



FACT SHEET

Commerce Preliminarily Finds Countervailable Subsidization of Imports of Certain Aluminum Foil from the People's Republic of China

- On August 8, 2017, the Department of Commerce (Commerce) announced its affirmative preliminary determination in the countervailing duty (CVD) investigation of imports of certain aluminum foil from the People's Republic of China (China).
- The CVD law provides 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 unfair subsidization of imports into the United States, establishing an opportunity to compete on a level playing field.
- For the purpose of CVD investigations, 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 has calculated preliminary subsidy rates of 28.33 percent *ad valorem* for Dingsheng Aluminum Industries (Hong Kong) Trading Co., Ltd, 16.56 percent for Jiangsu Zhongji Lamination Materials Co., Ltd., 80.97 percent for Loften Aluminum (Hong Kong) Limited, and 80.97 percent for both Manakin Industries LLC and Suzhou Manakin Aluminum Processing Technology Co., Ltd. The preliminary subsidy rates for Loften Aluminum (Hong Kong), Manakin Industries LLC, and Suzhou Manakin Aluminum Processing Technology Co., Ltd. were determined entirely on the basis of adverse facts available due to their failure to provide information as requested by the Department.
- As a result of the preliminary affirmative determination, Commerce will instruct U.S. Customs and Border Protection (CBP) to require cash deposits based on these preliminary rates.
- The petitioner is the Aluminum Association Trade Enforcement Working Group.
- The merchandise covered by this investigation is aluminum foil having a thickness of 0.2 mm or less, in reels exceeding 25 pounds, regardless of width. Aluminum foil is made from an aluminum alloy that contains more than 92 percent aluminum. Aluminum foil may be made to ASTM specification ASTM B479, but can also be made to other specifications. Regardless of specification, however, all aluminum foil meeting the scope description is included in the scope.

Excluded from the scope of this investigation is aluminum foil that is backed with paper, paperboard, plastics, or similar backing materials on only one side of the aluminum foil, as well as etched capacitor foil and aluminum foil that is cut to shape.

- 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 forth above. The products under investigation are currently classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7607.11.3000, 7607.11.6000, 7607.11.9030,

7607.11.9060, 7607.11.9090, and 7607.19.6000. Further, merchandise that falls within the scope of this proceeding may also be entered into the United States under HTSUS subheadings 7606.11.3060, 7606.11.6000, 7606.12.3045, 7606.12.3055, 7606.12.3090, 7606.12.6000, 7606.91.3090, 7606.91.6080, 7606.92.3090, and 7606.92.6080. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.

- In 2016, imports of certain aluminum foil from China were valued at an estimated \$389 million.

NEXT STEPS

- Commerce is scheduled to announce its final determination on or about October 23, 2017, unless the statutory deadline is extended
- If Commerce makes an affirmative final determination, and the U.S. International Trade Commission (ITC) makes an affirmative final determination that there imports of certain aluminum foil from China materially injure, or threaten material injury to, the domestic industry in the United States, Commerce will issue a CVD order. If either Commerce or the ITC final determination is negative, no CVD order will be issued. The ITC is scheduled to make its final injury determination approximately 45 days after Commerce issues its final determination, if affirmative.

PRELIMINARY SUBSIDY RATES:

COUNTRY	EXPORTER/PRODUCER	SUBSIDY RATES
China	Dingsheng Aluminum Industries (Hong Kong) Trading Co., Ltd.	28.33%
	Jiangsu Zhongji Lamination Materials Co., Ltd.	16.56%
	Loften Aluminum (Hong Kong) Limited	80.97%
	Manakin Industries LLC and Suzhou Manakin Aluminum Processing Technology Co., Ltd.	80.97%
	All-Others	22.45%

* *de minimis* = less than 1% for developed countries, less than 2% for developing countries.

CASE CALENDAR:

EVENT	CVD INVESTIGATION
Petition Filed	March 9, 2017
DOC Initiation Date	March 29, 2017
ITC Preliminary Determination*	April 24, 2017†
DOC Preliminary Determination	August 7, 2017
DOC Final Determination	October 23, 2017
ITC Final Determination**	December 7, 2017†
Issuance of Order***	December 14, 2017†

NOTE: Commerce preliminary and final determination deadlines are governed by statute. For CVD investigations, the deadlines are set forth in sections 703(b) and 705(a)(1) of the Tariff Act of 1930, as amended (the Act). These deadlines may be extended under certain circumstances.

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

* If the ITC makes a negative preliminary determination of injury, the investigations are terminated.

**This will take place only in the event of a final affirmative determination from Commerce.

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

IMPORT STATISTICS:

CHINA	2014	2015	2016
Volume (metric tons)	99,143	119,135	137,582
Value (USD)	323,128,660	370,966,600	388,796,209

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 7607.11.3000, 7607.11.6000, 7607.11.9030, 7607.11.9060, 7607.11.9090, and 7607.19.6000)