



FACT SHEET

Commerce Finds Dumping and Countervailable Subsidization of Imports of Magnesium from Israel

- On November 22, 2019, the Department of Commerce (Commerce) announced its affirmative final determinations in the antidumping duty (AD) and countervailing duty (CVD) investigations of imports of magnesium from Israel.
- The AD and CVD laws provide U.S. businesses and workers with a transparent, quasi-judicial, and internationally accepted mechanism to seek relief from the market-distorting effects caused by injurious dumping and subsidization of imports into the United States, establishing an opportunity to compete on a level playing field.
- For the purpose of an AD investigation, dumping occurs when a foreign company sells a product in the United States at less than its fair value. For the purpose of a CVD investigation, a countervailable subsidy is financial assistance from a foreign government that benefits the production of goods from foreign companies and is limited to specific enterprises or industries, or is contingent either upon export performance or upon the use of domestic goods over imported goods.
- Commerce assigned a dumping rate of 218.98 percent to sole mandatory respondent Dead Sea Magnesium, Ltd. The dumping rate for all other Israeli producers and exporters is 218.98 percent.
- Commerce assigned a subsidy rate of 13.77 percent to sole mandatory respondent Dead Sea Magnesium, Ltd. The subsidy rate for all other Israeli producers and exporters is 13.77 percent.
- Upon publication of the final affirmative AD determination, Commerce intends to instruct U.S. Customs and Border Protection (CBP) to collect AD cash deposits equal to the applicable final weighted-average dumping rates. These cash deposit requirements will remain in effect until further notice and may be subject to change based on the U.S. International Trade Commission's (ITC) forthcoming injury determinations.
- There are currently no cash deposit requirements related to the CVD investigation. Cash deposit requirements will be implemented in the event of an affirmative final injury determination by the ITC.
- The petitioner is US Magnesium LLC (Salt Lake City, UT).
- The scope of the investigations is listed in Appendix I.
- In 2018, imports of magnesium from Israel were valued at an estimated \$38.9 million.
- The Final Decision Memoranda are on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and to all parties in the Central Records Unit, Room B8024 of the main Department of Commerce building. Please refer to case numbers: A-508-812 and C-508-813.

NEXT STEPS

- The ITC is scheduled to make its final determinations on or about January 6, 2020.
- If the ITC makes affirmative final determinations that imports of magnesium from Israel materially injure, or threaten material injury to, the domestic industry, Commerce will issue AD and CVD orders and instruct U.S. Customs and Border Protection to collect cash deposits equal to the final AD and CVD rates determined in these proceedings, as applicable. If the ITC makes negative determinations of injury, the investigations will be terminated and any cash deposits collected will be returned, as appropriate.

FINAL DUMPING RATES:

COUNTRY	EXPORTER/PRODUCER	DUMPING RATES	Adjusted Dumping Rates**
Israel	Dead Sea Magnesium, Ltd.	218.98%	N/A
	Israel Wide Entity	218.98%	N/A

**Because in the concurrent CVD investigation Commerce did not find any export subsidies, the rates are not adjusted for export subsidies.

FINAL SUBSIDY RATES:

COUNTRY	EXPORTER/PRODUCER	SUBSIDY RATE
Israel	Dead Sea Magnesium, Ltd.	13.77%
	All Others	13.77%

CASE CALENDAR:

EVENT	CVD	AD
Petitions Filed	October 24, 2018	October 24, 2018
DOC Initiation Date	November 13, 2018	November 13, 2018
ITC Preliminary Determinations	December 10, 2018	December 10, 2018
DOC Preliminary Determinations	May 2, 2019	July 1, 2019
DOC Final Determinations †	November 21, 2019	November 21, 2019
ITC Final Determinations	January 6, 2020	January 6, 2020
Issuance of Orders*	January 13, 2020	January 13, 2020

NOTE: Commerce preliminary and final determination deadlines are governed by statute. For AD investigations, the deadlines are set forth in sections 733(b) and 735(a)(1) of the Tariff Act of 1930, as amended (the Act). For CVD investigations, the deadlines are set forth in sections 703(b) and 705(a) of the Act.

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

†Where the deadline falls on a weekend/holiday, the appropriate date is the next business day.

IMPORT STATISTICS:

Israel	2016	2017	2018
Volume (Metric Tons)	11,335	11,450	10,664
Value (USD)	46,519,663	43,508,386	38,897,839

Source: U.S. Census Bureau, accessed through Global Trade Atlas (HTSUS 8104.11.0000, 8104.19.0000, and 8104.30.0000).

Appendix I

The products covered by these investigations are primary and secondary pure and alloy magnesium metal, regardless of chemistry, raw material source, form, shape, or size (including, without limitation, magnesium cast into ingots, slabs, t-bars, rounds, sows, billets, and other shapes, and magnesium ground, chipped, crushed, or machined into raspings, granules, turnings, chips, powder, briquettes, and any other shapes). Magnesium is a metal or alloy containing at least 50 percent by actual weight the element magnesium. Primary magnesium is produced by decomposing raw materials into magnesium metal. Secondary magnesium is produced by recycling magnesium-based scrap into magnesium metal. The magnesium covered by this investigation also includes blends of primary magnesium, scrap, and secondary magnesium.

The subject merchandise includes the following pure and alloy magnesium metal products made from primary and/or secondary magnesium: (1) products that contain at least 99.95 percent magnesium, by actual weight (generally referred to as “ultra-pure” or “high purity” magnesium); (2) products that contain less than 99.95 percent but not less than 99.8 percent magnesium, by actual weight (generally referred to as “pure” magnesium); and (3) chemical combinations of magnesium and other material(s) in which the magnesium content is 50 percent or greater, but less than 99.8 percent, by actual weight, whether or not conforming to an “ASTM Specification for Magnesium Alloy.”

The scope of these investigations excludes mixtures containing 90 percent or less magnesium in granular or powder form by actual weight and one or more of certain non-magnesium granular materials to make magnesium-based reagent mixtures, including lime, calcium metal, calcium silicon, calcium carbide, calcium carbonate, carbon, slag coagulants, fluorspar, nepheline syenite, feldspar, alumina (A1203), calcium aluminate, soda ash, hydrocarbons, graphite, coke, silicon, rare earth metals/mischmetal, cryolite, silica/fly ash, magnesium oxide, periclase, ferroalloys, dolomite lime, and colemanite.

The merchandise subject to these investigations is classifiable under items 8104.11.0000, 8104.19.0000, and 8104.30.0000 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS items are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.