



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-208]

Polypropylene Corrugated Boxes from the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination, and Alignment of Final Determination with Final Antidumping Duty Determination

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

SUMMARY: The U.S. Department of Commerce (Commerce) preliminarily determines that countervailable subsidies are being provided to producers and exporters of polypropylene corrugated boxes (corrugated boxes) from the People's Republic of China (China). The period of investigation is January 1, 2024, through December 31, 2024. Interested parties are invited to comment on this preliminary determination.

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

FOR FURTHER INFORMATION CONTACT: Rachel Accorsi or Shane Subler, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3149 or (202) 482-6241, respectively.

SUPPLEMENTARY INFORMATION:

Background

This preliminary determination is made in accordance with section 703(b) of the Tariff Act of 1930, as amended (the Act). Commerce published the notice of initiation of this

investigation on April 14, 2025.¹ On May 30, 2025, Commerce postponed the preliminary determination of this investigation and the revised deadline is now August 15, 2025.² For a complete description of the events that followed the initiation of this investigation, *see* the Preliminary Decision Memorandum.³ A list of topics discussed in the Preliminary Decision Memorandum is included as Appendix II to this notice. The Preliminary 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 <https://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Scope of the Investigation

The product covered by this investigation is corrugated boxes from China. For a complete description of the scope of this investigation, *see* Appendix I.

Scope Comments

In accordance with the *Preamble* to Commerce's regulations,⁴ the *Initiation Notice* set aside a period of time for parties to raise issues regarding product coverage, (*i.e.*, scope).⁵ No interested party commented on the scope of the investigation as it appeared in the *Initiation Notice*. Therefore, the scope of the investigation is unchanged from the *Initiation Notice*.

Methodology

Commerce is conducting this investigation in accordance with section 701 of the Act. For each of the subsidy programs found countervailable, Commerce preliminarily determines

¹ *See Polypropylene Corrugated Boxes from the People's Republic of China: Initiation of Countervailing Duty Investigation*, 90 FR 15555 (April 14, 2025) (*Initiation Notice*); *see also Less-Than-Fair Value and Countervailing Duty Investigations of Fiberglass Door Panels and Polypropylene Corrugated Boxes From the People's Republic of China; Correction*, 90 FR 21455 (May 20, 2025).

² *See Polypropylene Corrugated Boxes from the People's Republic of China: Postponement of Preliminary Determination of Countervailing Duty Investigation*, 90 FR 23028 (May 30, 2025).

³ *See* Memorandum, "Decision Memorandum for the Preliminary Affirmative Determination of the Countervailing Duty Investigation of Polypropylene Corrugated Boxes from the People's Republic of China," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁴ *See Antidumping Duties; Countervailing Duties, Final Rule*, 62 FR 27296, 27323 (May 19, 1997) (*Preamble*).

⁵ *See Initiation Notice*.

that there is a subsidy, *i.e.*, a financial contribution by an “authority” that gives rise to a benefit to the recipient, and that the subsidy is specific.⁶ For a full description of the methodology underlying our preliminary determination, *see* the Preliminary Decision Memorandum.

Commerce notes that, in making these findings, it relied on facts available and, because we find that one or more respondents did not act to the best of their ability to respond to Commerce’s requests for information, we drew an adverse inference where appropriate in selecting from among the facts otherwise available.⁷ For further information, *see* the “Use of Facts Otherwise Available and Adverse Inferences” section in the Preliminary Decision Memorandum.

Alignment

As noted in the Preliminary Decision Memorandum, in accordance with section 705(a)(1) of the Act and 19 CFR 351.210(b)(4), Commerce is aligning the final determination in this investigation with the final determination in the companion less-than-fair-value (LTFV) investigation of corrugated boxes from China based on a request made by the petitioners.⁸ Consequently, this final determination will be issued on the same date as the final LTFV determination, which is currently scheduled to be issued no later than November 10, 2025, unless postponed.

