



DEPARTMENT OF COMMERCE

International Trade Administration

[C-552-846]

Thermoformed Molded Fiber Products from the Socialist Republic of Vietnam: Final Affirmative Countervailing Duty Determination and Final Affirmative Critical Circumstances Determination

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

SUMMARY: The U.S. Department of Commerce (Commerce) determines that
countervailable subsidies are being provided to producers and exporters of thermoformed
molded fiber products (molded fiber products) from the Socialist Republic of Vietnam (Vietnam)
during the period of investigation (POI), January 1, 2023, through December 31, 2023.

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

FOR FURTHER INFORMATION CONTACT: Thomas Martin, AD/CVD Operations,
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of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-
3936.

SUPPLEMENTARY INFORMATION:

Background

On March 14, 2025, Commerce published the *Preliminary Determination* of this
countervailing duty (CVD) investigation of molded fiber products from Vietnam, and, in
accordance with section 705(a)(1) of the Tariff Act of 1930, as amended (the Act) and 19 CFR
351.210(b)(3), aligned this CVD investigation with the final determination in the companion

less-than-fair-value (LTFV) investigation.¹ For a complete description of the events that occurred since Commerce published 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.² 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 <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Scope of the Investigation

The merchandise covered by the scope of this investigation is molded fiber products from Vietnam. For a complete description of the scope of this investigation, *see* Appendix I.

Scope Comments

During the course of this investigation, Commerce received scope comments from interested parties.³ Commerce issued a Preliminary Scope Decision Memorandum to address these comments and set aside a period of time for parties to address scope issues in scope-specific case and rebuttal briefs from interested parties.⁴ On June 5, 2025, Commerce received scope case and rebuttal briefs from interested parties.⁵ After analyzing these comments, we

¹ *See Thermoformed Molded Fiber Products from the Socialist Republic of Vietnam: Preliminary Affirmative Countervailing Duty Determination, Preliminary Affirmative Critical Circumstances Determination, and Alignment of Final Determination With Final Antidumping Duty Determination*, 90 FR 12126 (March 14, 2025) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum (PDM).

² *See* Memorandum, “Issues and Decision Memorandum for the Final Affirmative Determination in the Countervailing Duty Investigation of Thermoformed Molded Fiber Products from the Socialist Republic of Vietnam,” dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

³ *See* Petitioners’ Letters, “Thermoformed Molded Fiber Products from the People’s Republic of China and the Socialist Republic of Vietnam: Responses to Antidumping and Countervailing Duty Petition Supplemental Questionnaire,” dated October 16, 2024; “Thermoformed Molded Fiber Products from the People’s Republic of China and Socialist Republic of Vietnam: Responses to Second Supplemental Questionnaire,” dated October 24, 2024; *see also* Memorandum, “Scope, Industry Support, and Vietnam AD Discussion,” dated October 22, 2024.

⁴ *See* Memorandum, “Preliminary Scope Decision Memorandum,” dated May 6, 2025 (Preliminary Scope Decision Memorandum).

⁵ *See* Petitioners’ Letter, “Letter in Lieu of Scope Case Brief,” dated June 5, 2025; Target General Merchandise, Inc.’s Letter, “Scope Case Brief on Behalf of Target General Merchandise, Inc.,” dated June 5, 2025; and Petitioners’ Letter, “Petitioners’ Scope Rebuttal Brief,” dated June 12, 2025.

made no changes to the scope of the investigation since the Preliminary Scope Decision Memorandum, as noted in Appendix I.⁶

Verification

As provided in section 782(i) of the Act, Commerce conducted verification of the information relied upon in making its final determination in this investigation. Specifically, we conducted on-site verifications of the subsidy information reported by Vietnam Yuzhan Packaging Technology Company Limited (Yuzhan) and Government of the Socialist Republic of Vietnam (GOV) in July and August 2025 using standard verification procedures, including an examination of relevant sales and accounting records, and original source documents provided by Yuzhan and the GOV.⁷

Analysis of Subsidy Programs and Comments Received

The subsidy programs under investigation, and the issues raised in the case and rebuttal briefs that were submitted by parties in this investigation, are discussed in the Issues and Decision Memorandum. For a list of the issues raised by parties, and to which we responded in the Issues and Decision Memorandum, *see* Appendix II to this notice.

