US & Multilateral Trade Policy Developments

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US Trade Agreements and Negotiations

Trump Administration Notifies Congress of Intent to Negotiate Trade Agreement with Kenya; Seeks Comments on Negotiating Objectives

On March 17, 2020, US Trade Representative (USTR) Robert Lighthizer formally notified Congress that the Trump administration intends to initiate negotiations on a trade agreement with the Republic of Kenya. President Trump previously had announced the decision to pursue negotiations with Kenya on February 6, following a meeting at the White House with Kenyan President Uhuru Kenyatta. As a result of Ambassador Lighthizer's formal notification to Congress, submitted pursuant to Section 105(a)(1)(A) of the Bipartisan Congressional Trade Priorities and Accountability Act (TPA), the Trump administration will be permitted to begin formal negotiations with Kenya beginning on June 15, 2020 (*i.e.*, 90 days after the date of the notification), provided that other statutory requirements are satisfied.

The notification describes the Trump administration's objectives for the negotiation in general terms, noting that the United States will seek to improve US opportunities for trade and investment with Kenya (including by addressing "tariff and non-tariff barriers") and to achieve "fairer, more balanced trade[.]" USTR on March 20 issued a Federal Register notice seeking public comments to inform the specific objectives that the United States will pursue in the negotiation, with a deadline of April 15, 2020 for the submission of written comments and a public hearing scheduled for April 28, 2020. Pursuant to Section 105(a)(1)(D) of the TPA statute, USTR will be required to publish a "detailed and comprehensive summary" of its specific objectives for the negotiation with Kenya at least 30 calendar days before any formal negotiations begin.

Ambassador Lighthizer's notification also discusses the broader rationale for the United States' decision to pursue negotiations with Kenya, explaining that "[o]ur vision is to conclude an agreement with Kenya that can serve as a model for additional agreements in Africa, leading to a network of agreements that contribute to Africa's regional integration objectives." The notification further explains that "our goal is to conclude an agreement that builds on the objectives of [the African Growth and Opportunity Act] and will serve as an enduring foundation to expand U.S.-Africa trade and investment across the continent." Kenya currently is a beneficiary of the African Growth and Opportunity Act (AGOA), which is a nonreciprocal US trade preference program that provides duty-free access to the US market for most exports from eligible sub-Saharan African countries. AGOA currently is set to expire in 2025, unless Congress acts to extend the program.

Bilateral trade between the United States and Kenya is relatively small (approximately $1 billion per year in two-way goods trade), but the potential agreement may nonetheless prove significant, given the Trump administration's objective for it to serve as a "model" FTA that can be replicated with other African countries. Such an agreement would represent a first step towards the Trump administration's broader objective to transition developing countries away from the use of trade preference programs in favor of more reciprocal trading arrangements with the United States. However, significant obstacles to completing a comprehensive US-Kenya trade agreement – including Kenya's participation in the African Continental Free Trade Area – could delay the completion of the agreement well beyond 2020.

USTR's notification to Congress can be viewed **here**. USTR's Federal Register notice seeking comments on its negotiating objectives can be viewed **here**.

United States Seeks June 1 Entry Into Force Date for USMCA, But Obstacles Remain

There have been two important developments in the past week concerning the implementation of the United States-Mexico-Canada Agreement (USMCA):

- The Canadian Parliament on March 13 gave final approval to legislation to implement the USMCA (Bill C-4), and the bill received Royal Assent and became law on the same day. Canada is the last USMCA Party to secure its legislature's approval of the USMCA. However, none of the USMCA Parties have initiated the exchange of letters that will formally conclude their domestic ratification processes and trigger the Agreement's entry into force.
- The Trump administration informed Members of Congress this week that it is aiming to conclude the USMCA implementation process swiftly so that the Agreement enters into force on **June 1, 2020**. Previously, the Parties had been aiming to bring the USMCA into force on July 1, 2020, though even this target was considered highly ambitious given the multitude of requirements that must be satisfied before the Agreement takes effect.

