



## FACT SHEET

### **Commerce Finds Dumping and Subsidization of Imports of Certain Biaxial Integral Geogrid Products from the People's Republic of China**

- On January 5, 2017, the Department of Commerce (Commerce) announced its affirmative final determinations in the antidumping duty (AD) and countervailing duty (CVD) investigations of imports of certain biaxial integral geogrid products from the People's Republic of China (China).
- The AD and CVD laws provide U.S. businesses and workers with a transparent, quasi-judicial, and internationally accepted mechanism to seek relief from the market-distorting effects caused by injurious dumping and unfair subsidization of imports into the United States, establishing an opportunity to compete on a level playing field.
- For the purpose of AD investigations, dumping occurs when a foreign company sells a product in the United States at less than its fair value. For the purpose of CVD investigations, a countervailable subsidy is financial assistance from a foreign government that benefits the production of goods from foreign companies and is limited to specific enterprises or industries, or is contingent either upon export performance or upon the use of domestic goods over imported goods.
- Commerce found that dumping has occurred by both mandatory respondents BOSTD Geosynthetics Qingdao Ltd. ("BOSTD") and Taian Modern Plastic Co., Ltd. ("Taian Modern") at margins of 372.81 percent based on adverse facts available, as information the companies provided in the proceeding could not be verified. Commerce calculated a China-wide dumping margin of 372.81 percent for all other producers/exporters in China.
- Commerce calculated a final subsidy rate of 15.61 percent and 56.24 percent for mandatory respondents BOSTD and Taian Modern, respectively. Commerce established a final subsidy rate of 35.93 percent for all other producers/exporters in China. In addition, for the 25 companies which did not respond to Commerce's quantity and value questionnaire, Commerce established a final subsidy rate of 152.50 percent, based on adverse facts available.
- As a result of the final affirmative AD determination, Commerce will instruct U.S. Customs and Border Protection (CBP) to collect cash deposits equal to the applicable weighted-average dumping margins. Further, as a result of the affirmative final CVD determination, if the U.S. International Trade Commission (ITC) issues affirmative injury determinations, Commerce will order the resumption of the suspension of liquidation and require cash deposits for CVD duties equal to the final subsidy rates established during the proceedings. If the U.S. International Trade Commission (ITC) issues negative injury determinations, these investigations will be terminated and no producers or exporters will be subject to future cash deposits for either AD or CVD duties. In such an event, all cash deposits already collected will be refunded.
- The petitioner for this investigation is Tensar Corporation (GA).
- The merchandise covered by this investigation is certain biaxial integral geogrid products. Biaxial integral geogrid products are a polymer grid or mesh material (whether or not finished, slit, cut-to-

length, attached to woven or non-woven fabric or sheet material, or packaged) in which four-sided openings in the form of squares, rectangles, rhomboids, diamonds, or other four-sided figures predominate. The products covered have integral strands that have been stretched to induce molecular orientation into the material (as evidenced by the strands being thinner toward the middle between the junctions than at the junctions themselves) constituting the sides of the openings and integral junctions where the strands intersect. The scope includes products in which four-sided figures predominate whether or not they also contain additional strands intersecting the four-sided figures and whether or not the inside corners of the four-sided figures are rounded off or not sharp angles. As used herein, the term “integral” refers to strands and junctions that are homogenous with each other. The products covered have a tensile strength of greater than 5 kilonewtons per meter (“kN/m”) according to American Society for Testing and Materials (“ASTM”) Standard Test Method D6637/D6637M in any direction and average overall flexural stiffness of more than 100,000 milligram-centimeter according to the ASTM D7748/D7748M Standard Test Method for Flexural Rigidity of Geogrids, Geotextiles and Related Products, or other equivalent test method standards.

- Subject merchandise includes material matching the above description that has been finished, packaged, or otherwise further processed in a third country, including by trimming, slitting, coating, cutting, punching holes, stretching, attaching to woven or non-woven fabric or sheet material, or any other finishing, packaging, or other further processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the biaxial integral geogrid.
- The products subject to the scope are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under the following subheading: 3926.90.9995. Subject merchandise may also enter under subheadings 3920.20.0050 and 3925.90.0000. The HTSUS subheadings set forth above are provided for convenience and U.S. Customs purposes only. The written description of the scope is dispositive.
- Biaxial integral geogrid products are used in the construction of paved and unpaved roads, as well as in other construction projects, such as for reinforcing foundations or working platforms that are built on top of unstable soils.
- In 2014, imports of certain biaxial integral geogrid products from China were valued at an estimated \$9.2 million.

## **NEXT STEPS**

- The ITC is scheduled to make its final injury determination on February 21, 2017.
- If the ITC makes an affirmative final determination that imports of biaxial integral geogrid products from China materially injure, or threaten material injury to, the domestic industry, Commerce will issue AD and CVD orders. If the ITC makes a negative determination of injury, the investigations will be terminated.

