Honey from China

Investigation No. 731-TA-893 (Fourth Review)

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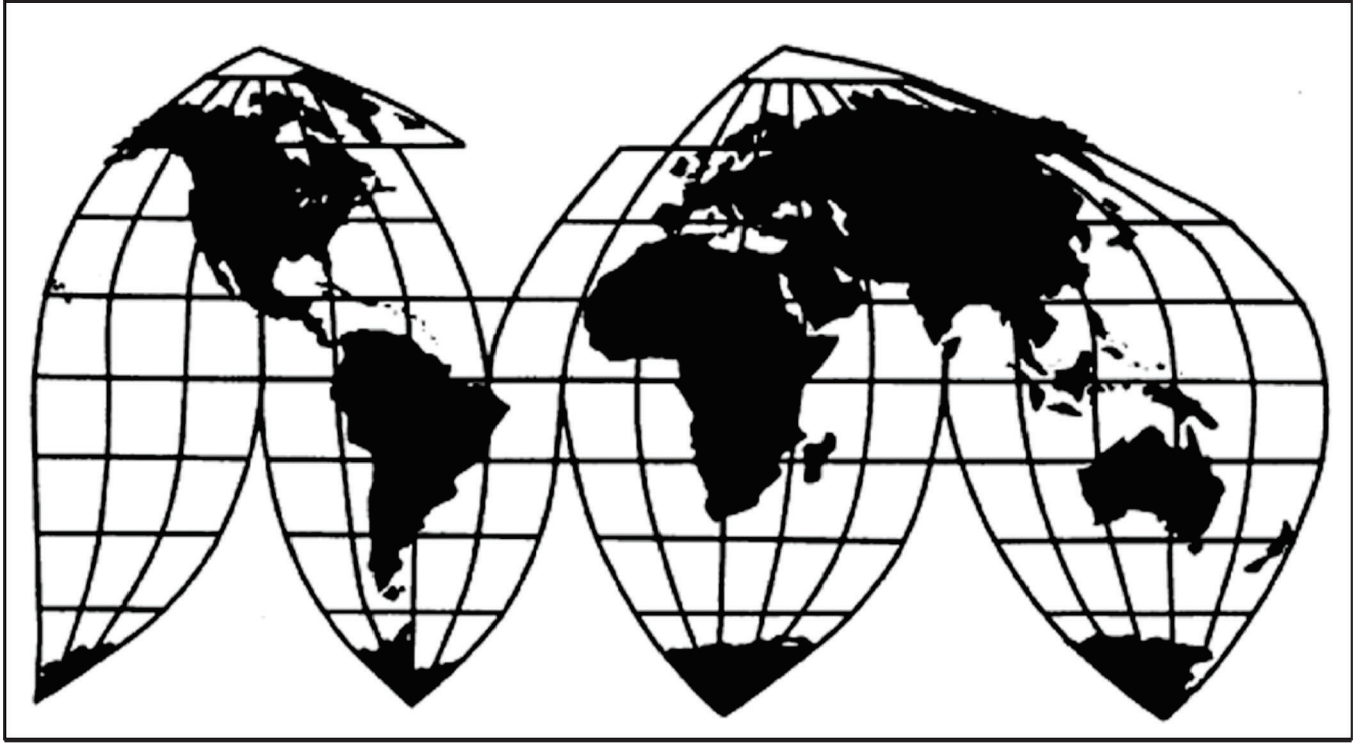
U.S. International Trade Commission



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UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation No. 731-TA-893 (Fourth Review)

Honey from China

DETERMINATION

On the basis of the record[1] developed in the subject five-year review, the United States International Trade Commission ("Commission") determines, pursuant to the Tariff Act of 1930 ("the Act"), that revocation of the antidumping duty order on honey from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

BACKGROUND

The Commission instituted this review on March 1, 2023 (88 FR 12992) and determined on June 5, 2023 that it would conduct an expedited review (88 FR 44841, July 13, 2023).

[1] The record is defined in § 207.2(f) of the Commission's Rules of Practice and Procedure (19 CFR 207.2(f)).

Views of the Commission

Based on the record in this five-year review, we determine under section 751(c) of the Tariff Act of 1930, as amended ("the Tariff Act"), that revocation of the antidumping duty order on honey from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

I. Background

A. The Original Investigations

On September 29, 2000, the American Honey Producers Association ("AHPA"), a trade association whose members produce honey in the United States, and the Sioux Honey Association ("SHA"), a non-profit cooperative marketing organization that collects, processes, packs, and markets honey produced by its members, as well as by independent beekeepers, filed petitions with the Commission and the Department of Commerce ("Commerce") alleging that a U.S. industry was materially injured and threatened with material injury by reason of imports of honey from Argentina and China sold at less-than-fair-value ("LTFV") and subsidized by the government of Argentina. On October 4, 2001, Commerce determined that subject imports from Argentina and China were being sold at LTFV and that subject imports from Argentina were subsidized.[1] In November 2001, the Commission found a domestic industry was materially injured by reason of LTFV imports of honey from Argentina and China and by

[1] *Notice of Final Determination of Sales at Less Than Fair Value; Honey From the People's Republic of China*, 66 Fed. Reg. 50608 (Oct. 4, 2001); *Notice of Final Determination of Sales at Less Than Fair Value; Honey From Argentina*, 66 Fed. Reg. 50611 (Oct. 4, 2001); *Final Affirmative Countervailing Duty Determination; Honey From Argentina*, 66 Fed. Reg. 50613 (Oct. 4, 2011).

reason of subsidized imports of honey from Argentina.[2] Consequently, on December 10, 2001, Commerce issued antidumping duty orders on imports of honey from Argentina and China and a countervailing duty order on imports of honey from Argentina.[3]

B. The First Reviews

On November 1, 2006, the Commission instituted its first five-year reviews of the antidumping and countervailing duty orders on honey from Argentina and China.[4] In June 2007, the Commission reached affirmative determinations after conducting expedited reviews.[5] As a result, effective August 2, 2007, Commerce issued a continuation of the antidumping and countervailing duty orders.[6]

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[2] *Honey from Argentina and China*, Inv. Nos. 701-TA-402 and 731-TA-892-893 (Final), USITC Pub. 3470 (Nov. 2001) ("Original Determinations"). The Commission determined that critical circumstances existed with respect to the subject imports from China for which Commerce made affirmative critical circumstances findings. *Id.* at 23.

[3] *Antidumping Duty Order Regarding Imports from China*, 66 Fed. Reg. 63670 (Dec. 10, 2001); *Antidumping Duty Order Regarding Imports From Argentina*, 66 Fed. Reg. 63672 (Dec. 10, 2001); *Countervailing Duty Order Regarding Imports from Argentina*, 66 Fed. Reg. 63673 (Dec. 10, 2001).

In January 2002, Chinese exporters and U.S. importers appealed the Commission's original determinations to the U.S. Court of International Trade ("CIT"). After multiple stays, on March 22, 2017, the CIT sustained the Commission's findings. *See Zhejiang Native Produce & Animal By-Products Import & Export Corp. v. United States*, 217 F.Supp.3d 1363 (Ct. Int'l Trade 2017).

[4] *Institution of Five Year Reviews Concerning the Countervailing Duty Order on Honey from Argentina and the Antidumping Duty Orders on Honey from Argentina and China*, 71 Fed. Reg. 64292 (Nov. 1, 2006).

[5] *Honey from Argentina and China*, Inv. Nos. 701-TA-402 and 731-TA-892-893 (Review), USITC Pub. 3929 (June 2007) ("First Reviews"). Our discussion below of the volume and price effects found by the Commission in the original investigations and first reviews reflects the fact that both of those affirmative determinations were made on a cumulated basis. Because this fourth five-year review involves only the antidumping duty order on subject imports from China, we have included discussions of the relevant data, when possible, concerning subject imports from China in the original investigations and first reviews.

[6] *Continuation of Antidumping Duty Orders on Honey from Argentina and the People's Republic of China, and Continuation of Countervailing Duty Order on Honey from Argentina*, 72 Fed. Reg. 42384 (Aug. 2, 2007).

C. The Second Review

On July 2, 2012, the Commission instituted its second five-year reviews of the antidumping and countervailing duty orders on honey from Argentina and China.[7] No domestic interested party filed a notice of intent to participate in the reviews of the orders on honey from Argentina. Consequently, on September 21, 2012, Commerce revoked the antidumping and countervailing duty orders on honey from Argentina,[8] and the Commission terminated its reviews concerning honey from Argentina.[9] In November 2012, the Commission reached an affirmative determination concerning the antidumping duty order on honey from China after conducting an expedited review.[10] On December 13, 2012, Commerce issued a continuation of the antidumping duty order on honey from China.[11]

D. The Third Review

On November 1, 2017, the Commission instituted the third five-year review.[12] In April 2018, after conducting an expedited review, the Commission reached an affirmative determination concerning the antidumping duty order on honey from China.[13] On April 26,

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[7] *Honey from Argentina and China: Institution of Five-Year Reviews Concerning the Countervailing Duty Order on Honey from Argentina and the Antidumping Duty Orders on Honey from Argentina and China*, 77 Fed. Reg. 39257 (July 2, 2012).

[8] *Honey from Argentina; Final Results of Sunset Reviews and Revocation of Antidumping Duty and Countervailing Duty Orders*, 77 Fed. Reg. 58524 (Sep. 21, 2012).

[9] Investigation Nos. 701-TA-402 and 731-TA-892 (Second Review); *Honey from Argentina; Termination of Five-Year Reviews*, 77 Fed. Reg. 64827 (Oct. 25, 2012).

[10] *Honey from China*, Inv. No. 731-TA-893 (Second Review), USITC Pub. 4364 at 3 (Nov. 2012) ("Second Review").

[11] *Honey from the People's Republic of China: Continuation of Antidumping Duty Order*, 77 Fed. Reg. 74173 (Dec. 13, 2012).

[12] *Honey From China; Institution of a Five-Year Review*, 82 Fed. Reg. 50683 (Nov. 1, 2017).

[13] Inv. No. 731-TA-893 (Third Review), USITC Pub. 4776 at 3 (Apr. 2018) ("Third Review").

2018, Commerce issued a continuation of the antidumping duty order on honey from China.[14]

E. The Current Review

On March 1, 2023, the Commission instituted this fourth five-year review.[15] On March 31, 2023, the AHPA and SHA (collectively, "domestic interested parties") jointly filed the sole response to the notice of institution.[16] No respondent interested party responded to the notice of institution or participated in this review. On June 5, 2023, the Commission determined that the domestic interested parties' group response to its notice of institution was adequate, and the respondent interested party group response was inadequate.[17] Finding no other circumstances that would warrant conducting a full review, the Commission determined that it would conduct an expedited review pursuant to section 751(c)(3) of the Tariff Act.[18]

On August 31, 2023, the domestic interested parties filed comments with the Commission pursuant to 19 C.F.R. § 207.62(d).[19]

U.S. industry data are based on public information from the U.S. Department of Agriculture ("USDA") and information supplied by the domestic interested parties in their response to the notice of institution. The domestic interested parties estimate that they

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[14] *Honey from the People's Republic of China: Continuation of Antidumping Duty Order*, 83 Fed. Reg. 18277 (April 26, 2018).

[15] *Honey from China; Institution of a Five-Year Review*, 88 Fed. Reg. 12922 (March 1, 2023).

[16] Response of the American Honey Producers Association and Sioux Honey Association, EDIS No. 793519 (March 31, 2023) ("Domestic Interested Parties' Response").

[17] Explanation of Commission Determination on Adequacy, EDIS Doc. 799057 (June 21, 2023).

[18] Explanation of Commission Determination on Adequacy. Chairman Johanson determined that conducting a full review was warranted as there has not been a full review since the investigation concluded in 2001. *Id.*

[19] Domestic Industry's Comments Regarding the Commission's Determination in This Review, EDIS Doc. No. 803636 (Aug. 31, 2023).

accounted for *** percent of domestic production of honey in 2022.[20] U.S. import data and related information are based on Commerce's official import statistics.[21] Foreign industry data and related information are based on information from the original investigations and prior reviews, as well as information submitted by the domestic interested parties in this expedited review and publicly available information compiled by the Commission.[22]

II. Domestic Like Product and Industry

A. Domestic Like Product

In making its determination under section 751(c) of the Tariff Act, the Commission defines the "domestic like product" and the "industry."[23] The Tariff Act defines "domestic like product" as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this subtitle."[24] The Commission's practice in five-year reviews is to examine the domestic like product definition from the original investigation and consider whether the record indicates any reason to revisit the prior

[20] Confidential Report, Memorandum INV-VV-045 (May 23, 2023) ("CR") at I-2, Public Report, *Honey from China*, Inv. No. 731-TA-893 (Fourth Review), USITC Pub. 5461 (Sept. 2023) ("PR") at I-2; CR/PR at Table I-2.

[21] CR/PR at Table I-7, Table I-8.

[22] CR/PR at I-31 to I-33, Table I-10. During the adequacy phase of this proceeding, purchaser questionnaires were sent to three purchasers identified by the domestic interested parties as among the largest purchasers of honey, but no responses were received. *Id.* at D-3.

[23] 19 U.S.C. § 1677(4)(A).

[24] 19 U.S.C. § 1677(10); *see*, *e.g., Cleo Inc. v. United States*, 501 F.3d 1291, 1299 (Fed. Cir. 2007); *NEC Corp. v. Dep't of Commerce*, 36 F. Supp. 2d 380, 383 (Ct. Int'l Trade 1998); *Nippon Steel Corp. v. United States*, 19 CIT 450, 455 (1995); *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int'l Trade 1996); *Torrington Co. v. United States*, 747 F. Supp. 744, 748-49 (Ct. Int'l Trade 1990), *aff'd*, 938 F.2d 1278 (Fed. Cir. 1991); *see also* S. Rep. No. 249, 96th Cong., 1st Sess. 90-91 (1979).

findings.[25]

Commerce has defined the imported merchandise within the scope of the order under review as follows:

> The merchandise subject to this order are natural honey, artificial honey containing more than 50 percent natural honey by weight, preparations of natural honey containing more than 50 percent of honey by weight, and flavored honey.
>
> The subject merchandise includes all grades and colors of honey whether in liquid, creamed, comb, cut comb, or chunk form, and whether packaged for retail or in bulk form.
>
> The merchandise subject to the Order is currently classifiable under subheadings 0409.00.00, 1702.90.90, 2106.90.99, 0409.00.0010, 0409.00.0035, 0409.00.0005, 0409.00.0045, 0409.00.0056, and 0409.00.0065 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, {Commerce's} written description of the merchandise under the Order is dispositive.[26]

Honey is used as a sweetener in a variety of products, such as bread and other baked goods, cereal, condiments, and candy.[27] Non-food applications for honey include pharmaceutical products and hair care products.[28]

In the original investigations and prior five-year reviews, the Commission defined a single domestic like product consisting of all honey, coextensive with Commerce's scope

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[25] *See*, *e.g.*, *Internal Combustion Industrial Forklift Trucks from Japan*, Inv. No. 731-TA-377 (Second Review), USITC Pub. 3831 at 8-9 (Dec. 2005); *Crawfish Tail Meat from China*, Inv. No. 731-TA-752 (Review), USITC Pub. 3614 at 4 (July 2003); *Steel Concrete Reinforcing Bar from Turkey*, Inv. No. 731-TA-745 (Review), USITC Pub. 3577 at 4 (Feb. 2003).

[26] CR/PR at I-6; *Honey from the People's Republic of China: Final Results of the Expedited Fourth Sunset Review of the Antidumping Duty Order*, 88 Fed. Reg. 37206 (June 7, 2023); *Issues and Decision Memorandum for the Expedited Fourth Sunset Review of the Antidumping Duty Order on Honey from the People's Republic of China*, EDIS Doc. 799275 at 2 (June 1, 2023) ("IDM").

[27] CR/PR at I-10.

[28] CR/PR at I-10.

definition.[29] In this five-year review, the record does not contain any new information suggesting that the pertinent product characteristics and uses of honey have changed since the prior proceedings so as to warrant revisiting the Commission's domestic like product definition.[30] In addition, the domestic interested parties argue that the Commission should adopt the domestic like product definition from the prior proceedings.[31] Consequently, we continue to define the domestic like product as all honey, coextensive with Commerce's scope.

B. Domestic Industry

Section 771(4)(A) of the Tariff Act defines the relevant industry as the domestic "producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product."[32] In defining the domestic industry, the Commission's general practice has been to include in the industry producers of all domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market.

In the original investigations, the Commission found a single domestic industry, consisting of all domestic producers of honey, both raw and processed, with the exception of three domestic producers that were excluded pursuant to the related parties provision, section

[29] Original Determinations, USITC Pub. 3470 at 5; First Reviews, USITC Pub. 3929 at 6; Second Review, USTIC Pub. 4364 at 5; Third Review, USITC Pub. 4776 at 7.

[30] *See* CR/PR at I-9 to I-15.

[31] Domestic Interested Parties' Response at 25.

[32] 19 U.S.C. § 1677(4)(A). The definitions in 19 U.S.C. § 1677 are applicable to the entire subtitle containing the antidumping and countervailing duty laws, including 19 U.S.C. §§ 1675 and 1675a. *See* 19 U.S.C. § 1677.

771(4)(B) of the Tariff Act.[33] Additionally, the Commission determined that honey packers engaged in sufficient production-related activities to be included in the domestic industry.[34] In the prior reviews, the Commission found that no domestic producers qualified for possible exclusion under the related parties provision, and again defined the domestic industry as all domestic producers of honey, both raw and processed, including packers.[35]

In this fourth five-year review, the domestic interested parties contend that the Commission should adopt the domestic industry definition from the prior proceedings and do not argue for the exclusion of any producers from the domestic industry under the related parties provision.[36] The record does not indicate that there are any related parties or other domestic industry issues in this review.[37] Accordingly, consistent with our definition of the domestic like product, we again define the domestic industry as all U.S. producers of honey, raw and finished, including beekeepers and packers.

