

US & Multilateral Trade Policy Developments

Japan External Trade Organization

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Contents

US General Trade Policy Highlights	3
US Department of Commerce Issues Interim Final Rule Revising Section 232 Product Exclusion Process	3
USTR Finalizes Third List of Section 301 Tariffs on Products of China; China Announces Retaliatory Tariffs	7
US Trade Representative Excludes Certain Products from Safeguard Measure on Crystalline Silicon Photovoltaic Cells and Modules	9
United States and European Union Open Negotiations to Remove Regulatory Barriers to Trade	10
Petitions and Investigations Highlights	11
US Department of Commerce Issues Affirmative Preliminary Determination in Countervailing Duty Investigation of Quartz Surface Products from China.....	11
US Department of Commerce Issues Affirmative Final Determinations in Anti-Dumping Investigations of PET Resin from Brazil, Indonesia, Korea, Pakistan, and Taiwan	12

US General Trade Policy Highlights

US Department of Commerce Issues Interim Final Rule Revising Section 232 Product Exclusion Process

On September 6, 2018, the US Department of Commerce, Bureau of Industry and Security released the text of an interim final rule revising the requirements for submitting exclusion requests and objections to submitted exclusion requests for steel and aluminum products subject to import restrictions under Section 232 of the Trade Expansion Act.¹ The rule makes several notable changes to the Section 232 product exclusion process, including:

- Establishing a new process allowing parties that have submitted an exclusion request to rebut any objection posted to their exclusion request; and allowing objectors to respond to those rebuttals;
- Allowing parties to seek exclusions from quantitative limitations (i.e., quotas) imposed on imports from certain countries pursuant to Section 232 quota arrangements;
- Establishing a formal process for submission of confidential business information;
- Elaborating on the criteria that the Department uses when reviewing exclusion requests and objections (e.g., whether products are made in the United States “in a sufficient and reasonably available amount” and “in a satisfactory quality”); and
- Providing a “streamlined review process” under which the Department will “expeditiously” grant properly filed exclusion requests that meet the requisite criteria, receive no objections, and present no national security concerns.

We summarize below these and other substantive changes made by the new rule. The rule will take effect on the date of its publication in the Federal Register, which is scheduled for September 11, 2018.

New Rebuttal and Surrebuttal Process

The rule creates a new process allowing parties that have submitted an exclusion request to rebut any objection(s) filed against their exclusion request. Parties that have filed an objection also may submit a “surrebuttal” to any rebuttal filed against their objection. The procedures for submitting rebuttals and surrebuttals are as follows:

Rebuttal Process

- **Submission of rebuttals.** The party submitting a rebuttal must complete and submit the new “**rebuttal form**” posted in the docket on Regulations.gov. To submit the rebuttal, the party that submitted the exclusion request must submit a comment on the relevant objection on Regulations.gov, and must follow a series of technical instructions provided in Annex 1 to the rule. Each rebuttal is to be limited to a maximum of 10 pages, inclusive of all exhibits and attachments, but exclusive of the rebuttal form and any confidential business information (CBI) provided. Each attachment to a submission must be less than 10 MB.
- **Substance of rebuttals.** Rebuttals must address an objection to the exclusion request made by the requester. If multiple objections were received on a particular exclusion, the requester may submit a rebuttal to each objector. The Department has advised that “the most effective rebuttals will be those that aim to correct factual errors or misunderstandings in the objection(s).”

¹ Click [here](#) to view the interim final rule.

- **Time limit for submitting rebuttals.** The rebuttal period begins on the date the Department opens the rebuttal period after posting the last objection in Regulations.gov. This beginning date “will be sometime between thirty-one to forty-five days (a fifteen day range) after an exclusion request has been posted.” The rebuttal period ends seven days after the rebuttal comment period is opened.
- **“Grandfathering” of existing exclusion requests.** For exclusion requests that have received an objection but for which the Department has not yet posted a final determination as of the date the rule is published in the Federal Register (currently scheduled for September 11, 2018), the Department will reopen the requests to allow for the submission of rebuttals. The Department will reopen the requests “on a rolling basis” starting on the date the rule is published in the Federal Register, and will seek to complete the reopening process seven days thereafter.

