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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-069, C-570-070]

Rubber Bands from the People's Republic of China: Antidumping Duty and Countervailing Duty Orders

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: Based on affirmative final determinations by the Department of Commerce (Commerce) and the International Trade Commission (ITC), Commerce is issuing antidumping duty (AD) and countervailing duty (CVD) orders on rubber bands from the People's Republic of China (China).

DATES: Applicable [Insert Date of Publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Stephanie Berger at (202) 482-2483 (AD) and Kristen Johnson at 202-482-4793 (CVD), AD/CVD Operations, Enforcement and Compliance, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

Background

In accordance with sections 705(d) and 735(d) of the Tariff Act of 1930, as amended (the Act), on November 20, 2018, Commerce published its affirmative final determination of sales at less than fair value (LTFV) and its affirmative final determination that countervailable subsidies are being provided to producers and exporters of rubber bands from China.¹ On February 11,

¹ See *Rubber Bands from the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 83 FR 58547 (November 20, 2018) (*AD China Rubber Bands Final*); and *Rubber Bands from the People's Republic of*

2019, the ITC notified Commerce of its final affirmative determinations that an industry in the United States is materially injured by reason of LTFV imports and subsidized imports of rubber bands from China, within the meaning of sections 705(b)(1)(A)(i) and 735(b)(1)(A)(i) of the Act.² The ITC also notified Commerce of its negative findings concerning critical circumstances with regard to imports of this product from China.³

Scope of the Orders

The products covered by these orders are rubber bands from China. For a complete description of the scope of the orders, *see* the Appendix to this notice.

AD Order

On February 11, 2019, in accordance with section 735(d) of the Act, the ITC notified Commerce of its final determination that an industry in the United States is materially injured within the meaning of section 735(b)(1)(A)(i) of the Act by reason of imports of rubber bands from China that are sold in the United States at LTFV. Therefore, in accordance with section 735(c)(2) of the Act, we are issuing this AD order. Because the ITC determined that imports of rubber bands from China are materially injuring a U.S. industry, unliquidated entries of such merchandise from China entered, or withdrawn from warehouse, for consumption are subject to the assessment of antidumping duties.

Therefore, in accordance with section 736(a)(1) of the Act, Commerce will direct U.S. Customs and Border Protection (CBP) to assess, upon further instruction by Commerce, antidumping duties equal to the amount by which the normal value of the merchandise exceeds

China: Final Affirmative Countervailing Duty Determination, 83 FR 58538 (November 20, 2018) (*CVD China Rubber Bands Final*).

² *See* Letter to the Honorable Gary Taverman, Acting Assistance Secretary of Commerce for Enforcement and Compliance, from David S. Johanson, Chairman of the ITC, regarding “Notification of ITC Final Determinations,” dated January 7, 2019 (Filed in ACCESS on February 11, 2019) (ITC Notification); *see also Rubber Bands from China*, Investigation Nos. 701-TA-598 and 731-TA-1408 (Final), (USITC Publication 4863).

³ *Id.*

the export price (or constructed export price) of the merchandise, for all relevant entries of rubber bands from China. Antidumping duties will be assessed on unliquidated entries of rubber bands from China entered, or withdrawn from warehouse, for consumption on or after September 6, 2018, the date of publication of the AD preliminary determination⁴ and before January 4, 2019. Section 733(d) of the Act states that the suspension of liquidation pursuant to a preliminary determination may not remain in effect for more than four months. Therefore, entries of subject merchandise from China made on or after January 4, 2019, and prior to the date of publication of the ITC's final determination in the *Federal Register* are not liable for the assessment of antidumping duties due to Commerce's discontinuation of the suspension of liquidation.

Continuation of Suspension of Liquidation – AD

In accordance with section 736 of the Act, we will instruct CBP to reinstitute the suspension of liquidation on entries of rubber bands from China, effective on the date of publication in the *Federal Register* of the ITC's final affirmative injury determination. These instructions suspending liquidation will remain in effect until further notice.

We will also instruct CBP to require cash deposits equal to the amount as indicated below. Accordingly, effective on the date of publication in the *Federal Register* of the ITC's final affirmative injury determination, CBP will require, at the same time as importers would normally deposit estimated duties on the subject merchandise, a cash deposit equal to the estimated weighted-average dumping margin listed below.

The estimated weighted-average dumping margin is as follows:

⁴ See *Less-Than-Fair-Value Investigation of Rubber Bands from the People's Republic of China: Preliminary Affirmative Determination of Sales at Less Than Fair Value and Preliminary Affirmative Determination of Critical Circumstances*, 83 FR 45213 (September 6, 2018) (*AD China Rubber Bands Prelim*).

Producer	Exporter	Estimated Weighted-Average Dumping Margin (percent)	Cash Deposit Rate (percent)
China-Wide Entity	China-Wide Entity	27.27	26.65

Critical Circumstances

With regard to the ITC’s negative critical circumstances determination on imports of rubber bands from China, we will instruct CBP to lift suspension and to refund any cash deposits made to secure the payment of estimated antidumping duties with respect to entries of rubber bands from China, entered, or withdrawn from warehouse, for consumption on or after June 8, 2018 (*i.e.*, 90 days prior to the date of publication of the *AD China Rubber Bands Prelim*), but before September 6, 2018 (*i.e.*, the date of publication of the *AD China Rubber Bands Prelim*).

