



## FACT SHEET

### **Commerce Finds Dumping and Subsidization of Imports of Silicon Metal from Australia, Brazil, Kazakhstan, and Norway**

- On March 1, 2018, the Department of Commerce (Commerce) announced its affirmative final determinations in the antidumping duty (AD) and countervailing duty (CVD) investigations of imports of silicon metal from Australia and Brazil, an AD investigation of imports of silicon metal from Norway, and a CVD investigation of imports of silicon metal from Kazakhstan.
- 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 foreign governments 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.
- In the Australia AD investigation, Commerce assigned a dumping rate of 51.28 percent for mandatory respondent Simcoa Operations Pty Ltd. All other producers/exporters in Australia have been assigned a dumping rate of 41.73 percent.
- In the Brazil AD investigation, Commerce assigned a dumping rate of 68.97 percent to mandatory respondent Palmyra do Brasil Indústria e Comércio de Silício Metálico e Recursos Naturais Ltda. (formerly known as Dow Corning Silício do Brasil Indústria e Comércio Ltda.), and a dumping rate of 134.92 percent to mandatory respondent Ligas de Alumínio S.A. - LIASA based on adverse facts available for its failure to cooperate in the investigation. All other producers/exporters in Brazil have been assigned a dumping rate of 68.97 percent.
- In the Norway AD investigation, Commerce assigned a dumping rate of 3.22 percent for mandatory respondent Elkem AS. All other producers/exporters in Norway have been assigned a dumping rate of 3.22 percent.
- In the Australia CVD investigation, Commerce assigned a subsidy rate of 14.78 percent for mandatory respondent Simcoa Operations Pty Ltd. All other producers/exporters in Australia have been assigned a subsidy rate of 14.78 percent.
- In the Brazil CVD investigation, Commerce assigned a subsidy rate of 2.44 percent for mandatory respondent Palmyra do Brasil Indústria e Comércio de Silício Metálico e Recursos Naturais Ltda. Commerce assigned a subsidy rate of 52.51 percent to mandatory respondent Ligas de Alumínio – LIASA based on adverse facts due to its failure to cooperate in the investigation. All other producers/exporters in Brazil have been assigned a subsidy rate of 2.44 percent.

- In the Kazakhstan CVD investigation, Commerce assigned a subsidy rate of 100.00 percent to mandatory respondent Tau-Ken Temir LLP based on adverse facts available due to its failure to cooperate in this investigation. All other producers/exporters in Kazakhstan have been assigned a subsidy rate of 100.00 percent.
- Upon publication of the final affirmative AD determinations, Commerce will instruct U.S. Customs and Border Protection (CBP) to collect antidumping duty cash deposits equal to the applicable final weighted-average dumping rates. Further, as a result of the affirmative final CVD determinations, if the U.S. International Trade Commission (ITC) makes affirmative injury determinations, Commerce will instruct CBP to resume collection of countervailing duty cash deposits equal to the applicable subsidy rates.
- In the Australia AD determination, Commerce continued to find that “critical circumstances” exist with respect to Simcoa Operations Pty Ltd. Consequently, Commerce will continue to instruct CBP to impose provisional measures retroactively on entries of silicon metal from Australia, effective 90 days prior to publication of the preliminary determination in the *Federal Register*, for the affected exporter.
- The petitioner is Globe Specialty Metals, Inc. Its production facilities are located in Alabama, New York, Ohio, and West Virginia.
- The scope of these investigations covers all forms and sizes of silicon metal, including silicon metal powder. Silicon metal contains at least 85.00 percent but less than 99.99 percent silicon, and less than 4.00 percent iron, by actual weight. Semiconductor grade silicon (merchandise containing at least 99.99 percent silicon by actual weight and classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheading 2804.61.0000) is excluded from the scope of these investigations.
- Silicon metal is currently classifiable under subheadings 2804.69.1000 and 2804.69.5000 of the HTSUS.
- While HTSUS numbers are provided for convenience and customs purposes, the written description of the scope remains dispositive.
- In 2016, imports of silicon metal from Australia, Brazil, Kazakhstan, and Norway were valued at an estimated \$33.9 million, \$60.0 million, \$17.5 million, and \$26.1 million, respectively.
- 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: Australia A-602-810 and C-602-811, Brazil A-351-850 and C-351-851, Kazakhstan C-834-808, and Norway A-403-805.