All-Others Rate

Sections 703(d) and 705(c)(5)(A) of the Act provide that in the preliminary determination, Commerce shall determine an estimated all-others rate for companies not individually examined. This rate shall be an amount equal to the weighted average of the estimated subsidy rates established for those companies individually examined, excluding any zero and *de minimis* rates and any rates based entirely under section 776 of the Act. Pursuant to

⁶ *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

⁷ *See* sections 776(a) and (b) of the Act.

⁸ *See* Petitioners’ Letter, “Petitioners’ Request to Align Final Countervailing Duty Determination With the Companion Antidumping Duty Final Determination on Imports from China,” dated August 8, 2025.

section 705(c)(5)(A)(ii) of the Act, if the individual estimated countervailable subsidy rates established for all exporters and producers individually examined are zero, *de minimis*, or determined based entirely on facts otherwise available, Commerce may use any reasonable method to establish the estimated subsidy rate for all other producers or exporters.

In this investigation, all rates are based entirely on adverse facts available (AFA) under section 776 of the Act. This is the only rate available in this proceeding for deriving the all-others rate. Consequently, as a reasonable method, pursuant to sections 703(d) and 705(c)(5)(A)(ii) of the Act, Commerce established the all-others rate by applying the countervailable subsidy rate assigned to the non-responsive companies listed below. For a full description of the methodology underlying Commerce’s analysis, *see* the Preliminary Decision Memorandum.

Preliminary Determination

Commerce preliminarily determines that the following estimated countervailable subsidy rates exist:

Company	Subsidy Rate (percent <i>ad valorem</i>)
Dongguan Jian Xin Plastic Products	199.60*
Jinan Mantis Co Ltd	199.60*
Ningbo Luchen Packaging Technology Co., Ltd.	199.60*
Shandong PPKG I&E Co. Ltd.	199.60*
Suzhou Huiyuan Plastic Products Co.	199.60*
All Others	199.60

* Rate based on facts available with adverse inferences

Suspension of Liquidation

In accordance with section 703(d)(1)(B) and (d)(2) of the Act, Commerce will direct U.S. Customs and Border Protection (CBP) to suspend liquidation of entries of subject merchandise as described in the scope of the investigation section entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the *Federal Register*. Further, pursuant to 19 CFR 351.205(d), Commerce will instruct CBP to require a cash deposit equal to the rates indicated above.

Disclosure

Commerce intends to disclose its calculations and analysis performed to interested parties in this preliminary determination within five days of its public announcement, or if there is no public announcement, within five days of the date of this notice in accordance with 19 CFR 351.224(b).

Consistent with 19 CFR 351.224(e), Commerce will analyze and, if appropriate, correct any timely allegations of significant ministerial errors by amending the preliminary determination. However, consistent with 19 CFR 351.224(d), Commerce will not consider incomplete allegations that do not address the significance standard under 19 CFR 351.224(g) following the preliminary determination. Instead, Commerce will address such allegations in the final determination together with issues raised in the case briefs or other written comments.

Verification

Because the non-responsive companies did not participate in this investigation and because the Government of China did not provide the information Commerce requested, Commerce preliminarily determines each of these parties have been uncooperative, and it will not conduct verification.

Public Comment

Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance no later than 30 days after the date of publication of the preliminary determination. Rebuttal briefs, limited to issues raised in the case briefs, may be filed not later than five days after the date for filing case briefs.⁹ Interested parties who submit case briefs or rebuttal briefs in this proceeding must submit: (1) a table of contents listing each issue; and (2) a table of authorities.¹⁰

⁹ See 19 CFR 351.309(d); see also *Administrative Protective Order, Service, and Other Procedures in Antidumping and Countervailing Duty Proceedings*, 88 FR 67069, 67077 (September 29, 2023) (*APO and Service Final Rule*).