Surrebuttal Process

- **Submission of surrebuttals.** The party submitting a surrebuttal must complete and submit the new “**surrebuttal form**” posted in the relevant docket on Regulations.gov. To submit the surrebuttal, the party that submitted the objection must submit a comment on the submitted rebuttal to the objection in Regulations.gov, and must follow a series of technical instructions provided in Annex 1 to the rule. Each surrebuttal is to be limited to a maximum of 10 pages, inclusive of all exhibits and attachments, but exclusive of the surrebuttal form and any CBI provided. Each attachment to a submission must be less than 10 MB.
- **Substance of surrebuttals.** Surrebuttals must address a rebuttal to an objection to the exclusion request made by the requester. The Department has advised that “the most effective surrebuttals will be those that aim to correct factual errors or misunderstandings in the rebuttal to an objection.”
- **Time limit for submitting surrebuttals.** The surrebuttal period begins on the date the Department opens the surrebuttal comment period after posting the last rebuttal to an objection to an exclusion request in regulations.gov. This will be “sometime within a fifteen-day range after the rebuttal period has closed.” The surrebuttal period ends **seven days** after the surrebuttal comment period is opened.

To account for the additional time added to the review process by the new rebuttal and surrebuttal periods, the rule specifies that the total review period for exclusion requests “normally will not exceed 106 days” (increased from 90 days under the previous rule).

Exclusion Requests for Products from a Quota Country

The rule establishes a new process allowing parties to seek exclusions from quotas imposed on imports from certain countries pursuant to Section 232, where those quotas have been or soon will be filled. The exclusion request form has been revised to include one additional field for these types of exclusion requests. In order to seek an exclusion from a quota, the requester must:

- Select the field on the exclusion form to indicate that the exclusion request is for importing from a country subject to a quota; and
- Provide information that it believes supports allowing the requester to import steel or aluminum that may otherwise exceed the quota limit for that country. For example, the requester may indicate it believes the steel or aluminum identified in the exclusion request is not available from any U.S. suppliers, and indicate that the quota has been exceeded or will likely soon be exceeded leading to this individual or organization not being able to import or otherwise obtain (from any other country) the needed steel or aluminum.

Prior to this notice, exclusions were not granted for steel originating in quota countries, thus leading to product shortages for some U.S. importers and industries.

Procedures for Submitting Confidential Business Information

The rule establishes a formal process for submitting CBI. It instructs parties that have CBI they believe to be “relevant to the Secretary’s consideration of the 232 submission” to indicate this in the appropriate field of the relevant form, or on the rebuttal or surrebuttal submission, and follow the stated procedures. The rule excludes any CBI that is submitted from the 25-page exclusion and objection limit.

- **Summarization in public submission.** Any CBI will accompany a Section 232 submission that is available to the public; that submission must contain a summary of the CBI “in sufficient detail to permit a reasonable understanding of the substance of the information.” If the submitting person claims that summarization is not possible, the claim must be accompanied by a full explanation of the reasons supporting that claim. The rule states that “[g]enerally, numerical data will be considered adequately summarized if grouped or presented in terms of indices or figures within 10 percent of the actual figure. If an individual portion of the numerical data is voluminous (e.g., 5 pages of numerical data), at least one percent of the numerical data, representative of that portion, must be summarized.”
- **Email submission of CBI.** CBI must be submitted in a separate email to the Department, pursuant to the stated procedures. Though the procedures contain specific instructions for submitting CBI by email in connection with rebuttals or surrebuttals, they do not provide similar instructions for CBI submitted in connection with exclusion requests or objections, even though the preamble to the rule states that the CBI provision “describes in detail how to submit confidential business information as a separate email submission to the Department that would not be disclosed to the public, but would still inform the Department’s review process of **exclusion requests, objections, rebuttals, and surrebuttals**” (emphasis added). Additional procedures are as follows:
 - “On the same day that you submit your 232 submission in www.regulations.gov, send an email to the U.S. Department of Commerce. The email address used is different depending on the type of submission the emailed CBI is for, as follows: CBI for rebuttals use 232rebuttals@doc.gov; and CBI for surrebuttals use 232surrebuttals@doc.gov.”
 - “The email subject line must only include the original exclusion request ID # (BIS-2018-000X-XXXXX) and the body of the email must include the 11-digit alphanumeric tracking number (XXX-XXXX-XXXX) you received from regulations.gov when you successfully submitted your rebuttal, or surrebuttal. This naming convention will assist the U.S. Department of Commerce to associate the CBI, that will not be posted in regulations.gov, with the information included in the public submission.”
 - “Submit the CBI as an attachment to that email. The CBI is limited to a maximum of 5 pages per rebuttal, or surrebuttal. The email is to be limited to sending your CBI. All other information for the public submission, and public versions of the CBI, where appropriate, for a 232 submission must be submitted using www.regulations.gov following the procedures identified in the rule.”

