



FACT SHEET

Commerce Initiates Antidumping Duty and Countervailing Duty Investigations of Imports of Certain Biaxial Integral Geogrid Products from the People's Republic of China (China)

- On February 9, 2016, the Department of Commerce (Commerce) announced the initiation of antidumping duty (AD) and countervailing duty (CVD) investigations of imports of certain biaxial integral geogrid products from China.
- The AD and CVD laws provide U.S. businesses and workers with a transparent 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, countervailable subsidies are financial assistance from foreign governments that benefit the production of goods from foreign companies and are limited to specific enterprises or industries, or are contingent either upon export performance or upon the use of domestic goods over imported goods.
- The petitioner for these investigations is Tensar Corporation (Alpharetta, GA).
- The merchandise covered by these investigations 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 investigations 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 \$1.5 billion.

NEXT STEPS

- The U.S. International Trade Commission (ITC) is scheduled to make its preliminary injury determination on or before February 29, 2016.
- If the ITC determines that there is a reasonable indication that imports of certain biaxial integral geogrid products from China materially injure, or threaten material injury to, the domestic geogrid industry, the investigations will continue and Commerce will be scheduled to make its preliminary CVD determination in April 2016 and its preliminary AD determination in June 2016, unless the statutory deadlines are extended. If the ITC's preliminary determination is negative, the investigations will be terminated.

ALLEGED DUMPING MARGINS:

COUNTRY	DUMPING MARGINS
China	289.23 to 372.81

ESTIMATED SUBSIDY RATES:

COUNTRY	SUBSIDY RATE
China	Above <i>de minimis</i>*

* *de minimis* = less than 1% for developed countries, less than 2% for developing countries.

CASE CALENDAR:

EVENT	AD INVESTIGATION	CVD INVESTIGATION
Petitions Filed	January 13, 2016	January 13, 2016
DOC Initiation Date [^]	February 8, 2016	February 8, 2016
ITC Preliminary Determinations ^{*†}	February 29, 2016	February 29, 2016
DOC Preliminary Determinations [^]	June 27, 2016	April 13, 2016
DOC Final Determinations ^{^*†}	September 12, 2016	June 27, 2016
ITC Final Determinations ^{^**}	October 25, 2016	August 11, 2016
Issuance of Orders ^{^***}	November 1, 2016	August 18, 2016

NOTE: Commerce preliminary and final determination deadlines are governed by statute. For CVD investigations, the deadlines are set forth in sections 703(b) and 705(a)(1) of the Tariff Act of 1930, as amended (the Act). For AD investigations, the deadlines are set forth in sections 733(b) and 735(a) of the Act. These deadlines may be extended under certain circumstances.

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

* If the ITC makes negative preliminary determinations of injury, the investigations are terminated.

**This will take place only in the event of final affirmative determinations from Commerce.

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

[^]As explained in the Memorandum for the Record from Ronald K. Lorentzen, Acting Assistant Secretary for Enforcement and Compliance, "Tolling of Administrative Deadlines as a Result of the Government Closure during Snowstorm 'Jonas'" (January 27, 2016), Commerce has exercised its discretion to toll deadlines for four business days. Therefore, the initiation date for these investigations has been tolled by four days and all other deadlines have been adjusted accordingly.

IMPORT STATISTICS:

CHINA	2012	2013	2014
Value (USD)	1,390,242,000	1,466,595,000	1,505,542,000

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 3926.90.9980).

Note: HTSUS 3926.90.9980 was replaced by 3926.90.9995 starting in January 2015. These HTSUS subheadings are basket categories and cover a wide variety of non-subject imports. Therefore, the import statistics above may vary significantly from actual imports of certain biaxial integral geogrid products.

Volume is not reported in official import statistics entered under HTSUS subheadings 3926.90.9980 and 3926.90.9995.

Imports of certain biaxial integral geogrid products may also enter under HTSUS 3920.20.0050 and 3925.90.0000. However, these two HTSUS subheadings may cover a significant amount of non-subject merchandise and therefore have been excluded for purposes of reporting import statistics.