



DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-170, C-570-171]

Disposable Aluminum Containers, Pans, Trays, and Lids from the People's Republic of China: Initiation of Circumvention Inquiry on the Antidumping and Countervailing Duty Orders

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

SUMMARY: In response to a request from the Aluminum Foil Containers Manufacturers Association (AFCMA) and the following individual members of AFCMA, Durable Packaging International; D&W Fine Pack, LLC; Handi-foil Corp.; Penny Plate, LLC; Reynolds Consumer Products, LLC; Shah Foil Products, Inc.; Smart USA, Inc.; and Trinidad/Benham Corp. (collectively, the requesters), the U.S. Department of Commerce (Commerce) is initiating a country-wide circumvention inquiry to determine whether imports of disposable aluminum containers, pans, trays, and lids (aluminum containers) completed in the United Arab Emirates (the UAE) using aluminum foil manufactured in the People's Republic of China (China), are circumventing the antidumping duty (AD) and countervailing duty (CVD) orders on aluminum containers from China.

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

FOR FURTHER INFORMATION CONTACT: Justin Enck at (202) 482-1614 and Shawn Gregor at (202) 482-3226, Trade Remedy Counseling and Initiations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

Background

On January 6, 2026, pursuant to section 781(b) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.226(i), the requesters filed a circumvention inquiry request alleging that

aluminum containers completed in the UAE using aluminum foil manufactured in China are circumventing the AD and CVD orders on aluminum containers from China¹ and, accordingly, should be included within the scope of the *Orders*.²

On January 20 and 27, 2026, we issued supplemental questionnaires to the requesters.³ On January 21 and 28, 2026, the requesters filed their responses to our requests for additional information.⁴ On January 26, 2026, Kari-Out LLC dba Kariout Co. (Kari-Out), a U.S. importer of aluminum containers, filed comments in opposition to the domestic interested parties' request.⁵ On January 28, 2026, the domestic interested parties also filed rebuttal comments to Kari-Out's January 26, 2026 comments.⁶

Scope of the *Orders*

The merchandise subject to the *Orders* is disposable aluminum containers, pans, trays, and lids produced primarily from flat-rolled aluminum. The subject merchandise includes aluminum containers regardless of shape or size and whether or not wrinkled or smooth. For a full description of the scope of the *Orders*, see the Circumvention Initiation Checklist.⁷

Merchandise Subject to the Circumvention Inquiry

The circumvention inquiry covers aluminum containers completed in the UAE using Chinese-origin aluminum foil that are subsequently exported from the UAE to the United States.

¹ See *Disposable Aluminum Containers, Pans, Trays, and Lids from the People's Republic of China: Antidumping and Countervailing Duty Orders*, 90 FR 19467 (May 8, 2025); see also *Disposable Aluminum Containers, Pans, Trays, and Lids from the People's Republic of China: Antidumping and Countervailing Duty Orders; Correction*, 90 FR 21751 (May 21, 2025) (collectively, *Orders*).

² See Requesters' Letter, "Request for Circumvention Ruling Pursuant to Section 781(b), As Amended," dated January 6, 2026 (Circumvention Request).

³ See Commerce's Letters, "United Arab Emirates Circumvention Inquiry Request Supplemental Questionnaire," dated January 20, 2026, and "United Arab Emirates Circumvention Inquiry Request Second Supplemental Questionnaire," dated January 27, 2026.

⁴ See Requesters' Letters, "Petitioners' Response to the U.S. Department of Commerce's January 20, 2026 Supplemental Questionnaire," dated January 21, 2026, and "Petitioners' Response to the U.S. Department of Commerce's January 27, 2026 Supplemental Questionnaire," dated January 28, 2026 (Requesters' January 28, 2026, Submission).

⁵ See Kari-Out's Letter, "Comments and Factual Information Regarding Circumvention Inquiry Request on the United Arab Emirates," dated January 26, 2026.

⁶ See Requesters' January 28, 2026, Submission.

