



## FACT SHEET

### Commerce Finds Dumping and Subsidization of Imports of Common Alloy Aluminum Sheet from China

- On November 7, 2018, the Department of Commerce (Commerce) announced its affirmative final determinations in the antidumping duty (AD) and countervailing duty (CVD) investigations of imports of common alloy aluminum sheet from the People's Republic of China (China).
- 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 AD investigation, Commerce assigned a dumping margin of 49.85 percent for mandatory respondent Henan Mingtai Al Industrial Co., Ltd./Zhengzhou Mingtai Industry Co., Ltd. Commerce also assigned a dumping margin of 49.85 percent for the companies eligible for a separate rate. Commerce assigned Nanjie Resources Co., Limited; Yong Jie New Material Co., Ltd.; Zhejiang Yongjie Aluminum Co., Ltd.; Zhejiang GKO Aluminium Stock Co., Ltd.; and the China-wide entity a dumping rate of 59.72 percent, based on adverse facts available, due to their failure to cooperate to the best of their ability.
- In the CVD investigation, Commerce calculated a subsidy rate of 55.02 percent for mandatory respondent Yong Jie New Material Co., Ltd. In addition, Commerce calculated a subsidy rate of 46.48 percent for mandatory respondents Henan Mingtai Industrial Co., Ltd. and Zhengzhou Mingtai Industry Co., Ltd. Further, for their failure to cooperate, based on adverse facts available, Commerce assigned a subsidy rate of 116.49 percent to mandatory respondents Chalco Ruimin Co., Ltd. and Chalco-SWA Cold Rolling Co., Ltd. The subsidy rate for all-other Chinese producers and exporters is 50.75 percent.
- Upon publication of the final affirmative AD determination, Commerce will instruct U.S. Customs and Border Protection (CBP) to collect AD cash deposits equal to the applicable final weighted-average dumping rates. Further, as a result of the affirmative final CVD determination, if the U.S. International Trade Commission (ITC) makes an affirmative injury determination, Commerce will instruct CBP to collect CVD cash deposits equal to the applicable subsidy rates.
- In both the AD and CVD investigations, the domestic interested parties alleged critical circumstances with regard to imports of common alloy aluminum sheet from China. Commerce found that critical circumstances do not exist for Henan Mingtai Al Industrial Co., Ltd. and Zhengzhou Mingtai Industry Co., Ltd. Due to their failure to cooperate, Commerce found that critical circumstances exist for Nanjie Resources Co., Limited; Yong Jie New Material Co., Ltd.;

Zhejiang Yongjie Aluminum Co., Ltd.; Zhejiang GKO Aluminium Stock Co., Ltd.; and the China-wide entity, based on adverse facts available. Finally, Commerce found that critical circumstances exist for the companies eligible for a separate rate. Consequently, Commerce will instruct CBP to impose provisional measures retroactively on entries of common alloy aluminum sheet from China, as applicable, effective 90 days prior to publication of the preliminary determination in the *Federal Register*.

- The merchandise covered by these investigations is common alloy aluminum sheet, which is a flat-rolled aluminum product having a thickness of 6.3 mm or less, but greater than 0.2 mm, in coils or cut-to-length, regardless of width. Common alloy aluminum sheet within the scope of this investigation includes both not clad aluminum sheet, as well as multi-alloy, clad aluminum sheet. With respect to not clad aluminum sheet, common alloy sheet is manufactured from a 1XXX-, 3XXX-, or 5XXX-series alloy as designated by the Aluminum Association. With respect to multi-alloy, clad aluminum sheet, common alloy sheet is produced from a 3XXX-series core, to which cladding layers are applied to either one or both sides of the core.

Common alloy sheet may be made to ASTM specification B209-14, but can also be made to other specifications. Regardless of specification, however, all common alloy sheet meeting the scope description is included in the scope. Subject merchandise includes common alloy sheet that has been further processed in a third country, including but not limited to annealing, tempering, painting, varnishing, trimming, cutting, punching, and/or slitting, or any other processing that would not otherwise remove the merchandise from the scope of the investigations if performed in the country of manufacture of the common alloy sheet.