Canada's swift approval of the USMCA may allow the Agreement to take effect earlier than previously expected. However, the Trump administration's June 1 target date has prompted criticism from the US business community and Members of Congress, and several requirements must still be satisfied before the Agreement can enter into force. For example, the Parties still must finalize the USMCA's Uniform Regulations and procedures for "facility-specific" disputes on labor issues, and the Trump administration must satisfy certain preconditions set forth in the US implementing law (*e.g.*, for the President to certify that all USMCA Parties are in compliance with their initial obligations before the Agreement enters into force). Moreover, the US government has yet to issue other important regulations envisioned in the implementing law, including rules that will provide temporary, transitional exemptions from the automotive rules of origin and will specify how vehicle producers can comply with USMCA requirements related to "labor value content" and steel and aluminum purchases. This alert provides an overview of these remaining obstacles and forthcoming regulations, as well as the likely timeframe for the Agreement's entry into force.

Industry and Congressional Opposition

This week, representatives of the automotive industry expressed "grave concerns" about the Trump administration's June 1 target date for the USMCA's entry into force. They noted that the USMCA Parties have not yet issued, even in draft form, the Uniform Regulations that are expected to resolve important questions regarding the interpretation of the USMCA's automotive rules of origin and how vehicle producers can comply with them. They further noted that, even after these regulations are issued, the industry will need time to solicit the necessary information throughout the supply-chain to facilitate compliance. Moreover, the industry warned that the ongoing coronavirus pandemic is significantly disrupting automotive supply chains, which will make it challenging to simultaneously dedicate resources to USMCA compliance. Senate Finance Committee Chairman Chuck Grassley (R-IA) has echoed these concerns and urged the Trump administration to reconsider the June 1 target date. Ranking Member Ron Wyden (D-OR) has similarly warned against "prematurely" bringing the USMCA into force.

Uniform Regulations

Article 5.16 of the USMCA provides that the Parties "shall, by entry into force of [the USMCA], adopt or maintain through their respective laws or regulations, Uniform Regulations regarding the interpretation, application, and administration of [Chapter 5 (Origin Procedures)], Chapter 4 (Rules of Origin), Chapter 6 (Textile and Apparel Goods), Chapter 7 (Customs Administration and Trade Facilitation) and other matters as may be decided by the Parties." Negotiations on the Uniform Regulations are ongoing, and will require the Parties to adopt mutually-agreed interpretations of the USMCA's complex automotive rules of origin (among other provisions) prior to the Agreement's entry into force. However, published reports indicate that these negotiations are currently lagging. Some observers have expressed doubt that the negotiations can be completed by June 1, and have noted that the coronavirus pandemic has delayed important technical-level meetings that are necessary to finalize the regulations.

Presidential Determination on Compliance

Section 101(b) of the US implementing legislation provides that the President may only provide the written notifications needed to bring the USMCA into force after the President has (2) determined that Canada and Mexico have taken the measures necessary to comply with those provisions of the USMCA that are to take effect at the time the Agreement enters into force; and (2) provided written notice of this determination to Congress. (Specifically, the President may provide for the USMCA to enter into force "not earlier than 30 days after the date on which" the aforementioned notification is submitted to Congress.) Senate Finance Committee ranking member Ron Wyden (D-OR) alluded to this requirement this week, criticizing the June 1 target date and stating that the Agreement should take effect only "when facts indicate that our trading partners are complying with the obligations in the agreement, not [on] an arbitrary date determined by political motive." Other Members of Congress have expressed concerns recently about the pace of Mexico's implementation of its USMCA commitments. Though the law grants the President discretion to determine when an FTA party has complied with its initial commitments, concerns that the USMCA Parties have not fully done so (*e.g.*, with respect to labor commitments) could heighten political pressure to delay the Agreement's entry into force.