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[33] Original Determinations, USITC Pub. 3470 at 11. The Commission found that appropriate circumstances existed to exclude three firms that imported honey from Argentina from the domestic industry pursuant to the related parties provision. *Id.* at 9-10. The Commission found these three firms had sourced a large portion of their honey from subject sources and had shielded themselves from the effects of unfairly traded imports. *Id.*

[34] Original Determinations, USITC Pub. 3470 at 7. The Commission found that the packers employed a considerable number of production and related workers, had made substantial capital investments, and added at least 20 percent to the value of the finished product. *Id.* The Commission also found that the record contained insufficient information to determine whether the packers that purchased subject imports, but did not themselves import subject honey, controlled importers or exporters through their purchases. *Id.* at 9. Consequently, it did not exclude these packers from the industry under the related parties provision. *Id.*

[35] First Reviews, USITC Pub. 3929 at 6; Second Review, USITC Pub. 4364 at 5-6; Third Review, USITC Pub. 4776 at 8.

[36] Domestic Interested Parties' Response at 22, 40.

[37] *See* CR/PR at I-22 to I-23; Domestic Interested Parties' Response at 21-22. The record does not indicate that the activities of packer organizations have changed since the prior proceedings. *See id.* at I-23. Accordingly, we continue to include packers in the domestic industry.

III. Revocation of the Antidumping Order Would Likely Lead to Continuation or Recurrence of Material Injury Within a Reasonably Foreseeable Time

A. Legal Standards

In a five-year review conducted under section 751(c) of the Tariff Act, Commerce will revoke an antidumping or countervailing duty order unless: (1) it makes a determination that dumping or subsidization is likely to continue or recur and (2) the Commission makes a determination that revocation of the antidumping or countervailing duty order "would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time."[38] The SAA states that "under the likelihood standard, the Commission will engage in a counterfactual analysis; it must decide the likely impact in the reasonably foreseeable future of an important change in the status quo – the revocation or termination of a proceeding and the elimination of its restraining effects on volumes and prices of imports."[39] Thus, the likelihood standard is prospective in nature.[40] The CIT has found that "likely," as used in the five-year review provisions of the Act, means "probable," and the Commission applies that standard in five-year reviews.[41]

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[38] 19 U.S.C. § 1675a(a).

[39] SAA at 883-84. The SAA states that "{t}he likelihood of injury standard applies regardless of the nature of the Commission's original determination (material injury, threat of material injury, or material retardation of an industry). Likewise, the standard applies to suspended investigations that were never completed." *Id*. at 883.

[40] While the SAA states that "a separate determination regarding current material injury is not necessary," it indicates that "the Commission may consider relevant factors such as current and likely continued depressed shipment levels and current and likely continued {sic} prices for the domestic like product in the U.S. market in making its determination of the likelihood of continuation or recurrence of material injury if the order is revoked." SAA at 884.

[41] *See NMB Singapore Ltd. v. United States*, 288 F. Supp. 2d 1306, 1352 (Ct. Int'l Trade 2003) ("'likely' means probable within the context of 19 U.S.C. § 1675(c) and 19 U.S.C. § 1675a(a)"), *aff'd mem.*, 140 Fed. Appx. 268 (Fed. Cir. 2005); *Nippon Steel Corp. v. United States*, 26 CIT 1416, 1419 (2002) (Continued…)

The statute states that "the Commission shall consider that the effects of revocation or termination may not be imminent, but may manifest themselves only over a longer period of time."[42] According to the SAA, a "'reasonably foreseeable time' will vary from case-to-case, but normally will exceed the 'imminent' timeframe applicable in a threat of injury analysis in original investigations."[43]

Although the standard in a five-year review is not the same as the standard applied in an original investigation, it contains some of the same fundamental elements. The statute provides that the Commission is to "consider the likely volume, price effect, and impact of imports of the subject merchandise on the industry if the orders are revoked or the suspended investigation is terminated."[44] It directs the Commission to take into account its prior injury determination, whether any improvement in the state of the industry is related to the order or the suspension agreement under review, whether the industry is vulnerable to material injury if an order is revoked or a suspension agreement is terminated, and any findings by Commerce

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(same); *Usinor Industeel, S.A. v. United States*, 26 CIT 1402, 1404 nn.3, 6 (2002) ("more likely than not" standard is "consistent with the court's opinion;" "the court has not interpreted 'likely' to imply any particular degree of 'certainty'"); *Indorama Chemicals (Thailand) Ltd. v. United States*, 26 CIT 1059, 1070 (2002) ("standard is based on a likelihood of continuation or recurrence of injury, not a certainty"); *Usinor v. United States*, 26 CIT 767, 794 (2002) ("'likely' is tantamount to 'probable,' not merely 'possible'").

[42] 19 U.S.C. § 1675a(a)(5).

[43] SAA at 887. Among the factors that the Commission should consider in this regard are "the fungibility or differentiation within the product in question, the level of substitutability between the imported and domestic products, the channels of distribution used, the methods of contracting (such as spot sales or long-term contracts), and lead times for delivery of goods, as well as other factors that may only manifest themselves in the longer term, such as planned investment and the shifting of production facilities." *Id*.

[44] 19 U.S.C. § 1675a(a)(1).

regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4).[45] The statute further provides that the presence or absence of any factor that the Commission is required to consider shall not necessarily give decisive guidance with respect to the Commission's determination.[46]

In evaluating the likely volume of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether the likely volume of imports would be significant either in absolute terms or relative to production or consumption in the United States.[47] In doing so, the Commission must consider "all relevant economic factors," including four enumerated factors: (1) any likely increase in production capacity or existing unused production capacity in the exporting country; (2) existing inventories of the subject merchandise, or likely increases in inventories; (3) the existence of barriers to the importation of the subject merchandise into countries other than the United States; and (4) the potential for product shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products.[48]

In evaluating the likely price effects of subject imports if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether there is likely to be significant underselling by the subject imports as compared to the domestic like product and whether the subject imports are likely to enter the

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[45] 19 U.S.C. § 1675a(a)(1). Commerce has not made any duty absorption findings concerning honey from China. *See, generally,* IDM.

[46] 19 U.S.C. § 1675a(a)(5). Although the Commission must consider all factors, no one factor is necessarily dispositive. SAA at 886.

[47] 19 U.S.C. § 1675a(a)(2).

[48] 19 U.S.C. § 1675a(a)(2)(A-D).

United States at prices that otherwise would have a significant depressing or suppressing effect on the price of the domestic like product.[49]

In evaluating the likely impact of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider all relevant economic factors that are likely to have a bearing on the state of the industry in the United States, including but not limited to the following: (1) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity; (2) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment; and (3) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.[50] All relevant economic factors are to be considered within the context of the business cycle and the conditions of competition that are distinctive to the industry. As instructed by the statute, we have considered the extent to which any improvement in the state of the domestic industry is related to the orders under review and whether the industry is vulnerable to material injury upon revocation.[51]

No respondent interested party participated in this expedited review. The record,

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[49] *See* 19 U.S.C. § 1675a(a)(3). The SAA states that "{c}onsistent with its practice in investigations, in considering the likely price effects of imports in the event of revocation and termination, the Commission may rely on circumstantial, as well as direct, evidence of the adverse effects of unfairly traded imports on domestic prices." SAA at 886.

[50] 19 U.S.C. § 1675a(a)(4).

[51] The SAA states that in assessing whether the domestic industry is vulnerable to injury if the order is revoked, the Commission "considers, in addition to imports, other factors that may be contributing to overall injury. While these factors, in some cases, may account for the injury to the domestic industry, they may also demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports." SAA at 885.

therefore, contains limited new information with respect to the honey industry in China. There also is limited information regarding the honey market in the United States during the period of review. Accordingly, for our determination, we rely as appropriate on the facts available from the original investigations and prior reviews, and the limited new information on the record in this fourth five-year review.

B. Conditions of Competition and the Business Cycle

In evaluating the likely impact of the subject imports on the domestic industry if an order is revoked, the statute directs the Commission to consider all relevant economic factors "within the context of the business cycle and conditions of competition that are distinctive to the affected industry."[52] The following conditions of competition inform our determination.

1. Demand Conditions

Prior Proceedings. In the original investigations and first five-year reviews, the Commission observed that the honey market was comprised of three sets of customers (in order of size): the industrial/ingredient sector, the retail sector, and the food service sector.[53] In the second five-year review, the Commission observed that demand for honey was driven by demand for downstream food products that use honey as an ingredient.[54] In the third five-year review, the Commission observed that the drivers of demand for honey had not changed from the prior reviews and original determination.[55]

In the original investigations, the Commission found that apparent U.S. consumption

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[52] 19 U.S.C. § 1675a(a)(4).
[53] Original Determinations, USITC Pub. 3470 at 16; First Reviews, USITC Pub. 3929 at 13.
[54] Second Review, USITC Pub. 4364 at 8.
[55] Third Review, USITC Pub. 4776 at 11.

rose from 352.7 million pounds in 1998 to 419.2 million pounds in 2000.[56] In the first five-year reviews, the Commission found that apparent U.S. consumption declined since the original investigations, although it increased from 330.4 million pounds in 2001 to 407.3 million pounds in 2005.[57] In the second five-year review, the Commission found that apparent U.S. consumption fluctuated during the period, although it was slightly higher in 2011, at 436.6 million pounds, than in 2006, at 432.8 million pounds.[58] In the third five-year review, the Commission found that apparent U.S. consumption had risen to 528.9 million pounds in 2016.[59]

Current Review. The record in the current review indicates that demand for honey increased during the period of review due to an increasing consumer preference for natural ingredients that are perceived as being healthier.[60] Relying on apparent U.S. consumption data from the Commission's recent investigations of raw honey from Argentina, Brazil, India, and Vietnam, domestic interested parties claim that U.S. demand for honey fluctuated during the period of review but declined from 2021 to 2022 to a level 5.4 percent lower than in 2017.[61]

The information available on the record of this review indicates that apparent U.S. consumption of honey was 577.3 million pounds in 2022, up from 528.9 million pounds in

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[56] Original Determinations, USITC Pub. 3470 at 15-16. In the original investigations and each of the five-year reviews (including this current, fourth five-year review), apparent U.S. consumption is derived from U.S. beekeepers' production, as reported by USDA, plus imports of honey, as reported in official Commerce import statistics. CR/PR at Table I-8, Note.

[57] First Reviews, USITC Pub. 3929 at 13.

[58] Second Review, USITC Pub. 4364 at 8.

[59] Third Review, USITC Pub. 4776 at 12.

[60] CR/PR at I-24.

[61] Domestic Interested Parties' Response at 24, Exh. 7 (citing *Raw Honey from Argentina, Brazil, India, and Vietnam*, Inv. Nos. 731-TA-1560-1562 and 1564 (Final), USITC Pub. 5327 (May 2022) at Table C-1). According to these data, apparent U.S. consumption declined from 597.0 million pounds in 2017 to 547.4 million pounds in 2018 and 531.2 million pounds in 2019, increased to 557.0 million pounds in 2020 and 602.9 million pounds in 2021, and then declined to 565.0 million pounds in 2022. *Id.*

2016.[62]

2. Supply Conditions

Prior Proceedings. In the prior reviews, the Commission observed that several factors had contributed to reduced supplies of domestically produced honey.[63] In the first five-year reviews, the Commission recognized that the bee population in the United States had declined over the prior 50 years by an estimated 40 to 50 percent.[64] It recognized that the major causes of this decline were disease and the use of pesticides.[65] In the second five-year review, the domestic interested parties reported that the domestic honey bee population continued to decline, due in part to the spread of disease, the use of insecticides, severe droughts, shrinking conservation reserve land, and colony collapse disorder.[66]

In the third five-year review, the Commission observed that the bee population had fluctuated significantly, largely due to unfavorable climatic and other conditions beyond the control of domestic producers, such as colony collapse disorder ("CCD") and severe droughts.[67] The Commission also observed that that Varroa mites, which feed on honeybees' blood,

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[62] CR/PR at Table I-8. In their response to the notice of initiation, domestic interested parties stated that U.S. consumption was 565 million pounds in 2022. Domestic Interested Parties' Response at 9. The domestic interested parties' figure excludes U.S. exports, based on Commerce statistics. Domestic Interested Parties' Response at Exh. 7. The exclusion of exports appears to be responsible for the discrepancy with the 577.3 million pound figure, which was derived from U.S. beekeepers' production, as reported by the USDA, plus imports of honey, as reported by Commerce. *See* CR/PR at Table I-8 (noting that in 2022, U.S. exports of honey equaled 12.3 million pounds and that if exports were factored out of the calculation in Table I-8, apparent U.S. consumption would be 565 million pounds).

[63] Original Determinations, USITC Pub. 3470 at 17-18; First Reviews, USITC Pub. 3929 at 13; Second Review, USITC Pub. 4364 at 8; Third Review, USITC Pub. 4776 at 12-13.

[64] First Reviews, USITC Pub. 3929 at 14.

[65] First Reviews, USITC Pub. 3929 at 14.

[66] Second Review, USITC Pub. 4364 at 8-9.

[67] Third Review, USITC Pub. 4776 at 12.

causing deformities and reduced life spans, and also carry honeybee diseases, had affected U.S. beekeepers.[68] The Commission further noted that honey production in the United States had fallen as a result of hurricanes in Texas and Florida—two major honey-producing regions.[69]

In the original investigations, the Commission found that U.S. beekeepers' share of apparent U.S. consumption by quantity declined from 62.5 percent in 1998 to 52.9 percent in 2000.[70] In the first five-year reviews, the domestic industry's share of apparent U.S. consumption was 56.1 percent in 2001 and 42.9 percent in 2005.[71] In the second five-year review, U.S. beekeepers' share of apparent U.S. consumption declined from 35.8 percent in 2006 to 34.0 percent in 2011.[72] In the third five-year review, U.S. beekeepers' share of apparent U.S. consumption was 30.6 percent in 2016.[73]

In the original investigations, the Commission found that cumulated subject imports' share of apparent U.S. consumption by quantity increased from 28.4 percent in 1998 to 37.7 percent in 2000.[74] In the first five-year reviews, cumulated subject imports accounted for 28.1 percent of apparent U.S. consumption in 2005.[75] In the second five-year review, subject imports from China's share of the U.S. market dropped from 16.4 percent in 2006 to 0.8 percent in 2011.[76] In the third five-year review, subject imports' share of the U.S. market was

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[68] Third Review, USITC Pub. 4776 at 12.
[69] Third Review, USITC Pub. 4776 at 12.
[70] Original Determinations, USITC Pub. 3470 at 18.
[71] First Reviews, USITC Pub. 3929 at I-43, Table I-17.
[72] Second Review, USITC Pub. 4364 at 9.
[73] Third Review, USITC Pub. 4776 at 13.
[74] Original Determinations, USITC Pub. 3470 at 17-18.
[75] First Reviews, USITC Pub. 3929 at 13.
[76] Second Review, USITC Pub. 4364 at 9, Table I-6.

0.06 percent in 2016.[77]

In the original investigations, the Commission found that nonsubject imports exhibited a relatively stable presence in the U.S. market during most of the period examined, with their share of apparent U.S. consumption by quantity increasing irregularly from 9.2 percent in 1998 to 9.6 percent in 2000.[78] In the first five-year reviews, the volume of nonsubject imports increased over the period of review and accounted for 29.0 percent of apparent U.S. consumption in 2005.[79] In the second five-year review, nonsubject imports' (which now included imports from Argentina) share of apparent U.S. consumption ranged from 47.8 percent in 2006 to 65.3 percent in 2011.[80] In the third five-year review, nonsubject imports' share of the U.S. market rose to 69.3 percent in 2016; the principal sources of nonsubject imports that year were Vietnam, Argentina, and India.[81]

Current Review. The information available indicates that the U.S. market was served primarily by the domestic industry and nonsubject imports during the period of review. U.S. honey production was 125.3 million pounds in 2022, equivalent to 21.7 percent of apparent U.S. consumption that year (and down from 161.9 million pounds in 2016, equivalent to 30.6 percent of apparent domestic consumption).[82] Although there is no information on the record concerning the impact of CCD and Varroa mites on the domestic industry during the period of

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[77] Third Review, USITC Pub. 4776 at 13.
[78] Original Determinations, USITC Pub. 3470 at 17.
[79] First Reviews, USITC Pub. 3929 at 13.
[80] Second Review, USITC Pub. 4364 at 9, Table I-6.
[81] Third Review, USITC Pub. 4776 at 13.
[82] CR/PR at Table I-8. Domestic interested parties state that U.S. honey production fluctuated during the period of review but declined irregularly from 2018 to 2021. Domestic Interested Parties' Response at 24 (citing *Raw Honey from Argentina, Brazil, India, and Vietnam*, USITC Pub. 5327 at 22).

review, the domestic interested parties do not cite either factor as an important condition of competition.[83]

Subject imports had a minimal presence in the U.S. market during the period of review, and there were no subject imports in 2022.[84] In 2022, nonsubject imports accounted for 78.3 percent of apparent U.S. consumption.[85] The principal sources of nonsubject imports in 2022, in order of import volume, were India, Argentina, Brazil, and Vietnam.[86] On June 10, 2022, antidumping duty orders were imposed on honey from Argentina, Brazil, India, and Vietnam.[87]

3. Substitutability and Other Conditions

Prior Proceedings. In the original investigations and prior five-year reviews, the Commission found that subject imports were generally substitutable with domestically produced honey and that price was an important factor in purchasing decisions.[88]

Current Review. The record of this review contains no new information indicating that the degree of substitutability between the domestic like product and subject imports or the

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[83] *See* CR/PR at I-20 to I-21. Commercial beekeepers had experience in replacing lost hives even prior to CCD. One of the primary methods of replacing lost hives involves splitting a healthy, full-strength, hive into two parts. The beekeeper will move a portion (typically less than 50 percent) of the brood and adult bees from a healthy hive to a new hive known as nuclei colonies. A new fertilized queen (purchased from commercial queen breeders) is added to the new hive, though the new hive may be allowed to produce their own queens. A second method is to purchase packaged bees, roughly 12,000 workers and a fertilized queen, typically from the same commercial breeders that produce fertilized queens. CR/PR at I-21.