In addition to the above procedures, Annex 1 to the rule provides specific guidance for parties submitting CBI in connection with rebuttals and surrebuttals.

Criteria Used to Review Exclusion Requests

The rule elaborates on the criteria BIS is using to review exclusion requests and defines certain terms, as shown below.

- **“Not produced in the United States in a sufficient and reasonably available amount”** means that the amount of steel or aluminum that is needed by the end user requesting the exclusion is not available immediately in the United States to meet its specified business activities. “Immediately” means whether a product is currently being produced or could be produced “within eight weeks” in the amount needed in the business activities of the user described in the exclusion request. If the Department denies an exclusion request based on a representation made by an objector, which later is determined to be inaccurate (e.g., if the objector was not able to meet the requirement of being able to “immediately” supply the steel or aluminum), the requester may submit a new exclusion request explaining this outcome. The Department “would take that into account in reviewing a subsequent exclusion request.”
- **“Not produced in the United States in a satisfactory quality”** “does not mean the steel [or aluminum] needs to be identical, but it does need to be equivalent as a substitute product.” “Substitute product” means that the steel or aluminum being produced by an objector can meet “immediately” (i.e., within eight weeks) the quality (e.g., industry specs or internal company quality controls or standards), regulatory, or testing standards, in order for the U.S. produced steel or aluminum to be used in that business activity in the United States by that end user.
- **“For specific national security considerations.”** The rule provides the following illustrative example of a “specific national security consideration”: “if the steel included in an exclusion request is needed by a U.S. defense contractor for making critical items for use in a military weapons platform for the U.S. Department of Defense, , and the duty or quantitative limitation will prevent the military weapons platform from being produced, the exclusion will likely be granted.” The Department will consider other national security impacts, but “in such cases the demonstrated concern with U.S. national security would need to be tangible and clearly explained[.]”

Eligibility and Criteria for Objections

Whereas the previous rule provided that “any individual or organization in the United States” could file an objection, the revised rule states that only an individual or organization “that manufactures steel [or aluminum] articles in the United States” may file an objection. The rule also adds new a substantive requirement for objection requests, specifying that “[i]f the objector is asserting that it is not currently producing the steel [or aluminum] identified in an exclusion request but can produce the steel [or aluminum] within eight weeks ...the objector must identify how it will be able to produce the article within eight weeks. This requirement includes specifying in writing to the U.S. Department of Commerce as part of the objection, the timeline the objector anticipates in order to start or restart production of the steel [or aluminum][.]”

Clarification regarding Submission of Ranges or Multiple Dimensions

The rule clarifies that “[t]he exclusion request forms allow for minimum and maximum dimensions. Ranges are acceptable if the manufacturing process permits small tolerances. A permissible range must be within the minimum and maximum range that is specified in the tariff provision and applicable legal notes for the provision.”

“Streamlined Review Process” for Requests with No Objections

The rule states that the Department “will expeditiously grant properly filed exclusion requests which meet the requisite criteria, receive no objections, and present no national security concerns.” If an exclusion request’s 30-day comment period on Regulations.gov has expired and no objections have been submitted, the Department “will work with U.S. Customs and Border Protection (CBP) to ensure that the requester provided an accurate HTSUS statistical reporting number.” If so, BIS will immediately assess the request for any national security concerns. If BIS identifies no national security concerns, “it will expeditiously post a decision on regulations.gov granting the exclusion request.”

