



FACT SHEET

Commerce Finds Dumping and Countervailable Subsidization of Imports of Laminated Woven Sacks from Vietnam

- On April 5, 2019, the Department of Commerce (Commerce) announced its affirmative final determinations in the antidumping duty (AD) and countervailing duty (CVD) investigations of imports of laminated woven sacks from Vietnam.
- 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 subsidization of imports into the United States, establishing an opportunity to compete on a level playing field.
- For the purpose of an AD investigation, dumping occurs when a foreign company sells a product in the United States at less than its fair value. For the purpose of a CVD investigation, a countervailable subsidy is financial assistance from foreign governments 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.
- In the AD investigation, Commerce assigned a dumping rate of 109.46 percent to mandatory respondent Duong Vinh Hoa Packaging Company Limited. Commerce determined a dumping rate of 292.61 percent for the Vietnam-wide entity (which included mandatory respondent Xinsheng Plastic Industry Co., Ltd.), based entirely on adverse facts available. Commerce determined a dumping rate of 109.46 percent for all other exporters from Vietnam that Commerce found to be eligible for a separate rate.
- In the CVD investigation, Commerce assigned a subsidy rate of 3.02 percent for mandatory respondent Duong Vinh Hoa Packaging Company Limited. Commerce assigned a subsidy rate of 198.87 percent for mandatory respondent Xinsheng Plastic Industry Co., Ltd. The subsidy rate for all other Vietnamese producers and exporters is 3.02 percent.
- Upon publication of the final affirmative AD determination, Commerce will instruct U.S. Customs and Border Protection (CBP) to collect AD cash deposits equal to the applicable final weighted-average dumping margin. Further, 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 petitioners are the Laminated Woven Sacks Fair Trade Coalition and its individual members, Polytex Fibers Corporation (Houston, TX) and ProAmpac Holdings Inc. (Cincinnati, OH).
- The merchandise covered by this investigation is laminated woven sacks. Laminated woven sacks are bags consisting of one or more plies of fabric consisting of woven polypropylene strip and/or woven polyethylene strip, regardless of the width of the strip; with or without an extrusion coating of polypropylene and/or polyethylene on one or both sides of the fabric; laminated by any method either to an exterior ply of plastic film such as biaxially-oriented polypropylene (BOPP), polyester (PET), polyethylene (PE), nylon, or any film suitable for printing, or to an exterior ply of paper; printed; displaying, containing,

or comprising three or more visible colors (e.g., laminated woven sacks printed with three different shades of blue would be covered by the scope), not including the color of the woven fabric; regardless of the type of printing process used; with or without lining; with or without handles; with or without special closing features (including, but not limited to, closures that are sewn, glued, easy-open (e.g., tape or thread), re-closable (e.g., slider, hook and loop, zipper), hot-welded, adhesive-welded, or press-to-close); whether finished or unfinished (e.g., whether or not closed on one end and whether or not in roll form, including, but not limited to, sheets, lay-flat, or formed in tubes); not exceeding one kilogram in actual weight. Laminated woven sacks produced in Vietnam are subject to the scope regardless of the country of origin of the fabric used to make the sack.

Subject laminated woven sacks are currently classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheading 6305.33.0040. If entered with plastic coating on both sides of the fabric consisting of woven polypropylene strip and/or woven polyethylene strip, laminated woven sacks may be classifiable under HTSUS subheadings 3923.21.0080, 3923.21.0095, and 3923.29.0000. If entered not closed on one end or in roll form (including, but not limited to, sheets, lay-flat tubing, and sleeves), laminated woven sacks may be classifiable under other HTSUS subheadings, including 3917.39.0050, 3921.90.1100, 3921.90.1500, and 5903.90.2500. If the polypropylene strips and/or polyethylene strips making up the fabric measure more than 5 millimeters in width, laminated woven sacks may be classifiable under other HTSUS subheadings including 4601.99.0500, 4601.99.9000, and 4602.90.0000. Although HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope is dispositive.

- In 2017, imports of laminated woven sacks from Vietnam were valued at an estimated \$21.1 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>, and to all parties in the Central Records Unit, Room B8024 of the main Department of Commerce building. Please refer to case number A-552-823 for the AD investigation and C-552-824 for the CVD investigation.

NEXT STEPS

- The ITC is scheduled to make its final determinations on or about May 20, 2019.
- If the ITC makes affirmative final determinations that imports of laminated woven sacks from Vietnam materially injure, or threaten material injury to, the domestic industry, Commerce will issue AD and CVD orders. If the ITC makes negative determinations of injury, the investigations will be terminated.

FINAL DUMPING RATES

COUNTRY	EXPORTER	PRODUCER	DUMPING RATES	CASH DEPOSIT RATES
Vietnam	Duong Vinh Hoa Packaging Company Limited	Duong Vinh Hoa Packaging Company Limited	109.46%	108.33%
	Separate Rates Companies**		109.46%	108.33%
	Vietnam-Wide Entity*		292.61%	291.48%

*The Vietnam-wide entity includes Xinsheng Plastic Industry Co., Ltd.

**The separate rate companies are: C.P. Packaging (Vietnam) Industry Co., Ltd.; Tan Dai Hung d.b.a. Tan Dai Hung Joint Stock Co. And Tan Dai Hung Plastic Joint Stock Company; TKMB Joint Stock Company; and Trung Dong Corporation

FINAL SUBSIDY RATES: PRELIMINARY SUBSIDY RATES:

COUNTRY	EXPORTER/PRODUCER	SUBSIDY RATE
Vietnam	Duong Vinh Hoa Packaging Company Limited	3.02%
	Xinsheng Plastic Industry Co., Ltd.	198.87%
	All Others	3.02%

CASE CALENDAR:

EVENT	CVD	AD
Petitions Filed	March 7, 2018	March 7, 2018
DOC Initiation Date	March 27, 2018	March 27, 2018
ITC Preliminary Determinations	April 27, 2018	April 27, 2018
DOC Preliminary Determinations	August 6, 2018	October 3, 2018
DOC Final Determinations	April 4, 2019	April 4, 2019
ITC Final Determinations	May 20, 2019	May 20, 2019
Issuance of Orders*	May 27, 2019	May 27, 2019

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)(1) of the Tariff Act of 1930, as amended (the Act). For CVD investigations, the deadlines are set forth in sections 703(b) and 705(a) of the Act. These deadlines may be extended under certain circumstances.

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

IMPORT STATISTICS:

VIETNAM	2015	2016	2017
Volume (metric tons)	8,005	6,742	8,755
Value (USD)	20,508,828	15,918,933	21,133,872

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 6305.33.0040)