated September 2, 2020; and Rongfa’s Letter, “Rongfa Separate Rate Application: Antidumping Duty Investigation of Twist Ties from the People’s Republic of China (A-570-131),” dated September 2, 2020.

available on the record of this proceeding. For a full description of the methodology underlying Commerce’s final determination, *see* the Issues and Decision Memorandum.

Combination Rates

In the *Initiation Notice*, Commerce stated that it would calculate producer/exporter combination rates for the respondents that are eligible for a separate rate in this investigation.¹⁶ Policy Bulletin 05.1 describes this practice.¹⁷ Accordingly, we have assigned combination rates to certain companies, as provided in the “Final Determination” section below. Because Commerce determined that the mandatory respondents originally selected are not eligible for separate rate status and, thus, should be considered part of the China-wide entity and assigned, as AFA, the petition rate to the China-wide entity, Commerce did not calculate producer/exporter combination rates for those respondents.

Final Determination

Commerce determines that twist ties from China are being, or are likely to be, sold in the United States at LTFV, and that the following dumping margins exist:

Exporter	Producer	Estimated Weighted-Average Dumping Margin (percent)	Cash deposit rate (adjusted for subsidy offsets) (percent)
Rongfa Plastic Products Co., Ltd. (also known as Zhenjiang Rongfa Plastic Co., Ltd)	Rongfa Plastic Products Co., Ltd. (also known as Zhenjiang Rongfa Plastic Co., Ltd)	72.96	62.42
Tianjin Kyoei Packaging Supplies Co., Ltd.	Tianjin Kyoei Packaging Supplies Co., Ltd.	72.96	62.42
China-wide Entity ¹⁸		72.96	62.42

¹⁶ See *Initiation Notice*, 85 FR at 45164.

¹⁷ See Enforcement and Compliance’s Policy Bulletin No. 05.1, regarding, “Separate-Rates Practice and Application of Combination Rates in Antidumping Investigations involving Non-Market Economy Countries,” (April 5, 2005) (Policy Bulletin 05.1), available at <http://enforcement.trade.gov/policy/bull05-1.pdf>.

¹⁸ The China-wide Entity includes Zhenjiang Hongda and Zhenjiang Zhonglian.

Disclosure

Normally, Commerce discloses to interested parties the calculations performed in connection with a final determination within five days of any public announcement or, if there is no public announcement, within five days of the date of publication of the notice of final determination in the *Federal Register*, in accordance with 19 CFR 351.224(b). However, because Commerce applied AFA to the China-wide entity (which includes the companies subject to individual examination) in this investigation, in accordance with section 776 of the Act, and the applied AFA rate, as well as the separate rate, are based solely on the Petition, there are no calculations to disclose.

Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, we will direct U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of all entries of twist ties from China, as described in Appendix I of this notice, which were entered, or withdrawn from warehouse, for consumption on or after December 10, 2020, the date of publication in the *Federal Register* of the affirmative *Preliminary Determination*.

Pursuant to section 735(c)(1)(B)(ii) of the Act, upon the publication of this notice, Commerce will instruct CBP to require a cash deposit equal to the weighted-average amount by which normal value exceeds U.S. price as follows: (1) the cash deposit rate for the exporter/producer combination listed in the table above will be the rate identified for that combination; (2) for all combinations of producers/exporters of merchandise under consideration that have not received their own separate rate, the cash deposit rate will be the cash deposit rate established for the China-wide entity; and (3) for all non-Chinese exporters of the merchandise under consideration which have not received their own separate rate, the cash deposit rate will be the cash deposit rate applicable to the Chinese exporter/producer combination that supplied that non-Chinese exporter.

To determine the cash deposit rate, Commerce normally adjusts the estimated weighted-average dumping margin by the amount of domestic subsidy pass-through and export subsidies determined in a companion CVD proceeding where appropriate. Accordingly, because Commerce made a final affirmative determination for export subsidies in the companion CVD investigation, we offset the calculated estimated weighted-average dumping margins by the appropriate export subsidy rates¹⁹ as indicated in the above chart. These suspension-of-liquidation instructions will remain in effect until further notice.