Labor Enforcement Mechanism and Committees

Rapid Response Mechanism

The USMCA Parties currently are holding discussions to prepare for the implementation of the "Facility-Specific Rapid Response Labor Mechanisms" set forth in Annexes 31-A and 31-B to the Agreement. In these discussions, the Parties are aiming to agree on Rules of Procedure for conducting investigations and panel proceedings pursuant to the Annexes, and to adopt mutually-agreed interpretations of certain ambiguous terms used therein. These discussions may prove challenging, particularly given the significant ambiguities in the text of the Annexes and the lack of precedent for dispute settlement proceedings involving "facility-specific" allegations and investigations. (For example, the Annexes require panels to request to conduct "verifications" of facilities that are alleged to deny collective bargaining rights to workers, but provide no rules or guidance regarding the conduct of such verifications.) Sources have indicated that ongoing discussions on these topics could potentially take several months to complete.

Establishment of US Labor Entities

The US implementing law requires the Executive Branch to establish several new entities with responsibilities related to the USMCA's labor provisions, all of which have yet to be formed. These include an Interagency Labor Committee for Monitoring and Enforcement, which must be established by April 28, 2020, and must subsequently promulgate "procedures" for accepting petitions for US enforcement actions under the facility-specific and state-to-state dispute settlement mechanisms. The law also mandates the establishment of a Forced Labor Enforcement Task Force and an Independent Mexico Labor Expert Board, as well as the hiring of "Mexico Labor Attachés," to carry out monitoring activities. Though the law does not set a deadline for these actions, the administration may face pressure to ensure that all of the labor monitoring and enforcement entities envisioned in the law are operational as of the Agreement's entry into force.

Forthcoming US Regulations

The US implementing law directs certain Executive Branch agencies to promulgate new regulations related to the USMCA's implementation, and these regulations are likely (and in some cases required) to be published in the coming months before the Agreement enters into force. Such regulations include the following:

- **Alternative staging regime.** USTR must issue by April 28 the requirements, procedures, and guidance necessary to implement the USMCA's "alternative staging regime", which will allow automotive producers to seek temporary exemptions from the USMCA's automotive rules of origin to ease the transition from the NAFTA.

- **Labor value content.** The Secretaries of the Treasury and Labor must prescribe regulations implementing the Agreement's "labor value content" requirements for vehicles, "including regulations setting forth the procedures and requirements for a producer of covered vehicles to establish that the producer meets the labor value content requirements[.]" The law sets no specific deadline for this action.
- **Steel and aluminum.** The law directs Secretary of the Treasury to prescribe regulations implementing the steel and aluminum purchase requirements applicable to vehicle producers, "including regulations setting forth the procedures and requirements for a producer of covered vehicles to establish that the producer meets the steel and aluminum purchase requirements[.]" The law sets no specific deadline for this action.
- **Customs/rules of origin.** The law directs the Secretary of the Treasury to prescribe the regulations necessary to implement various customs-related provisions of the implementing act, including with respect to origin verifications and recordkeeping requirements. The law sets no specific deadline for this action.

Outlook

Given the work that remains to be completed before the USMCA can enter into force, the Trump administration's June 1 target date is highly ambitious. Achieving this objective will likely require significant effort and coordination among US government agencies (and among the USMCA Parties) at a time when many senior government officials are focused on other priorities, namely the response to the coronavirus pandemic. Moreover, and as noted above, the administration will likely face pressure from Members of Congress and affected industries to delay the Agreement's entry into force. Thus, there is a significant possibility that the Agreement's entry into force will be delayed beyond June 1. Nevertheless, interested parties may wish to prepare for a scenario in which the Agreement enters into force on June 1, including by evaluating the forthcoming regulations that will guide the day-to-day operation of the Agreement.

US Trade Actions

US Court of Appeals for the Federal Circuit Rejects Constitutional Challenge of Section 232 Statute; Plaintiffs to Appeal to Supreme Court

On February 28, 2020, the US Court of Appeals for the Federal Circuit (CAFC) issued its decision in *American Inst. for Int'l Steel, Inc. v. United States*, upholding the US Court of International Trade's (CIT) March 2019 ruling that Section 232 of the Trade Expansion Act is a constitutional delegation of authority from Congress to the Executive Branch. Like the CIT, the CAFC held that it was bound to follow the Supreme Court's 1976 ruling in *Fed. Energy Admin. v. Algonquin SNG, Inc*. that Section 232 did not violate the non-delegation doctrine. However, the Plaintiffs already have stated that they plan to appeal the CAFC's decision to the Supreme Court. We provide an overview of the decision and the next steps in the case below.