Validity Period for Exclusion Requests

The rule provides examples of circumstances in which the Department may grant an exclusion with a validity period of more than one year. For example, a party may request a longer validity period “if there are factors outside of their control that may make it warranted to grant a longer period” such as (1) regulatory requirements that make a longer validity period justified, e.g., for an aircraft manufacturer that would require a certain number of years to make a change to an FAA approved type certificate or for a manufacturer of medical items to obtain FDA approval; or (2) business considerations, such as the need for a multi-year contract for steel with strict delivery schedules in order to complete a significant U.S. project by an established deadline, e.g., a large scale oil and gas exploration project.

The rule also encourages objectors “to provide their suggestions for how long they believe an appropriate validity period should be for an exclusion request.”

USTR Finalizes Third List of Section 301 Tariffs on Products of China; China Announces Retaliatory Tariffs

On September 17, 2018, the Office of the US Trade Representative (USTR) published a final list of China-origin products that will be subject to a 10 percent additional tariff beginning on September 24, 2018, based on the directions of the President and the results of USTR’s investigation into China’s intellectual property practices under Section 301 of the Trade Act of 1974.² The final list has an annual import value of approximately USD 200 billion, and contains 5,745 full or partial lines of the original 6,031 tariff lines that were on the proposed list of Chinese imports announced by USTR on July 10, 2018. The level of the additional tariff on the covered products is scheduled to increase to 25 percent on January 1, 2019.

USTR’s announcement comes just 12 days after the conclusion of the public comment period on the proposed USD 200 billion action, during which more than 6,100 comments were filed. The announcement notes that “[c]hanges to the proposed list were made after USTR and the interagency Section 301 Committee sought and received comments over a six-week period and testimony during a six-day public hearing in August.” Following the public comment period, USTR removed 297 tariff lines from the original proposed list, including “certain consumer electronics products such as smart watches and Bluetooth devices; certain chemical inputs for manufactured goods, textiles and agriculture; certain health and safety products such as bicycle helmets, and child safety furniture such as car seats and playpens.” The final USD 200 billion tariff list announced by USTR and a list of the 297 removed products are attached.

USTR has stated that it will soon publish a formal notice of the USD 200 billion tariff action in the Federal Register. USTR has not yet confirmed whether it will establish a process by which interested persons can request the exclusion of particular products from the USD 200 billion tariff action, as it has done for the previous Section 301 tariff actions covering USD 34 billion and USD 16 billion in imports from China.

China’s Retaliatory Tariffs

China’s Ministry of Finance has responded to the new round of tariffs by confirming that it will impose retaliatory tariffs on four lists of US products that were initially announced by the Ministry on August 3. The covered products have a combined annual import value of approximately USD 60 billion. As shown below, the tariff rates that will apply to products on Lists 1, 2, and 3 are lower than those initially proposed by the Ministry on August 3.

- **List 1** contains 2,493 tariff lines to be subject to an additional duty of 10% and includes liquefied natural gas (falling under tariff subheading 27111100); various beers, wines, and liquors (HS 22); various solar goods (HS

² USTR’s announcement on the Section 301 action is available [here](#). China’s statement regarding the retaliatory actions is available [here](#).

8541); various chemicals (HS 28 and 29); and certain oil and gas pipelines (HS 7304). The Ministry had previously proposed the imposition of a 25% tariff on these products.

- **List 2** contains 1,078 tariff lines to be subject to an additional duty of 10% and includes certain plastic products (HS 39); wood and paper products (HS 44 and 48); air conditioners (HS 8415); cranes (HS 8426); and agricultural equipment (HS 8432-33). The Ministry had previously proposed the imposition of a 20% tariff on these products.
- **List 3** contains 974 tariff lines to be subject to an additional duty of 5% and includes various textile goods (HS 57-63); glass products (HS 70); chicken breast (HS 1602); turkey and offal (HS 1602); and frozen potatoes (HS 0710). The Ministry had previously proposed the imposition of a 10% tariff on these products.
- **List 4** contains 662 tariff lines to be subject to an additional duty of 5% and includes various vehicles and automotive parts (HS 8705, 8706, and 8708); automobile and aircraft tires (HS 4012); wood and paper products (HS 44 and 48); and chemicals (HS 28 and 29).

The above tariffs will take effect on September 24, 2018 (the same date as the US tariffs on the USD 200 billion list). The four tariff lists published by the Ministry of Finance, along with unofficial English translations of the listed product descriptions, are attached.