CVD Order

On February 11, 2019, in accordance with section 705(d) of the Act, the ITC notified Commerce of its final determination that the industry in the United States producing rubber bands is materially injured within the meaning of section 705(b)(1)(A)(i) of the Act by reason of subsidized imports of rubber bands from China.⁵ Therefore, in accordance with section 705(c)(2) of the Act, we are issuing this CVD order.

As a result of the ITC’s final determination, in accordance with section 706(a) of the Act, Commerce will direct CBP to assess, upon further instruction by Commerce, countervailing duties on unliquidated entries of subject merchandise from China entered, or withdrawn from warehouse, for consumption on or after July 9, 2018, the date on which Commerce published the

⁵ See ITC Notification.

CVD China Rubber Bands Prelim in the *Federal Register*,⁶ and before November 6, 2018, the effective date on which Commerce instructed CBP to discontinue the suspension of liquidation in accordance with section 703(d) of the Act. Section 703(d) of the Act states that the suspension of liquidation pursuant to a preliminary determination may not remain in effect for more than 120 days. Therefore, entries of subject merchandise from China made on or after November 6, 2018, and prior to the date of publication of the ITC’s final determination in the *Federal Register* are not subject to the assessment of countervailing duties due to Commerce’s discontinuation of the suspension of liquidation.

Suspension of Liquidation – CVD

In accordance with section 706 of the Act, Commerce will direct CBP to reinstitute the suspension of liquidation of subject merchandise from China, effective on the date of publication of the ITC’s final affirmative injury determination in the *Federal Register*, and to assess, upon further instruction by Commerce pursuant to section 706(a)(1) of the Act, countervailing duties for each entry of rubber bands in an amount based on the net countervailable subsidy rates for the subject merchandise. On or after the date of publication of the ITC’s final injury determination in the *Federal Register*, Commerce will instruct CBP to require, at the same time as importers would normally deposit estimated duties on the subject merchandise, a cash deposit for each entry of subject merchandise equal to the subsidy rates listed below. The all-others rate applies to all producers or exporters not specifically listed below, as appropriate.

Company	Subsidy Rate (percent)
Graceful Imp. & Exp. Co., Ltd.	125.77 percent

⁶ See *Rubber Bands from the People’s Republic of China: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination with Final Antidumping Determination*, 83 FR 31729 (July 9, 2018) (*CVD China Rubber Bands Prelim*).

Moyoung Trading Co., Ltd.	125.77 percent
Ningbo Syloon Imp & Exp Co., Ltd.	125.77 percent
All-Others	125.77 percent

Critical Circumstances

With regard to the ITC’s negative critical circumstances determination on imports of rubber bands from China, we will instruct CBP to lift suspension and to refund any cash deposits made to secure the payment of estimated countervailing duties with respect to entries of rubber bands from China, entered, or withdrawn from warehouse, for consumption on or after April 10, 2018 (*i.e.*, 90 days prior to the date of publication of the *CVD China Rubber Bands Prelim*), but before July 9, 2018 (*i.e.*, the date of publication of the *CVD China Rubber Bands Prelim*).⁷

Notification to Interested Parties

This notice constitutes the AD and CVD orders with respect to rubber bands from China pursuant to sections 706(a) and 736(a) of the Act. Interested parties can find a list of orders currently in effect at <http://enforcement.trade.gov/stats/iastats1.html>.

These orders are published in accordance with sections 706(a) and 736(a) of the Act and 19 CFR 351.211(b).

Dated: February 13, 2019.

Gary Taverman
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations,
performing the non-exclusive functions and duties of the
Assistant Secretary for Enforcement and Compliance

⁷ See *Rubber Bands from the People’s Republic of China: Preliminary Affirmative Determination of Critical Circumstances, in Part, in the Countervailing Duty Investigation, and Amendment to the Scope of the Preliminary Determination in the Countervailing Duty Investigation*, 83 FR 45217 (September 6, 2018).

Appendix

Scope of the Orders

The scope of the orders covers bands made of vulcanized rubber, with a flat length, as actually measured end-to-end by the band lying flat, no less than ½ inch and no greater than 10 inches; with a width, which measures the dimension perpendicular to the length, actually of at least 3/64 inch and no greater than 2 inches; and a wall thickness actually from 0.020 inch to 0.125 inch. Vulcanized rubber has been chemically processed into a more durable material by the addition of sulfur or other equivalent curatives or accelerators. Subject products are included regardless of color or inclusion of printed material on the rubber band's surface, including but not limited to, rubber bands with printing on them, such as a product name, advertising, or slogan, and printed material (*e.g.*, a tag) fastened to the rubber band by an adhesive or another temporary type of connection. The scope includes vulcanized rubber bands which are contained or otherwise exist in various forms and packages, such as, without limitation, vulcanized rubber bands included within a desk accessory set or other type of set or package, and vulcanized rubber band balls. The scope excludes products that consist of an elastomer loop and durable tag all-in-one, and bands that are being used at the time of import to fasten an imported product.

Excluded from the scope of the orders are vulcanized rubber bands of various sizes with arrow shaped rubber protrusions from the outer diameter that exceeds at the anchor point a wall thickness of 0.125 inches and where the protrusion is used to loop around, secure and lock in place.

Excluded from the scope of the orders are yarn/fabric-covered vulcanized rubber hair bands, regardless of size.

Merchandise covered by the orders is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheading 4016.99.3510. Merchandise covered by the scope may also enter under HTSUS subheading 4016.99.6050. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the orders is dispositive.

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