Excluded from the scope of these investigations is aluminum can stock, which is suitable for use in the manufacture of aluminum beverage cans, lids of such cans, or tabs used to open such cans. Aluminum can stock is produced to gauges that range from 0.200 mm to 0.292 mm, and has an H-19, H-41, H-48, or H-391 temper. In addition, aluminum can stock has a lubricant applied to the flat surfaces of the can stock to facilitate its movement through machines used in the manufacture of beverage cans. Aluminum can stock is properly classified under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7606.12.3045 and 7606.12.3055.

Where the nominal and actual measurements vary, a product is within the scope if application of either the nominal or actual measurement would place it within the scope based on the definitions set for the above.

Common alloy sheet is currently classifiable under HTSUS subheadings 7606.11.3060, 7606.11.6000, 7606.12.3090, 7606.12.6000, 7606.91.3090, 7606.91.6080, 7606.92.3090, and 7606.92.6080. Further, merchandise that falls within the scope of these investigations may also be entered into the United States under HTSUS subheadings 7606.11.3030, 7606.12.3030, 7606.91.3060, 7606.91.6040, 7606.92.3060, 7606.92.6040, 7607.11.9090. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of these investigations is dispositive.

- In 2017, imports of common alloy aluminum sheet from China were valued at an estimated \$897.9 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 number A-570-073 for the AD investigation and C-570-074 for the CVD investigation.

#### NEXT STEPS

- The ITC is scheduled to make its final determinations on or about December 20, 2018.
- If the ITC makes affirmative final determinations that imports of common alloy aluminum sheet from China materially injure, or threaten material injury to, the domestic industry, Commerce will issue AD and CVD orders. In the event that a CVD order is issued and suspension of liquidation is resumed in the CVD investigation, Commerce will instruct CBP to require AD cash deposits adjusted by the amount of export subsidies, as appropriate. If the ITC makes negative determinations of injury, the investigations will be terminated.

#### FINAL DUMPING RATES:

COUNTRY	EXPORTER/PRODUCER	DUMPING RATES
China	Henan Mingtai Al Industrial Co., Ltd./Zhengzhou Mingtai Industry Co., Ltd.	49.85%
	Nanjie Resources Co., Limited/Yong Jie New Material Co., Ltd./Zhejiang Yongjie Aluminum Co., Ltd.	59.72%
	Zhejiang GKO Aluminium Stock Co., Ltd.	59.72%
	Separate Rate Companies (See Attachment 1)	49.85%
	China-Wide Entity	59.72%

#### FINAL SUBSIDY RATES:

COUNTRY	EXPORTER/PRODUCER	SUBSIDY RATE
China	Yong Jie New Material Co., Ltd.	55.02%
	Henan Mingtai Industrial Co., Ltd./ Zhengzhou Mingtai Industry Co., Ltd.	46.48%
	Chalco Ruimin Co., Ltd.	116.49%
	Chalco-SWA Cold Rolling Co., Ltd.	116.49%
	All Others	50.75%

**CASE CALENDAR:**

<b>EVENT</b>	<b>CVD</b>	<b>AD</b>
<b>DOC Initiation Date</b>	<b>December 4, 2017</b>	<b>December 4, 2017</b>
<b>ITC Preliminary Determinations</b>	<b>January 16, 2018</b>	<b>January 16, 2018</b>
<b>DOC Preliminary Determinations</b>	<b>April 16, 2018</b>	<b>June 15, 2018</b>
<b>DOC Final Determinations</b>	<b>November 5, 2018</b>	<b>November 5, 2018</b>
<b>ITC Final Determinations</b>	<b>December 20, 2018</b>	<b>December 20, 2018</b>
<b>Issuance of Orders*</b>	<b>December 27, 2018</b>	<b>December 27, 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.

**IMPORT STATISTICS:**

<b>Quantity (LB)</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
China	592,984,673	606,539,245	781,818,724

<b>Customs Value (USD)</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
China	\$683,988,553	\$603,560,933	\$897,883,926

Source: U.S. Census Bureau, accessed through Global Trade Atlas. We obtained the volume (converted from kilograms to pounds) and customs value of imports of common alloy aluminum sheet using Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7606.11.3060, 7606.11.6000, 7606.12.3090, 7606.12.6000, 7606.91.3090, 7606.91.6080, 7606.92.3090, and 7606.92.6080.