¹⁰ See 19 CFR 351.309(c)(2) and (d)(2)

As provided under 19 CFR 351.309(c)(2) and (d)(2), in prior proceedings we have encouraged interested parties to provide an executive summary of their brief that should be limited to five pages total, including footnotes. In this investigation, we instead request that interested parties provide at the beginning of their briefs a public, executive summary for each issue raised in their briefs.¹¹ Further, we request that interested parties limit their public executive summary of each issue to no more than 450 words, not including citations. We intend to use the public executive summaries as the basis of the comment summaries included in the issues and decision memorandum that will accompany the final determination in this investigation. We request that interested parties include footnotes for relevant citations in the executive summary of each issue. Note that Commerce has amended certain of its requirements pertaining to the service of documents in 19 CFR 351.303(f).¹²

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce within 30 days after the date of publication of this notice. Requests should contain the party's name, address, and telephone number, the number of participants, whether any participant is a foreign national, and a list of the issues to be discussed. Oral presentations at the hearing will be limited to issues raised in the briefs. If a request for a hearing is made, Commerce intends to hold the hearing at a time and date to be determined.¹³ Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

U.S. International Trade Commission (ITC) Notification

In accordance with section 703(f) of the Act, Commerce will notify the ITC of its determination. If the final determination is affirmative, the ITC will determine before the later of

¹¹ We use the term "issue" here to describe an argument that Commerce would normally address in a comment of the Issues and Decision Memorandum.

¹² See *APO and Service Final Rule*.

¹³ See 19 CFR 351.310(d).

120 days after the date of this preliminary determination or 45 days after the final determination whether imports of PCBs from China are materially injuring, or threaten material injury to, the U.S. industry.

Notification to Interested Parties

This determination is issued and published pursuant to sections 703(f) and 777(i) of the Act and 19 CFR 351.205(c).

Dated: August 15, 2025.

Abdelali Elouaradia,

Deputy Assistant Secretary

for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The merchandise covered by this investigation is polypropylene corrugated boxes. Polypropylene corrugated boxes are boxes, bins, totes, or other load-bearing containers made for holding goods, that are made of corrugated polypropylene sheets, also known as polypropylene hollow core sheets, polypropylene fluted sheets, polypropylene twin wall sheets, or multi wall sheets. Such polypropylene sheets are “corrugated,” “fluted,” or “hollow core,” meaning the inside of the sheet contains channels or pockets of air which make the sheets lightweight, while retaining strength and durability. Polypropylene corrugated boxes are typically produced from a plastic resin consisting of 50 percent or more polypropylene. Polypropylene corrugated boxes are covered by the scope irrespective of the particular mix of polypropylene homo-polymer, polypropylene co-polymer, recycled or virgin polypropylene, or ancillary chemicals such as electrostatic agents or flame retardants. Polypropylene corrugated boxes are formed by corrugated polypropylene sheets cut to length, die-cut into specific box shapes, and may be cut or scored to allow each side of the box to be folded into shape. Polypropylene corrugated boxes may include a tab or attached portion of polypropylene corrugated sheet (commonly referred to as a “manufacturer’s joint”) that has been cut, slotted, or scored to facilitate the formation of the box by stapling, gluing, welding, or taping the sides together to form a tight seal. One-piece polypropylene corrugated boxes are die-cut or otherwise formed so that the top, bottom, and sides form a single, contiguous unit. Two-piece polypropylene corrugated boxes are those with a folded bottom and a folded top as separate pieces. Multi-piece polypropylene corrugated boxes are those with separate bottoms and tops that are fitted to a single folded piece comprising the sides of the box. Polypropylene corrugated boxes may be printed with ink or digital designs.

The subject merchandise includes polypropylene corrugated boxes with or without handles, with or without lids or tops, with or without reinforcing wire, whether in a one-piece, two-piece, or multi-piece configuration, and whether folded into shape or in an unfolded form. The subject merchandise includes all polypropylene corrugated boxes regardless of size, shape, or dimension. The subject merchandise also includes polypropylene corrugated box lids or tops when imported separately from polypropylene corrugated boxes.

The products subject to this investigation are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under statistical reporting number 3923.10.9000. Although the HTSUS statistical reporting number is provided for convenience and customs purposes, the written description of the merchandise is dispositive.

Appendix II

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Investigation
- IV. Injury Test
- V. Analysis of China's Financial System
- VI. Diversification of China's Economy
- VII. Use of Facts Otherwise Available and Adverse Inferences
- VIII. Recommendation

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