



DEPARTMENT OF COMMERCE

International Trade Administration

[C-351-865, C-570-185, C-533-935, C-552-848]

Hard Empty Capsules from Brazil, the People's Republic of China, India, and the Socialist Republic of Vietnam: Countervailing Duty Orders

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

SUMMARY: Based on affirmative final determinations by the U.S. Department of Commerce (Commerce) and U.S. International Trade Commission (ITC), Commerce is issuing countervailing duty (CVD) orders on hard empty capsules (capsules) from Brazil, the People's Republic of China (China), India, and the Socialist Republic of Vietnam (Vietnam).

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Seth Brown at (202) 482-0029 (Brazil), Laura Delgado at (202) 482-1468 and John Conniff at (202) 482-1009 (the People's Republic of China (China)), Gorden Struck at (202) 482-8151 (India), and Jonathan Schueler at (202) 482-9175 (the Socialist Republic of Vietnam (Vietnam)), AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

Background

In accordance with sections 705(d) and 777(i) of the Tariff Act of 1930, as amended (the Act) on December 29, 2025, Commerce published in the *Federal Register* its affirmative final determinations in the countervailing duty investigations of capsules from Brazil, China, India and Vietnam.¹ On February 12, 2026, the ITC notified Commerce of its final affirmative

¹ See *Hard Empty Capsules from Brazil: Final Affirmative Countervailing Duty Determination*, 90 FR 60607 (December 29, 2025) (*Brazil Final Determination*); see also *Hard Empty Capsules from the People's Republic of*

determinations, pursuant to sections 705(b)(1)(A)(i) and 705(d) of the Act, that an industry in the United States is materially injured by reason of subsidized imports of capsules from China, India, and Vietnam, and that an industry in the United States is threatened with material injury by reason of subsidized imports from Brazil.²

Scope of the Orders

The products covered by these orders are hard empty capsules from Brazil, China, India, and Vietnam. For a full description of the scope of these orders, *see* the appendix to this notice.

Countervailing Duty Orders

Based on the above-referenced affirmative final determinations by the ITC that an industry in the United States is materially injured by reason of subsidized imports of capsules from China, India, and Vietnam, and is threatened with material injury by reason of subsidized imports of capsules from Brazil,³ and in accordance with sections 705(c)(2) and 706 of the Act, Commerce is issuing these countervailing duty orders. Because the ITC determined that imports of capsules from China, India, and Vietnam are materially injuring a U.S. industry, unliquidated entries of such merchandise from China, India, and Vietnam entered or withdrawn from warehouse for consumption, are subject to the assessment of countervailing duties.

Therefore, in accordance with section 706(a) of the Act, Commerce will direct U.S. Customs and Border Protection (CBP) to assess, upon further instruction by Commerce, countervailing duties on unliquidated entries of capsules from China, India, and Vietnam. With the exception of entries occurring after the expiration of the provisional measures period and before the publication of the ITC's final affirmative injury determinations, as further described below, countervailing duties will be assessed on unliquidated entries of capsules from China,

China: Final Affirmative Countervailing Duty Determination, 90 FR 60628 (December 29, 2025) (*China Final Determination*); *Hard Empty Capsules from India: Final Affirmative Countervailing Duty Determination*, 90 FR 60618 (December 29, 2025) (*India Final Determination*); and *Hard Empty Capsules from the Socialist Republic of Vietnam: Final Affirmative Countervailing Duty Determination*, 90 FR 60620 (December 29, 2025) (*Vietnam Final Determination*) (collectively, *Final Determinations*).

² *See* ITC's Letter, "Notification of ITC Final Determinations," dated February 12, 2026 (ITC Notification Letter).

³ *Id.*

India, and Vietnam entered, or withdrawn from warehouse, for consumption on or after March 31, 2025, the date of publication of the *Preliminary Determinations* in the *Federal Register*.⁴

Pursuant to section 706(b)(2) of the Act, countervailing duties shall be assessed on subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the ITC's notice of final determination if that determination is based on the threat of material injury and is not accompanied by a finding that injury would have resulted without the imposition of suspension of liquidation of entries since Commerce's preliminary determination. Additionally, section 706(b)(2) of the Act requires CBP to refund any cash deposits or bonds of estimated countervailing duties posted since the preliminary countervailing duty determination if the ITC's final determination is threat-based.

Because the ITC's final determination for Brazil is based on the threat of material injury and is not accompanied by a finding that injury would have resulted but for the imposition of suspension of liquidation of entries since the *Brazil Preliminary Determination*, section 706(b)(2) of the Act is applicable.⁵ Therefore, Commerce will instruct CBP to assess duties on entries of capsules from Brazil entered, or withdrawn from warehouse, for consumption on or after the date of publication of the ITC's notice of final determination of threat of material injury in the *Federal Register*, in accordance with the subsidy rates listed in the rate chart below for Brazil.