Background

In June 2018, the American Institute for International Steel, Inc.; Sim-Tex, LP; and Kurt Orban Partners, LLC (collectively, AIIS) sued the United States in the US Court of International Trade, arguing that the Section 232 statute is unconstitutional on its face because the authority it confers to the Executive Branch is so unconstrained as to constitute legislative power that is Congress's alone under Article I of the Constitution and thus cannot be delegated. The CIT rejected the challenge, concluding that the issue is controlled by the portion of the Supreme Court's *Algonquin* decision that declares Section 232 not to violate the "nondelegation doctrine." However, one member of the CIT's three-judge panel, Judge Gary S. Katzmann, filed a separate "dubitante" opinion in which he acknowledged the "binding force" of the *Algonquin* decision (and therefore joined the judgement denying the Plaintiffs' motion), but raised "grave doubts" about the constitutionality of Section 232, given "the benefit of the fullness of time and the clarifying understanding borne of recent actions" (*please refer to the W&C US Trade Alert dated March 26, 2019.*)

Subsequently, the Plaintiffs sought to appeal the decision directly to the Supreme Court, but the Supreme Court declined to hear the case before judgement by the CAFC. The Plaintiffs then appealed the case to the CAFC, arguing that "the CIT erred in concluding that *Algonquin* controls the outcome of this litigation" because (1) the Court in *Algonquin* considered "the narrow question whether interpreting Section 232 to authorize the remedy of imposing licensing fees would render the statute unconstitutional", rather than the "boundless exercise of power by the President over imports" that is at issue in the current case; and (2) later decisions of the Supreme Court have undermined crucial premises of *Algonquin*, making it no longer binding.

CAFC Decision

The CAFC agreed with the CIT that the Supreme Court's ruling in *Algonquin* answers AIIS' question on the constitutionality of Section 232. The CAFC therefore affirmed the CIT's ruling "without deciding what ruling on the constitutional challenge would be proper in the absence of *Algonquin*." The CAFC's reasoning was as follows:

- In the CAFC's view, the Supreme Court in *Algonquin* "did not limit its reasoning in the delegation doctrine portion of its opinion to the license-fee authority in dispute[.]" Though the Court stated in *Algonquin* that its "holding…is a limited one", this statement, according to the CAFC, referred to the Court's interpretation of the statute (*i.e.*, its conclusion that "the imposition of a license fee is authorized by § 232(b) in no way compels the further conclusion that *any* action the President might take, as long as it has even a remote impact on imports, is also so authorized.") The CAFC concluded that the Court's caution about actions that might be outside section 232's authorization "does not narrow the Court's conclusion that section 232 is not an unconstitutional delegation of legislative authority." The CAFC further held that there is "no basis on which *Algonquin* can be properly distinguished" for purposes of the question presented by AIIS, given that "the tariffs at issue here are 'monetary exactions,' like the 'license fees' that were at issue, and contrasted with 'quotas,' in *Algonquin*."
- The CAFC also rejected the Plaintiff's argument that Algonquin is no longer binding in light of later Supreme Court decisions, including *Gundy v. United States*.[1] First, the CAFC noted the Supreme Court's ruling in *Rodriguez de Quijas v. Shearson/American Express, Inc.* that "[i]f a precedent of [the Supreme Court] has direct application in a case, yet appears to rest on reasons rejected in some other line of decisions, the Court of Appeals should follow the case which directly controls, leaving to [the Supreme Court] the prerogative of overruling its own decisions." The CAFC acknowledged that five members of the Supreme Court in *Gundy* "have recently expressed interest in at least exploring a reconsideration" of the "intelligible principle" standard set forth in *J.W. Hampton, Jr., & Co. v. United States,* on which the *Algonquin* decision rested (*i.e.,* that there is no forbidden delegation if "Congress shall lay down by legislative act an intelligible principle to which the [President] is directed to conform[.]") However, the CAFC concluded that "such expressions give us neither a license to disregard the currently governing precedent nor a substitute standard to apply." In contrast to the CIT decision, no member of the CAFC further opined on the constitutionality of Section 232 in the absence of *Algonquin.*