[84] CR/PR at Table I-7.

[85] CR/PR at Table I-8.

[86] CR/PR at Table I-7.

[87] CR/PR at Table I-3; *Raw Honey from Argentina, Brazil, India, and Vietnam*, Inv. Nos. 731-TA-1560-1562, 1564 (Final), USITC Pub. 5327 (May 2022) at 49; *Raw Honey From Argentina, Brazil, India, and the Socialist Republic of Vietnam: Antidumping Duty Orders*, 87 Fed. Red. 35501 (June 10, 2022).

[88] Original Determinations, USITC Pub. 3470 at 16; First Reviews, USITC Pub. 3929 at 14; Second Review, USITC Pub. 4364 at 9; Third Review, USITC Pub. 4776 at 14.

importance of price has changed since the prior proceedings.[89] Domestic interested parties contend that the U.S. market for honey remains price sensitive based on the substitutable nature of the product.[90] Accordingly, we again find that the domestic like product and subject imports are generally substitutable, and that price is an important factor in purchasing decisions.

Imports of various types of honey from China are subject to additional duties under section 301 of the Trade Act of 1974 ("section 301"). Effective May 10, 2019, U.S imports of natural honey classified under HTSUS heading 0409.00.00 and U.S. imports of artificial honey classified under HTSUS subheading 1702.90.90 are subject to an additional 25 percent *ad valorem* duty under section 301.[91] Effective February 14, 2020, U.S. imports of Chinese honey preparations and flavored honey classified under HTS subheading 2106.90.99 (previously HTSUS 2106.90.98) are subject to an additional 7.5 percent *ad valorem* duty under section 301.[92]

C. Likely Volume of Subject Imports

1. The Prior Proceedings

In the original investigations, the Commission found that the quantity of cumulated subject imports increased over the entire period of investigation ("POI") and that the value of these imports followed the same trend.[93] It found that, while the domestic industry's market share decreased over the period, subject import market share steadily and substantially

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[89] *See generally* CR/PR; Domestic Interested Parties' Response.
[90] Domestic Interested Parties' Response at 17.
[91] CR/PR at I-8.
[92] CR/PR at I-8.
[93] Original Determinations, USITC Pub. 3470 at 17. During the original POI, subject imports from China increased from 30.5 million pounds, or 8.6 percent of apparent U.S. consumption in 1998, to 58.7 million pounds, or 14.0 percent of the apparent U.S. consumption, in 2000. *Id.* at IV-4, Table IV-4.

increased, and nonsubject imports exhibited a stable presence.[94] The Commission found that the increased volume of subject imports was significant both in absolute terms and relative to consumption in the United States.[95]

In the first five-year reviews, the Commission found that subject producers would have an incentive to ship significant volumes of additional exports to the United States if the orders were revoked.[96] The Commission based this finding on the substantial volume of cumulated subject imports into the United States and their gains in market share during the original investigations, the attractiveness of the U.S. market to subject producers (particularly as indicated by the number of new shipper reviews instituted by Chinese producers during the review period and the ability of exporters undergoing new shipper reviews to satisfy the duty deposit requirement on an entry with a bond as opposed to cash), the fact that there were substantial cumulated volumes of subject imports in the U.S. market throughout the period of review notwithstanding the restraining effects of the orders, and the sizes and export orientation of both the Chinese and Argentine honey industries.[97] The Commission therefore found that the likely volume of cumulated subject imports, both in absolute terms and relative to production and consumption in the United States, would be significant if the orders were

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[94] Original Determinations, USITC Pub. 3470 at 17-18.

[95] Original Determinations, USITC Pub. 3470 at 18.

[96] First Reviews, USITC Pub. 3929 at 16.

[97] First Reviews, USITC Pub. 3929 at 15-16. During the first period of review, subject imports from China fluctuated from a period low of 16.7 million pounds in 2002 to a period high of 64.7 million pounds in 2005. The market share of subject imports from China, which ranged from 4.5 to 16.4 percent of apparent U.S. consumption during the period of review, was 15.9 percent in 2005. *Id.* at I-43, Table I-17.

revoked.[98]

In the second five-year review, the Commission found that the likely volume of subject imports from China would be significant if the order were revoked.[99] The Commission based this determination on the substantial volumes of subject imports from China in the United States and their gains in market share during the original investigations, the Chinese industry's large and growing size, its export orientation, import restrictions in third-country markets, and the demonstrated interest of Chinese producers in the U.S. market, particularly as indicated by the fact that, in 2006, the final year before the new shipper review bond option was suspended, subject imports from China reached their peak levels during the 1996-2011 period for which the record contained data.[100]

In the third five-year review, the Commission found that the likely volume of subject imports from China would be significant if the order were revoked.[101] The Commission based this determination on the large size of the industry in China and its growing export orientation, the continued interest of Chinese producers in the U.S. market, and the restrictions faced by Chinese exporters of honey in various third-country markets.[102] The Commission observed that Chinese producers had engaged in various schemes to circumvent the antidumping duty order, and that Commerce made an affirmative final determination of circumvention regarding honey adulterated with rice syrup in 2012, reflecting the Chinese producers' continued interest in the

[98] First Reviews, USITC Pub. 3929 at 16.
[99] Second Review, USITC Pub. 4364 at 10.
[100] Second Review, USITC Pub. 4364 at 10-12.
[101] Third Review, USITC Pub. 4776 at 17.
[102] Third Review, USITC Pub. 4776 at 17.

U.S. market.[103] The Commission also observed that the European Union ("EU") and Canada required honey imports to undergo more rigorous testing for certain chemicals than the United States required, and that the EU also required labeling for honey containing more that 0.9 percent of genetically modified organisms.[104] It found that these requirements constituted restrictions on the Chinese industry's access to those markets that would make the U.S. market relatively more attractive in the event of revocation.[105] Finally, the Commission found that Chinese producers had the ability to shift exports between different third country export markets, having reduced their exports to Belgium while increasing their exports to Japan between 2015 and 2016.[106]

2. The Current Review

During the current period of review, subject imports had a limited presence in the U.S. market. Subject import volume peaked at 3,000 pounds in 2017, declined to zero in 2018 and 2019, were less than five hundred pounds in 2020, and then declined to zero in 2021 and 2022.[107]

The limited volume of subject imports during the period of review suggests that the order has had a disciplining effect. While the record in this review contains limited information on the honey industry in China, the information available indicates that the subject producers have the ability to increase their exports of honey to the U.S. market to a significant level if the

[103] Third Review, USITC Pub. 4776 at 16.
[104] Third Review, USITC Pub. 4776 at 17.
[105] Third Review, USITC Pub. 4776 at 17.
[106] Third Review, USITC Pub. 4776 at 17.
[107] CR/PR at Table I-7.

order were revoked.

The information available indicates that the subject industry possessed substantial capacity during the period of review. The domestic interested parties identified 156 subject producers/exporters that are actively engaged in the production and/or export of honey.[108] Based on FAOSTAT data submitted by the domestic interested parties, China is the world's largest supplier of honey, having produced nearly five times more honey than the next largest producer in the world (Turkey) during the 2017-2021 period.[109] FAOSTAT data also indicate that the Chinese industry's honey production increased from 985.2 million pounds in 2018 to 1.0 billion pounds in 2021.[110] The information available also indicates that six subject producers expanded production or entered the industry during the period of review, with some possessing large capacities and exports (including Wal Mart (China) Investment Co., Ltd., which began exporting honey from China in November 2022).[111]

Available information also indicates that honey producers in China have the ability to export substantial volumes of honey. According to Global Trade Atlas ("GTA") data, subject producers increased their exports of honey from 285.0 million pounds in 2017 to 343.9 pounds in 2022.[112] Exports from China increased from 23.8 percent of the Chinese industry's

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[108] CR/PR at I-31.

[109] Domestic Interested Parties' Response at 10, Exh. 5. In the third review, the Commission observed that China had been the world's largest producer of honey since the original investigation. Third Review, Pub. 4776 at 16.

[110] Domestic Interested Parties' Response at 10, Exh. 5.

[111] CR/PR at Table I-9; Domestic Interested Parties' Response at 10-11, Exh. 8.

[112] CR/PR at Table I-11. The GTA data covers HS subheading 0409.00, a category that includes natural honey, but that is not fully coextensive with the scope. *Id.*; *Honey from the People's Republic of China: Final Results of the Expedited Fourth Sunset Review of the Antidumping Duty Order*, 88 Fed. Reg. 37206 (June 7, 2023); IDM at 2.

production by quantity in 2017 to 30.9 percent in 2021.[113] GTA data also show that China was the world's largest exporter of honey throughout the period of review, accounting for 22.1 percent of global honey exports in 2022.[114]

The information available also indicates that the U.S. market remains attractive to subject producers. During the last review, the Commission noted that Chinese producers had demonstrated their continued interest in the U.S. market since the imposition of the order through various mechanisms, such as the undervaluation of entries, third country circumvention, and mislabeling honey as other sugar products.[115] In 2012, Commerce made an affirmative final determination of circumvention, finding that some Chinese-produced honey had been adulterated with rice syrup to fall outside the scope of the order and that blends of honey and rice syrup, regardless of the percentage of honey, were subject to the antidumping duty order.[116] Although there is no new evidence that subject producers engaged in such actions during the period of review, the subject producers' past efforts to circumvent the order reflect a strong interest in the U.S. market.[117]

Additionally, although there are no outstanding third-country antidumping and/or

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[113] Domestic Interested Parties' Response at 12.

[114] CR/PR at Table I-11. The domestic interested parties attribute increases in Chinese exports of honey to government policies promoting the production and export of agricultural products. Specifically, the domestic interested parties contend that China's Ministry of Agriculture announced in its 12th Five-Year Plan that its goal during the period of the 12th Five-Year Plan (2011-2015) was that "the average growth rate of annual agricultural product export should not be lower than 6%" and that the 13th Five-Year Plan period (2016-2020) describes China's intention to make "export-intensive industries more internationally competitive," including for "competitive agricultural products." Domestic Interested Parties' Response at 12-13 and Exh. 11.

[115] Third Review, USITC Pub. 4776 at 16; *see also* Domestic Interested Parties' Response at 13.

[116] Third Review, USITC Pub. 4776 at 16; *see also* Domestic Interested Parties' Response at 13.

[117] Domestic Interested Parties' Response at 13-14.

countervailing duty measures against honey produced in China,[118] the Chinese industry faces restrictions on its access to several export markets that would make the U.S. market relatively more attractive in the event of revocation. The maximum residue limit for Coumaphos (which is widely applied on beehives to control Varroa mite infestations) in honey is much higher in the United States, at 0.15 parts per million ("ppm"), than in Canada, at 0.02 ppm, and the EU, at 0.1 ppm.[119] Moreover, the EU and Canada have banned the use of neonicotinoids, which are pesticides, and prohibit imports of honey with any detectible level of neonicotinoids.[120] A recent study found neonicotinoid residues in more than 97 percent of honey sampled in China.[121] The EU Honey Directive sets various standards for sugar levels, moisture content, electrical conductivity, free acid, diatase activity, and heromethyll furfual levels.[122] Additionally, a recent EU study found that of the 46 percent of imported honey that did not comply with the EU Honey Directive, and the 60 percent that was blended with extraneous sugars, 74 percent of the suspicious consignments were from China.[123] Canada and the EU also require honey imports to undergo more rigorous testing for antibiotics and genetically modified organisms ("GMOs") than does the United States.[124] The EU has strict standards on what constitutes GMOs, requiring honey with trace amounts of pollen from genetically modified corn to be labeled as GMOs and undergo full safety authorization before it can be sold as food in the EU.[125]

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[118] CR/PR at I-33.
[119] CR/PR at I-34.
[120] CR/PR at I-34.
[121] CR/PR at I-34.
[122] CR/PR at I-34.
[123] CR/PR at I-34.
[124] Domestic Interested Parties' Response at 14.
[125] Domestic Interested Parties' Response at 14.

Based on the above, including the significant and increasing volume of subject imports during the original investigations, the subject industry's large size, the significant increase in the Chinese industry's honey production during the period of review, China's status as the world's largest exporter of honey throughout the period of review, and the attractiveness of the U.S. market to subject producers, we find that the likely volume of subject imports would be significant, both in absolute terms and relative to U.S. consumption, should the order be revoked.[126]

D. Likely Price Effects

1. The Prior Proceedings

In the original investigations, the Commission found that subject imports and the domestic like product were generally substitutable, and that price was an important factor in purchasing decisions.[127] It found that subject imports undersold the domestic like product in 72 percent of price comparisons during the period examined, with margins of underselling ranging from 0.4 percent to 20.8 percent.[128] The Commission found the margins of underselling to be significant, especially in view of the large and increasing volumes of subject imports that

[126] Given the subject industry's large size and export orientation, and the attractiveness of the U.S. market, we find that the duties under Section 301 are not likely to prevent subject imports from entering the market at significant levels after revocation. The record of this expedited review does not contain information concerning inventories of subject merchandise or the potential for product-shifting in the Chinese industry.

[127] Original Determinations, USITC Pub. 3470 at 18.

[128] Original Determinations, USITC Pub. 3470 at 18. Subject imports from China undersold the domestic like product in 39 of 51 comparisons. *Id.* at V-10, Table V-5.

represented a substantial portion of the market.[129]

The Commission also found that subject imports had significant price effects during the POI.[130] It emphasized that both domestic and subject import prices for honey fell by 17 to 26 percent over the period for pricing products.[131] It concluded that, in view of the significant underselling by subject imports and depressed prices for the domestic like product, together with subject imports' increased volumes and market share, the subject imports had depressed prices for the domestic like product to a significant degree during the period.[132]

In the first five-year reviews, the Commission found that subject imports would likely have significant price effects if the orders were revoked. Explaining that it did not have any new product-specific pricing information on the record, the Commission stated that the publicly available data showed that the subject imports continued to undersell the domestic like product, often by substantial margins.[133]

The Commission observed that the annual average price of retail sales of honey by domestic producers and sales of honey to private processors and cooperatives in the United States declined substantially during the period of review.[134] Further, increasing volumes of low-priced subject imports coincided with the downturn in honey prices after 2003, and the later decline in prices coincided with the increase in imports from China from producers subject to

[129] Original Determinations, USITC Pub. 3470 at 18.
[130] Original Determinations, USITC Pub. 3470 at 18.
[131] Original Determinations, USITC Pub. 3470 at 18.
[132] Original Determinations, USITC Pub. 3470 at 19.
[133] First Reviews, USITC Pub. 3929 at 16-17.
[134] First Reviews, USITC Pub. 3929 at 17.

new shipper reviews.[135] On this basis, the Commission found that the likely significant volume of subject imports at relatively low prices in a price-competitive market would be likely to have significant depressing or suppressing effects on prices of the domestic like product upon revocation of the orders.[136]

In the second five-year review, the Commission found that, if the antidumping duty order were revoked, Chinese producers and exporters would likely have an incentive to price subject imports significantly below the prevailing U.S. price to induce U.S. purchasers to switch to subject imports, as they did in the original investigations.[137] Because of the interchangeability between subject imports and domestic honey and the importance of price in purchasing decisions, the Commission concluded that underselling was likely to result in significant price effects, similar to those found in the prior reviews and original investigations.[138]

In the third five-year review, the Commission found that, given the attractiveness of the U.S. market and the importance of price to purchasers, subject producers would be likely to significantly undersell the domestic like product, as they did during the original investigations, to gain market share.[139] Based on the substitutability between domestic and subject honey and the importance of price in purchasing decisions, the Commission concluded that the significant

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[135] First Reviews, USITC Pub. 3929 at 17.

[136] First Reviews, USITC Pub. 3929 at 17.

[137] Second Review, USITC Pub. 4364 at 13. While acknowledging that average unit values ("AUVs") are of limited utility in light of potential product mix differences, the Commission found that the available evidence indicated that AUVs for subject imports were below those for the domestic industry and nonsubject imports during the period of review, further indicating the likelihood of significant underselling by subject imports upon revocation of the order. *Id.* at 13, n. 88.

[138] Second Review, USITC Pub. 4364 at 13.

[139] Third Review, USITC Pub. 4776 at 19.

volume of low-priced subject imports that was likely after revocation would likely have significant depressing or suppressing effects on prices for the domestic like product.[140]

2. The Current Review

As discussed in section III.B.3 above, we continue to find that subject imports and the domestic like product are generally substitutable and that price remains an important factor in purchasing decisions for honey.

The record in this expedited five-year review does not contain recent product-specific pricing information. Based on the substitutability between subject imports and the domestic like product and the importance of price in purchasing decisions, we find that the likely significant volume of subject imports would likely undersell the domestic like product to a significant degree, as during the original investigations.[141] Absent the discipline of the orders, the likely significant volumes of low-priced subject imports would likely force the domestic industry to lower prices or forgo needed price increases, or else lose sales and market share to subject imports. Consequently, we find that if the order were to be revoked, subject imports would likely have significant price effects.

E. Likely Impact

1. The Prior Proceedings

In the original investigations, the Commission found that significant cumulated volumes

[140] Third Review, USITC Pub. 4776 at 19.

[141] In its 2022 final determinations in *Raw Honey from Argentina, Brazil, India, and Vietnam*, the Commission found that the U.S. market for honey remains highly price-sensitive based on the substitutable nature of the product. *See Raw Honey from Argentina, Brazil, India, and Vietnam,* Inv. Nos. 731-TA-1560-1562 and 1564 (Final), USITC Pub. 5327 (May 2022) at 25.

of low-priced subject imports had a significant impact on the domestic industry.[142] While domestic consumption increased steadily and significantly between 1998 and 2000, the domestic producers' market share decreased.[143] Additionally, most indicia of the domestic industry's operating and financial performance declined during the POI, including production, net sales, shipments, and operating income.[144] Given the significant increases in the cumulated volume and market share of the subject imports during the POI, that the subject imports undersold the domestic like product and had a significant depressing effect on domestic prices, and that the overall condition of the industry declined as a result, the Commission found that subject imports had a significant impact on the domestic industry.[145]

In the first five-year reviews, the Commission found cumulated subject imports would be likely to have a significant impact on the domestic industry within a reasonably foreseeable time in the event of revocation.[146] It indicated that the limited evidence in the expedited reviews was insufficient to make a finding on whether the domestic industry producing honey was vulnerable.[147] The Commission found that, in the event of revocation, the significant likely volume of low-priced subject imports and the likely significant price effects of those imports

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[142] Original Determinations, USITC Pub. 3470 at 22.