**FINAL DUMPING MARGINS:**

<b>COUNTRY</b>	<b>EXPORTER/PRODUCER</b>	<b>DUMPING RATES</b>
<b>China</b>	<b>BOSTD Geosynthetics Qingdao Ltd.</b>	<b>372.81%*</b>
	<b>Taian Modern Plastic Co., Ltd.</b>	<b>372.81%*</b>
	<b>China-Wide Rate</b>	<b>372.81%*</b>

\*BASED ON ADVERSE FACTS AVAILABLE

**FINAL SUBSIDY RATES**

<b>COUNTRY</b>	<b>EXPORTER/PRODUCER</b>	<b>SUBSIDY RATES</b>
<b>China</b>	<b>BOSTD Geosynthetics Qingdao Ltd.</b>	<b>15.61%</b>
	<b>Taian Modern Plastic Co., Ltd.</b>	<b>56.24%</b>
	<b>All-Others</b>	<b>35.93%</b>
	<b>Adverse Facts Available Companies</b>	<b>152.50%*</b>

\*BASED ON ADVSERE FACTS AVAILABLE

### Adverse Facts Available Companies

COMPANY	SUBSIDY RATE
<b>Chengdu Tian Road Engineering Materials Co., Ltd.</b>	<b>152.50%</b>
<b>Chongqing Jiudi Reinforced Soil Engineering Co., Ltd.</b>	<b>152.50%</b>
<b>CNBM International Corporation</b>	<b>152.50%</b>
<b>Dezhou Yaohua Geosynthetics Ltd.</b>	<b>152.50%</b>
<b>Dezhou Zhengyu Geosynthetics Ltd.</b>	<b>152.50%</b>
<b>Hongye Engineering Materials Co., Ltd.</b>	<b>152.50%</b>
<b>Hubei Nete Geosynthetics Ltd.</b>	<b>152.50%</b>
<b>Jiangsu Dingtai Engineering Material Co., Ltd.</b>	<b>152.50%</b>
<b>Jiangsu Jiuding New Material Ltd.</b>	<b>152.50%</b>
<b>Lewu New Material Ltd.</b>	<b>152.50%</b>
<b>Nanjing Jinlu Geosynthetics Ltd.</b>	<b>152.50%</b>
<b>Nanjing Kunchi Composite Material Ltd.</b>	<b>152.50%</b>
<b>Nanyang Jieda Geosynthetics Co., Ltd.</b>	<b>152.50%</b>
<b>Qingdao Hongda Plastics Corp.</b>	<b>152.50%</b>
<b>Shandong Dexuda Geosynthetics Ltd.</b>	<b>152.50%</b>
<b>Shandong Haoyang New Engineering Materials Co., Ltd.</b>	<b>152.50%</b>
<b>Shandong Tongfa Glass Fiber Ltd.</b>	<b>152.50%</b>
<b>Shandong Xinyu Geosynthetics Ltd.</b>	<b>152.50%</b>
<b>Tai'an Haohua Plastics Co., Ltd.</b>	<b>152.50%</b>
<b>Taian Hengbang Engineering Material Co., Ltd.</b>	<b>152.50%</b>
<b>Taian Naite Geosynthetics Ltd.</b>	<b>152.50%</b>

<b>Taian Road Engineering Materials Co., Ltd.</b>	<b>152.50%</b>
<b>Tenax</b>	<b>152.50%</b>
<b>Hengshui Zhongtiejian Group Co.</b>	<b>152.50%</b>
<b>Qingdao Sunrise Dageng Import and Export Co., Ltd.</b>	<b>152.50%</b>

### CASE CALENDAR:

<b>EVENT</b>	<b>AD</b>	<b>CVD</b>
<b>Petitions Filed</b>	<b>January 13, 2016</b>	<b>January 13, 2016</b>
<b>DOC Initiation Date</b>	<b>February 8, 2016</b>	<b>February 8, 2016</b>
<b>ITC Preliminary Determination</b>	<b>February 29, 2016</b>	<b>February 29, 2016</b>
<b>DOC Preliminary Determination</b>	<b>August 16, 2016</b>	<b>June 17, 2016</b>
<b>DOC Final Determination</b>	<b>January 4, 2017</b>	<b>January 4, 2017</b>
<b>ITC Final Determination*</b>	<b>February 21, 2017</b>	<b>February 21, 2017</b>
<b>Issuance of Order**</b>	<b>February 28, 2017</b>	<b>February 28, 2017</b>

**NOTE:** Commerce preliminary and final determination deadlines are governed by statute. For AD investigations, the deadlines are set forth in sections 733(b) and 735(a) of the Tariff Act of 1930, as amended. These deadlines may be extended under certain circumstances.

†Where the deadline falls on a weekend/holiday, the appropriate date is the next business day.

\*This will take place only in the event of a final affirmative determination by Commerce.

\*\*This will take place only in the event of final affirmative determinations by Commerce and the ITC.

### IMPORT STATISTICS:

<b>CHINA</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Value (USD)</b>	<b>4,749,000</b>	<b>5,236,000</b>	<b>9,249,000</b>
<b>Volume (square yards)</b>	<b>8,035,000</b>	<b>8,846,000</b>	<b>15,608,000</b>

Source: U.S. International Trade Commission, Certain Biaxial Integral Geogrid Products from China, Investigation Nos. 701-TA-554 and 731-TA-1309 (Preliminary), Publication 4596 (March 2016), at Table IV-2.

Note: The HTSUS subheadings geogrids enter the United States under are basket categories (HTSUS 3926.90.9980, which was replaced by 3926.90.9995 starting in January 2015), and cover a wide variety of non-subject imports. Therefore, the import statistics vary significantly from actual imports of certain biaxial integral geogrid products. Because of this variation, we have used the value and volume of geogrids entering the United States as reported in the public version of the ITC preliminary report.