

DEPARTMENT OF COMMERCE

International Trade Administration

[A-351-864]

Hard Empty Capsules From Brazil: Final Affirmative Determination of Sales at Less Than Fair Value

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

SUMMARY: The U.S. Department of Commerce (Commerce) determines that hard empty capsules (capsules) from Brazil are being, or are likely to be, sold in the United States at less than fair value (LTFV), as provided in section 735 of the Tariff Act of 1930, as amended (the Act), for the period of investigation October 1, 2023, through September 30, 2024.

DATES: Applicable December 29, 2025.

FOR FURTHER INFORMATION CONTACT: Gemma Larsen, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482-8125.

SUPPLEMENTARY INFORMATION:**Background**

On May 29, 2025, Commerce published in the *Federal Register* its preliminary affirmative determination in the LTFV investigation of capsules from Brazil, in which it also postponed the final determination until October 14, 2025.¹ On August 7, 2025, Commerce issued a post-preliminary analysis memorandum in which it made certain changes to its differential pricing analysis.² We invited interested parties to comment on the *Preliminary Determination* and changes to the differential pricing analysis.³

Due to the lapse in appropriations and Federal Government shutdown, on November 14, 2025, Commerce tolled all deadlines in administrative proceedings by 47 days.⁴ Additionally, due to a backlog of documents that were

electronically filed via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS) during the Federal Government shutdown, on November 24, 2025, Commerce tolled all deadlines in administrative proceedings by an additional 21 days.⁵ Accordingly, the deadline for this final determination is now December 18, 2025.

A summary of the events that occurred since the *Preliminary Determination*, as well as a full discussion of the issues raised by parties for this final determination, may be found in the Issues and Decision Memorandum.⁶ The Issues and Decision Memorandum is a public document and is on file electronically via ACCESS. ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Scope of the Investigation

The products covered by this investigation are capsules from Brazil. For a complete description of the scope of this investigation, see Appendix I.

Scope Comments

In the Preliminary Scope Memorandum, we set aside a period of time for parties to raise issues regarding product coverage (*i.e.*, scope) in scope-specific case briefs or other written comments.⁷ We received scope case and rebuttal briefs from multiple interested parties. For a summary of the product coverage comments and rebuttal responses submitted to the record for this final determination, and accompanying discussion and analysis of all comments timely received, see the Final Scope Memorandum.⁸ In the Final Scope Memorandum, Commerce

determined that it is modifying the scope language as it appeared in the *Initiation Notice*.⁹ See Appendix I.

Verification

Commerce conducted verification of the information relied upon in making its final determination in this investigation, in accordance with section 782(i) of the Act. Specifically, we conducted on-site verifications of the sales and cost information submitted by ACG do Brasil S.A. (ACG Brazil), for use in our final determination. We used standard verification procedures, including an examination of relevant sales and accounting records, and original source documents provided by ACG Brazil.

Analysis of Comments Received

All issues raised in the case brief submitted by ACG Brazil in this investigation are addressed in the Issues and Decision Memorandum. A list of the issues addressed in the Issues and Decision Memorandum is attached to this notice as Appendix II.

Changes Since the Preliminary Determination

We made certain changes to the dumping margin calculation for ACG Brazil since the *Preliminary Determination* and Post-Preliminary Analysis. For a discussion of these changes, see the Issues and Decision Memorandum.

All-Others Rate

Section 735(c)(5)(A) of the Act provides that Commerce shall determine an estimated all-others rate for all exporters and producers not individually examined. This rate shall be an amount equal to the weighted average of the estimated weighted-average dumping margins established for producers and exporters individually investigated, excluding any zero and *de minimis* margins, and any margins determined entirely under section 776 of the Act.

Commerce calculated an individual estimated weighted-average dumping margin for ACG Brazil, the only individually examined producer/exporter in this investigation, that is not zero, *de minimis*, or based entirely on facts otherwise available. Therefore, we assigned the estimated weighted-average dumping margin that we calculated for ACG Brazil to all other producers and

¹ See *Hard Empty Capsules from Brazil: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*, 90 FR 22688 (May 29, 2025) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum.

² See Memorandum, "Post-Preliminary Analysis for the Affirmative Preliminary Determination in the Less-Than-Fair-Value Investigation of Hard Empty Capsules from Brazil," dated August 7, 2025.

³ See Memorandum, "Notification of Deadlines for submission of Case and Rebuttal Briefs," dated August 12, 2025.

⁴ See Memorandum, "Deadlines Affected by the Shutdown of the Federal Government," dated November 14, 2025.

⁵ See Memorandum, "Tolling of all Case Deadlines," dated November 24, 2025.

⁶ See Memorandum, "Issues and Decision Memorandum for the Final Affirmative Determination of Sales at Less Than Fair Value in the Investigation of Hard Empty Capsules from Brazil," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

⁷ See Memorandum, "Less-Than-Fair-Value and Countervailing Duty Investigations of Hard Empty Capsules from Brazil, the People's Republic of China, India, and the Socialist Republic of Vietnam: Scope Comments Decision Memorandum for the Preliminary Determination," dated March 24, 2025 (Preliminary Scope Memorandum).