Outlook

The new Section 301 tariffs and retaliation announced by the United States and China represent a major escalation of the ongoing trade dispute between the two countries. As of September 24, the Section 301 tariffs will apply to approximately USD 250 billion worth of annual imports from China (i.e., about half the value of total US imports from China in 2017). At the same time, China's retaliatory tariffs will cover approximately USD 110 billion worth of annual US exports, or about 85 percent of total US exports to China. Moreover, in announcing the USD 200 billion tariff action on September 17, President Trump threatened to impose further tariffs on Chinese goods, stating that "if China takes retaliatory action against our farmers or other industries, we will immediately pursue phase three, which is tariffs on approximately \$267 billion of additional imports." Given this statement and China's stated plans to impose retaliatory measures, further US tariffs on products of China under Section 301 cannot be ruled out.

Members of Congress and the US business community have repeatedly expressed opposition to the Section 301 tariff actions in recent months, citing their adverse effects on US consumers and businesses, and they have reiterated these concerns following USTR's announcement of the USD 200 billion tariff action. Such opposition has not deterred the Trump administration from further escalating its trade dispute with China, though certain details of the latest action (e.g., the decision to initially impose a 10 percent tariff and delay implementation of the 25 percent tariff until January 2019) may be designed to mitigate the adverse economic and political implications of the measures.

US stakeholders have urged the Trump Administration to engage in negotiations with China aimed at resolving the growing trade dispute between the two countries. Though the two countries reportedly had agreed to hold a new round of bilateral negotiations from September 27-28, it is now unclear whether those negotiations will take place in light of the United States' decision to impose another round of Section 301 tariffs. It is also unclear whether further negotiations, if they occur, can succeed in resolving the dispute, given the poor results of previous negotiating rounds and the heightened tensions resulting from the latest Section 301 action by the United States.

US Trade Representative Excludes Certain Products from Safeguard Measure on Crystalline Silicon Photovoltaic Cells and Modules

On September 19, 2018, the Office of the US Trade Representative (USTR) announced in a Federal Register notice that it has determined to exclude certain products from the safeguard measure imposed by the United States on certain crystalline silicon photovoltaic (CSPV) cells pursuant to Section 201 of the Trade Act of 1974.³ USTR granted the exclusions in response to requests submitted by interested parties during a public comment period held from February 14 to March 16, 2018. The exclusions are effective immediately. USTR has indicated that it is still reviewing several exclusion requests received during the public comment period and may issue additional determinations at a later date.

Products Excluded as of September 19, 2018

During the public comment period, USTR received 48 product exclusion requests and 213 subsequent comments responding to various requests. After considering certain product exclusion requests, USTR has determined to exclude the following products from the safeguard measure, based on its finding that doing so “would not undermine the objectives” of the measure:

- Off-grid, 45 watt or less solar panels, each with length not exceeding 950 mm and width of 100 mm or more but not over 255 mm, with a surface area of 2,500 cm² or less, with a pressure-laminated tempered glass cover at the time of entry but not a frame, electrical cables or connectors, or an internal battery;
- 4 watt or less solar panels, each with a length or diameter of 70 mm or more but not over 235 mm, with a surface area not exceeding 539 cm², and not exceeding 16 volts, provided that no such panel with these characteristics shall contain an internal battery or external computer peripheral ports at the time of entry;
- Solar panels with a maximum rated power of equal to or less than 60 watts, having the following characteristics, provided that no such panel with those characteristics shall contain an internal battery or external computer peripheral ports at the time of entry: (A) Length of not more than 482 mm and width of not more than 635 mm or (B) a total surface area not exceeding 3,061 cm²;
- Flexible and semi-flexible off-grid solar panels designed for use with motor vehicles and boats, where the panels range in rated wattage from 10 to 120 watts, inclusive;
- Frameless solar panels in a color other than black or blue with a total power output of 90 watts or less where the panels have a uniform surface without visible solar cells or busbars;
- Solar cells with a maximum rated power between 3.4 and 6.7 watts, inclusive, having the following characteristics: (A) A cell surface area between 154 cm² and 260 cm², inclusive, (B) no visible busbars or gridlines on the front of the cell, and (C) more than 100 interdigitated fingers of tin-coated solid copper adhered to the back of the cell, with the copper portion of the metal fingers having a thickness of greater than 0.01 mm;
- Solar panels with a maximum rated power between 320 and 500 watts, inclusive, having the following characteristics: (A) Length between 1,556 mm and 2,070 mm inclusive, and width between 1,014 mm and 1,075 mm, inclusive, (B) where the solar cells comprising the panel have no visible busbars or gridlines on the front of the cells, and (C) the solar cells comprising the panel have more than 100 interdigitated fingers of tin-coated solid copper adhered to the back of the cells, with the copper portion of the metal fingers having thickness greater than 0.01 mm;

