



FACT SHEET

Commerce Initiates Antidumping Duty and Countervailing Duty Investigations of Imports of Aluminum Wire and Cable from the People's Republic of China

- On October 12, 2018, the Department of Commerce (Commerce) announced the initiation of antidumping duty (AD) and countervailing duty (CVD) investigations of imports of aluminum wire and cable 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 unfair subsidization of imports into the United States, establishing an opportunity to compete on a level playing field.
- For the purpose of AD investigations, dumping occurs when a foreign company sells a product in the United States at less than its fair value. 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.
- The petitioners are Encore Wire Corporation (McKinney, TX) and Southwire Company, LLC (Carrollton, GA).
- The merchandise covered by these investigations is aluminum wire and cable, which is defined as an assembly of one or more electrical conductors made from 8000 Series Aluminum Alloys (defined in accordance with ASTM B800), Aluminum Alloy 1350 (defined in accordance with ASTM B230/B230M or B609/B609M), and/or Aluminum Alloy 6201 (defined in accordance with ASTM B398/B398M), provided that: (1) at least one of the electrical conductors is insulated; (2) each insulated electrical conductor has a voltage rating greater than 80 volts and not exceeding 1000 volts; and (3) at least one electrical conductor is stranded and has a size not less than 16.5 thousand circular mil (kcmil) and not greater than 1000 kcmil. The assembly may: (1) include a grounding or neutral conductor; (2) be clad with aluminum, steel, or other base metal; or (3) include a steel support center wire, one or more connectors, a tape shield, a jacket or other covering, and/or filler materials.

Most aluminum wire and cable products conform to National Electrical Code (NEC) types THHN, THWN, THWN-2, XHHW-2, USE, USE-2, RHH, RHW, or RHW-2, and also conform to Underwriters Laboratories (UL) standards UL-44, UL-83, UL-758, UL-854, UL-1063, UL-1277, UL-1569, UL-1581, or UL-4703, but such conformity is not required for the merchandise to be included within the scope.

The scope of the investigations specifically excludes conductors that are included in equipment already assembled at the time of importation. Also excluded are aluminum wire and cable products in actual lengths less than six feet.

The merchandise covered by the investigations is currently classifiable under subheading 8544.49.9000 of the Harmonized Tariff Schedule of the United States (HTSUS). Products subject to the scope may also enter under HTSUS subheading 8544.42.9090. The HTSUS subheadings are

provided for convenience and customs purposes. The written description of the scope of the investigations is dispositive.

- In 2017, imports of aluminum wire and cable from China were valued at an estimated \$157.2 million.
- The Initiation Decision Checklists 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-570-095 and C-570-096 for the AD and CVD investigations, respectively.

NEXT STEPS

- The U.S. International Trade Commission (ITC) is scheduled to make its preliminary injury determinations on or before November 5, 2018.
- If the ITC determines that there is a reasonable indication that imports of aluminum wire and cable from China materially injure, or threaten material injury to, the domestic industry in the United States, the investigations will continue, and Commerce will be scheduled to announce its preliminary CVD determination on December 18, 2018 and its preliminary AD determination on March 1, 2019, although these dates may be extended. If the ITC’s determinations are negative, the investigations will be terminated.

ALLEGED DUMPING MARGINS:

COUNTRY	DUMPING MARGINS
China	53.54 – 63.47 percent

ESTIMATED SUBSIDY RATE:

COUNTRY	SUBSIDY RATE
China	Above <i>de minimis</i>*

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

CASE CALENDAR:

EVENT	CVD INVESTIGATION	AD INVESTIGATION
Petitions Filed	September 21, 2018	September 21, 2018
DOC Initiation Date	October 11, 2018	October 11, 2018
ITC Preliminary Determinations*	November 5, 2018	November 5, 2018
DOC Preliminary Determinations	December 17, 2018†	February 28, 2019
DOC Final Determinations	March 4, 2019†	May 14, 2019
ITC Final Determinations**	April 18, 2019	June 28, 2019
Issuance of Orders***	April 25, 2019	July 5, 2019

NOTE: Commerce's 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). For AD investigations, the deadlines are set forth in sections 733(b) and 735(a) of the Act. These deadlines may be extended under certain circumstances.

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

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

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

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

IMPORT STATISTICS:

CHINA	2015	2016	2017
Volume (metric tons)	28,075	28,839	42,788
Value (USD)	116,929,230	116,625,859	157,196,344

Source: U.S. Census Bureau, accessed through Global Trade Atlas (Harmonized Tariff Schedule of the United States (HTSUS 8544.49.9000))