[143] Original Determinations, USITC Pub. 3470 at 20.

[144] Original Determinations, USITC Pub. 3470 at 20-21. In its impact analysis, the Commission recognized that under section 771(7)(D)(ii) of the Tariff Act, in cases involving agricultural products, it "shall consider any increased burden on government income or price support programs." *Id*. at 21. The Commission noted that beekeepers received agricultural program payments and loans during the POI. *Id*. It also noted that beekeepers had indicated that one of the negative effects of unfairly traded imports was difficulty in repaying agricultural program loans. *Id*. It also found that some beekeepers had to borrow money to repay their loans, which resulted in a "downward spiral because the low prices do not generate the income to repay loans." *Id*.

[145] Original Determinations, USITC Pub. 3470 at 21-22.

[146] First Reviews, USITC Pub. 3929 at 19.

[147] First Reviews, USITC Pub. 3929 at 18-19.

would likely have a significant impact on the domestic industry.[148] It concluded that the likely reduction in the industry's production, shipments, sales, and revenue levels would have a direct adverse impact on the industry's profitability and employment levels, as well as its ability to raise capital and make and maintain necessary capital investments.[149]

In the second five-year review, in light of the limited information available with respect to the domestic industry's performance, the Commission did not make a finding on whether the domestic industry was vulnerable to the continuation or recurrence of material injury in the event of revocation of the order.[150] It stated that, during the period of review, U.S. beekeepers' honey production declined irregularly from 154.9 million pounds in 2006 to 148.4 million pounds in 2011, and that these levels were below the industry's production levels in the original investigations and prior reviews.[151] The Commission found that, should the order be revoked, the likely volume and price effects of the subject imports would likely have a significant impact on the production, shipment, sales, market share, and revenues of the domestic industry.[152] These declines would likely have a direct adverse impact on the industry's profitability and employment, as well as its ability to raise capital, to make and maintain capital investments, and to fund research and development ("R&D").[153]

The Commission also considered the role of other factors so as not to attribute likely injury from these factors to the subject imports. It acknowledged that nonsubject imports were

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[148] First Reviews, USITC Pub. 3929 at 19.
[149] First Reviews, USITC Pub. 3929 at 19.
[150] Second Review, USITC Pub. 4364 at 15.
[151] Second Review, USITC Pub. 4364 at 15-16.
[152] Second Review, USITC Pub. 4364 at 16.
[153] Second Review, USITC Pub. 4364 at 16.

present in the U.S. market in significant quantities throughout the review period, but observed that the AUVs of subject imports were below the AUVs of nonsubject imports.[154] It found that the continued presence of nonsubject imports was unlikely to sever the causal nexus between the subject imports and their likely significant impact on the domestic industry if the order were revoked.[155] In sum, the Commission concluded that, if the antidumping duty order were revoked, subject imports would likely have a significant adverse impact on the domestic industry within a reasonably foreseeable time.[156]

In the third five-year review, the Commission found that the information available was insufficient to make a finding on whether the domestic industry was vulnerable to the continuation or recurrence of material injury in the event of revocation of the order.[157] The Commission observed that, although U.S. beekeepers' production had increased from 2011 to 2016, it remained much lower than production in 2000 and 2005.[158] It also noted that the number of beekeepers' colonies slightly increased, but that their yield per colony was lower than that in the prior proceedings.[159] The Commission further observed that beekeepers' revenue *** their operating expenses and that the domestic industry therefore ***.[160]

The Commission found that revocation of the order would likely lead to a significant

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[154] Second Review, USITC Pub. 4364 at 16.
[155] Second Review, USITC Pub. 4364 at 16.
[156] Second Review, USITC Pub. 4364 at 16.
[157] Third Review, USITC Pub. 4776 at 21.
[158] Third Review, USITC Pub. 4776 at 21.
[159] Third Review, USITC Pub. 4776 at 21.
[160] Confidential Report, Memorandum INV-QQ-011, EDIS No. 795513 (Jane 24, 2018) at Table I-3.

volume of subject imports that would likely undersell the domestic like product to a significant degree, thereby capturing market share from the domestic industry and/or depressing or suppressing the industry's prices.[161] It concluded that the increased subject import competition that would likely occur after revocation of the order would likely have a significant impact on the domestic industry.[162]

The Commission also considered the role of other factors. It acknowledged that nonsubject imports had increased from the last review to 69.3 percent of apparent U.S. consumption, based on quantity.[163] Nonetheless, it concluded that because the domestic industry maintained a substantial share of the U.S. market and subject imports would likely compete directly with the domestic like product upon revocation, the likely increase in subject imports would come at least in part at the domestic industry's expense.[164]

2. The Current Review[165]

The information available indicates that the domestic industry's performance was generally weaker in 2022 than in the last years of the prior review periods, and the last year of the POI. According to USDA data, U.S. beekeepers' production totaled 125.3 million pounds in 2022, which is less than the level recorded in the final year of the prior review periods and the

[161] Third Review, USITC Pub. 4776 at 19.
[162] Third Review, USITC Pub. 4776 at 19.
[163] Third Review, USITC Pub. 4776 at 21.
[164] Third Review, USITC Pub. 4776 at 21.
[165] In its expedited review of the antidumping duty order, Commerce determined that revocation of the order would result in the continuation or recurrence of dumping, with margins of up to 183.80 percent. *Honey from the People's Republic of China: Final Results of the Expedited Fourth Sunset Review of the Antidumping Duty Order*, 88 Fed. Reg. 37206-7 (June 7, 2023).

POI.[166] U.S. beekeepers' colonies in 2022, at 2.7 million, were lower than in 2016 but higher than in 2000, 2005, or 2011.[167] Their yield per colony, however, was lower in 2022, at 47 pounds per colony, than the level recorded in the final year of the prior review periods and the POI.[168] Additionally, responding U.S. beekeepers-packers' domestic shipments were lower in 2022, at *** pounds, than the level recorded in the final year of the prior review periods and the original POI.[169] In 2022, total beekeeping revenue was $*** and beekeeping/operating expenses were $***, leading to a net *** before taxes of $*** – a smaller net *** than in 2016 but worse than the net *** experienced in 2011.[170] The limited evidence in this expedited review is insufficient to make a finding on whether the domestic industry is vulnerable to the continuation or recurrence of material injury in the event of revocation of the order.

Based on the information available, we find that revocation of the order would likely result in a significant volume of subject imports that would likely undersell the domestic like product to a significant degree. Given the substitutability between subject imports and the domestic like product and the importance of price to purchasers, significant volumes of low-

[166] CR/PR at Table I-5. U.S. beekeepers' production was 221.0 million pounds in 2000, 174.6 million pounds in 2005, 148.4 million pounds in 2011, and 161.9 million pounds in 2016. *Id.*

[167] CR/PR at Table I-5. The number of U.S. beekeepers' colonies was 2.63 million in 2000, 2.41 million in 2005, 2.49 million in 2011, and 2.78 million in 2016. *Id.*

[168] CR/PR at Table I-5. The yield per colony was 83.9 pounds in 2000, 72.5 pounds in 2005, 59.6 pounds in 2011, and 58.3 pounds in 2016. *Id.*

[169] CR/PR Table at I-6. Domestic shipments were *** pounds in 2000, *** pounds in 2011, and *** pounds in 2016. *Id.* Information is not available for 2005. *Id.*

[170] CR/PR at Table I-6. In 2011, total beekeeping revenue was $***, and beekeeping operating expenses were $***, with a net *** of $***. *Id.* In 2016, total keeping revenue was $***, and beekeeping operating expenses were $***, with a net *** of $***. *Id.* These data are unavailable for 2000 and 2005. *Id.*

priced subject imports would likely capture sales and market share from the domestic industry and/or force domestic producers to lower their prices or forgo needed price increases in order to maintain their sales, thereby depressing or suppressing prices for the domestic like product to a significant degree. The likely significant volume of low-priced subject imports and their adverse price effects would likely have a significant adverse impact on the production, shipments, sales, market share and revenues of the domestic industry, which, in turn, would have a direct adverse impact on the industry's profitability and employment, as well as its ability to raise capital and make and maintain necessary capital investments. Consequently, we conclude that, if the order were revoked, subject imports would be likely to have an adverse impact on the domestic industry within a reasonably foreseeable time.

We have also considered the role of factors other than subject imports, including the presence of nonsubject imports. Nonsubject imports have increased their presence in the U.S. market since the original investigations and accounted for 78.3 percent of apparent U.S. consumption in 2022, a higher level than during the prior proceedings.[171] Nevertheless, the record provides no indication that the presence of nonsubject imports would prevent subject imports from China from significantly increasing their presence in the U.S. market after revocation, given the subject industry's large size, its ability to export substantial volumes of honey, and the relative attractiveness of the U.S. market. Given that the domestic industry accounted for 21.7 percent of apparent U.S. consumption in 2022 and would compete with subject imports on the basis of price, the significant volume of low-priced subject imports that

[171] CR/PR at Table I-8.

we have found likely after revocation would likely take market share from the domestic industry, as well as from nonsubject imports, and/or force domestic producers to either lower prices or forgo price increases to retain market share. Moreover, nonsubject imports from Argentina, Brazil, India, and Vietnam, which were the among the largest sources of nonsubject imports in 2022,[172] have been subject to antidumping duty orders since mid-2022.[173] Any decline in nonsubject imports from these four sources under the discipline of the orders could lead to a corresponding increase in subject imports from China if the order on China were revoked. Consequently, subject imports will likely have adverse effects distinct from any that may be caused by nonsubject imports.

In sum, we conclude that if the order were revoked, subject imports of honey from China would likely have a significant impact on the domestic industry within a reasonably foreseeable time.

IV. Conclusion

For the above reasons, we determine that revocation of the antidumping duty order on honey from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

[172] CR/PR at Table I-7.

[173] *Raw Honey from Argentina, Brazil, India, and Vietnam*, Inv. Nos. 731-TA-1560-1562, 1564 (Final), USITC Pub. 5327 (May 2022).

Information obtained in this review

Background

On March 1, 2023, the U.S. International Trade Commission ("Commission") gave notice, pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"),[1] that it had instituted a review to determine whether revocation of the antidumping duty order on honey from China would be likely to lead to continuation or recurrence of material injury to a domestic industry.[2] All interested parties were requested to respond to this notice by submitting certain information requested by the Commission.[3] [4] Table I-1 presents information relating to the background and schedule of this proceeding.

Table I-1
Honey: Information relating to the background and schedule of this proceeding

Effective date	Action
March 1, 2023	Notice of initiation by Commerce (88 FR 12915, March 1, 2023)
March 1, 2023	Notice of institution by Commission (88 FR 12992, March 1, 2023)
June 5, 2023	Commission's vote on adequacy
June 7, 2023	Commerce's results of its expedited review (88 FR 37206, June 7, 2023)
September 22, 2023	Commission's determination and views

[1] 19 U.S.C. 1675(c).

[2] 88 FR 12992, March 1, 2023. In accordance with section 751(c) of the Act, the U.S. Department of Commerce ("Commerce") published a notice of initiation of a five-year review of the subject antidumping duty order. 88 FR 12915, March 1, 2023. Pertinent Federal Register notices are referenced in app. A, and may be found at the Commission's website (www.usitc.gov).

[3] As part of their response to the notice of institution, interested parties were requested to provide company-specific information. That information is presented in app. B. Summary data compiled in the original investigation is presented in app. C.

[4] Interested parties were also requested to provide a list of three to five leading purchasers in the U.S. market for the domestic like product and the subject merchandise. Presented in app. D are the responses received from purchaser surveys transmitted to the purchasers identified in this proceeding.

Responses to the Commission's notice of institution

Individual responses

The Commission received one submission in response to its notice of institution in the subject review. It was filed on behalf of the American Honey Producers Association ("AHPA") and the Sioux Honey Association ("SHA"), trade or business associations a majority of whose members are U.S. producers of honey (collectively referred to herein as "domestic interested parties").[5]

A complete response to the Commission's notice of institution requires that the responding interested party submit to the Commission all the information listed in the notice. Responding firms are given an opportunity to remedy or explain deficiencies in their responses and to provide clarifying details where appropriate. A summary of the number of responses and estimates of coverage for each is shown in table I-2.

Table I-2
Honey: Summary of responses to the Commission's notice of institution

Interested party	Type	Number of firms	Coverage
U.S. trade associations of producers	Domestic	2	***

Note: In 2022, total U.S. honey production was 125,331,000 pounds. During the same period, AHPA and SHA members produced *** and *** pounds of honey, respectively. Accordingly, members of these two associations collectively accounted for approximately *** percent of U.S. honey production in 2022. Domestic interested parties' response to the notice of institution, March 31, 2023, pp. 2 and 23 and exhs. 1 and 6. The domestic interested parties reported adjusting the production figure for SHA to avoid double counting of production by companies that are members of both AHPA and SHA. *Id*., p. 23 and exh.16.

Party comments on adequacy

The Commission received party comments on the adequacy of responses to the notice of institution and whether the Commission should conduct an expedited or a full review from the domestic interested parties. They request that the Commission conduct an expedited review of the antidumping duty order on honey.[6]

[5] The AHPA is a trade association whose *** current members are engaged in the business of producing honey in the United States. The SHA, which is comprised of *** current members, is a non-profit cooperative marketing organization that collects, processes, packs, and markets honey produced by its members as well as by independent beekeepers. Domestic interested parties' response to the notice of institution, March 31, 2023, p. 2 and exh. 2.

[6] Domestic interested parties' comments on adequacy, May 11, 2023, pp. 2-4.

The original investigation

The original investigation resulted from petitions filed on September 29, 2000 with Commerce and the Commission by the AHPA, Bruce, South Dakota and the SHA, Sioux City, Iowa, alleging that an industry in the United States was materially injured and threatened with material injury by reason of less-than-fair-value ("LTFV") imports of honey from China.[7] [8] On October 4, 2001, Commerce determined that imports of honey from China were being sold at LTFV.[9] The Commission determined on November 19, 2001 that the domestic industry was materially injured by reason of LTFV imports of honey from China.[10] On December 10, 2001, Commerce issued its antidumping duty order on China with the final weighted-average dumping margins ranging from 25.88 to 183.80 percent.[11]

The first five-year review

On February 5, 2007, the Commission determined that it would conduct an expedited review of the antidumping duty order on honey from China.[12] On March 7, 2007, Commerce determined that revocation of the antidumping duty order on honey from China would be likely to lead to continuation or recurrence of dumping.[13] On June 29, 2007, the Commission determined that material injury would be likely to continue or recur within a reasonably

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[7] Honey from Argentina and China, Inv. Nos. 701-TA-402 and 731-TA-892-893 (Final), USITC Publication 3470, November 2001 ("Original publication"), p. I-1.

[8] The original proceeding also included petitions alleging that an industry in the United States was materially injured and threatened with material injury by reason of LTFV imports of honey from Argentina and by reason of subsidized imports of honey from Argentina. Original publication, p. I-1. Following affirmative determinations by Commerce and the Commission, effective December 10, 2001, Commerce issued its antidumping and countervailing duty orders on imports of honey from Argentina. 66 FR 63672, December 10, 2001 (AD order) and 66 FR 63673, December 10, 2001 (CVD order).

On September 21, 2012, Commerce published a notice that it was revoking the antidumping and countervailing duty orders on honey from Argentina, effective August 2, 2012, because no domestic interested party responded to its second five-year review notices of initiation. 77 FR 58524, September 21, 2012.

[9] 66 FR 50608, October 4, 2001 and 66 FR 63670, December 10, 2001 (amended).

[10] 66 FR 59026, November 26, 2001. The Commission was evenly divided regarding a finding of critical circumstances. Commissioners Bragg, Miller, and Devaney made an affirmative critical circumstances finding and Chairman Koplan, Vice Chairman Okun, and Commissioner Hillman made a negative critical circumstances finding with respect to imports of honey subject to Commerce's affirmative critical circumstances determination. *Id*.

[11] 66 FR 63670, December 10, 2001.

[12] 72 FR 6745, February 13, 2007.

[13] 72 FR 10150, March 7, 2007.

foreseeable time.[14] Following an affirmative determination in the five-year review by Commerce and the Commission, effective August 2, 2007, Commerce issued a continuation of the antidumping duty order on imports of honey from China.[15]

The second five-year review

On October 5, 2012, the Commission determined that it would conduct an expedited review of the antidumping duty order on honey from China.[16] On October 1, 2012, Commerce determined that revocation of the antidumping duty order on honey from China would be likely to lead to continuation or recurrence of dumping.[17] On November 29, 2012, the Commission determined that material injury would be likely to continue or recur within a reasonably foreseeable time.[18] Following an affirmative determination in the five-year review by Commerce and the Commission, effective December 13, 2012, Commerce issued a continuation of the antidumping duty order on imports of honey from China.[19]

The third five-year review

On February 5, 2018, the Commission determined that it would conduct an expedited review of the antidumping duty order on honey from China.[20] On March 9, 2018, Commerce determined that revocation of the antidumping duty order on honey from China would be likely to lead to continuation or recurrence of dumping.[21] On April 16, 2018, the Commission determined that material injury would be likely to continue or recur within a reasonably foreseeable time.[22] Following an affirmative determination in the five-year review by Commerce and the Commission, effective April 26, 2018, Commerce issued a continuation of the antidumping duty order on imports of honey from China.[23]

[14] 72 FR 39445, July 18, 2007.
[15] 72 FR 42384, August 2, 2007.
[16] 77 FR 65204, October 25, 2012.
[17] 77 FR 59896, October 1, 2012.
[18] 77 FR 72385, December 5, 2012.
[19] 77 FR 74173, December 13, 2012.
[20] 83 FR 11562, March 15, 2018.
[21] 83 FR 10432, March 9, 2018.
[22] 83 FR 17445, April 19, 2018.
[23] 83 FR 18277, April 26, 2018.

