

United States Congress

WASHINGTON, DC

June 4, 2024

The Honorable David S. Johanson
Chairman
U.S. International Trade Commission
500 E Street, SW
Washington, DC 20436

The Honorable Gina Raimondo
Secretary of Commerce
U.S. Department of Commerce
1401 Constitution Avenue, NW
Washington, DC 20230

Dear Chairman Johanson and Secretary Raimondo:

We write in strong support of the antidumping and countervailing duty (AD/CVD) petitions filed by the American Alliance for Solar Manufacturing Trade Committee (Alliance) to investigate unfair trade practices by primarily Chinese-owned companies operating in Cambodia, Malaysia, Thailand, and Vietnam that are causing harm to the U.S. solar industry. We support the petitions against these entities – many of which have previously been found to have engaged in illegal dumping in violation of our nation’s trade laws – to ensure America’s solar workers have the chance to compete on a level playing field.

The Alliance, which includes Convalt Energy, First Solar, Hanwha-QCells, Meyer Burger Mission Solar, REC Silicon, and Swift Solar, has filed its petitions on behalf of the domestic solar manufacturing industry, which supports 34,000 workers and has the potential to add tens of thousands more good-paying, American jobs. Unfortunately, China has made it clear that it will do anything to stop American manufacturing from realizing its potential and is currently targeting the growing U.S. solar industry through the use of market-distorting trade practices, including illegal subsidies. Holding China accountable for its illegal trade practices will allow for the growth of a more diverse, and more secure, solar supply chain, here in the United States.

China has subsidized the construction of manufacturing facilities in other countries, particularly those within their Belt and Road Initiative (BRI), such as Cambodia, Malaysia, Thailand, and Vietnam. These are Chinese-owned factories, operated by Chinese companies, making solar panels and cells with Chinese materials all with one goal: to circumvent U.S. trade law. By establishing facilities in third-party countries, Chinese companies can avoid targeted trade enforcement actions, which is why these petitions are so critical. Cambodia, Malaysia, Thailand and Vietnam accounted for 84 percent of solar panel imports in the fourth quarter of 2023.¹ This is a continuation of long-standing practice, albeit with different tactics, as it was these same countries that were home to the last Chinese efforts to evade enforcement of American trade law.² This case also has the potential to set an important precedent for addressing China’s anticompetitive practices across many industries.

¹ <https://www.spglobal.com/marketintelligence/en/news-insights/latest-news-headlines/extreme-dependence-us-solar-panel-imports-boom-to-record-54-gw-in-2023-80448513>

² [Commerce finds solar antidumping violations: An industry reacts - pv magazine USA \(pv-magazine-usa.com\)](#)

Subsidization, dumping, and ultimately circumvention are the tools China utilizes to support production far in excess of market demands. Massive government subsidies allow Chinese solar manufacturers to develop overcapacity, decimating market dynamics. By dumping solar products into markets at artificially low prices, Chinese companies deny solar manufacturers in the U.S. the opportunity to compete on a level playing field.

As a result of China's longstanding policies, solar is one of the "new three" strategic industries – which includes electric vehicles and lithium-ion batteries – that the Chinese government has decided to dominate. Today, China's dominance of solar supply chains already represents a strategic vulnerability. Its solar industry, which has deep ties to the Chinese Communist Party, currently produces more than 90 percent of solar-grade polysilicon, controls more than 99 percent of the global production capacity for wafers, and disturbingly controls over 80 percent of global shipments across the solar supply chain.³

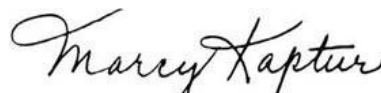
China's dominance of the solar supply chain creates significant energy security risks, in addition to stifling domestic job growth and harming American manufacturing potential. This industry cannot reach its full potential in the U.S. if China's companies operate as a one-nation solar cartel. For the American solar manufacturing sector, holding China accountable for its illegal trade practices is of critical importance. Strong enforcement will allow for the growth of a more diverse, and more secure, solar supply chain, which minimizes the risks associated with relying on imports and keeps workers employed.

U.S. solar workers and manufacturers are ready to compete on a level playing field, but leaving China's cheating unaddressed puts thousands of American solar jobs and the domestic solar industry in jeopardy. Supporting the petitions filed by the Alliance helps hold China accountable and ensure all Americans and our allies benefit from a thriving U.S. solar manufacturing base. Careful consideration of all four countries in the petitions is a necessity, as a negative determination in one will lead Chinese-headquartered producers to shift production to that country. We support the Alliance's AD/CVD petitions to give the U.S. solar industry its chance to shine.