## **NEXT STEPS**

- The ITC is scheduled to make its final determinations on or about April 13, 2018.
- If the ITC makes affirmative final determinations that imports of silicon metal from Australia, Brazil, Kazakhstan, and/or Norway materially injure, or threaten material injury to, the domestic industry, Commerce will issue AD and CVD orders. If the ITC makes negative determinations of injury, the investigations will be terminated.

**FINAL DUMPING MARGINS:**

<b>COUNTRY</b>	<b>EXPORTER/PRODUCER</b>	<b>DUMPING RATES</b>
<b>Australia</b>	<b>Simcoa Operations Pty Ltd.</b>	<b>51.28%</b>
	<b>All Others</b>	<b>41.73%</b>

<b>COUNTRY</b>	<b>EXPORTER/PRODUCER</b>	<b>DUMPING RATES</b>	<b>CASH DEPOSIT RATES*</b>
<b>Brazil</b>	<b>Palmyra do Brasil Indústria e Comércio de Silício Metálico e Recursos Naturais Ltda. (formerly known as Dow Corning Silício do Brasil Indústria e Comércio Ltda.)</b>	<b>68.97%</b>	<b>68.87%</b>
	<b>Ligas de Alumínio S.A. – LIASA</b>	<b>134.92%</b>	<b>133.49%</b>
	<b>All Others</b>	<b>68.97%</b>	<b>68.87%</b>

\* Rates are adjusted for export subsidies.

<b>COUNTRY</b>	<b>EXPORTER/PRODUCER</b>	<b>DUMPING RATES</b>
<b>Norway</b>	<b>Elkem AS</b>	<b>3.22%</b>
	<b>All Others</b>	<b>3.22%</b>

**FINAL SUBSIDY RATES:**

<b>COUNTRY</b>	<b>EXPORTER/PRODUCER</b>	<b>SUBSIDY RATES</b>
<b>Australia</b>	<b>Simcoa Operations Pty Ltd.</b>	<b>14.78%</b>
	<b>All Others</b>	<b>14.78%</b>
<b>Brazil</b>	<b>Palmyra do Brasil Indústria e Comércio de Silício Metálico e Recursos Naturais Ltda.</b>	<b>2.44%</b>
	<b>Ligas de Alumínio S.A. - LIASA</b>	<b>52.51%</b>
	<b>All Others</b>	<b>2.44%</b>
<b>Kazakhstan</b>	<b>Tau-Ken Temir LLP</b>	<b>100.00%</b>
	<b>All Others</b>	<b>100.00%</b>

**CASE CALENDAR:**

<b>EVENT</b>	<b>CVD</b>	<b>AD</b>
<b>Petitions Filed</b>	<b>March 8, 2017</b>	<b>March 8, 2017</b>
<b>DOC Initiation Date</b>	<b>March 28, 2017</b>	<b>March 28, 2017</b>
<b>ITC Preliminary Determinations</b>	<b>April 24, 2017</b>	<b>April 24, 2017</b>
<b>DOC Preliminary Determinations</b>	<b>August 7, 2017</b>	<b>October 12, 2017</b>
<b>DOC Final Determinations<sup>^</sup></b>	<b>February 27, 2018</b>	<b>February 27, 2018</b>
<b>ITC Final Determinations</b>	<b>April 13, 2018</b>	<b>April 13, 2018</b>
<b>Issuance of Orders*</b>	<b>April 20, 2018</b>	<b>April 20, 2018</b>

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. These deadlines may be extended under certain circumstances.

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

<sup>^</sup> As explained in the Memorandum for the Record from Christian Marsh, Deputy Assistant Secretary for Enforcement and Compliance, "Deadlines Affected by the Shutdown of the Federal Government" (January 23, 2018), Commerce has exercised its discretion to toll deadlines for the duration of the closure of the Federal Government from January 20, through January 22, 2018. Therefore, the final date for these investigations has been tolled by 3 days and all other deadlines have been adjusted accordingly.

**IMPORT STATISTICS:**

<b>AUSTRALIA</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Volume (metric tons)	18,384	19,844	16,860
Value (USD)	50,860,953	55,896,521	33,850,510
<b>BRAZIL</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Volume (metric tons)	39,811	19,801	25,564
Value (USD)	105,724,398	53,816,598	60,019,651
<b>KAZAKHSTAN</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Volume (metric tons)	0	2,710	9,555
Value (USD)	0	6,579,490	17,468,129
<b>NORWAY</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Volume (metric tons)	8,446	14,490	12,356
Value (USD)	26,645,276	38,936,848	26,133,289

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 2804.69.1000 and 2804.69.5000)