Suspension of Liquidation and Cash Deposits

⁴ See *Hard Empty Capsules from Brazil: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination With Final Antidumping Duty Determination*, 90 FR 14235 (March 31, 2025) (*Brazil Preliminary Determination*); *Hard Empty Capsules from the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination With Final Antidumping Duty Determination*, 90 FR 14244 (March 31, 2025) (*China Preliminary Determination*); *Hard Empty Capsules from India: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination With Final Antidumping Duty Determination*, 90 FR 14237 (March 31, 2025) (*India Preliminary Determination*), and accompanying Preliminary Decision Memorandum (PDM); and *Hard Empty Capsules from the Socialist Republic of Vietnam: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination With Final Antidumping Duty Determination*, 90 FR 14240 (March 31, 2025) (*Vietnam Preliminary Determination*) (collectively, *Preliminary Determinations*).

⁵ See ITC Notification Letter.

In accordance with section 706 of the Act, Commerce will direct CBP to reinstitute the suspension of liquidation of capsules from Brazil, China, India, and Vietnam, effective the date of publication of the ITC's notice of final determinations in the *Federal Register*, and to assess, upon further instruction by Commerce pursuant to section 706(a)(1) of the Act, countervailing duties for each entry of the subject merchandise in an amount based on the net countervailable subsidy rates for the subject merchandise. On or after the date of publication of the ITC's final injury determinations in the *Federal Register*, CBP must require, at the same time as importers would normally deposit estimated duties on this merchandise, a cash deposit equal to the rates noted below. These instructions suspending liquidation will remain in effect until further notice.

Estimated Countervailable Subsidy Rates

The estimated countervailable subsidy rates are as follows; all-others rate applies to all producers or exporters not specifically listed below.

Brazil

Company	Subsidy Rate (percent <i>ad valorem</i>)
ACG do Brasil S.A.	10.67
All Others	10.67

China

Company	Subsidy Rate (percent <i>ad valorem</i>)
Jiangsu Lefan Capsule Co., Ltd	3.14
Shanxi JC Biological Co. Ltd.	8.81
All Others	6.90

India

Company	Subsidy Rate (percent <i>ad valorem</i>)
ACG Associated Capsules Private Limited; ACG Pam Pharma Technologies Private Limited; ACG Universal Capsules Private Limited ⁶	7.06
All Others	7.06

Vietnam

Company	Subsidy Rate (percent <i>ad valorem</i>)
Suheung Vietnam Co., Ltd	2.45
All Others	2.45

⁶ Commerce found the following companies to be cross owned: ACG Associated Capsules Private Limited; ACG Pam Pharma Technologies Private Limited; and ACG Universal Capsules Private Limited. See *India Preliminary Determination* PDM at 4-6.

Provisional Measures

Section 703(d) of the Act states that the suspension of liquidation pursuant to an affirmative preliminary determination may not remain in effect for more than four months. In the underlying investigations, Commerce published the *Preliminary Determinations* on March 31, 2025.⁷ Therefore, entries of capsules from Brazil, China, India, and Vietnam made on or after July 29, 2025, and prior to the date of publication of the ITC's final determinations in the *Federal Register*, are not subject to the assessment of countervailing duties due to Commerce's discontinuation of the suspension of liquidation.

In accordance with section 703(d) of the Act, Commerce instructed CBP to terminate the suspension of liquidation and to liquidate, without regard to countervailing duties, certain unliquidated entries of capsules from Brazil, China, India, and Vietnam entered, or withdrawn from warehouse, for consumption on or after July 29, 2025, the date on which the provisional CVD measures expired, until and through the day preceding the date of publication of the ITC's final injury determinations in the *Federal Register*. Suspension of liquidation and the collection of cash deposits will resume on the date of publication of the ITC final injury determinations in the *Federal Register*.

Establishment of the Annual Inquiry Service List

On September 20, 2021, Commerce published the *Final Rule* in the *Federal Register*.⁸ On September 27, 2021, Commerce also published the *Procedural Guidance* in the *Federal Register*.⁹ The *Final Rule* and *Procedural Guidance* provide that Commerce will maintain an annual inquiry service list for each order or suspended investigation, and any interested party submitting a scope ruling application or request for circumvention inquiry shall serve a copy of

⁷ See *Preliminary Determinations*.

⁸ See *Regulations to Improve Administration and Enforcement of Antidumping and Countervailing Duty Laws*, 86 FR 52300 (September 20, 2021) (*Final Rule*).