Outlook

The CAFC's decision was generally expected, given its status as a lower court bound by current Supreme Court precedent on the non-delegation doctrine (especially *Algonquin*). Following the decision, representatives of AIIS stated that "[w]e intend to seek Supreme Court review promptly, and we are hopeful that the court will act before it adjourns in June[.]" Though some members of the Supreme Court have recently expressed interest in reconsidering current precedent on the non-delegation doctrine, as noted above, it is not clear whether the Court will agree to hear the AIIS challenge or will deny certiorari again. In the meantime, as a result of the CAFC's decision, the Section 232 statue and the tariffs imposed on steel and aluminum imports thereunder will remain in place.

The CAFC decision is available **here**.

[1] In *Gundy v. United States*, No. 17-6086 (June 20, 2019), the Supreme Court upheld the retroactive application of a sex offender registration law that was challenged under the non-delegation doctrine. Although the Court upheld the law, a dissent by Justices Roberts, Gorsuch, and Thomas as well as Justice Alito's concurrence indicated that those Justices, with the possible addition of Justice Kavanaugh, might side with a non-delegation challenge to a different law.

USTR Initiates New Section 301 Exclusion Process to Address COVID-19, Limited to Medical-Care Products

On March 20, 2020, the Office of the US Trade Representative (USTR) published a Federal Register notice seeking comments on whether further modifications to the Section 301 tariffs on products of China are necessary to respond to the COVID-19 outbreak in the United States. In particular, USTR is seeking comments on whether to remove Section 301 duties on "medical-care products" that may be needed to respond to the outbreak. Products covered by any of the four Section 301 tariff lists will be eligible to receive an exclusion under the new process, which will run in parallel to, and will not affect, the ongoing product exclusion processes for Section 301 Lists 3 and 4. However, the Trump administration to date has rejected calls to provide broader tariff relief as part of its economic response to the COVID-19 crisis. We provide an overview of the new process and its implications below.

Deadline for Requesting Exclusions and Responding to Requests

USTR has opened a docket for submitting new exclusion requests related to COVID-19 at Regulations.gov, available **here**. This docket will remain open for new requests until at least **June 25, 2020**, and this deadline may be extended "as appropriate." However, USTR has urged interested parties to submit requests "as promptly as possible." USTR will allow interested parties to respond to pending exclusion requests, but responses must be provided **within three business days** after an exclusion request is posted in the docket. USTR has not indicated when it will issue decisions on exclusion requests, stating only that "USTR will review comments on a rolling basis."

Requirements for Exclusion Requests

USTR's notice states that the agency "is requesting public comments on possible further modifications [to the Section 301 action] to remove duties from additional medical-care products." It further states that USTR is inviting comments from "interested persons" on "whether a particular product covered by the action in this investigation is needed to respond to the COVID-19 outbreak." However, the notice provides no further guidance on the types of products that are eligible for exclusions, or on the types of entities that may submit requests. For example, it does not specify the range of items that USTR considers to be "medical-care products", or what entities may qualify as "interested persons" eligible to submit requests.

USTR's notice also provides relatively little guidance on the substance of exclusion requests. Unlike the previous Section 301 exclusion processes, which utilized a standard exclusion request form that sought detailed information about the requester, the product, and the effects of the Section 301 duties, the new process does not utilize an exclusion request form. Rather, USTR's notice provides only the following general requirements:

(1) Each comment "specifically must identify the particular product of concern and explain precisely how the product relates to the response to the COVID-19 outbreak." For example, comments "may address whether a product is directly used to treat COVID-19 or to limit the outbreak, and/or whether the product is used in the production of needed medical-care products."