Previous and related investigations

The Commission has conducted a number of previous import injury investigations on honey or similar merchandise, as presented in table I-3.

Table I-3
Honey: Previous and related Commission proceedings and status of orders

Date	Number	Country	ITC original determination	Current status of order
1976	TA-201-14	---	Affirmative	Not applicable, section 201 investigation.
1993	TA-406-13	China	Affirmative	Not applicable, section 406(a) investigation.
1994	731-TA-722	China	---	Commerce terminated the suspended AD investigation during its first five-year review effective 08/16/2000.
2000	701-TA-402	Argentina	Affirmative	Order revoked after second review effective 08/02/2012.
2000	731-TA-892	Argentina	Affirmative	Order revoked after second review effective 08/02/2012.
2021	731-TA-1560	Argentina	Affirmative	Order effective 06/10/2022.
2021	731-TA-1561	Brazil	Affirmative	Order effective 06/10/2022.
2021	731-TA-1562	India	Affirmative	Order effective 06/10/2022.
2021	731-TA-1563	Ukraine	---	Petition withdrawn, investigation terminated effective 04/06/2022.
2021	731-TA-1564	Vietnam	Affirmative	Order effective 06/10/2022.

Source: U.S. International Trade Commission publications and Federal Register notices.

Note: “Date” refers to the year in which the investigation was instituted by the Commission.

Commerce's five-year review

Commerce announced that it would conduct an expedited review with respect to the order on imports of honey from China with the intent of issuing the final results of this review based on the facts available not later than June 29, 2023.[24] Commerce publishes its Issues and Decision Memoranda and its final results concurrently, accessible upon publication at https://access.trade.gov/public/FRNoticesListLayout.aspx. Issues and Decision Memoranda contain complete and up-to-date information regarding the background and history of the order, including scope rulings, duty absorption, changed circumstances reviews, and anticircumvention, as well as any decisions that may have been pending at the issuance of this report. Any foreign producers/exporters that are not currently subject to the antidumping duty order on imports of honey from China are noted in the sections titled "The original investigation" and "U.S. imports," if applicable.

The product

Commerce's scope

Commerce has defined the scope as follows:

> *The merchandise subject to this order are natural honey, artificial honey containing more than 50 percent natural honey by weight, preparations of natural honey containing more than 50 percent natural honey by weight, and flavored honey.*
>
> *The subject merchandise includes all grades and colors of honey whether in liquid, creamed, comb, cut comb, or chunk form, and whether packaged for retail or in bulk form.*[25]

[24] Letter from Alex Villanueva, Senior Director, Office I, AD/CVD Operations, Enforcement and Compliance, U.S. Department of Commerce to Nannette Christ, Director of Investigations, U.S. International Trade Commission, April 20, 2023.

[25] 83 FR 18277, April 26, 2018 and accompanying *Issues and Decision Memorandum for the Expedited Third Sunset Review of the Antidumping Duty Order on Honey from the People's Republic of China*, March 5, 2018.

U.S. tariff treatment

Natural honey is provided for in Harmonized Tariff Schedule of the United States ("HTSUS" or "HTS") heading 0409.00.00; artificial honey, whether or not mixed with natural honey, is provided for in HTSUS subheading 1702.90.90; and preparations of natural honey and flavored honey are provided for in HTSUS subheading 2106.90.98 (2000 and 2021), and 2106.90.99 (2022 and later).[26] Moreover, natural honey classified under heading 0409.00.00 is reported under the following HTSUS statistical reporting numbers:

1) 0409.00.0005 for natural honey that is certified organic (regardless of color);
2) 0409.00.0010 for other (not organic) natural honey, comb honey and honey packaged for retail sale;
3) 0409.00.0035 for other (not organic) natural honey that is white or lighter in color;
4) 0409.00.0045 for other (not organic) natural honey that is extra light amber in color;
5) 0409.00.0056 for other (not organic) natural honey that is light amber in color; and
6) 0409.00.0065 for other (not organic) natural honey that is amber or darker in color.

Furthermore, flavored honey classified under subheading 2106.90.99 is reported under HTSUS statistical reporting number 2106.90.9988. The 2023 general rate of duty is 1.9 cents per kilogram for all natural honey imports classified under HTSUS heading 0409.00.00, 5.1 percent *ad valorem* for artificial honey classified under HTSUS subheading 1702.90.90, and 6.4 percent for preparations of natural honey and flavored honey classified under HTSUS subheading 2106.90.99.[27] Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection ("CBP" or "Customs").

[26] Effective January 1, 2022, subheading 2106.90.98 was redesignated as 2106.90.99. USITC, *Modifications to the Harmonized Tariff Schedule of the United States under Section 1206 of the Omnibus Trade and Competitiveness Act of 1998 and for Other Purposes.* Publication Number 5240, December 2021; 86 FR 73593, December 28, 2021, "Proclamation 10326 of December 23, 2021;" USITC *Harmonized Tariff Schedule of the United States (2023 Revision 5)*, pp. 4-87, 17-18, and 21-22.

[27] No program provides special treatment (reduced duty rates or duty-free entry) for products of China classified under HTS 0409.00.00, 1702.90.90, or 2106.90.99. USITC, *Harmonized Tariff Schedule of the United States (2023 Revision 5)*, pp. 4-87, 17-18, and 21-22.

Section 301 tariffs

Effective May 10, 2019, U.S imports of natural honey classified under HTSUS heading 0409.00.00 and produced in China and U.S. imports of artificial honey classified under HTSUS subheading 1702.90.90 and produced in China were subject to an additional 25 percent *ad valorem* duty under section 301 of the Trade Act of 1974 ("section 301").[28] These additional duties on items classified under HTSUS heading 0409.00.00 and HTS subheading 1702.90.90 produced in China were initially established at 10 percent *ad valorem* effective September 24, 2018, increasing to 25 percent *ad valorem* as of January 1, 2019.[29] However, the 25 percent increase was postponed twice, eventually being implemented as of May 10, 2019 and continues to be in effect.[30] Effective February 14, 2020, U.S. imports of honey preparations and flavored honey classified under HTS subheading 2106.90.99 (previously HTSUS 2106.90.98) and produced in China were subject to an additional 7.5 percent *ad valorem* duty under section 301.[31] These additional duties on HTSUS subheading 2106.90.99 items produced in China were initially subject to additional duties of 10 percent *ad valorem* as of September 1, 2019.[32]

[28] 83 FR 47974 September 21, 2018; 84 FR 7966 March 5, 2019; and 84 FR 20459 May 9, 2019. See also HTS subheading 9903.88.03 and U.S. note 20(f) to subchapter III of chapter 99 and related tariff provisions for this duty treatment. USITC, *Harmonized Tariff Schedule of the United States (2023 Revision 2),* USITC Publication 5422, pp. 99-III-87–28-III-51 and 99-III-297.

[29] 83 FR 47974 September 21, 2018; 84 FR 7966 March 5, 2019; and 84 FR 20459 May 9, 2019. See also HTS subheading 9903.88.03 and U.S. note 20(f) to subchapter III of chapter 99 and related tariff provisions for this duty treatment. USITC, *Harmonized Tariff Schedule of the United States (2023 Revision 2),* USITC Publication 5422, pp. 99-III-28–99-III-51 and 99-III-297.

[30] 83 FR 47974 September 21, 2018; 84 FR 7966 March 5, 2019; and 84 FR 20459 May 9, 2019. See also HTS subheading 9903.88.03 and U.S. note 20(f) to subchapter III of chapter 99 and related tariff provisions for this duty treatment. USITC, *Harmonized Tariff Schedule of the United States (2023 Revision 2),* USITC Publication 5422, pp. 99-III-28–99-III-51 and 99-III-297.

[31] 85 FR 3741 January 22, 2020; 84 FR 43304 August 20, 2019. See also HTS subheading 9903.88.15 and U.S. notes 20(r) and 20(s) to subchapter III of chapter 99 and related tariff provisions for this duty treatment. USITC, *Harmonized Tariff Schedule of the United States (2023 Revision 2),* USITC Publication 5422, pp. 99-III-87–99-III-101 and 99-III-299.

[32] 85 FR 3741 January 22, 2020; 84 FR 43304 August 20, 2019. See also HTS subheading 9903.88.15 and U.S. notes 20(r) and 20(s) to subchapter III of chapter 99 and related tariff provisions for this duty treatment. USITC, *Harmonized Tariff Schedule of the United States (2023 Revision 2),* USITC Publication 5422, pp. 99-III-87–99-III-101 and 99-III-299.

Descriptions and uses[33]

Natural honey

Honey is a sweet viscous fluid derived from the nectar of flowers collected by bees and processed in their honey sacs. Honey is an invert sugar, composed of 38.5 percent fructose, 31.0 percent glucose, 7.2 percent maltose, 4.2 percent trisaccharide's and other carbohydrates, 1.5 percent sucrose, and 0.5 percent minerals, vitamins, and enzymes.[34] Natural honey classified in HTS heading 0409 includes honey produced by bees (*Apis mellifera*), or by other insects, centrifuged, or in the comb or containing comb chunks, provided that neither sugar nor any other substance has been added.[35]

Honey is generally classified by its individual characteristics (e.g., floral source, color, season, physical state, and means or level of processing or preparation).[36] There are over 300 unique varieties of honey that are produced in the United States, differing in flavor and color.[37] Honey may be classified as monofloral (i.e., the nectar is primarily extracted from a specific blossom type) or polyfloral (i.e., the nectar is extracted from multiple botanical sources, with no single predominant floral source).[38] The floral source gives honey its distinctive flavor (e.g., wildflower, orange blossom, alfalfa, clover, and buckwheat) and color (e.g., white and dark amber). Generally, lighter-colored honeys (e.g., clover honey) possess a milder flavor, while darker-colored honeys (e.g., buckwheat honey) possess a stronger flavor.[39]

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[33] Unless indicated otherwise the discussion in this section is based on information contained in original publication, pp. I-4–I-7; Honey from Argentina and China, Inv. Nos. 701-TA-402 and 731-TA-892 and 893 (Review), USITC Publication 3929, June 2007 ("First review publication"), p. I-14; Honey from China, Inv. No. 731-TA-893 (Second Review), USITC Publication 4364, November 2012 ("Second review publication"), pp. I-10–I-11; Honey from China, Inv. No. 731-TA-893 (Third Review), USITC Publication 4776, April 2018 ("Third review publication"), pp. I-7–I-10; Raw Honey from Argentina, Brazil, India, and Vietnam, Inv. Nos. 731-TA-1560-1562 and 1564 (Final), USITC Publication 5327, May 2022, pp. I-14–I-29; and Bradbear, Nicola, *Bees and Their Role in Forest Livelihoods*, FAO, Rome, 2009.

[34] Honey contains trace amounts of acids, minerals, protein, and enzymes. Bradbear, Nicola, *Bees and Their Role in Forest Livelihoods,* FAO, Rome, 2009, p. 85; National Honey Board, "Nutrition," https://honey.com/nutrition/nutrition, accessed April 26, 2023.

[35] WCO, "Explanatory Notes to Heading 0409."

[36] *The Hive and the Honey Bee*, Dadant & Sons, Inc., Hamilton, IL, 1992, p. 869.

[37] National Honey Board, Honey Varietals, https://honey.com/about-honey/honey-varietals, accessed April 26, 2023.

[38] Examples of monofloral classifications include "blueberry honey" and "clover honey." Examples of polyfloral classifications include "autumn honey" and "mountain honey," referring to the time of year or general area in which the honey was produced.

[39] National Honey Board, Honey Varietals, https://honey.com/about-honey/honey-varietals, accessed April 26, 2023.

Honey is primarily valued based on floral source and color, and in the United States the light-colored and milder-tasting honeys are considered to be more valuable based on consumer preferences.[40] While many varieties of honey exist on the market, most honey is blended to achieve a desired color and flavor, as well as to provide a uniform product throughout a given market and/or to lower costs.[41]

Most natural honey produced in the United States is marketed in liquid form, which is honey that is extracted from the comb by centrifugal force, gravity, or straining. Natural honey is also marketed as cream honey (also called "creamed," "whipped," or "spun"), which consists of pure honey in which dextrose crystallization has been encouraged; comb honey, which is honey marketed in the beeswax comb, both of which are edible; cut comb honey, which is liquid honey that has been packaged with chunks of honey comb; and dry honey (also known as "dried" or "powdered"), which is made by removing the water found in liquid honey by drum or spray-drying.[42]

As a sweetener or flavoring agent, honey appears in a variety of products such as bread and other baked goods, cereal, condiments, and candy. Non-food applications for honey include use in pharmaceutical products, nutritional supplements, and non-food processed products including as an input in hair care products. Honey also contains mild antiseptic properties when used on the skin.

USDA standards for natural honey

Most honey is sold in an extracted liquid form rather than in the comb. The USDA has issued voluntary standards for grades of (1) comb honey, and (2) extracted honey.[43] These standards define the comb as being the wax-like cellular structure that bees use as storage for honey and pollen and describe extracted honey as honey that has been separated from the comb by centrifugal force, gravity, or by other means.

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[40] Unnevehr, Laurian J., and Fatoumata C. Gouzou, "Retail Premiums for Honey Characteristics," *Agribusiness,* Vol. 14, No. 1, January/February 1998, https://web.s.ebscohost.com/ehost/detail/detail?vid=2&sid=ca95adb2-27c7-4962-8844-ef4b6224b7d0%40redis&bdata=JnNpdGU9ZWhvc3QtbGl2ZQ%3d%3d#AN=782426&db=bth, accessed April 28, 2023, p.54.

[41] National Honey Board, "Honey Color and Flavor," https://honey.com/newsroom/presskit/honey-color-and-flavor, accessed April 19, 2022.

[42] National Honey Board, "Definition of Honey and Honey Products," Updated September 27, 2003, https://honey.com/images/files/Honey-Definitions.pdf, accessed April 28, 2023.

[43] USDA, AMS, *United States Standards for Grades of Extracted Honey,* May 23, 1985; USDA, AMS, *United States Standards for Grades of Comb Honey,* May 24, 1967.

In the extracted honey standards, USDA further describes styles of extracted honey as being filtered or strained. Filtered honey has been filtered to the extent that all or most of pollen grains, air bubbles or other materials normally found in suspension, have been removed. Strained honey has been strained such that most of the comb, propolis, or other defects normally found in honey have been removed.[44] Straining does not normally remove grains of pollen, small air bubbles, and other very fine particles. These standards do not make a distinction based on the micron level of filtration. Nonetheless, honey that is strained, but not filtered, is what consumers would apparently consider "raw" honey.

Color of natural honey

The color of honey is influenced by many factors including: phenolics, carotenoids, sugars, minerals, pollens, water content, floral and geographic origin, temperature and time conditions of processing/handling/storage, and age.[45] Though USDA standards for extracted honey include color designations, the color of extracted honey is not a factor of quality for the purpose of USDA honey grades (table I-4).[46] Nonetheless, color is an important attribute of honey that plays a significant role in consumer perceptions and choices, and historically has been a price-defining property.[47]

[44] Pass the Honey, "What is Propolis," August 29, 2019, https://passthehoney.com/blogs/the-buzz/what-is-propolis, accessed April 28, 2023; Simone-Finstrom, Michael et al., "Conference Report: Proceedings of the 2019 American Bee Research Conference," Insects, https://www.mdpi.com/2075-4450/11/2/88, accessed April 28, 2023.

[45] Hasnul Hadi, M.H. et. al., "The Amber-Colored Liquid: A Review on the Color Standards, Methods of Detection, Issues and Recommendations," *Sensors*, https://doi.org/10.3390/s21206866, accessed April 28, 2023, p.21; Bodor, Zsanett et. al., "Colour of Honey: Can We Trust the Pfund Scale?" *LWT–Food Science and Technology*, 149 (2021) 111859, https://www.researchgate.net/publication/352154739_Colour_of_honey_can_we_trust_the_Pfund_scale_-_An_alternative_graphical_tool_covering_the_whole_visible_spectra, accessed April 28, 2023, p.7.

[46] USDA, AMS, United States Standards for Grades of Extracted Honey, May 23, 1985; USDA, AMS, United States Standards for Grades of Comb Honey, May 24, 1967, p.5.

[47] Hasnul Hadi, M.H. et. al., "The Amber-Colored Liquid: A Review on the Color Standards, Methods of Detection, Issues and Recommendations, *Sensors 2021*,, 21, 6866, https://doi.org/10.3390/s21206866, accessed April 19, 2022, p.2; Bodor, Zsanett et. al., "Colour of Honey: Can We Trust the Pfund Scale?" *LWT–Food Science and Technology*, 149 (2021) 111859, https://www.researchgate.net/publication/352154739_Colour_of_honey_can_we_trust_the_Pfund_scale_-_An_alternative_graphical_tool_covering_the_whole_visible_spectra, accessed April 28, 2023, p.1.

Table I-4
Honey: USDA Color Designations of extracted honey

USDA Color Standards Designations	Color Range USDA Color Standards	Color Range Pfund Scales (millimeters)	Optical Density
Water white	Honey that is water white or lighter in color	8 or less	0.0945
Extra white	Honey that is darker than water white, but not darker than extra white in color	Over 8 to and including 17	0.189
White	Honey that is darker than extra white, but not darker than white in color	Over 17 to and including 34	0.378
Extra light amber	Honey that is darker than white, but not darker than extra light amber in color	Over 34 to and including 50	0.595
Light amber	Honey that is darker than extra light amber, but not darker the light amber in color	Over 50 to and including 85	1.389
Amber	Honey that is darker than light amber, but not darker than amber in color	Over 85 to and including 114	3.008
Dark amber	Honey that is darker than amber in color	Over 114	n/a

Source: USDA, AMS, "United States Standards for Grades of Extracted Honey," May 23, 1985.

Note: Optical Density (absorbance) = $\log_{10}$ (100/percent transmittance), at 560 nm for 3.15 cm thickness for caramel-glycerin solutions measured versus an equal cell containing glycerin.

