



FACT SHEET

Commerce Issues Affirmative Preliminary Determination in the Countervailing Duty Investigation of Imports of Aluminum Wire and Cable from the People's Republic of China

- On April 2, 2019, the Department of Commerce (Commerce) announced the affirmative preliminary determination of the countervailing duty (CVD) investigation of imports of aluminum wire and cable 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 unfair subsidization of imports into the United States, establishing an opportunity to compete on a level playing field.
- For the purpose of a CVD investigation, a countervailable subsidy is financial assistance from a foreign government that benefits the production of goods by 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 preliminary subsidy rate of 15.77 percent to mandatory respondent Shanghai Silin Special Equipment Co., Ltd. Commerce assigned a preliminary subsidy rate of 11.57 percent to mandatory respondent Chanfeng Wire & Cable Co., Ltd. Commerce assigned a preliminary subsidy rate of 164.16 percent, based entirely on adverse facts available, to mandatory respondent Shanghai Yang Pu Qu Gong. The preliminary subsidy rate for all other Chinese producers and exporters is 13.67 percent.
- Commerce will instruct U.S. Customs and Border Protection (CBP) to collect cash deposits from importers of aluminum wire and cable from China based on these preliminary rates.
- The petitioners are Encore Wire Corporation (McKinney, TX) and Southwire Company, LLC (Carrollton, GA).
- The scope of the investigation covers 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 investigation specifically excludes aluminum wire and cable products in lengths less than six feet, whether or not included in equipment already assembled at the time of importation.

The merchandise covered by the investigation 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 investigation is dispositive.

- In 2017, imports of aluminum wire and cable from China were valued at an estimated \$157.2 million.
- The Preliminary Decision Memorandum is 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 C-570-096.

NEXT STEPS

- Commerce is scheduled to announce its final determination on or about August 13, 2019.
- If Commerce makes an affirmative final determination, and the U.S. International Trade Commission (ITC) makes an affirmative final determination that imports of aluminum wire and cable from China materially injures, or threatens material injury to, the domestic industry, Commerce will issue a CVD order. If either Commerce’s or the ITC’s 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 RATE
China	Shanghai Silin Special Equipment Co., Ltd.	15.77%
	Changfeng Wire & Cable Co., Ltd.	11.57%
	Shanghai Yang Pu Qu Gong	164.16%
	All Others	13.67%

CASE CALENDAR:

EVENT	CVD INVESTIGATION
Petition Filed	September 21, 2018
DOC Initiation Date	October 11, 2018
ITC Preliminary Determination	November 9, 2019
DOC Preliminary Determination	April 1, 2019
DOC Final Determination*	August 12, 2019
ITC Final Determination**	September 26, 2019
Issuance of Order***	October 3, 2019

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.

*This deadline may be extended under the governing statute.

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

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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))