**ATTACHMENT 1****FULL LIST OF FINAL DUMPING RATES, INCLUDING SEPARATE RATE COMPANIES:**

<b>Exporter</b>	<b>Producer</b>	<b>Weighted-Average Margin</b>	<b>Cash Deposit Adjusted for Subsidy Offset</b>
Henan Mingtai Al Industrial Co., Ltd./ Zhengzhou Mingtai Industry Co., Ltd.	Henan Mingtai Al Industrial Co., Ltd./ Zhengzhou Mingtai Industry Co., Ltd.	49.85 percent	49.85 percent
Alcha International Holdings Limited	Jiangsu Alcha Aluminium Co., Ltd.	49.85 percent	49.85 percent
Alumax Composite Material (Jiangyin) Co., Ltd.	Chalco Ruimin Co., Ltd.	49.85 percent	49.85 percent
Granges Aluminum (Shanghai) Co., Ltd.	Granges Aluminum (Shanghai) Co., Ltd.	49.85 percent	49.85 percent
Henan Founder Beyond Industry Co., Ltd.	Henan Xintai Aluminum Industry Co., Ltd.	49.85 percent	49.85 percent
Huafon Nikkei Aluminium Corporation	Huafon Nikkei Aluminium Corporation	49.85 percent	49.85 percent
Jiangsu Lidao New Material Co., Ltd.	Henan Jinyang Luyue Co., Ltd.	49.85 percent	49.85 percent
Jiangsu Lidao New Material Co., Ltd.	Jiangsu Zhong He Aluminum Co., Ltd.	49.85 percent	49.85 percent
Jiangyin Litai Ornamental Materials Co., Ltd.	Jiangyin Litai Ornamental Materials Co., Ltd.	49.85 percent	49.85 percent

Jiangyin New Alumax Composite Material Co. Ltd.	Chalco Ruimin Co., Ltd.	49.85 percent	49.85 percent
Shandong Fuhai Industrial Co., Ltd.	Shandong Fuhai Industrial Co., Ltd.	49.85 percent	49.85 percent
Tianjin Zhongwang Aluminium Co., Ltd.	Tianjin Zhongwang Aluminium Co., Ltd.	49.85 percent	49.85 percent
Xiamen Xiashun Aluminum Foil Co., Ltd.	Xiamen Xiashun Aluminum Foil Co., Ltd.	49.85 percent	49.85 percent
Yantai Jintai International Trade Co., Ltd.	Shandong Nanshan Aluminium Co., Ltd.	49.85 percent	49.85 percent
Yinbang Clad Material Co., Ltd.	Yinbang Clad Material Co., Ltd.	49.85 percent	49.85 percent
Zhengzhou Silverstone Limited	Henan Zhongyuan Aluminum Co., Ltd.	49.85 percent	49.85 percent
Zhengzhou Silverstone Limited	Luoyang Xinlong Aluminum Co., Ltd.	49.85 percent	49.85 percent
Zhengzhou Silverstone Limited	Shanghai Dongshuo Metal Trade Co., Ltd.	49.85 percent	49.85 percent
Zhengzhou Silverstone Limited	Zhengzhou Mingtai Industry Co., Ltd.	49.85 percent	49.85 percent
CHINA-WIDE ENTITY <sup>1</sup>		59.72 percent	59.72 percent

<sup>1</sup> The China-wide entity also includes the following companies that filed separate rate applications: Nanjie Resources Co., Limited, Yong Jie New Material Co., Ltd., and Zhejiang Yongjie Aluminum Co., Ltd., Zhejiang GKO Aluminium Stock Co., Ltd.; Alnan Aluminium Inc.; Chalco Ruimin Co., Ltd.; CHALCO-SWA Cold Rolling Co., Ltd.; Luoyang Wanji Aluminium Processing Co., Ltd.; and Wanji Global (Singapore) PTE. LTD.