The Pfund Scale is a commonly used visual technique for evaluating the color of honey and is used to differentiate honey color into seven categories in the USDA honey color system (table I-4).[48] The Pfund system expresses color intensity in millimeters (mm) with an arbitrary range from 1 mm, being the lightest color, to 140 mm being the darkest color.[49] The method has been criticized for (1) variation among devices due to scale limitations, (2) less sensitivity to detect slight differences between samples, and (3) some samples being outside of the devices color range.[50]

[48] This color scale is also used to further differentiate honey imports at the statistical reporting subheading level.

[49] The measuring device consists of an amber-colored glass wedge and a wedge-shaped cell to hold the honey sample. The millimeters unit is the distance that the wedge must be moved for the color of the sample to match the color scale. Hasnul Hadi, M.H. et. al., "The Amber-Colored Liquid: A Review on the Color Standards, Methods of Detection, Issues and Recommendations, *Sensors 2021*, 21, 6866, https://doi.org/10.3390/s21206866, accessed April 28, 2023, p.7.

[50] Hasnul Hadi, M.H. et. al., "The Amber-Colored Liquid: A Review on the Color Standards, Methods of Detection, Issues and Recommendations, *Sensors*, https://doi.org/10.3390/s21206866, accessed April 28, 2023, p.2; Bodor, Zsanett et. al., "Colour of Honey: Can We Trust the Pfund Scale?" *LWT–Food Science and Technology*, 149 (2021) 111859, https://www.researchgate.net/publication/352154739_Colour_of_honey_can_we_trust_the_Pfund_scale_-_An_alternative_graphical_tool_covering_the_whole_visible_spectra, accessed April 28, 2023, p.1.

Generally, light-colored honey is milder in taste and dark-colored honey is stronger in taste.[51] In addition, selected floral sources are associated with lighter or darker colors.[52] For example, alfalfa honey is light in color with a mild flavor and aroma, whereas buckwheat honey is dark in color and with a full-bodied flavor.[53] Economic research as early as 1998 demonstrated that consumers were willing to pay premiums for selected honey characteristics. Though this research did not specifically evaluate premiums associated with color, it found that consumers were willing to pay a 65 percent higher price for characteristics associated with unique floral sources, that may also influence color.[54]

While many different types of honey are packaged and available for retail sale, most honey, especially honey supplied in bulk, is blended to create a unique and consistent taste and color.[55] Moreover, blended honey is often used as a generic ingredient in manufactured food products where many of honey's characteristics, including floral source and color, become unobservable to the final consumer.

Artificial honey mixed with natural honey

The term "artificial honey," as defined in the explanatory notes to heading 1702 of the HTS, applies to mixtures based on sucrose, glucose, or invert sugar, generally flavored or colored and prepared to imitate natural honey.[56] This heading also covers mixtures of natural and artificial honey, including products consisting of natural honey mixed with refined sugar, high fructose corn syrup, rice syrup, and other sweeteners. Artificial honey mixed with more than 50 percent natural honey by weight is included in the scope of the review, expect for natural honey and rice syrup blends.

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[51] National Honey Board, "Honey Color and Flavor," https://honey.com/newsroom/presskit/honey-color-and-flavor, accessed April 28, 2023.

[52] National Honey Board, "Honey Color and Flavor," https://honey.com/newsroom/presskit/honey-color-and-flavor, accessed April 28, 2023.

[53] National Honey Board, "Honey Color and Flavor," https://honey.com/newsroom/presskit/honey-color-and-flavor, accessed April 28, 2023.

[54] Unnevehr, Laurian J., and Fatoumata C. Gouzou, "Retail Premiums for Honey Characteristics," *Agribusiness,* Vol. 14, No. 1, January/February 1998, https://web.s.ebscohost.com/ehost/detail/detail?vid=2&sid=ca95adb2-27c7-4962-8844-ef4b6224b7d0%40redis&bdata=JnNpdGU9ZWhvc3QtbGl2ZQ%3d%3d#AN=782426&db=bth, accessed April 28, 2023, p.54.

[55] National Honey Board, "Honey Color and Flavor," https://honey.com/newsroom/presskit/honey-color-and-flavor, accessed April 19, 2022.

[56] WCO, "Explanatory Notes to Heading 1702."

Effective June 21, 2012, Commerce made an affirmative preliminary determination of circumvention of the antidumping duty order with respect to artificial honey consisting of natural honey and rice syrup. Consequently, artificial honey made from blends of natural honey and rice syrup were declared within the scope of the antidumping order regardless of the percentage of natural honey from China that they contain.[57] Commerce determined that rice syrup blended with natural honey was a later-developed product and that, regardless of the percentage of natural honey from China it contains, it meets the criteria under section 781(d)(1)(A–E) of the Tariff Act of 1930. Furthermore, standard testing methods cannot differentiate between sugar contributed from rice syrup and sugar contributed from natural honey.[58] Artificial honey exists in relatively small amounts in the U.S. market and is supplied by both foreign and domestic producers. The product acts as a direct substitute for natural honey.

Preparations of natural honey and flavored honey

Preparations of natural honey are not explicitly defined in the HTS or in the explanatory notes to the HTS; however, in the explanatory notes it is indicated that the 6-digit HTS subheading 2106.90 includes "natural honey mixed with bees' royal jelly."[59] The notes do not indicate the percentage of honey content required for classification under this subheading

[57] 77 FR 37378; 77 FR 50464.

[58] Sugars produced from tropical plants like sugar cane and corn/maize are produced using a photosynthetic pathway referred to as the C4 pathway. Nectar collected by bees generally comes from plants that use a different photosynthetic process referred to as C3. Therefore, testing to determine the level of C4 sugars present in a sample is an internationally accepted test for honey adulteration with cane sugar syrup or high fructose corn syrup. These tests, however, cannot distinguish between C3 sugars found in honey from C3 sugars found in rice syrup. Analytica Laboratories, "C4 Sugars" https://www.analytica.co.nz/testing-services/honey/c4-sugars/#:~:text=Sugars%20produced%20from%20tropical%20plants,to%20as%20the%20C3%20pathway , accessed May 1, 2023; U.S. CPB, "CROSS Ruling H187175" May 14, 2014, accessed May 1, 2023.

[59] Royal jelly is synthesized and secreted mainly by hypopharyngeal and mandibular glands of nurse bees to feed queen bees for their whole life and worker bee larvae for the first three days of their lives. Under natural conditions, the production of royal jelly is limited. In China, however, beekeepers have developed methods and selectively bred bees to increase royal jelly production. China produces 4,000 tons of royal jelly annually, about 90 percent of the global total. Royal jelly is regarded as a functional food. Demand is growing as consumers' awareness of the health beneficial properties increase. Thus, the cosmetics and health food markets are the primary source of demand. Ma, Ahmat, and Li, "Effect of Queen Cell Numbers on Royal Jelly Production and Quality," *Curr Res Food Sci*, 2022, https://doi.org/10.1016%2Fj.crfs.2022.10.014, accessed May 1, 2023; Allied Market Research, "Royal Jelly Market Expected to Reach $2.1 billion by 2031," https://www.alliedmarketresearch.com/press-release/royal-jelly-market.html#:~:text=According%20to%20a%20new%20report,3.9%25%20from%202022%20to%202031 , accessed May 1, 2023.

2106.90; however, in the scope language, such preparations must contain more than 50 percent by natural weight of honey from China to be subject to the antidumping duties.

A review of Customs Rulings covering royal jelly products suggests that in some products natural honey is blended with royal jelly, but in many instances these mixed products contain less than 50 percent of natural honey.[60] Moreover, the preferred form of royal jelly consumption appears to be in capsule form which does not contain any natural honey.[61]

It is not clear how much royal jelly preparations are imported, but it is likely that any such imports comprise a small portion of imports entering under the HTS subheading. Also, there is not likely substantial production of royal jelly products in the United States as there is limited royal jelly production in the United States. Moreover, the product, as defined in the scope language, would most likely be marketed as a specialty product in specialty stores and health food stores as well as online sales.

Flavored honey was not explicitly defined by the petitioners in the original investigation. In fact, Customs reported that, although no official definition exists, the unofficial guideline is that a product entering under statistical reporting number 2106.90.9888 ("flavored honey") must contain 99 percent or more honey by weight. Imports of flavored honey are not significant relative to overall imports of natural honey. Flavored honey is most likely sold as a specialty product for retail consumption and not for industrial use.

[60] U.S. CBP, Customs Rulings Online Search System (CROSS) Database, CROSS Ruling Numbers: 084981, June 19, 1990; 086744, June 19, 1990; 089038, July 31, 1991; b84570, May 5, 1997; b88985, September 25, 1997; g89986, April 19, 2001; and h81302, May 25, 2001.

[61] Allied Market Research, "Royal Jelly Market Expected to Reach $2.1 billion by 2031," https://www.alliedmarketresearch.com/press-release/royal-jelly-market.html#:~:text=According%20to%20a%20new%20report,3.9%25%20from%202022%20to%202031 , accessed May 1, 2023.

Manufacturing process[62]

Honey is produced in a beehive by a colony of honeybees. A typical colony of commercial honeybees in the United States contains one queen, 500 to 1,000 drones (male bees without stingers whose single purpose is to mate with the queen), and approximately 40,000 to 60,000 workers (female bees that perform the work of the colony including cleaning the nursery, caring for larvae, collecting nectar, making wax, and guarding and cooling the hive). The beehive is a series of combs composed of hexagonal cells that are made from wax produced in the stomach of the worker bees. The wax cells are used for storage. The worker bees naturally construct a core nest where the brood[63] are stored and then create a layer of insulation above the nest consisting of pollen and honey.

The production of honey begins with the bees gathering nectar from various plants. Bees may forage for several miles from their hive to find nectar.[64] Each bee may make several trips for nectar per day, weather permitting. Upon returning to the hive, the bee regurgitates the nectar into the mouth of a specialized "house" bee. The house bee adds enzymes and places the unripe honey into the hexagonal cells of the comb. The unripe honey is often spread among several cells to help in moisture evaporation, which the house bees promote by fanning their wings. Cells are then capped with a thin layer of wax, and the honey is allowed to ripen.

U.S. beekeeper operations

Beekeepers maintain bee colonies and extract honey from them. United States commercial beekeeping operations are often migratory with migratory patterns driven by the provision of pollination services (ranging in value from $241 million in 2022 to $310 million in 2019, 80 percent from California almonds); the search for forage to produce honey (ranging from a value of about $310 million in 2020 to $371 million in 2022);[65] and the need to enhance

[62] Unless indicated otherwise the discussion in this section is based on information contained in original publication, pp. I-7–I-9; first review publication, pp. I-16–I-17; second review publication, pp. I-12–I-13; third review publication, pp. I-10–I-12; Raw Honey from Argentina, Brazil, India, and Vietnam, Inv. Nos. 731-TA-1560-1562 and 1564 (Final), USITC Publication 5327, May 2022, pp. I-14–I-29; and Bradbear, Nicola, *Bees and Their Role in Forest Livelihoods*, FAO, Rome, 2009.

[63] The young honeybees are collectively called brood.

[64] As a measure of the distance bees forage, the EU standard for organic honey is based on a 3.0-kilometer (1.8-mile) radius of the hive. The Non-GMO project requires a 4-mile radius. Staff email correspondence, Garth Kahl, IOIA Accredited Inspector, Independent Organic Services, Inc.; NON-GMO Project, "Animal-derived Inputs, Frequently Asked Questions, https://www.nongmoproject.org/wp-content/uploads/Animal-Derived-Inputs-FAQ-F-10.24-1.pdf, accessed May 2, 2023.

[65] USDA, Quick Stats database, accessed May 8, 2023.

colony survival and growth.[66] In the United States, it has been estimated that approximately two-thirds of all colonies are on the road each year to pollinate crops and to produce honey and beeswax.[67] The migration patterns are dominated by movement from all other regions of the United States to California for the almond pollination season during February and March.[68] Colonies then disperse to other regions and states to provide pollination services for other fruit and vegetable crops, such as melons that require pollination to produce a crop, and other crops such as tomatoes, apples, blueberries, cherries, and canola where bee pollination increases yields and can improve quality.[69] Finally, many colonies travel to the Northern Great Plains in the summer for access to superior forage to focus on honey production.[70]

Beekeepers in the United States keep their bees in constructed wooden hives that are relatively easy to transport. Hives are often placed on wooden pallets for ease of handling by forklifts. Bees live in the core nest of beekeepers' artificially constructed hives, and store the honey, intended to serve as food for the colony, in wooden frames known as "supers." To prevent the queen from laying brood in the supers containing the honey, beekeepers place an "excluder" between the lower core nest and the supers above. Worker bees produce more honey than required for use by the colony, so the excess honey can be harvested without harming the colony.

Honey is harvested by driving the bees out of the super down into the core nest via smoke, chemicals, or low-pressure air. Then the wooden frames contained in the super are removed from the hive. The frames are removed when the honeycomb cells are fully capped with wax, which ensures that the honey is fully ripened and free of excess water. After removal of the frames, almost all honey is extracted from the combs, although some remains in the form of "comb" or "chunk" honey.

The liquid honey is exposed by "uncapping" the combs–removing the wax capping that covers the honeycomb frames. Combs are uncapped using either hot knives or power uncappers. The wax from caps is used to produce beeswax foundation and the sale of beeswax for candles and other uses. Any remaining honey left in the caps is separated via centrifugal

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[66] Bond et al, "Honey Bees on the Move: From Pollination to Honey Production and Back," USDA ERS, June 2021, https://www.ers.usda.gov/publications/pub-details/?pubid=101475, accessed May 2, 2023.

[67] Bond et al, "Honey Bees on the Move: From Pollination to Honey Production and Back," USDA ERS, June 2021, https://www.ers.usda.gov/publications/pub-details/?pubid=101475, accessed May 2, 2023.

[68] Bond et al, "Honey Bees on the Move: From Pollination to Honey Production and Back," USDA ERS, June 2021, https://www.ers.usda.gov/publications/pub-details/?pubid=101475, accessed May 2, 2023.

[69] Bond et al, "Honey Bees on the Move: From Pollination to Honey Production and Back," USDA ERS, June 2021, https://www.ers.usda.gov/publications/pub-details/?pubid=101475, accessed May 2, 2023.

[70] Bond et al, "Honey Bees on the Move: From Pollination to Honey Production and Back," USDA ERS, June 2021, https://www.ers.usda.gov/publications/pub-details/?pubid=101475, accessed May 2, 2023.

force by a wax spinner or mechanically squeezed out by a cap compressing system. Separation of honey from the uncapped cells is done by an "extractor" (a centrifuge). The uncapped frames are placed in the extractor where the honey is spun out of the comb. As honey flows from the extractor, it contains particles of wax, bees, and other hive matter.

After being extracted from the comb, honey may be strained to remove the largest particles of wax, propolis, bees and bee parts, and other hive matter. The honey may run through a simple netting (usually nylon) or honey strainers that are available in a wide range of mesh sizes, from 200 microns to 1,875 microns.[71] Standard sizes widely available to small beekeepers include 200-, 400-, and 600-micron strainers.[72] Straining does not typically involve the direct application of heat or pressure to the honey, though beekeepers may keep processing areas at higher ambient temperature to facilitate gravitational flow of honey. Commercial honey filters typically apply heat and pressure via pumps to filter honey more efficiently through screens and filters of less than 200 microns.[73]

After straining, the honey is still generally considered "raw" or "unprocessed." It is then either placed in large drums and transported to an independent packer for further processing; further processed by beekeeper-packers and bottled for local sale; or left in its raw form and bottled by the beekeeper for local sale.

[71] Foxhound Bee Company, "Does Filtering or Straining Honey Remove Pollen from Honey," https://blog.foxhoundbeecompany.com/does-filtering-or-straining-honey-remove-pollen-from-honey/, accessed May 2, 2023.

[72] Foxhound Bee Company, "Does Filtering or Straining Honey Remove Pollen from Honey," https://blog.foxhoundbeecompany.com/does-filtering-or-straining-honey-remove-pollen-from-honey/, accessed May 2, 2023.

[73] Russell Finex, "Filtering Liquid Honey," https://www.russellfinex.com/en/industries/food-andbeverage/filtering-honey/, accessed April 20, 2022; Alibaba.com, Honey Processing Machines, https://www.alibaba.com/product-detail/Honey-Filtering-Equipment-1-Ton-Honey_1600478438961.html?spm=a2700.7724857.topad_creative.d_title.10e83838Tpa6Sz, accessed April 20, 2022.

U.S. packer operations

Virtually all U.S. packers of honey are either beekeeper-packers, which are keepers of bee colonies that extract honey from those colonies and then process or pack the honey, or independent packers that purchase honey and then process or pack that honey. A few packers are both beekeeper-packers and independent packers, but even these firms are predominantly one or the other. In addition, Sioux Honey Association is operated on a cooperative basis to process, pack, and market honey for its beekeeper members.

Once individual beekeepers sell their honey to packers, blending is inevitable as packers are also consolidators and combine honey from many beekeepers based on selected characteristics, such as color or floral source. Selected varieties of honey, such as higher value monofloral sources, may be segregated to take advantage of consumer preferences that exist in the market; for example, orange blossom honey. However, most honey, especially bulk honey to be used as an ingredient, is blended to achieve a desired color and flavor profile, as well as to provide a uniform product throughout a given market and/or to lower costs.

Packers may blend different types of honey from both domestic and foreign sources.[74] The honey, usually in 55-gallon drums from the beekeepers,[75] is labeled by the packers according to color and floral source, making blending selections or production of a monofloral honey possible.[76] Honey is normally heated to aid the flow of honey through the processing facility and retard granulation and spoilage, largely through the destruction of yeasts naturally present in honey.[77] Honey that has been heated is acceptable to many users in the United States, although in some other areas of the world, honey that has been heated is perceived to have lost some of its health and nutritional benefits.

[74] Honey may also be stored for years under proper storage conditions (i.e., in a dry place at approximately 70° F, or alternatively at freezing temperatures). According to the USDA, honey stored for years at freezer temperatures, 0° to -10° F, cannot be distinguished from fresh, newly extracted honey in color, flavor, or aroma. Honey: Background for 1995 Farm Legislation, ERS, USDA, April 1989, p. 12.