³ USTR's Federal Register notice is available [here](#).

- Modules incorporating only CSPV cells that are products of the United States and not incorporating any CSPV cells that are the product of any other country.

USTR has modified the Harmonized Tariff Schedule of the United States to specify that the above products are excluded from the safeguard measure. Those modifications are applicable with respect to articles entered, or withdrawn from a warehouse for consumption, on or after 12:01 a.m. EST, on September 19, 2018.

Future determinations and exclusion requests

USTR has not yet made determinations with respect to the exclusion requests that were received during the public comment period but are not addressed in the Federal Register notice. USTR “will continue to evaluate those requests and the Trade Representative will make the appropriate determination in due course.”

At this time, USTR is not considering additional requests for exclusion beyond those received as of March 16, 2018. USTR “will monitor developments in the U.S. market for CSPV products and, if warranted, provide an opportunity to submit additional requests for exclusion at a future date.”

United States and European Union Open Negotiations to Remove Regulatory Barriers to Trade

The United States and the EU have announced their intention to achieve rapid progress on removing regulatory barriers to trade in manufacturing as a first step to implement the joint agenda announced in July by President Trump and EU Commission President Juncker. Negotiations will be based on the draft provisions dealing with Technical Barriers to Trade (TBT) of the Trans-Atlantic Trade and Investment Partnership (TTIP) that was put on hold in November 2016. This has been chosen as the first issue on which to seek results because both sides consider it to have been close to completion in the TTIP negotiations and it does not touch on key political sensitivities such as agricultural trade, industrial tariffs or subsidies. The basis for opening negotiations on those other issues remains under discussion and results are not expected in the short to medium-term, in part because new negotiating mandates will be needed: the office of the United States Trade Representative (USTR) announced on 10 September that it “... will begin consultations with Congress pursuant to Trade Promotion Authority [“Fast Track” authority] to facilitate negotiations on longer-term outcomes” with the EU.

USTR Lighthizer and EU Trade Commissioner Malmstroem are aiming for an “early harvest” agreement in November to remove TBTs “... to ease trade, reduce bureaucratic obstacles and slash costs”. According to officials who will be involved in the negotiations, the starting point will be the draft chapter in the TTIP on “Good Regulatory Practices and Regulatory Cooperation”. The detailed negotiating text of the TTIP is confidential, but the United States and EU joint assessment of the state of the TTIP negotiations in January 2017 stated that significant work remained to be done to resolve differences on “how to address standards and conformity assessment procedures in ways that yield greater openness, transparency, and convergence, reduce redundant and burdensome conformity assessment procedures, and enhance cooperation”. Nonetheless, officials consider that the specific provisions dealing with TBTs for industrial products, which cover seven industry sectors – chemicals, cosmetics, engineering, medical devices, pharmaceuticals, textiles and automobiles – are well enough advanced that negotiations can be concluded speedily, and they are hoping also to reach agreement to remove regulatory barriers stemming from different certification and conformity assessment procedures, including in the key area of automobile safety. The proposal on which negotiations in the automobile sector were based was drafted by the United States; they concentrated on regulatory equivalence and bilateral harmonisation, regulatory cooperation, research cooperation, and cooperation on international standards in the context of the UNECE 1998 Agreement on “Global Technical Regulations for Wheeled vehicles”.