⁸ See Memorandum, "Less-Than-Fair-Value and Countervailing Duty Investigations of Hard Empty Capsules from Brazil, the People's Republic of China, India, and the Socialist Republic of Vietnam: Final Scope Decision Memorandum," dated concurrently with this memorandum (Final Scope Memorandum).

⁹ See *Hard Empty Capsules From Brazil, the People's Republic of China, India, and the Socialist Republic of Vietnam: Initiation of Less-Than-Fair-Value Investigations*, 89 FR 91684 (November 20, 2024) (*Initiation Notice*).

exporters, pursuant to section 735(c)(5)(A) of the Act.

Final Determination

Commerce determines that the following estimated weighted-average dumping margins exist:

Producer/exporter	Weighted-average dumping margin (percent)	Cash deposit rate (percent) ¹⁰
ACG do Brasil S.A	77.63	77.63
All Others	77.63	77.63

Disclosure

Commerce intends to disclose the calculations and analysis performed in connection with this final determination to interested parties within five days of any public announcement or, if there is no public announcement, within five days of the date of publication of this notice in the **Federal Register**, in accordance with 19 CFR 351.224(b).

Suspension of Liquidation

In accordance with section 733(d)(1)(B) of the Act, we instructed U.S. Customs and Border Protection (CBP) to suspend liquidation of all entries of subject merchandise, as described in Appendix I of this notice, which were entered, or withdrawn from warehouse, for consumption on or after May 29, 2025, the date of publication of the *Preliminary Determination* in the **Federal Register**. In accordance with section 733(d) of the Act, we instructed CBP to discontinue the suspension of liquidation of all entries of subject merchandise entered or withdrawn from warehouse, on or after November 25, 2025, but to continue the suspension of liquidation of all entries of subject merchandise on or before November 24, 2025.

If the U.S. International Trade Commission (ITC) issues a final affirmative injury determination, we will issue an antidumping duty order, reinstate the suspension of liquidation under section 736(a) of the Act, and require a cash deposit of estimated antidumping duties for such entries of subject merchandise in the amounts indicated above, in accordance with section 736(a) of the Act. If the ITC determines that material injury, or threat of material injury, does not exist, then this proceeding will be terminated, the suspension of liquidation will be lifted, and all cash deposits for

estimated antidumping duties will be refunded.

ITC Notification

In accordance with section 735(d) of the Act, Commerce will notify the ITC of its final affirmative determination of sales at LTFV. Because Commerce's final determination is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports, or sales (or the likelihood of sales) for importation, of capsules no later than 45 days after this final determination. If the ITC determines that material injury or threat of material injury does not exist, this proceeding will be terminated, all cash deposits will be refunded or canceled, and suspension of liquidation will be lifted. If the ITC determines that such injury does exist, Commerce will issue an antidumping duty order directing CBP to assess, upon further instructions by Commerce, antidumping duties on all imports of the subject merchandise that are entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation, as discussed above in the "Suspension of Liquidation" section.

Administrative Protective Order (APO)

This notice serves as the only reminder to parties subject to an APO of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

Notification To Interested Parties

This final determination is issued and published in accordance with sections 735(d) and 777(i) of the Act, and 19 CFR 351.210(c).

Dated: December 18, 2025.

Christopher Abbott,

Deputy Assistant Secretary for Policy and Negotiations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The merchandise subject to the scope of the investigation is hard empty capsules, which are comprised of two prefabricated, hollowed cylindrical sections (cap and body). The cap and body pieces each have one closed and rounded end and one open end, and are constructed with different or equal diameters at their open ends.

Hard empty capsules are unfilled cylindrical shells composed of at least 80 percent by weight of a water soluble polymer that is considered non-toxic and appropriate for human or animal consumption by the United States Pharmacopeia—National Formulary (USP–NF), Food Chemical Codex (FCC), or equivalent standards. The most common polymer materials in hard empty capsules are gelatin derived from animal collagen (including, but not limited to, pig, cow, or fish collagen), hydroxypropyl methylcellulose (HPMC), and pullulan.

Hard empty capsules may also contain water and additives, such as opacifiers, colorants, processing aids, controlled release agents, plasticizers, and preservatives. Hard empty capsules may also be imprinted or otherwise decorated with markings.

Hard empty capsules are covered by the scope of the investigation regardless of polymer material, additives, transparency, opacity, color, imprinting, or other markings.

Hard empty capsules are also covered by the scope of the investigation regardless of their size, weight, length, diameter, thickness, and filling capacity.

¹⁰ To determine the cash deposit rate, Commerce normally adjusts the estimated weighted-average dumping margin by the amount of export subsidies countervailed in a companion countervailing duty (CVD) proceeding, when CVD provisional measures are in effect. Accordingly, where Commerce has made a final affirmative determination for

countervailable export subsidies, Commerce offsets the estimated weighted-average dumping margin by the appropriate CVD rate. However, in the final determination of the companion CVD investigation of capsules from Brazil, we found no export subsidies. See unpublished **Federal Register** notice entitled, "Hard Empty Capsules from Brazil: Final

Affirmative Countervailing Duty Determination," signed and dated concurrently with this **Federal Register** notice. Therefore, Commerce has not adjusted the antidumping duty cash deposit rate for export subsidies in the companion CVD investigation.

