



U.S. Customs and
Border Protection

Pipeline 06-17
August 15, 2006

To: Customhouse Brokers, Importers, and Others Concerned

**Subject: New Requirements Concerning Cash Deposits on the Entry of
Petroleum Wax Candles and Blended Wax Candles from China
Under Anti-Dumping Case A570-504**

1. Purpose:

To inform the public and importing community that importers are requested to provide CBP with a listing of entries subject to a preliminary anti-circumvention order covering blended wax candles from China entered on or after February 25, 2005. Importers are required to make cash deposits of 108.30% and provide reimbursement statements for these entries.

2. Scope

On June 16, 2006, the Director of Special Enforcement issued anti-dumping message No. 6167217, notifying the Directors of Field Operations and Port Directors of the preliminary determination of circumvention of the anti-dumping order, with the order to suspend liquidation and require cash deposits on shipments of "blended wax" (petroleum wax blended with palm and/or other vegetable oil wax) candles.

Effective February 25, 2005, all blended wax candles manufactured in China which meet the requirements for candles subject to anti-dumping order A570-504 that contain no more than 87.80% palm and/or other vegetable oil based waxes will be suspended from liquidation and require a 108.30% cash deposit.

This message was promulgated to the importing public as Administrative Message No. 06-0710, also known as ADM message 2006/06/16/018.

3. Background

On June 2, 2006, the Department of Commerce published in the Federal Register its notice of an affirmative preliminary determination of later developed merchandise circumvention of the petroleum wax candles antidumping duty order (71FR 32033).

The scope of this order included certain scented or unscented petroleum wax candles made from petroleum wax and having fiber or paper-cored wicks. They are sold in the following shapes: tapers, spirals, and straight sided dinner candles, rounds, columns, pillars, votives and various wax filled containers.

The products covered by the order are currently classifiable under the harmonized tariff schedule of the United States ("HTSUS") item 3406.00. The HTSUS subheading is provided for convenience and for CBP purposes only, and is not dispositive, rather the written description of the scope of the order is dispositive.

The products subject to this anti-circumvention inquiry are blended wax candles containing petroleum wax and over fifty percent palm and/or other vegetable oil based waxes ("mixed wax candles") from the People's Republic of China.

Excluded from the scope of the anti-circumvention inquiry are candles containing greater than 87.80% palm or other vegetable oil waxes, or greater than 50% beeswax.

4. Action

The trade community is requested to furnish a listing of all unliquidated entries of candles falling within the scope of this preliminary determination that were entered as type "01" entries (as coded in block No. 2 on the Customs [or CBP] Form 7501), as well as "03" entries that contain lines that were not entered as subject to dumping duties, which were entered on or after February 25, 2005. Importers are required to pay the 108.30% dumping deposit on these candles, and provide a Reimbursement Statement as required for dumping entries.

The new 87.80% cut off point for palm and/or vegetable wax content of the subject candles makes it unlikely that any candles would contain more than that amount of palm and/or vegetable oil wax. Therefore, unless a specific style of candle can be proven to contain greater than 87.80% palm and/or vegetable wax by a laboratory report by an independent United States based laboratory, we must take the position that all palm or other vegetable oil candles are subject to the provisions of the circumvention inquiry.

Any technical questions concerning the scope of the anti-dumping duty order or the anti-circumvention inquiry should be addressed to the International Trade Administration at (202) 482-3577. Questions on local port procedures can be addressed to CT-305 at (312) 983-1305.

The provisions of this Pipeline are effective immediately.



Carl Ambroson
Area Port Director

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