Methodology

Commerce conducted this investigation in accordance with section 701 the Act. For each of the subsidy programs found to be countervailable, Commerce determines 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.⁸ For a full description of the methodology underlying our final determination, *see* the Issues and Decision Memorandum.

In making this final determination, Commerce relied, in part, on facts available, including adverse facts available (AFA), pursuant to sections 776(a) and (b) of the Act. For a full

⁶ *See* Memorandum, “Final Scope Decision Memorandum,” dated concurrently with this notice.

⁷ *See* Memorandum, “Verification of the Questionnaire Responses of Vietnam Yuzhan Packaging Technology Company Limited,” dated August 21, 2025; *see also* Memorandum, “Verification of the Questionnaire Responses of the Government of the Socialist Republic of Vietnam,” dated August 21, 2025.

⁸ *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; *see also* section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

discussion of our application of AFA, *see* the section “Use of Facts Otherwise Available and Application of Adverse Inferences” in the Issues and Decision Memorandum.

Final Affirmative Determination of Critical Circumstances

Commerce preliminarily determined, in accordance with section 703(e)(1) of the Act and 19 CFR 351.206(c)(1), that critical circumstances exist with respect to imports of molded fiber products produced and/or exported by Yuzhan, the non-responsive companies,⁹ and all other producers and/or exporters not individually examined.¹⁰ For this final determination, pursuant to section 705(a)(2) of the Act and 19 CFR 351.206, we continue to find that critical circumstances exist for Yuzhan, the non-responsive companies, and all other producers and/or exporters. With respect to finding that critical circumstances exist for the non-responsive companies, we relied on AFA, pursuant to sections 776(a) and (b) of the Act. For a full description of the methodology, *see* the Issues and Decision Memorandum.

Changes Since the *Preliminary Determination*

Based on our review and analysis of the information received during verification, our post-preliminary analysis, and comments received from parties, for this final determination, we made certain changes to the countervailable subsidy rate calculations for Yuzhan, HC Packaging Asia (Industrial Park), Honha Eco Pulp Viet Nam Paper Tray, Pulp Tray Martin Vietnam Co. Ltd., and all other producers/exporters. For a discussion of these changes, *see* the Issues and Decision Memorandum.

All-Others Rate

Pursuant to section 705(c)(5)(A)(i) of the Act, Commerce will determine an all-others rate equal to the weighted average countervailable subsidy rates established for those exporters and/or producers individually investigated, excluding any zero and *de minimis* countervailable subsidy rates, and any rates based entirely under section 776 of the Act. In this investigation,

⁹ Commerce did not receive responses to its quantity and value questionnaire from the following companies: HC Packaging Asia (Industrial Park), Honha Eco Pulp Viet Nam Paper Tray, and Pulp Tray, Martin Vietnam Co. Ltd.

¹⁰ *See Preliminary Determination*, 90 FR at 12127.

Commerce calculated a total subsidy rate that is not zero, *de minimis* or based entirely on facts available for Yuzhan, the sole mandatory respondent in this proceeding. Consequently, the subsidy rate calculated for Yuzhan is also assigned as the subsidy rate for all other producers and exporters.

Final Determination

Commerce determines that the following estimated countervailable subsidy rates exist for the period January 1, 2023, through December 31, 2023:

Company	Subsidy Rate (percent <i>ad valorem</i>)
Vietnam Yuzhan Packaging Technology Co. Ltd.	5.06
HC Packaging Asia (Industrial Park)	200.70*
Honha Eco Pulp Viet Nam Paper Tray	200.70*
Pulp Tray, Martin Vietnam Co. Ltd.	200.70*
All Others	5.06