⁷ See Checklist, "Aluminum Containers Completed in the United Arab Emirates Circumvention Initiation Checklist," dated concurrently with, and hereby adopted by, this notice (Circumvention Initiation Checklist), at Attachment I.

Initiation of Circumvention Inquiry

Section 351.226(d) of Commerce's regulations states that if Commerce determines that a request for a circumvention inquiry satisfies the requirements of 19 CFR 351.226(c), then Commerce "will accept the request and initiate a circumvention inquiry." Section 351.226(c)(1) of Commerce's regulations, in turn, requires that each circumvention inquiry request allege "that the elements necessary for a circumvention determination under section 781 of the Act exist" and be "accompanied by information reasonably available to the interested party supporting these allegations." The requesters alleged circumvention pursuant to section 781(b) of the Act (merchandise completed or assembled in other foreign countries).

Section 781(b)(1) of the Act provides that Commerce may find circumvention of an order when merchandise of the same class or kind subject to the order is completed or assembled in a foreign country other than the country to which the order applies. In conducting a circumvention inquiry, under section 781(b)(1) of the Act, Commerce relies on the following criteria: (A) merchandise imported into the United States is of the same class or kind as any merchandise produced in a foreign country that is the subject of an AD or CVD order; (B) before importation into the United States, such imported merchandise is completed or assembled in another foreign country from merchandise which is subject to the order or is produced in the foreign country that is subject to the order; (C) the process of assembly or completion in the foreign country referred to in section (B) is minor or insignificant; (D) the value of the merchandise produced in the foreign country to which the AD or CVD order applies is a significant portion of the total value of the merchandise exported to the United States; and (E) the administering authority determines that action is appropriate to prevent evasion of such order.

In determining whether the process of assembly or completion in a foreign country is minor or insignificant under section 781(b)(1)(C) of the Act, section 781(b)(2) of the Act directs Commerce to consider: (A) the level of investment in the foreign country; (B) the level of research and development in the foreign country; (C) the nature of the production process in the

foreign country; (D) the extent of production facilities in the foreign country; and (E) whether or not the value of processing performed in the foreign country represents a small proportion of the value of the merchandise imported into the United States. However, no single factor, by itself, controls Commerce's determination of whether the process of assembly or completion in a foreign country is minor or insignificant.⁸ Accordingly, Commerce will evaluate each of these five factors as they exist in the foreign country, depending on the particular circumvention scenario.

In addition, section 781(b)(3) of the Act sets forth additional factors to consider in determining whether to include merchandise assembled or completed in a foreign country within the scope of an AD or CVD order. Specifically, Commerce shall take into account such factors as: (A) the pattern of trade, including sourcing patterns; (B) whether the manufacturer or exporter of the merchandise that was shipped to the foreign country is affiliated with the person who, in the foreign country, uses the merchandise to complete or assemble the merchandise which is subsequently imported into the United States; and (C) whether imports of the merchandise into the foreign country have increased after the initiation of the investigation that resulted in the issuance of such order.

Analysis

Based on our analysis of the requesters' circumvention inquiry request, we determine that they have satisfied the criteria under 19 CFR 351.226(c), and thus, pursuant to 19 CFR 351.226(d)(1)(iii), we are initiating the requested circumvention inquiry. For a full discussion of the basis for our decision to initiate the circumvention inquiry, *see* the Circumvention Initiation Checklist. As explained in the Circumvention Initiation Checklist, the information provided by the requesters warrants initiating the circumvention inquiry on a country-wide basis. Commerce

⁸ *See* Statement of Administrative Action Accompanying the Uruguay Round Agreements Act, H.R. Doc. 103-316, Vol. 1 (1994), at 893.

has taken this approach in prior circumvention inquiries, where the facts warranted initiation on a country-wide basis.⁹

Consistent with the approach in the prior circumvention inquiries that were initiated on a country-wide basis, Commerce intends to solicit information from certain companies in the UAE concerning their production of aluminum containers and their shipments thereof to the United States.

