



## FACT SHEET

### **Commerce Preliminarily Finds Countervailable Subsidization of Imports of Certain Crystalline Silicon Photovoltaic Products from the People's Republic of China**

- On June 3, 2014, the Department of Commerce (Commerce) announced its affirmative preliminary determination in the countervailing duty (CVD) investigation of imports of certain crystalline silicon photovoltaic products from the People's Republic of China (China).
- The CVD law provides U.S. business and workers with a transparent and internationally approved mechanism to seek relief from the market distorting effects caused by injurious subsidization of imports into the United States, establishing an opportunity to compete on a level playing field.
- For the purpose of CVD investigations, countervailable subsidies are financial assistance from foreign governments that benefit the production of goods from foreign companies and are limited to specific enterprises or industries, or are contingent either upon export performance or upon the use of domestic goods over imported goods.
- Commerce calculated a preliminary subsidy rate of 18.56 percent for mandatory respondent Changzhou Trina Solar Energy Co., Ltd., which includes Trina Solar (Changzhou) Science & Technology Co., Ltd. Mandatory respondent Wuxi Suntech Power Co., Ltd. and five of its affiliates (see preliminary subsidy rates chart) received a preliminary subsidy rate of 35.21. All other producers/exporters in China have been assigned a preliminary subsidy rate of 26.89 percent.
- Because the Government of China failed to respond completely to certain questions, we applied adverse facts available in determining that certain subsidy programs were countervailable.
- As a result of the preliminary affirmative determination, Commerce will instruct U.S. Customs and Border Protection to require cash deposits based on these preliminary rates.
- The petitioner for this investigation is SolarWorld Industries America Inc. (OR).
- The merchandise covered by this investigation is crystalline silicon photovoltaic cells, and modules, laminates and/or panels consisting of crystalline silicon photovoltaic cells, whether or not partially or fully assembled into other products, including building integrated materials. For purposes of this investigation, subject merchandise also includes modules, laminates and/or panels assembled in the subject country consisting of crystalline silicon photovoltaic cells that are completed or partially manufactured within a customs territory other than that subject country, using ingots that are manufactured in the subject country, wafers that are manufactured in the subject country, or cells where the manufacturing process begins in the subject country and is completed in a non-subject country. Subject merchandise includes crystalline silicon photovoltaic cells of thickness equal to or greater than 20 micrometers, having a p/n junction formed by any means, whether or not the cell has undergone other processing, including, but not limited to, cleaning etching, coating, and/or addition of materials (including, but not limited to, metallization and conductor patterns) to collect and forward the electricity that is generated by the cell. Excluded from the scope of this investigation are thin film photovoltaic products produced from amorphous silicon (a-Si), cadmium telluride (CdTe),

or copper indium gallium selenide (CIGS). Also, excluded from the scope of this investigation are any products covered by the existing antidumping and countervailing duty orders on crystalline silicon photovoltaic cells, whether or not assembled into modules, from the People's Republic of China. See *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, From the People's Republic of China: Amended Final Determination of Sales at Less Than Fair Value, and Antidumping Duty Order*, 77 FR 73018 (December 7, 2012); *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, From the People's Republic of China: Countervailing Duty Order*, 77 FR 73017 (December 7, 2012). Also excluded from the scope of this investigation are crystalline silicon photovoltaic cells, not exceeding 10,000mm<sup>2</sup> in surface area, that are permanently integrated into a consumer good whose function is other than power generation and that consumes the electricity generated by the integrated crystalline silicon photovoltaic cell. Where more than one cell is permanently integrated into a consumer good, the surface area for purposes of this exclusion shall be the total combined surface area of all cells that are integrated into the consumer good. Merchandise covered by these investigations is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 8501.61.0000, 8507.20.8030, 8507.20.8040, 8507.20.8060, 8507.20.8090, 8541.40.6020, 8541.40.6030 and 8501.31.8000. These HTSUS subheadings are provided for convenience and customs purposes; the written description of the scope of these investigations is dispositive.

- In 2013, imports of certain crystalline silicon photovoltaic products from China were valued at an estimated \$1.5 billion.

#### **NEXT STEPS**

- Commerce is scheduled to announce its final determination in this investigation on or about August 18, 2014, 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 imports of certain crystalline silicon photovoltaic products from China materially injure, or threaten 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:**

<b>COUNTRY</b>	<b>EXPORTER/PRODUCER</b>	<b>SUBSIDY RATES</b>
<b>China</b>	<b>Changzhou Trina Solar Energy Co., Ltd. or Trina Solar (Changzhou) Science &amp; Technology Co., Ltd.</b>	18.56%
	<b>Wuxi Suntech Power Co., Ltd., Zhenjiang Rietech New Energy Science &amp; Technology Co., Ltd., Zhenjiang Ren De New Energy Science &amp; Technology Co., Ltd., Yangzhou Rietech Renewal Energy Co., Ltd., Suntech Energy Engineering Co., and Kuttler Automation Systems (Suzhou) Co., Ltd.</b>	35.21%
	<b>China-Wide Rate</b>	26.89%

**CASE CALENDAR:**

<b>EVENT</b>	<b>DATE</b>
<b>Petition Filed</b>	<b>December 31, 2013</b>
<b>DOC Initiation Date</b>	<b>January 22, 2014</b>
<b>ITC Preliminary Determination</b>	<b>February 14, 2014</b>
<b>DOC Preliminary Determination</b>	<b>June 2, 2014</b>
<b>DOC Final Determination</b>	<b>August 18, 2014<sup>†</sup></b>
<b>ITC Final Determination*</b>	<b>October 3, 2014</b>
<b>Issuance of Order**</b>	<b>October 10, 2014</b>

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. These deadlines may be extended under certain circumstances.

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

\*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.

## IMPORT STATISTICS:

CHINA	2011	2012	2013
Volume (units)	93,471,000	47,029,000	32,939,000
Value (USD)	3,124,578,000	2,082,760,000	1,494,031,000

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 8501.31.8000, 8501.61.0000, 8507.20.8030, 8507.20.8040, 8507.20.8060, 8507.20.8090, 8541.40.6020 and 8541.40.6030)

Some HTSUS subheadings include basket categories and may cover both subject and non-subject merchandise.