* Rate based on facts available with adverse inferences

Disclosure

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

Continuation of Suspension of Liquidation

As a result of our *Preliminary Determination*, and pursuant to sections 703(d)(1)(B) and (d)(2) of the Act, we instructed U.S. Customs and Border Protection (CBP) to collect cash deposits and suspend liquidation of entries of molded fiber products, as described in the scope of the investigation section, that were entered, or withdrawn from warehouse, for consumption 90 days before March 14, 2025, the date of publication of the *Preliminary Determination* in the *Federal Register* for entries produced and/or exported by Yuzhan, the non-responsive companies and all other producers and exporters. In accordance with section 703(d) of the Act, we instructed CBP to discontinue the suspension of liquidation of all entries of molded fiber products entered or withdrawn from warehouse on, or after, July 12, 2025, but to continue the

suspension of liquidation of all entries of molded fiber products between December 14, 2024, and July 11, 2025.

If the U.S. International Trade Commission (ITC) issues a final affirmative injury determination, we will issue a CVD order, reinstate the suspension of liquidation under section 706(a) of the Act, and require a cash deposit of estimated countervailing duties for such entries of subject merchandise in the amounts indicated above, in accordance with section 706(a) of the Act. If the ITC determines that material injury, or threat of material injury, does not exist, this proceeding will be terminated, and all estimated duties deposited or securities posted as a result of the suspension of liquidation will be refunded or canceled.

ITC Notification

In accordance with section 705(d) of the Act, Commerce will notify the ITC of its final affirmative determination that countervailable subsidies are being provided to producers and exporters of molded fiber products from Vietnam. Because the final determination is affirmative, in accordance with section 705(b) 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 of molded fiber products from Vietnam no later than 45 days after this final determination. In addition, we are making available to the ITC all non-privileged and nonproprietary information related to this investigation. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under an administrative protective order (APO), without the written consent of the Assistant Secretary for Enforcement and Compliance. If the ITC determines that material injury or threat of material injury does not exist, this proceeding will be terminated and all cash deposits will be refunded.

If the ITC determines that such injury does exist, Commerce will issue a CVD order directing CBP to assess, upon further instruction by Commerce, countervailing duties on all imports of the subject merchandise that are 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.

Administrative Protective Order

In the event that the ITC issues a final negative injury determination, this notice will serve as the only reminder to parties subject to an APO of their responsibility concerning the destruction of proprietary information disclosed under APO, in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return/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 violation which is subject to sanction.

Notification to Interested Parties

This determination is issued and published pursuant to sections 705(d) and 777(i) of the Act, and 19 CFR 351.210(c).

Dated: September 24, 2025.

Christopher Abbott,
*Deputy Assistant Secretary
for Policy and Negotiations,
performing the non-exclusive functions and duties
of the Assistant Secretary for Enforcement and Compliance.*

Appendix I

Scope of the Investigation

The merchandise subject to this investigation consists of thermoformed molded fiber products regardless of shape, form, function, fiber source, or finish. Thermoformed molded fiber products are formed with cellulose fibers, thermoformed using one or more heated molds, and dried/cured in the mold.

Thermoformed molded fiber products include, but are not limited to, plates, bowls, clamshells, trays, lids, food or foodservice contact packaging, and consumer or other product packaging.

Thermoformed molded fiber products are relatively dense, with a typical fiber density above 0.5 grams per cubic centimeter, and are generally characterized by relatively smooth surfaces. They may be derived from any virgin or recycled cellulose fiber source (including, but not limited to, those sourced from wood, woody crops, agricultural crops/byproducts/residue, and agricultural/industrial/other waste). They may have any weight, shape, dimensionality, design, or size, and may be bleached, unbleached, dyed, colored, or printed. They may include ingredients, additives, or chemistries to enhance functionality including, but not limited to, anti-microbial, antifungal, anti-bacterial, heat/flame resistant, hydrophobic, oleophobic, absorbent, or adsorbent. Thermoformed molded fiber products may also be subject to other processing or treatments, including, but not limited to, hot or after pressing, die-cutting, punching, trimming, padding, perforating, printing, labeling, dyeing, coloring, coating, laminating, embossing, debossing, repacking, or denesting. Thermoformed molded fiber products subject to this investigation may also have additional design features, including, but not limited to, tab closures, venting, channeling, or stiffening.