Senior EU officials are hopeful that a bilateral agreement to remove regulatory trade barriers can be reached with the United States in the next two months and that this will forestall for the time being further threats by President Trump

to penalize EU exports to the United States, particularly of automobiles. They expect the instructions to EU negotiators to be loosened considerably from what they were at the time of the TTIP negotiations in order to facilitate an agreement. However, they remain cautious about the prospects for broader bilateral trade negotiations with the United States on issues such as tariffs and subsidies, because of what they consider to be the “unpredictability” of the Trump Administration on trade issues. In their view, the confidence of the United States in the EU as a negotiating partner will need to be built up. An important element for doing that will be the EU’s cooperation with the United States and Japan in coming months to press China to bring its trading practices in line with the principles of the global market economy and to press China to cooperate in creating stronger WTO disciplines, especially those on industrial subsidies, state-owned enterprises and the transfer of technology. In that regard, the EU is intending to follow the lead of the United States as closely as possible.

Petitions and Investigations Highlights

US Department of Commerce Issues Affirmative Preliminary Determination in Countervailing Duty Investigation of Quartz Surface Products from China

On September 18, 2018, the US Department of Commerce (DOC) announced its affirmative preliminary determination in the countervailing duty investigation of imports of quartz surface products from China.⁴ In its investigation, DOC preliminarily determined that imports of the subject merchandise from China received countervailable subsidies ranging from 34.38 to 178.45 percent. DOC will instruct US Customs and Border Protection (CBP) to collect cash deposits based on these preliminary rates.

The products covered by the investigation are certain quartz surface products. Quartz surface products consist of slabs and other surfaces created from a mixture of materials that includes predominately silica (e.g., quartz, quartz powder, cristobalite) as well as a resin binder (e.g., an unsaturated polyester). The products subject to the scope are currently classified in the Harmonized Tariff Schedule of the United States under subheading 6810.99.0010, and may also enter under subheadings 6810.11.0010, 6810.11.0070, 6810.19.1200, 6810.19.1400, 6810.19.5000, 6810.91.0000, 6810.99.0080, 6815.99.4070, 2506.10.0010, 2506.10.0050, 2506.20.0010, and 2506.20.0080.

⁴ Click [here](#) to view the DOC fact sheet on the investigation.

DOC is scheduled to announce its final determination on or around January 29, 2019. If DOC makes an affirmative final determination, and the US International Trade Commission (ITC) makes an affirmative final determination that imports of quartz surface products from China materially injure or threaten material injury to the domestic industry, DOC will issue a countervailing duty order. If either agency's final determination is negative, no CVD order will be issued.

In 2017, imports of certain quartz surface products from China were valued at an estimated USD 459.6 million.

US Department of Commerce Issues Affirmative Final Determinations in Anti-Dumping Investigations of PET Resin from Brazil, Indonesia, Korea, Pakistan, and Taiwan

On September 18, 2018, the US Department of Commerce (DOC) announced its affirmative final determinations in the anti-dumping duty investigations of imports of polyethylene terephthalate (PET) resin from Brazil, Indonesia, Korea, Pakistan, and Taiwan.⁵ In its investigations, DOC determined that imports of the subject merchandise were sold in the United States at the following dumping margins:

Country	Dumping Margin
Brazil	29.68 – 275.89%
Indonesia	30.61 – 53.50%
Korea	8.23 – 101.41%
Pakistan	43.81 – 59.92%
Taiwan	5.16 – 45.00%

The merchandise covered by these investigations is PET resin having an intrinsic viscosity of at least 70, but not more than 88, milliliters per gram (0.70 to 0.88 deciliters per gram). The subject merchandise is classified under subheadings 3907.61.0000 and 3907.69.0000 of the Harmonized Tariff Schedule of the United States (HTSUS). In 2017, imports of PET resin from Brazil, Indonesia, Korea, Pakistan, and Taiwan were valued at an estimated \$152.5 million, \$44.9 million, \$127.3 million, \$82.6 million, and \$154 million, respectively.

The US International Trade Commission (ITC) is scheduled to make its final determinations on or around November 1, 2018. If the ITC makes affirmative final determinations that imports of PET resin from Brazil, Indonesia, Korea, Pakistan, and/or Taiwan materially injure or threaten material injury to the domestic industry, DOC will issue anti-dumping orders. If the ITC makes negative determinations of injury, the investigations will be terminated.

⁵ Click [here](#) to view the DOC fact sheet on the investigation.