



FACT SHEET

Commerce Issues Affirmative Preliminary Determination in the Countervailing Duty Investigation of Imports of Certain Glass Containers from the People's Republic of China

- On February 25, 2020, the Department of Commerce (Commerce) announced the affirmative preliminary determination in the countervailing duty (CVD) investigation of imports of certain glass containers (glass containers) from the People's Republic of China (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 by 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 preliminary subsidy rates of 23.25 percent and 22.60 percent for mandatory respondents Guangdong Huaxing Glass Co., Ltd. and Qixia Changyu Glass Co., Ltd., respectively. Forty-seven companies that failed to respond to Commerce's requests for information received a rate of 315.73 percent. Commerce also calculated a preliminary subsidy rate of 22.93 percent for all other Chinese producers and exporters.
- Commerce will instruct U.S. Customs and Border Protection (CBP) to collect cash deposits from importers of glass containers from China based on these preliminary rates.
- The petitioner is American Glass Packaging Coalition, whose members are Anchor Glass Container Corporation (Tampa, FL) and Ardagh Glass, Inc. (Chicago IL).
- The scope of this investigation can be found in Appendix I.
- In 2018, imports of glass containers from China were valued at an estimated \$370.8 million.
- The Preliminary Decision Memorandum is 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>, and to all parties in the Central Records Unit, Room B8024 of the main Department of Commerce building. Please refer to case number C-570-115.

NEXT STEPS

- Commerce is scheduled to announce its final determination on or about May 12, 2020, unless the deadline is extended.
- If Commerce makes an affirmative final determination, and the U.S. International Trade Commission (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 either Commerce's or the ITC's final determinations are negative, no CVD order will be issued. The ITC is scheduled to make its final injury determination approximately 45 days after Commerce issues its final determination, if affirmative.

PRELIMINARY SUBSIDY RATES:

COUNTRY	EXPORTER/PRODUCER	SUBSIDY RATE
China	Guangdong Huaxing Glass Co., Ltd.	23.25%
	Qixia Changyu Glass Co., Ltd.	22.60 %
	Non-Responsive Companies*	315.73%
	All Others Rate	22.93 %

*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 Determinations	February 24, 2020
DOC Final Determinations*	May 11, 2020
ITC Final Determinations**	June 25, 2020
Issuance of Orders***	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.

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

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. Glass containers subject to this investigation are specified within 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.