Thermoformed molded fiber products remain covered by the scope of this investigation if the subject product is encased by exterior packaging. They also remain covered by the scope of this investigation whether imported alone, or in any combination of subject and non-subject merchandise (e.g., a lid or cover of any type packaged with a molded fiber bowl, addition of any items to make the thermoformed molded fiber packaging suitable for end-use such as absorbent pads). When thermoformed molded fiber products are imported in combination with non-subject merchandise, only the thermoformed molded fiber products are subject merchandise.

Also excluded from the scope of this investigation are products covered by the scope of the antidumping and countervailing duty orders on paper plates from People's Republic of China, the Kingdom of Thailand, and the Socialist Republic of Vietnam.

Excluded from the scope of this investigation are thermoformed molded fiber products imported as packaging material that enclose and/or surround non-subject merchandise prepackaged for final sale upon importation into the United States (e.g., molded fiber packaging surrounding a cellular phone).

Thermoformed molded fiber products include thermoformed molded fiber products matching the above description that have been finished, packaged, or otherwise processed in a third country by performing finishing, packaging, or processing that would not otherwise remove the merchandise from the scope of the investigations if performed in the country of manufacture of the thermoformed molded fiber products. Examples of finishing, packaging, or other processing in a third country that would not otherwise remove the merchandise from the scope of the investigations if performed in the country of manufacture of the thermoformed molded fiber products include, but are not limited to, hot or after pressing, die-cutting, punching, trimming,

padding, perforating, printing, labeling, dying, coloring, coating, laminating, embossing, debossing, repacking, or denesting.

Thermoformed molded fiber products are classified under subheadings 4823.70.0020 and 4823.70.0040, Harmonized Tariff Schedule of the United States (HTSUS). Imports may also be classified under subheadings 4823.61.0020, 4823.61.0040, 4823.69.0020, 4823.69.0040, 4823.90.1000, HTSUS. References to the HTSUS classification are provided for convenience and customs purposes, and the written description of the merchandise under investigation is dispositive.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Changes Since the *Preliminary Determination*
- IV. Final Affirmative Determination of Critical Circumstances
- V. Calculation of the All-Others Rate
- VI. Use of Facts Otherwise Available and Application of Adverse Inferences
- VII. Subsidies Valuation Information
- VIII. Interest Rate, Discount Rate and Chinese Pulp Benchmarks
- IX. Analysis of Programs
- X. Discussion of the Issues
 - Comment 1: Whether Commerce Should Apply Adverse Facts Available (AFA) to Yuzhan's Sales Denominators
 - Comment 2: Whether Commerce Should Find that the Government of the Socialist Republic of Vietnam (GOV) Entrust or Directs Yuzhan's Landlord Regarding the Provision of Land, Water and Sewage
 - Comment 3: Whether Commerce Should Include Purchases of Pulp from Affiliated Parties in Yuzhan's Benefit Calculation
 - Comment 4: Whether Commerce Should Correct Clerical Errors in its Chinese Pulp for Less-Than-Adequate-Remuneration (LTAR) Calculation
 - Comment 5: Whether Commerce has Statutory Authority for Transnational Subsidy Investigations
 - Comment 6: Whether the Cross-Border Provision of Chinese Pulp for LTAR Meets Statutory Financial Contribution and Specificity Requirements
 - Comment 7: Whether Yuzhan's Loans from Bank of China (Hong Kong) Limited are Countervailable
 - Comment 8: Whether the GOV's Import Duty Exemption Program for Export Processing Enterprises and Export Processing Zones Program is Countervailable
 - Comment 9: Whether the GOV's Import Duty Exemption Program for Export Processing Enterprises and Export Processing Zones Program and the Preferential Lending to Exporters by State-Owned Commercial Banks (SOCBs) Program are Tied to Export Sales
 - Comment 10: Whether Commerce Incorrectly Included Certain Interest Payments in its Benefit Calculation for the Preferential Lending to Exporters by SOCBs Program
- XI. Recommendation