Respondent Selection

Commerce intends to base respondent selection on U.S. Customs and Border Protection (CBP) data. Commerce intends to place the CBP data on each record within five days of the publication of this initiation notice, which will be available on Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. Comments regarding the CBP data and respondent selection should be submitted within seven days after placement of the CBP data on the record of the relevant inquiry.

Commerce intends to establish a schedule for questionnaire responses after respondent selection. A company's failure to completely respond to Commerce's requests for information may result in the application of facts available, pursuant to section 776(a) of the Act, which may include adverse inferences, pursuant to section 776(b) of the Act.

Suspension of Liquidation

Pursuant to 19 CFR 351.226(l)(1), Commerce will notify CBP of the initiation and direct CBP to continue the suspension of liquidation of entries of products subject to the circumvention inquiry that were already subject to the suspension of liquidation under the *Orders* and to apply the cash deposit rates that would be applicable if the products were determined to be covered by the scope of the *Orders*.

⁹ See, e.g., *Hydrofluorocarbon Blends from the People's Republic of China: Initiation of Circumvention Inquiry on the Antidumping Duty Order*, 88 FR 74150 (October 30, 2023).

Should Commerce issue affirmative preliminary or final circumvention determinations, Commerce will follow the suspension of liquidation rules under 19 CFR 351.226(l)(2)-(4). In the event that Commerce issues affirmative preliminary or final circumvention determinations that the products are circumventing the *Orders*, Commerce will instruct CBP to continue the suspension of liquidation of previously suspended entries and to apply the applicable cash deposit rate. Commerce will also instruct CBP to begin the suspension of liquidation and application of cash deposits for any unliquidated entries not yet suspended, entered, or withdrawn from warehouse, for consumption, on or after the date of publication of the notice of initiation of the circumvention inquiry pursuant to paragraphs (l)(2)(ii) and (l)(3)(ii). In addition, pursuant to paragraphs (l)(2)(iii)(A) and (l)(3)(iii)(A), Commerce may instruct CBP to begin the suspension of liquidation and application of cash deposits for any unliquidated entries not yet suspended, entered, or withdrawn from warehouse, for consumption, prior to the date of initiation of the circumvention inquiry, but not for such entries prior to November 4, 2021, the effective date of these provisions in the *Final Rule*.¹⁰ These rules will not affect CBP's authority to take any additional action with respect to the suspension of liquidation or related measures for these entries, as stated in 19 CFR 351.226(l)(5).

Notification to Interested Parties

In accordance with 19 CFR 351.226(d) and section 781(b) of the Act, Commerce determines that the requesters' request for this circumvention inquiry satisfies the requirements of 19 CFR 351.226(c). Accordingly, Commerce is notifying all interested parties of the initiation of this circumvention inquiry to determine whether imports of aluminum containers completed in and exported from the UAE using aluminum foil manufactured in China are circumventing the *Orders*. In addition, we have included a description of the products that are

¹⁰ See *Regulations to Improve Administration and Enforcement of Antidumping and Countervailing Duty Laws*, 86 FR 52300, 52345 (September 20, 2021) (*Final Rule*).

subject to this inquiry, and an explanation of Commerce's decision to initiate the inquiry as provided in the accompanying Circumvention Initiation Checklist.¹¹

In accordance with 19 CFR 351.226(e)(1), unless the circumvention inquiry is rescinded, in whole or in part, or extended, Commerce intends to issue its preliminary circumvention determination no later than 150 days from the date of publication of the notice of initiation of this circumvention inquiry in the *Federal Register*. Furthermore, in accordance with section 781(f) of the Act and 19 CFR 351.226(e)(2), unless the circumvention inquiry is rescinded, in whole or in part, or extended, Commerce intends to issue its final determination within 300 days from the date of publication of the notice of initiation of the circumvention inquiry in the *Federal Register*.

This notice is published in accordance with section 781(b) of the Act, and 19 CFR 351.226(d)(1)(iii).

Dated: February 5, 2026.

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

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¹¹ See Circumvention Initiation Checklist.