[75] One gallon of honey equals 11.84 pounds. Weights, Measures, and Conversion Factors for Agricultural Commodities and Their Products, USDA, ERS, Agricultural Handbook Number 697, p. 13.

[76] A 55-gallon steel drum with an FDA-approved food liner and an open head with a lid is the common container for U.S.-produced bulk raw honey. Imported honey, including from China, may be packed in 55-gallon closed-head steel drums. The steel drums, both foreign and domestic, are often reusable, and so are returned to U.S. beekeepers for refilling with newly extracted honey.

[77] A large portion of U.S. honey must be heated due to the honey arriving in a crystallized state from the beekeeper.

Some countries require certain levels of diastase and hydroxymethylfurfural ("HMF") in imported honey, both of which are affected by heating.[78] "Flash heating," whereby the honey is rapidly heated to 120 degrees or above and then quickly cooled, can produce honey with acceptable HMF and diastase levels for export to many countries, while maintaining its favorable processing characteristics. Heated honey next flows through filtering mechanisms (filtering paper sheets in commercial processing plants), usually under high pressure, and into a "settling tank" in a warm area for several hours or even days, with any remaining foreign material floating to the top, where it can be skimmed.[79] Honey then can be poured directly into containers and sold to consumers or industrial users.

Creamed honey is another honey product that the packer may also process. This is honey in which the natural granulation has been encouraged and controlled for a smooth consistency like butter.[80] The honey is heated and filtered first, but once it cools, a "starter" seed consisting of creamed honey that has been finely ground to create extremely fine glucose crystals is blended into the honey to assure uniform crystallization. After blending, the mixture of seed and honey is allowed to set for a period during which air bubbles rise to the surface and are skimmed.[81] Packers rarely pack products other than honey on the same equipment and machinery or using the same production and related workers employed to pack honey.

Colony Collapse Disorder

In 2006, significant changes to the overwinter survivability of European honeybees occurred in North America; this phenomenon has become known as Colony Collapse Disorder (or "CCD").[82] CCD is characterized by an unexplained rapid loss of a colony's adult population, while the queen, a small number of young workers, the brood, and food stores remain in the

[78] Diastase is an enzyme that breaks down starch into maltose and is found naturally in honey, and degrades overtime, especially with application of heat, thus diastase can be used to indicate the age and exposure of honey to heat and testing for diastase is part of the CODEX Standard for honey. HMF is a by-product of the dehydration of sugars and is generally not present in fresh honey but is formed during heating, conditioning, and storage. Fresh honey generally contains less than 15 mg/kg of HMF and the EU limits HMF to 40 mg/kg in general and 80 mg/kg in honey from a tropical region.

[79] Some operations reverse the process, and place honey in settling tanks before filtration.

[80] Although nearly all honey can be creamed, those honeys higher in glucose generally granulate the fastest.

[81] *The Hive and the Honey Bee*, Dadant & Sons, Inc., Hamilton, IL, 1992, p. 702.

[82] Underwood and van Engelsdorp documented nearly 20 episodes of major colony losses in the United States since the late 1860s.

hive.[83] Before 2006, estimates of overwinter loss rates in the United States ranged from 15 to 23 percent, and as low as 10 percent before the arrival of the honeybee mites Acarapis woodi and Varroa destructor in the mid-1980s.[84] After the identification of CCD from 2006 to 2014, estimates of overwinter loss rates range from 23 percent to 36 percent.

Underwood and van Engelsdrop argue that CCD is not a new condition, having identified descriptions and documentation of about 20 large-scale colony loss episodes, many with similar symptoms to CCD, since 1869.[85] While research into the specific cause of CCD is ongoing, the current dominant theory is that CCD is caused by multiple factors and cannot be explained by a single causal agent.[86]

Thus, commercial beekeepers had experience in replacing lost hives even prior to CCD. One of the primary methods of replacing lost hives involves splitting a healthy, full-strength, hive into two parts. The beekeeper will move a portion (typically less than 50 percent) of the brood and adult bees from a healthy hive to a new hive known as nuclei colonies ("nucs" or "splits"). A new fertilized queen (purchased from commercial queen breeders) is added to the new hive, though the new hive may be allowed to produce their own queens. A second method is to purchase packaged bees, roughly 12,000 workers and a fertilized queen, typically from the same commercial breeders that produce fertilized queens.[87]

In contrast to much of the literature and media reports concerning CCD, an economic analysis by Rucker et. al. found that the impact of CCD on honey production, input prices, and bee colony numbers was small or not measurable based on the data available in 2016.[88] The largest measurable impact they found was on the pollination fees for almonds in California, with relatively smaller impacts on the pollination fees for early cherries and plums in California.

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[83] Underwood, Robyn, and Dennis van Engelsdorp, "Colony Collapse Disorder: Have We Seen This Before?" January 2007, https://www.researchgate.net/publication/235257051_Colony_Collapse_Disorder_Have_we_seen_this_before, accessed March 14, 2022.

[84] Rucker, Randal R. et. al., "Colony Collapse and the Economic Consequences of Bee Disease," North Carolina Center for Environmental and Resource Policy, January 2016, pp. 6–7.

[85] Underwood, Robyn, and Dennis van Engelsdorp, "Colony Collapse Disorder: Have We Seen This Before?" January 2007, https://www.researchgate.net/publication/235257051_Colony_Collapse_Disorder_Have_we_seen_this_before, accessed March 14, 2022.

[86] Rucker, Randal R. et. al., "Colony Collapse and the Economic Consequences of Bee Disease," North Carolina Center for Environmental and Resource Policy, January 2016, p. 9.

[87] Rucker, Randal R. et. al., "Colony Collapse and the Economic Consequences of Bee Disease," North Carolina Center for Environmental and Resource Policy, January 2016, pp. 10–11.

[88] Rucker, Randal R. et. al., "Colony Collapse and the Economic Consequences of Bee Disease," North Carolina Center for Environmental and Resource Policy, January 2016, p. 3.

The industry in the United States

U.S. producers

U.S. beekeepers[89]

In the original investigation, the Commission received questionnaire responses from 119 U.S. beekeepers and beekeeper-packers that accounted for 24 percent of U.S. production of raw honey during 2000 and 22 independent U.S. packers that accounted for the majority of U.S. packing of honey during 2000.[90]

During the first five-year review, the domestic interested parties identified over 650 domestic producers of honey, many of which were characterized as small beekeepers or hobbyists.[91] Two responding trade associations of U.S. producers, which collectively had 500 members at the time, accounted for *** percent of US. honey production in 2005.[92]

During the second five-year review, the domestic interested parties identified over 800 domestic producers of honey.[93] Two responding trade associations of U.S. producers, which collectively had 650 members at the time, accounted for *** percent of total U.S. production of honey in 2011.[94]

During the third five-year review, the domestic interested parties provided a list of 716 U.S. producers of honey.[95] Two responding trade associations of U.S. producers reported that their members collectively accounted for *** percent of total U.S. production of honey in 2016.[96]

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[89] The USDA classifies beekeepers into three categories: hobbyists (fewer than 25 hives), part-time beekeepers (25-299 hives), and full-time or commercial producers of honey (300 hives or more).The Commission reported in the original investigation that most of the honey extracted in the United States is done by commercial beekeepers, even though the commercial beekeeper population comprised only about 1 percent of the total beekeeping population. Hobbyists comprised about 90-95 percent of the beekeeping population, and part-time beekeepers the remainder. Original publication, pp. III-1-III-2.

[90] Original publication, p. I-3.

[91] First review publication, p. I-26.

[92] Investigation Nos. 701-TA-402 and 731-TA-892 and 893 (Review): Honey from Argentina and China, Confidential Report, INV-EE-052, May 15, 2007 ("First review confidential report"), p. I-1 , fn. 4.

[93] Second review publication, p. I-17.

[94] Investigation No. 731-TA-893 (Second Review): Honey from China, Confidential Report, INV-KK-104, October 31, 2012 ("Second review confidential report"), pp. I-3, I-23, and I-24.

[95] Third review publication, p. I-16.

[96] Investigation No. 731-TA-893 (Third Review): Honey from China, Confidential Report, INV-QQ-011, January 24, 2018 ("Third review confidential report"), pp. I-2 and I-26.

In response to the Commission's notice of institution in this current review, domestic interested parties identified *** known and currently operating U.S. producers of honey, many of which were characterized as small beekeepers and hobbyists.[97] Two trade associations of U.S. producers, which collectively have *** members, providing U.S. industry data in response to the Commission's notice of institution accounted for *** percent of estimated total U.S. honey production in 2022.[98]

U.S. packers

Packers buy raw honey from a variety of sources (domestic and/or foreign) and blend the honey for resale. Packers can be classified as either a beekeeper-packer, which is a beekeeper that both extracts honey from its own colonies and packs the honey, or an independent packer, which is a firm engaged in the processing or packaging of purchased honey.[99]

During the original investigation, there were approximately 350 beekeeper-packers and 110 independent packers in the United States in 2000.[100] During the first, second, and third five-year reviews, information on U.S. packers was limited.[101] In response to the Commission's notice of institution in this current review, domestic interested parties reported there were *** beekeeper-packers and *** independent packers in the United States in 2022.[102]

[97] Domestic interested parties' response to the notice of institution, March 31, 2023, exhs. 1, 2, and 13.

[98] Domestic interested parties' response to the notice of institution, March 31, 2023, p. 21 and exh. 2.

[99] Original publication, pp. III-2–III-4.

[100] Original publication, p. III-2.

[101] See generally the first review publication, p. I-27; second review publication, p. I-17; and third review publication, p. I-17.

[102] Domestic interested parties' response to the notice of institution, March 31, 2023, exh. 1.

Recent developments

The products within the scope of this investigation are subject to additional duties under Section 301. Effective May 10, 2019, natural honey from China classified under HTSUS heading 0409.00.00 and artificial honey from China classified under HTSUS subheading 1702.90.90 are currently subject to an additional duty of 25 percent *ad valorem*.[103] Effective February 14, 2020, honey preparations and flavored honey classified under HTSUS subheading 2106.90.99 (previously HTSUS 2106.90.98) are currently subject to an additional duty of 7.5 percent *ad valorem.*[104] For additional detail see Tariff Treatment above. Effective June 10, 2022, antidumping duties were applied to raw honey, excluding honey that is packaged for retail sale in packages of five pounds or less, and classified under HTSUS heading 0409.00.00 from Argentina (9.17 to 49.44 percent), Brazil (7.89 to 83.72 percent), India (5.52 to 6.24 percent), and Vietnam (58.74 to 61.27 percent).[105]

Honey consumption reached record levels in 2022 despite United States 2021 honey production that was the lowest since 1991.[106] The recent surge in honey demand has been associated with increased consumer preference for natural ingredients that are perceived as being healthier. Part of this growth is believed to be fueled by an overall trend toward healthier eating and better nutrition motivated by the COVID-19 pandemic.[107] Moreover, demand for plant-based vegetarian and vegan foods also appears to be increasing the demand for artificial honey.

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[103] 83 FR 47974 September 21, 2018; 84 FR 7966 March 5, 2019; and 84 FR 20459 May 9, 2019. See also HTS subheading 9903.88.03 and U.S. note 20(f) to subchapter III of chapter 99 and related tariff provisions for this duty treatment. USITC, *Harmonized Tariff Schedule of the United States (2023 Revision 2),* USITC Publication 5422, pp. 99-III-87–28-III-51 and 99-III-297.

[104] 85 FR 3741 January 22, 2020; 84 FR 43304 August 20, 2019. See also HTS subheading 9903.88.15 and U.S. notes 20(r) and 20(s) to subchapter III of chapter 99 and related tariff provisions for this duty treatment. USITC, *Harmonized Tariff Schedule of the United States (2023 Revision 2),* USITC Publication 5422, pp. 99-III-87–99-III-101 and 99-III-299.

[105] 87 FR 35501 June 10, 2022.

[106] Food Dive, "US Honey Consumption Soars to All-time High Amid Better-for-you Trend," https://www.fooddive.com/news/honey-consumption-soars-high-USDA-data-bees-honeybees-demand-nutrition/629810/, accessed May 7, 2023.

[107] Aman and Massod, "How Nutrition can help to fight against COVID-19 Pandemic" NIH, National Library of Medicine, https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7306972/, accessed May 7, 2023; Godman, "Harvard Study: Healthy diet associated with lower COVID-19 Risk and Severity," Harvard Medical School, Dec 1, 2021, https://www.health.harvard.edu/staying-healthy/harvard-study-healthy-diet-associated-with-lower-covid-19-risk-and-severity, accessed May 7, 2023.

Though the gap between domestic consumption and production has been filled by imports, it has also incentivized food industry startups to research alternative methods for producing plant-based "honey" substitutes. MeliBio recently raised $5.7 million to fund research into making honey using plant science and precision fermentation.[108] Moreover, the plant-based food trend also appears to have increased the visibility, if not the availability, of artificial honey that is marketed as vegan "honey."[109]

U.S. producers' trade and financial data

The Commission asked domestic interested parties to provide trade and financial data in their response to the notice of institution in the current five-year review. Individual company trade and financial data are presented in appendix B.

Table I-5 presents data from the USDA on the U.S. honey industry for the terminal year of each previous proceeding on honey from China and table I-6 presents a compilation of select trade and financial data submitted from responding U.S. beekeepers-packers in the original investigation and subsequent five-year reviews.

[108] Food Dive, "US Honey Consumption Soars to All-time High Amid Better-for-you Trend," https://www.fooddive.com/news/honey-consumption-soars-high-USDA-data-bees-honeybees-demand-nutrition/629810/, accessed May 7, 2023; MeliBio, "MeliBio Raised 5.7M Seed Funding to Make Real Honey Without Bees," https://www.melibio.com/blog/melibio-raised-57m-seed-funding-to-make-real-honey-without-bees, accessed May 7, 2023.

[109] In most cases, these products are manufacturing using various sugar and sugar syrup ingredients, including cane sugar, rice syrup, agave, maple syrup, and would most likely be classified as artificial honey. Some producers of vegan or plant-based artificial "honey" produced without bees include the Vegan Honey Company, Just Like Honey, and Blenditup, though the future of these products seems uncertain as apparently two of the five companies featured in the article have ceased operations. Grommons, "5 Vegan Honey Brands to Try," VegOut, January 16, 2022, https://vegoutmag.com/food-and-drink/5-vegan-honey-brands-to-try/, accessed May 7, 2023.

Table I-5
Honey: Data on U.S. industry operations, by period

Item	2000	2005	2011	2016	2022
Honey producing colonies (1,000 colonies)	2,634	2,410	2,491	2,775	2,667
Honey production quantity (1,000 pounds)	221,005	174,643	148,357	161,882	125,331
Honey production value ($1,000 dollars)	132,205	157,795	256,509	335,905	370,980
Average price per pound (dollars)	0.59	0.90	1.73	2.07	2.96
Yield per colony (pounds)	83.9	72.5	59.6	58.3	47.0
Ending stock (1,000 pounds)	86,158	62,406	36,761	41,253	23,309
Ending stocks to production ratio (percent)	39.0	35.7	24.8	25.5	18.6

Source: Data for 2000-2022 are from the National Agricultural Statistics Service ("NASS"), Agricultural Statistics Board, United States Department of Agriculture ("USDA"), as reported in the original publication at table C-2, the first review publication at table I-13, the second review publication at table I-4, the third review publication at table I-3, and in the domestic interested parties' response to the notice of institution, March 31, 2023 at exhs. 6 and 16.

Table I-6
Honey: Trade and financial data submitted by beekeepers-packers, by period

Item	2000	2005	2011	2016	2022
Commercial U.S. shipments quantity (1,000 pounds)	***	---	***	***	***
Commercial U.S. shipments value ($1,000 dollars)	***	---	***	***	***
Commercial U.S. shipments unit value (dollars)	***	---	***	***	***
Total beekeeping revenue ($1,000)	---	---	***	***	***
Beekeeping to operating expenses ($1,000)	---	---	***	***	***
Net income (loss) before taxes ($1,000)	---	---	***	***	***

Source: For the years 2000-2016, data are compiled using data submitted in the Commission's original investigation and subsequent first, second, and third five-year reviews. For the year 2022, data are compiled using data submitted by domestic interested parties. Domestic interested parties' response to the notice of institution, March 31, 2023, exh. 16.

Note: See appendix B for additional trade and financial data submitted by domestic interested parties for 2022.

Note: For a discussion of data coverage, please see "U.S. producers" section.

Note: Zeroes, undefined calculations, and/or unavailable data are suppressed and shown as "---".

Definitions of the domestic like product and domestic industry

The domestic like product is defined as the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the subject merchandise. The domestic industry is defined as the U.S. producers as a whole of the domestic like product, or those producers whose collective output of the domestic like product constitutes a major proportion of the total domestic production of the product. Under the related parties provision, the Commission may exclude a U.S. producer from the domestic industry for purposes of its injury determination if "appropriate circumstances" exist.[110]

In its original determination and its expedited first, second, and third five-year review determinations, the Commission found that there was one domestic like product consisting of all honey, coextensive with Commerce's scope.[111] In its original determination and its expedited first, second, and third five-year review determinations, the Commission defined a single domestic industry consisting of all U.S. producers of honey, raw and processed, including beekeepers and packers.[112]

[110] Section 771(4)(B) of the Tariff Act of 1930, 19 U.S.C. § 1677(4)(B).

[111] 88 FR 12992, March 1, 2023.

[112] 88 FR 12992, March 1, 2023. The Commission determined in its original determination that all honey packers engaged in sufficient production-related activities to be included in the domestic industry. Original publication, p. 7. The Commission also found in its original determination that appropriate circumstances existed to exclude three firms from the domestic industry as related parties. One Commissioner defined the domestic industry differently in the original determination. *Id.*, pp. 9–11.

U.S. importers

During the final phase of the original investigation, the Commission received U.S. importer questionnaires from 18 firms, whose subject imports accounted for 84 percent of total imports of honey from China during 2000.[113] Import data presented in the original investigation were based on official Commerce statistics.