⁹ See *Scope Ruling Application; Annual Inquiry Service List; and Informational Sessions*, 86 FR 53205 (September 27, 2021) (*Procedural Guidance*).

the application or request on the persons on the annual inquiry service list for that order, as well as any companion order covering the same merchandise from the same country of origin.¹⁰

In accordance with the Procedural Guidance, for orders published in the *Federal Register* after November 4, 2021, Commerce will create an annual inquiry service list segment in Commerce's online e-filing and document management system, Antidumping and Countervailing Duty Electronic Service System (ACCESS), available at <https://access.trade.gov>, within five business days of publication of the order. Each annual inquiry service list will be saved in ACCESS, under each case number, and under a specific segment type called "AISL-Annual Inquiry Service List."¹¹

Interested parties who wish to be added to the annual inquiry service list for an order must submit an entry of appearance to the annual inquiry service list segment for the order in ACCESS within 30 days after the date of publication of the order. For ease of administration, Commerce requests that law firms with more than one attorney representing interested parties in an order designate a lead attorney to be included on the annual inquiry service list. Commerce will finalize the annual inquiry service list within five business days thereafter. As mentioned in the *Procedural Guidance*, the new annual inquiry service list will be in place until the following year, when the *Opportunity Notice* for the anniversary month of the order is published.

Commerce may update an annual inquiry service list at any time as needed based on interested parties' amendments to their entries of appearance to remove or otherwise modify their list of members and representatives, or to update contact information. Any changes or announcements pertaining to these procedures will be posted to the ACCESS website.

Special Instructions for Petitioners and Foreign Governments

¹⁰ *Id.*

¹¹ This segment will be combined with the ACCESS Segment Specific Information (SSI) field which will display the month in which the notice of the order or suspended investigation was published in the *Federal Register*, also known as the anniversary month. For example, for an order under case number A-000-000 that was published in the *Federal Register* in January, the relevant segment and SSI combination will appear in ACCESS as "AISL-January Anniversary." Note that there will be only one annual inquiry service list segment per case number, and the anniversary month will be pre-populated in ACCESS.

In the *Final Rule*, Commerce stated that, “after an initial request and placement on the annual inquiry service list, both petitioners and foreign governments will automatically be placed on the annual inquiry service list in the years that follow.”¹² Accordingly, as stated above, the petitioners and foreign governments should submit their initial entry of appearance after publication of this notice in order to appear in the first annual inquiry service list. Pursuant to 19 CFR 351.225(n)(3), the petitioners and foreign governments will not need to resubmit their entries of appearance each year to continue to be included on the annual inquiry service list. However, the petitioners and foreign governments are responsible for making amendments to their entries of appearance during the annual update to the annual inquiry service list in accordance with the procedures described above.

Notification to Interested Parties

This notice constitutes the CVD orders with respect to capsules from Brazil, China, India, and Vietnam, pursuant to section 706(a) of the Act. Interested parties can find a list of CVD orders currently in effect at <https://www.trade.gov/data-visualization/adcvd-proceedings>.

These CVD orders are published in accordance with section 706(a) of the Act and 19 CFR 351.211(b).

Dated: February 17, 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.

¹² See *Final Rule*, 86 FR at 52335.

Appendix

Scope of the Orders

The merchandise subject to the scope of these orders is hard empty capsules, which are comprised of two prefabricated, hollowed cylindrical sections (cap and body). The cap and body pieces each have one closed and rounded end and one open end, and are constructed with different or equal diameters at their open ends.

Hard empty capsules are unfilled cylindrical shells composed of at least 80 percent by weight of a water soluble polymer that is considered non-toxic and appropriate for human or animal consumption by the United States Pharmacopeia – National Formulary (USP-NF), Food Chemical Codex (FCC), or equivalent standards. The most common polymer materials in hard empty capsules are gelatin derived from animal collagen (including, but not limited to, pig, cow, or fish collagen), hydroxypropyl methylcellulose (HPMC), and pullulan.

Hard empty capsules may also contain water and additives, such as opacifiers, colorants, processing aids, controlled release agents, plasticizers, and preservatives. Hard empty capsules may also be imprinted or otherwise decorated with markings.

Hard empty capsules are covered by the scope of these orders regardless of polymer material, additives, transparency, opacity, color, imprinting, or other markings.

Hard empty capsules are also covered by the scope of these orders regardless of their size, weight, length, diameter, thickness, and filling capacity.

Cap and body pieces of hard empty capsules are covered by the scope of these orders regardless of whether they are imported together or separately, and regardless of whether they are imported in attached or detached form.

Hard empty capsules covered by the scope of these orders are those that disintegrate in water, simulated intestinal fluid, simulated gastric fluid, or other similar water-based (*i.e.*, aqueous) fluids within 2 hours under tests specified in Chapter 701 of the USP-NF, or equivalent disintegration tests.

Hard empty capsules are classifiable under subheadings 9602.00.1040 and 9602.00.5010 of the Harmonized Tariff Schedule of the United States (HTSUS). In addition, hard empty capsules may be imported under HTSUS subheading 1905.90.9090; gelatin hard empty capsules may be imported under HTSUS subheading 3503.00.5510; HPMC hard empty capsules may be imported under HTSUS subheading 3923.90.0080; and pullulan hard empty capsules may be imported under HTSUS subheading 2106.90.9998. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise covered by these orders is dispositive.

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