International Trade Commission Notification

In accordance with section 735(d) of the Act, we will notify the International Trade Commission (ITC) of the final affirmative determination of sales at LTFV. Because Commerce's final determination is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports or sales (or the likelihood of sales) for importation of twist ties from China, no later than 45 days after this final determination. If the ITC determines that such injury does not exist, this proceeding will be terminated and all cash deposits posted will be refunded. If the ITC determines that such injury does exist, Commerce will issue an antidumping duty order directing CBP to assess, upon further instruction by Commerce, antidumping duties on all imports of twist ties from China entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation, as discussed above in the "Continuation of Suspension of Liquidation" section.

Notification Regarding Administrative Protective Orders

This notice will serve as a final reminder to the parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information

¹⁹ The export subsidy rate determined in the final determination of the companion CVD investigation is 10.54 percent. See *Twist Ties from the People's Republic of China: Final Affirmative Countervailing Duty Determination* (unpublished and dated concurrently with this memorandum); unchanged from *Twist Ties From the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination With Final Antidumping Duty Determination*, 85 FR 77167 (December 1, 2020), and accompanying PDM at 13-14.

disclosed under APO in accordance with 19 CFR 351.305. Timely written notification of return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

Notification to Interested Parties

This determination is issued and published pursuant to sections 735(d) and 777(i)(1) of the Act, and 19 CFR 351.210(c).

Dated: February 16, 2021.

Christian Marsh,
Acting Assistant Secretary for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The merchandise covered by this investigation consists of twist ties, which are thin, bendable ties for closing containers, such as bags, bundle items, or identifying objects. A twist tie in most circumstances is comprised of one or more metal wires encased in a covering material, which allows the tie to retain its shape and bind against itself. However, it is possible to make a twist tie with plastic and no metal wires. The metal wire that is generally used in a twist tie is stainless or galvanized steel and typically measures between the gauges of 19 (.0410" diameter) and 31 (.0132") (American Standard Wire Gauge). A twist tie usually has a width between .075" and 1" in the cross-machine direction (width of the tie – measurement perpendicular with the wire); a thickness between .015" and .045" over the wire; and a thickness between .002" and .020" in areas without wire. The scope includes an all-plastic twist tie containing a plastic core as well as a plastic covering (the wing) over the core, just like paper and/or plastic in a metal tie. An all-plastic twist tie (without metal wire) would be of the same measurements as a twist tie containing one or more metal wires. Twist ties are commonly available individually in pre-cut lengths ("singles"), wound in large spools to be cut later by machine or hand, or in perforated sheets of spooled or single twist ties that are later slit by machine or by hand ("gangs").

The covering material of a twist tie may be paper (metallic or plain), or plastic, and can be dyed in a variety of colors with or without printing. A twist tie may have the same covering material on both sides or one side of paper and one side of plastic. When comprised of two sides of paper, the paper material is bound together with an adhesive or plastic. A twist tie may also have a tag or label attached to it or a pre-applied adhesive attached to it.

Excluded from the scope of the investigation are twist ties packaged with bags for sale together where the quantity of twist ties does not exceed twice the number of bags in each package. Also excluded are twist ties that constitute part of the packaging of the imported product, for example, merchandise anchored/secured to a backing with twist ties in the retail package or a bag of bread that is closed with a twist tie.

Twist ties are imported into the United States under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 8309.90.0000 and 5609.00.3000. Subject merchandise may also enter under HTSUS subheadings 3920.51.5000, 3923.90.0080, 3926.90.9990, 4811.59.6000, 4821.10.2000, 4821.10.4000, 4821.90.2000, 4821.90.4000, and 4823.90.8600. These HTSUS subheadings are provided for reference only. The written description of the scope of the investigation is dispositive.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum:

- I. Summary
- II. Background
- III. Scope of the Investigation
- IV. Discussion of the Issues
 - Comment 1: Determining the Separate Rate
 - Comment 2: Respondent Selection
- V. Recommendation

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