Sincerely,



Sherrod Brown
United States Senator



Marcy Kaptur
Member of Congress

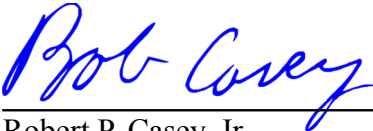
³ Guidehouse Insights White Paper. Inflection Point: The State of US PV Solar Manufacturing & What's Next. Q1 2024. Page 6-7.



Tammy Baldwin
United States Senator



Chris Deluzio
Member of Congress



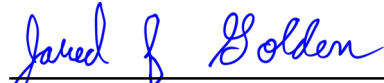
Robert P. Casey, Jr.
United States Senator



John Garamendi
Member of Congress



John Fetterman
United States Senator



Jared Golden
Member of Congress



Joe Manchin III
United States Senator




Frank J. Mrvan
Member of Congress



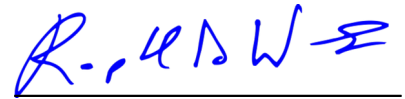
Jon Ossoff
United States Senator



Terri A. Sewell
Member of Congress



Jon Tester
United States Senator



Raphael Warnock
United States Senator

Congress of the United States
Washington, DC 20515

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Washington, DC 20230

Dear Chairman Johanson and Secretary Raimondo:

We write to express our strong support for the antidumping and countervailing duty (AD/CVD) petitions filed by the American Alliance for Solar Manufacturing Trade Committee (Alliance), a group of seven major domestic solar manufacturers. Together, they represent more than \$10 billion in existing and planned investment in manufacturing facilities in the United States, supporting more than 34,000 good-paying, long-term jobs, with the potential to add tens of thousands more.

The Biden administration's unprecedented two-year tariff moratorium on enforcing antidumping and countervailing duty laws has been disastrous and directly resulted in Chinese solar manufacturers with direct ties to the Chinese Communist Party (CCP) dumping product in the United States without consequence for years. This has denied solar manufacturing workers across our country the opportunity to compete on a level playing field. We urge you to carefully review the Alliance's petition and act swiftly to address China's blatant trade abuses that continue to harm America's solar manufacturing workers.

AD/CVD cases are critical in industries such as solar manufacturing where China has established cartel-like control over global solar supply chains.¹ This control of a strategic value chain is no accident. Solar is one of the "new three" industries of strategic importance that the Chinese government has identified for global dominance.

Today, China produces more than 90 percent of solar-grade polysilicon, controls more than 99 percent of the global wafering capacity, and controls 80 percent to 95 percent of global shipments across the solar supply chain.² The Chinese government's substantial financial support for solar manufacturing and use of forced labor in polysilicon production has led to below cost production and excess capacity, putting American workers at a significant disadvantage.

¹ The Rhodium Group. Overcapacity at the Gate. <https://rhg.com/research/overcapacity-at-the-gate/>

² Guidehouse Insights White Paper. Inflection Point: The State of US PV Solar Manufacturing & What's Next. Q1 2024. Page 6-7

The revitalization of American manufacturing is critical for achieving energy independence and creating a robust all-of-the-above energy economy. Major investments promise to give tens of thousands of people an opportunity to secure durable, good-paying manufacturing jobs. These investments bolster local economies, revitalizing industrial sectors, and show the world that America can confront China's dominance with innovation and ingenuity, and win.

Unfortunately, a surge in record-breaking imports from Chinese-controlled factories, subsidized by the Chinese government in Southeast Asian Belt and Road Initiative member countries, is undermining the progress that has been made to establish a healthy domestic solar industry.³ Under current market conditions distorted by Chinese imports, U.S. solar manufacturers are facing difficult decisions about maintaining existing footprints. We must ensure American jobs are not jeopardized due to predatory trade practices by Chinese firms.

Despite significant investment, robust demand, and a growing workforce, American workers cannot compete when the deck is stacked against them so severely. Effective enforcement of our trade laws to level the playing field for domestic manufacturers will help counter unfairly traded solar products, promote U.S. production, support good-paying jobs, increase energy independence, and strengthen our national security.

We ask that the Commerce Department and the Commission impartially review all the evidence in this important petition and reach determinations consistent with that evidence.

We appreciate your consideration of this critical issue.

Respectfully,



Claudia Tenney
Member of Congress



Clay Higgins
Member of Congress



Carol D. Miller
Member of Congress



Jodey C. Arrington
Member of Congress



Thomas H. Kean, Jr.
Member of Congress



Mariannette Miller-Meeks, M.D.
Member of Congress

³ Reuters. [Insight: US solar panel manufacturing boom threatened by cheap imports](#). November 3, 2023.