Although the Commission did not receive responses from any respondent interested parties in its first five-year review, the domestic interested parties identified over 100 U.S. importers of honey from Argentina and China.[114] Import data presented in the first review were based on official Commerce statistics.

Although the Commission did not receive responses from any respondent interested parties in its second five-year review, the domestic interested parties identified 54 U.S. importers of honey from China.[115] Import data presented in the second review were based on official Commerce statistics.

Although the Commission did not receive responses from any respondent interested parties in its third five-year review, the domestic interested parties provided a list of 120 potential U.S. importers of honey.[116] Import data presented in the third review were based on official Commerce statistics.

Although the Commission did not receive responses from any respondent interested parties in this current review, in their response to the Commission's notice of institution, the domestic interested parties provided a list of 96 potential U.S. importers of honey from China.[117]

U.S. imports

Table I-7 presents the quantity, value, and unit value of U.S. imports from China as well as the other top sources of U.S. imports (shown in descending order of 2022 imports by quantity).

[113] Original publication, p. IV-1.
[114] First review publication, p. I-34.
[115] Second review publication, p. I-20.
[116] Third review publication, p. I-20.
[117] Domestic interested parties' response to the notice of institution, March 31, 2023, exh. 14.

Table I-7
Honey: U.S. imports, by source and period

Quantity in 1,000 pounds; value in 1,000 dollars; unit value in dollars per pound

U.S. imports from	Measure	2017	2018	2019	2020	2021	2022
China	Quantity	3	---	---	0	---	---
India	Quantity	99,524	97,445	109,474	82,846	124,739	148,586
Argentina	Quantity	77,995	79,849	80,398	87,755	95,338	93,600
Brazil	Quantity	52,978	52,037	52,719	75,395	76,043	60,399
Vietnam	Quantity	80,001	86,325	81,526	111,706	123,479	31,778
All other sources	Quantity	135,747	96,466	70,430	75,522	66,075	117,597
Nonsubject sources	Quantity	446,245	412,121	394,547	433,224	485,674	451,960
All import sources	Quantity	446,248	412,121	394,547	433,224	485,674	451,960
China	Value	8	---	---	3	---	---
India	Value	93,240	82,741	86,556	62,879	124,792	220,788
Argentina	Value	90,098	89,505	83,655	97,153	155,508	166,667
Brazil	Value	112,996	82,089	58,231	73,300	121,895	109,384
Vietnam	Value	64,753	61,769	52,830	68,573	99,623	26,479
All other sources	Value	210,764	169,585	138,805	143,101	170,711	273,411
Nonsubject sources	Value	571,852	485,688	420,077	445,005	672,529	796,729
All import sources	Value	571,861	485,688	420,077	445,009	672,529	796,729
China	Unit value	2.77	---	---	7.64	---	---
India	Unit value	0.94	0.85	0.79	0.76	1.00	1.49
Argentina	Unit value	1.16	1.12	1.04	1.11	1.63	1.78
Brazil	Unit value	2.13	1.58	1.10	0.97	1.60	1.81
Vietnam	Unit value	0.81	0.72	0.65	0.61	0.81	0.83
All other sources	Unit value	1.55	1.76	1.97	1.89	2.58	2.32
Nonsubject sources	Unit value	1.28	1.18	1.06	1.03	1.38	1.76
All import sources	Unit value	1.28	1.18	1.06	1.03	1.38	1.76

Source: Compiled from official Commerce statistics for HTS statistical reporting numbers 0409.00.0005, 0409.00.0010, 0409.00.0035, 0409.00.0045, 0409.00.0056, and 0409.00.0065, accessed April 6, 2023.

Note: Because of rounding, figure may not add to total shown.

Note: Figures shown as "0" represent values greater than zero, but less than "500" pounds or dollars. Zeroes, undefined calculations, and/or unavailable data are suppressed and shown as “---“.

Apparent U.S. consumption and market shares

Table I-8 presents data on U.S. producers' U.S. shipments, U.S. imports, apparent U.S. consumption, and market shares.

Table I-8
Honey: Apparent U.S. consumption and market shares, by source and period

Quantity in 1,000 pounds; value in 1,000 dollars; shares in percent

Source	Measure	2000	2005	2011	2016	2022
U.S. beekeepers' production	Quantity	221,005	174,643	148,357	161,882	125,331
China	Quantity	58,715	64,740	3,374	326	---
Nonsubject sources	Quantity	139,441	167,942	284,914	366,692	451,960
All import sources	Quantity	198,157	232,682	288,289	367,018	451,960
Apparent U.S. consumption	Quantity	419,162	407,325	436,646	528,900	577,291
U.S. beekeepers' production	Value	132,205	157,795	256,509	335,905	370,980
China	Value	25,528	26,349	5,181	345	---
Nonsubject sources	Value	71,979	113,958	398,996	424,986	796,729
All import sources	Value	97,507	140,307	404,177	425,332	796,729
Apparent U.S. consumption	Value	229,712	298,102	660,686	761,237	1,167,709
U.S. beekeepers' production	Share of quantity	52.7	42.9	34.0	30.6	21.7
China	Share of quantity	14.0	15.9	0.8	0.06	---
Nonsubject sources	Share of quantity	33.3	41.3	65.3	69.3	78.3
All import sources	Share of quantity	47.3	57.2	66.0	69.4	78.3
U.S. beekeepers' production	Share of value	57.6	52.9	38.8	44.1	31.8
China	Share of value	11.1	8.8	0.8	0.05	---
Nonsubject sources	Share of value	31.3	38.2	60.4	55.8	68.2
All import sources	Share of value	42.4	47.0	61.2	55.9	68.2

Source: For the years 2000-16, data are compiled using data submitted in the Commission's original investigation and subsequent five-year reviews. For the year 2022, U.S. producers' data are compiled from the domestic interested parties' response to the Commission's notice of institution and U.S. imports are compiled using official Commerce statistics under HTS statistical reporting numbers 0409.00.0005, 0409.00.0010, 0409.00.0035, 0409.00.0045, 0409.00.0056, and 0409.00.0065, accessed April 6, 2023.

Note: For all periods, apparent U.S. consumption is derived from U.S. beekeepers' production, as reported by USDA, plus imports of honey, as reported by Commerce.

Note: In 2022, U.S. exports of honey equaled 12,331,924 pounds. If exports were factored out of the calculation in table I-8, then 2022 apparent U.S. consumption would be 564,958,612 pounds. Domestic interested parties' response to the notice of institution, March 31, 2023, exh. 7.

Note: Share of quantity is the share of apparent U.S. consumption by quantity in percent; share of value is the share of apparent U.S. consumption by value in percent.

Note: For a discussion of data coverage, please see "U.S. producers" and "U.S. importers" sections.

Note: Zeroes, undefined calculations, and/or unavailable data are suppressed and shown as "---".

The industry in China

Producers in China

During the final phase of the original investigation, the Commission received questionnaires responses from 13 Chinese exporting firms, which accounted for approximately 68 percent of total U.S. imports of Chinese honey during 2000.[118] Seven of the 13 firms were also honey producers and accounted for only 16 percent of honey produced in China during 2000.[119]

Although the Commission did not receive responses from any respondent interested parties in its first five-year review, the domestic interested parties identified 95 producers and/or exporters of honey in China.[120]

During the second five-year review, no respondent interested parties participated in the expedited review. The record, therefore, contained limited new information with respect to the honey industry in China.[121]

Although the Commission did not receive responses from any respondent interested parties in its third five-year review, the domestic interested parties identified over 160 Chinese producers and exporters of honey that they claimed remain actively engaged in the production and/or export of honey.[122]

Although the Commission did not receive responses from any respondent interested parties in this current five-year review, the domestic interested parties identified 156 subject producers/exporters that are actively engaged in the production and/or export of honey.[123]

[118] Original publication, p. VII-4.
[119] Original publication, p. VII-4.
[120] First review publication, p. I-47.
[121] Second review publication, p. 7.
[122] Third review publication, p. 16.
[123] Domestic interested parties' response to the notice of institution, March 31, 2023, p. 9 and exh. 4.

Recent developments

Table I-9 presents events in the China's industry since the Commission's last review including Chinese companies' activities to maintain and expand honey production and export capacity.

Table I-9
Honey: Developments in the China industry

Item	Firm	Event
New producer/ exporter/capacity	Anhui Mizhiyuan Food Group Co. Ltd.	"Committed to building the world's largest honey production and supply base," Expanded into medicinal honey and high-value food and beverage markets and set up an e-commerce company to increase online sales and cross-border e-commerce business.
New producer/ exporter/capacity	Comvita New Zealand Ltd.	Expanding presence in China, including opening a research and development center and a Hainan production branch.
New producer/ exporter/capacity	Hefei Dongbao Imp. & Exp. Trade, affiliated with Anhui Hundred Honey Company, Ltd.	Expanding global reach by aggressively attending trade shows and increasing sales from 20 to 26 countries, from 200 bee farms with more than 100 hives each.
New producer/ exporter/capacity	Norevo	Began trading honey online in 2017, exports raw honey with capacity of 2,000 metric tons.
New producer/ exporter/capacity	WalMart (China) Investment Co., Ltd.	Started exporting honey from China in November 2022.
New producer/ exporter/capacity	Inner Mongolia Kanghui/ Komway Import & Export Co. Ltd.	Export honey to United States and manages about 1,000 beekeepers.

Sources: Domestic interested parties' response to the notice of institution, March 31, 2023, pp. 10–11 and exh. 8; Anhui Mizhiyuan Group, https://www.mizhiyuan.net/?siteid=2, accessed May 19, 2023; Mandow, "How Comvita went from 2 to 200 staff in China," https://www.newsroom.co.nz/how-comvita-went-from-two-to-200-staff-in-china, accessed May 19, 2023; Anhui Hundred Honey Co., LTD., https://www.hhjdhoney.com/?fbclid=IwAR3iNnnxZtxzOeNQz6GDtU4LEZEu0OFKB4VtZfgSmjQQ7l6ZydlduBM7JLw, accessed May 19, 2023; Norevo, https://www.norevo.de/en/produkte/honig1, accessed May 19, 2023; Inner Mongolia Komway Import and Export Co., Ltd, https://bbs.fobshanghai.com/company/160x3613yrs2n96.html, accessed May 19, 2021.

Exports

Table I-10 presents export data for Harmonized Schedule ("HS") subheading 0409.00, a category that includes natural honey, from China (by export destination in descending order of quantity for 2022).

Table I-10
Natural Honey: Quantity of exports from China, by destination and period

Quantity in 1,000 pounds

Destination market	2017	2018	2019	2020	2021	2022
United Kingdom	65,400	79,995	70,797	81,906	82,984	75,533
Japan	66,379	66,097	64,042	73,967	66,381	65,687
Belgium	25,111	16,193	18,942	24,090	35,545	55,122
Poland	20,033	15,342	21,162	20,547	33,651	34,244
Spain	19,615	18,693	15,128	12,020	12,163	15,840
Saudi Arabia	4,061	2,919	6,773	10,562	6,270	13,450
Netherlands	12,123	6,620	6,310	4,989	8,576	12,216
Portugal	4,341	7,117	7,564	4,879	9,625	12,174
Australia	14,125	9,233	6,960	7,613	8,100	8,552
Germany	10,884	9,656	8,810	6,814	7,291	7,566
All Other Markets	42,928	40,356	39,930	44,657	51,037	43,541
All Markets	285,000	272,220	266,418	292,044	321,624	343,926

Source: S&P Global, Global Trade Atlas, HS subheading 0409.00, accessed May 3, 2023.

Note: Because of rounding, figures may not add to totals shown.

Third-country trade actions

Based on available information, honey, artificial honey, and flavored honey from China has not been subject to other antidumping or countervailing duty investigations outside the United States. Nonetheless, honey and honey products from China, as well as honey from other sources, can be subject to additional testing requirements, lower maximum residual levels ("MRL"), and increased scrutiny for adulteration in third country markets such as the European Union ("EU") and Canada.

For example, Coumaphos is widely applied on beehives to control *Varroa destructor* ("Varroa") mite infestations.[124] The MRL for Coumaphos in honey is 0.15 parts per million ("ppm") in the United States, 0.02 ppm in Canada, and 0.1 ppm in the EU. Moreover, the EU and Canada have banned the use of neonicotinoids; thus, any detectable level in imported honey would be cause for rejection at the border.[125] A recent study found neonicotinoid residues in more than 97 percent of honey sampled in China.[126] A recent EU study found that 46 percent of imported honey did not meet the EU Honey Directive and 60 percent was blended with extraneous sugars; 74 percent of the suspicious consignments were from China.[127] The EU Honey Directive sets various standards for sugar levels, moisture content, electrical conductivity, free acid, diatase activity, and HMF levels.[128]

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[124] Premrov Bajuk, B., Babnik, K., Snoj, T. *et al,* "Coumaphos residues in honey, bee brood, and beeswax after Varroa treatment," *Apidologie* 48, 588–598, 2017, https://doi.org/10.1007/s13592-017-0501-y, accessed May 22, 2023.

[125] Pesticide Action Network, "EU Court of Justice: no more derogations for the use of bee-toxic neonicotinoids," https://www.pan-europe.info/press-releases/2023/01/eu-court-justice-no-more-derogations-use-bee-toxic-neonicotinoids#:~:text=Derogations%20with%20neonicotinoid%2Dtreated%20seeds,%2C%20Greece%2C%20Hungary%20and%20Finland, accessed May 22, 2023; European Commission, "Food Safety: Neonicotinoids," https://food.ec.europa.eu/plants/pesticides/approval-active-substances/renewal-approval/neonicotinoids_en, accessed May 22, 2023; Spectrum News, Agriculture, https://spectrumlocalnews.com/nys/central-ny/news/2022/08/01/cornell-entomologists-studying-alternatives-to-neonicotinoid-pesticides-in-geneva-#:~:text=Neonicotinoids%20are%20banned%20in%20Europe,as%20Maine%20and%20New%20Jersey., accessed May 22, 2023.

[126] Han, Minghui, et al, "Neonicotinoids residues in the honey circulating in Chinese market and health risk on honey bees and human," *Environmental Pollution,* 313, November 15, 2022, https://doi.org/10.1016/j.envpol.2022.120146, accessed May 22, 2023.

[127] Just Food, "Almost half honey imported in EU "adulterated", investigation finds," https://www.just-food.com/news/almost-half-honey-imported-into-eu-adulterated-investigation-finds/#:~:text=Almost%20half%20of%20the%20honey,what%20can%20be%20labelled%20honey, accessed May 22, 2023; European Commission, "EU Coordinated Action 'From the Hives' (Honey 2021-2022)," https://food.ec.europa.eu/safety/eu-agri-food-fraud-network/eu-coordinated-actions/honey-2021-2022_en#:~:text=Council%20Directive%202001%2F110%2FEC%20relating%20to%20honey%20establishes%20two,shall%20not%20exceed%205g%2F100g., accessed May 22, 2023.

[128] Official Journal of the European Communities, "Council Directive 2001/110/EC," https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1684789118942&uri=CELEX:32001L0110, accessed May 22, 2023.

The global market

Table I-11 presents global export data for HS subheading 0409.00, a category that includes natural honey (by source in descending order of quantity for 2022).

Table I-11
Natural Honey: Quantity of global exports by country and period

Quantity in 1,000 pounds

Exporting market	2017	2018	2019	2020	2021	2022
China	285,000	272,220	266,418	292,044	321,624	343,926
India	117,910	128,362	144,077	120,915	155,519	190,001
Argentina	155,494	139,299	131,252	142,035	133,172	148,547
Ukraine	149,623	109,001	122,950	178,292	126,964	106,642
Brazil	59,642	62,885	66,225	100,813	104,036	81,320
Belgium	43,475	43,733	42,611	49,503	56,787	70,804
Spain	55,849	52,008	50,858	62,669	63,136	62,546
Mexico	61,118	122,741	48,604	48,863	54,679	60,501
Germany	53,865	50,239	55,823	65,570	65,605	58,010
Turkey	14,231	14,148	12,231	13,312	22,146	38,024
All other markets	482,493	444,474	419,579	482,178	499,734	396,457
All markets	1,478,701	1,439,110	1,360,623	1,557,193	1,603,400	1,556,776

Source: S&P Global, Global Trade Atlas, HS subheading 0409.00, accessed May 18, 2023.

Note: 2022 data for Vietnam were not available; based on data through 2021, Vietnam would be included among the leading exporters with 46,572,378 pounds exported in 2021.

Note: Because of rounding, figures may not add to total shown.

APPENDIX A

FEDERAL REGISTER NOTICES

The Commission makes available notices relevant to its investigations and reviews on its website, www.usitc.gov. In addition, the following tabulation presents, in chronological order, Federal Register notices issued by the Commission and Commerce during the current proceeding.

Citation	Title	Link
88 FR 12915, March 1, 2023	*Initiation of Five-Year (Sunset) Reviews*	https://www.govinfo.gov/content/pkg/FR-2023-03-01/pdf/2023-04187.pdf
88 FR 12992, March 1, 2023	*Honey From China; Institution of a Five-Year Review*	https://www.govinfo.gov/content/pkg/FR-2023-03-01/pdf/2023-04073.pdf

APPENDIX B

COMPANY-SPECIFIC DATA

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APPENDIX C

SUMMARY DATA COMPILED IN PRIOR PROCEEDINGS

Table C-2
Honey: Summary data concerning the U.S. market (excluding W. Stoller's Honey, Inc.; *, and ***), 1998-2000, January-June 2000, and January-June 2001**

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Table C-3
Honey: Summary data concerning the U.S. market (excluding Sioux Honey), 1998-2000, January-June 2000, and January-June 2001

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APPENDIX D

PURCHASER QUESTIONNAIRE RESPONSES

As part of their response to the notice of institution, interested parties were asked to provide a list of three to five leading purchasers in the U.S. market for the domestic like product. A response was received from domestic interested parties and it provided contact information for the following three firms as top purchasers of honey: ***. Purchaser questionnaires were sent to these three firms. No firms submitted a response to the Commission's request for information.