Cap and body pieces of hard empty capsules are covered by the scope of the investigation regardless of whether they are imported together or separately, and regardless of whether they are imported in attached or detached form.

Hard empty capsules covered by the scope of the investigation are those that disintegrate in water, simulated intestinal fluid, simulated gastric fluid, or other similar water-based (*i.e.*, aqueous) fluids within 2 hours under tests specified in Chapter 701 of the USP–NF, or equivalent disintegration tests.

Hard empty capsules are classifiable under subheadings 9602.00.1040 and 9602.00.5010 of the Harmonized Tariff Schedule of the United States (HTSUS). In addition, hard empty capsules may be imported under HTSUS subheading 1905.90.9090; gelatin hard empty capsules may be imported under HTSUS subheading 3503.00.5510; HPMC hard empty capsules may be imported under HTSUS subheading 3923.90.0080; and pullulan hard empty capsules may be imported under HTSUS subheading 2106.90.9998. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise covered by the investigation is dispositive.

Appendix II

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Changes since the *Preliminary Determination*
- IV. Discussion of the Issues
 - Comment 1: Revising the Finance Expense Ratio
 - Comment 2: Revising the General and Administrative (G&A) Expense Ratio
- V. Recommendation

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DEPARTMENT OF COMMERCE

International Trade Administration

[A–555–005]

Paper File Folders From Cambodia: Final Negative Determination of Sales at Less Than Fair Value

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

SUMMARY: The U.S. Department of Commerce (Commerce) determines that paper file folders from Cambodia are not being, or are not likely to be, sold in the

United States at less than fair value (LTFV). The period of investigation is October 1, 2023, through September 30, 2024.

DATES: Applicable December 29, 2025.

FOR FURTHER INFORMATION CONTACT: Kelsie Hohenberger, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482–2517.

SUPPLEMENTARY INFORMATION:

Background

On May 29, 2025, Commerce published its *Preliminary Determination* in the **Federal Register** and invited interested parties to comment.¹ However, no parties submitted comments. Because no interested party submitted comments, the only modification we have made from the *Preliminary Determination* is to incorporate a finding from the cost verification and rely on a revised cost database obtained following issuance of the *Preliminary Determination*.² Accordingly, an analysis memorandum accompanies this **Federal Register** notice.³

Due to the lapse in appropriations and Federal Government shutdown, on November 14, 2025, Commerce tolled all deadlines in administrative proceedings by 47 days.⁴ Additionally, due to a backlog of documents that were electronically filed via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS) during the Federal Government shutdown, on November 24, 2025, Commerce tolled all deadlines in administrative proceedings by an additional 21 days.⁵ Accordingly, the

¹ See *Paper File Folders from Cambodia: Preliminary Negative Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 90 FR 22694 (May 29, 2025) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum.

² See Memorandum, “Final Determination Analysis Memorandum for Three-Color Stone Stationery (Cambodia) Co., Ltd.,” dated concurrently with this notice (TCS Final Analysis Memorandum).

³ *Id.*

⁴ See Memorandum, “Deadlines Affected by the Shutdown of the Federal Government,” dated November 14, 2025.

⁵ See Memorandum, “Tolling of all Case Deadlines,” dated November 24, 2025.

deadline for this final determination is now December 18, 2025.

Scope of the Investigation

The products covered by this investigation are paper file folders from Cambodia. For a complete description of the scope of this investigation, *see* the appendix to this notice.

Scope Comments

No interested party commented on the scope of the investigation as it appeared in the *Preliminary Determination*. Therefore, no changes were made to the scope of the investigation.

Verification

As provided in section 782(i) of the Tariff Act of 1930, as amended (the Act), in June 2025, we conducted verification of information submitted by Three-Color Stone Stationery (Cambodia) Co., Ltd. (TCS) for use in our final determination. We used standard verification procedures, including an examination of relevant accounting records and original source documents provided by TCS.⁶

Changes Since the Preliminary Determination

As noted above, we have incorporated certain changes in our final margin calculations for TCS. Specifically, we are: (1) relying on a revised cost database submitted by TCS following the *Preliminary Determination*, and (2) revising TCS's general and administrative expense ratio to include certain expenses related to other non-operating expenses as a result of a finding made during our cost verification. We are making no other changes from the *Preliminary Determination*. For a discussion of these changes, *see* the TCS Final Analysis Memorandum.

Final Determination

Commerce determines that the following estimated weighted-average dumping margin exists:

⁶ See Memoranda, “Verification of the Sales Responses of Three-Color Stone Stationery (Cambodia) Co., Limited in the Less-Than-Fair-Value Investigation of Paper File Folders from Cambodia,” dated August 4, 2025; and “Verification of the Cost Response of Three-Color Stone Stationery (Cambodia) Co., Limited in the Less-Than-Fair-Value Investigation of Paper File Folders from Cambodia,” dated August 14, 2025.