

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

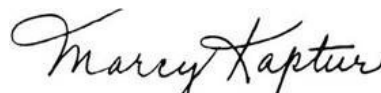
China's dominance of the solar supply chain creates significant energy security risks, in addition to stifling domestic job growth and harming American manufacturing potential. This industry cannot reach its full potential in the U.S. if China's companies operate as a one-nation solar cartel. For the 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

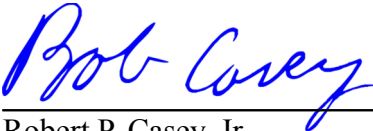
³ Guidehouse Insights White Paper. Inflection Point: The State of US PV Solar Manufacturing & What's Next. Q1 2024. Page 6-7.



Tammy Baldwin
United States Senator



Chris Deluzio
Member of Congress



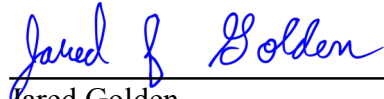
Robert P. Casey, Jr.
United States Senator



John Garamendi
Member of Congress



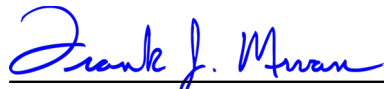
John Fetterman
United States Senator



Jared Golden
Member of Congress



Joe Manchin III
United States Senator




Frank J. Mrvan
Member of Congress



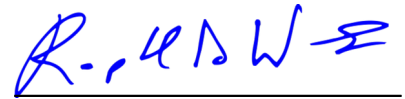
Jon Ossoff
United States Senator



Terri A. Sewell
Member of Congress



Jon Tester
United States Senator



Raphael Warnock
United States Senator