



FACT SHEET

Commerce Finds Countervailable Subsidization of Imports of Certain Glass Containers from China

- On May 12, 2020, the Department of Commerce (Commerce) announced its affirmative final determination in the countervailing duty (CVD) investigation of imports of certain glass containers (glass containers) from China.
- The CVD law provides U.S. businesses and workers with a transparent, quasi-judicial, and internationally accepted mechanism to seek relief from the market-distorting effects caused by unfair subsidization of imports into the United States, establishing an opportunity to compete on a level playing field.
- For the purpose of a CVD investigation, 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 assigned final subsidy rates of 27.10 percent and 25.46 percent for mandatory respondents Guangdong Huaxing Glass Co., Ltd. and Qixia Changyu Glass Co., Ltd., respectively. Thirty-eight companies that failed to respond to Commerce's requests for information received a rate of 320.53 percent. Commerce also calculated a final subsidy rate of 26.28 percent for all other Chinese producers and exporters.
- As a result of the affirmative final CVD determination, if the U.S. International Trade Commission (ITC) makes an affirmative injury determination, Commerce will instruct CBP to resume collection of CVD cash deposits equal to the applicable subsidy rates.
- The petitioner is the American Glass Packaging Coalition, whose members are Anchor Glass Container Corporation (Tampa, FL) and Ardagh Glass, Inc. (Chicago IL).
- The scope of these investigations is listed in Appendix I.
- In 2018, imports of glass containers from China were valued at an estimated \$370.8 million.
- The Final Decision Memoranda are on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. Please refer to the case number C-570-115.

NEXT STEPS

- The ITC is scheduled to make its final determination on or about June 25, 2020.
- If the ITC makes an affirmative final determination that imports of glass containers from China materially injure, or threaten material injury to, the domestic industry, Commerce will issue a CVD order. If the ITC makes a negative determination of injury, the investigation will be terminated.

FINAL SUBSIDY RATES:

COUNTRY	EXPORTER/PRODUCER	SUBSIDY RATE
China	Guangdong Huaxing Glass Co., Ltd.	27.10%
	Qixia Changyu Glass Co., Ltd.	25.46 %
	Non-Responsive Companies*	320.53%
	All-Others Rate	26.28 %

*See the *Federal Register* notice for a full list of the company names.

CASE CALENDAR:

EVENT	CVD INVESTIGATION
Petitions Filed	September 25, 2019
DOC Initiation Date	October 15, 2019
ITC Preliminary Determinations	November 12, 2019
DOC Preliminary Determination	February 24, 2020
DOC Final Determination*	May 11, 2020
ITC Final Determination**	June 25, 2020
Issuance of Order***	July 2, 2020

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). These deadlines may be extended under certain circumstances.

*This deadline may be extended under the governing statute.

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

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IMPORT STATISTICS:

CHINA	2016	2017	2018
Volume (Square Meters)	11,014,156	12,565,901	14,231,997
Value (USD)	288,281,629	330,907,927	370,751,144

Source: U.S. Census Bureau, accessed through Global Trade Atlas (Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7010.90.5005, 7010.90.5009, 7010.90.5015, 7010.90.5019, 7010.90.5025, 7010.90.5029, 7010.90.5035, 7010.90.5039, 7010.90.5045, 7010.90.5049, and 7010.90.5055).

Appendix I:

The merchandise covered by these investigations is certain glass containers with a nominal capacity of 0.059 liters (2.0 fluid ounces) up to and including 4.0 liters (135.256 fluid ounces) and an opening or mouth with a nominal outer diameter of 14 millimeters up to and including 120 millimeters. The scope includes glass jars, bottles, flasks and similar containers; with or without their closures; whether clear or colored; and with or without design or functional enhancements (including, but not limited to, handles, embossing, labeling, or etching).

Excluded from the scope of the investigations are: (1) glass containers made of borosilicate glass, meeting United States Pharmacopeia requirements for Type 1 pharmaceutical containers; (2) glass containers without “mold seams,” “joint marks,” or “parting lines;” and (3) glass containers without a “finish” (*i.e.*, the section of a container at the opening including the lip and ring or collar, threaded or otherwise compatible with a type of closure to seal the container’s contents, including but not limited to a lid, cap, or cork).

Glass containers subject to this investigation are specified within the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 7010.90.5005, 7010.90.5009, 7010.90.5015, 7010.90.5019, 7010.90.5025, 7010.90.5029, 7010.90.5035, 7010.90.5039, 7010.90.5045, 7010.90.5049, and 7010.90.5055. The HTSUS subheadings are provided for convenience and customs purposes only. The written description of the scope of the investigation is dispositive.

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