(2) Each comment must include the following information, "to the extent possible": the ten-digit subheading of the HTSUS applicable to the product, and the identity of the particular product in terms of its functionality and physical characteristics (*e.g.*, dimensions, material composition, or other characteristics)."

USTR's notice does not explain the criteria that the agency will use to determine whether to grant exclusion requests under the new process, nor does it specify: (1) the duration of any exclusions that will be granted; or (2) whether exclusions will be granted retroactively, as has been the case for all other Section 301 exclusions.

Outlook

Prior to announcing the new exclusion process, USTR already had taken actions to exempt certain medical supplies from the Section 301 duties, including by granting approximately 200 separate exclusions for such products under the existing exclusion processes for Lists 3 and 4 in mid-March. The new exclusion process builds on these actions by making exclusions available for all medical-care products that remain subject to Section 301 duties. Nevertheless, USTR's notice makes clear that the new process will be limited in scope to medical supplies, and will not be aimed at providing broader tariff relief in response to the COVID-19 crisis as many business groups and Members of Congress have recently suggested. Rather, the Trump administration has publicly rejected proposals to significantly curtail – or even temporarily suspend – the Section 301 tariffs as part of its economic response to the COVID-19 outbreak. Moreover, it appears increasingly unlikely that further substantive trade negotiations between the United States and China will take place (let alone produce a "Phase Two" agreement) in the near future, particularly given the current economic and public health challenges in both countries. It therefore appears likely that, for the near future, USTR's product-specific exclusion processes will remain the only option available to companies seeking relief from the Section 301 duties.

USTR's Federal Register notice is available **here**.

Petitions and Investigations

US Aluminum Producers File Antidumping and Countervailing Duty Petitions on Imports of Common Alloy Aluminum Sheet from 18 Countries

On March 9, 2020, the Aluminum Association Common Alloy Aluminum Sheet Working Group and its individual members, Aleris Rolled Products, Inc., Arconic, Inc., Constellium Rolled Products Ravenswood, LLC, JW Aluminum Company, Novelis Corporation, and Texarkana Aluminum, Inc. ("Petitioners") filed an antidumping duty ("ADD") petition on imports of common alloy aluminum sheet ("CAAS") from Bahrain, Brazil, Croatia, Egypt, Germany, Greece, India, Indonesia, Italy, Korea, Oman, Romania, Serbia, Slovenia, South Africa, Spain, Taiwan, and Turkey; and a countervailing duty ("CVD") petition against CAAS from Bahrain, Brazil, India, and Turkey.

The ADD petition alleges that CAAS from all 18 countries is being sold in the United States at less than fair value (that is, "dumped"). The CVD petition alleges that the governments of Bahrain, Brazil, India, and Turkey are providing countervailable subsidies with respect to the manufacture, production, and export of CAAS. Petitioners allege that the domestic industry has been materially injured and is threatened with further material injury by the subject imports. The imports covered by the petitions were valued at nearly USD 2 billion in 2019, according to Petitioners.

We provide a brief overview of the petitions below.

Scope of the Petitions

Petitioners have defined the products covered by the petitions as follows:

> Aluminum common alloy sheet (common alloy sheet), which is a flat-rolled aluminum product having a thickness of 6.3 mm or less, but greater than 0.2 mm, in coils or cut-to-length, regardless of width. Common alloy sheet within the scope of this order includes both not clad aluminum sheet, as well as multi-alloy, clad aluminum sheet. With respect to not clad aluminum sheet, common alloy sheet is manufactured from a IXXX-, 3XXX-, or SXXX-series alloy as designated by the Aluminum Association. With respect to multi-alloy, clad aluminum sheet, common alloy sheet is produced from a 3XXX-series core, to which cladding layers are applied to either one or both sides of the core.
>
> Common alloy sheet may be made to ASTM specification 8209- 14, but can also be made to other specifications. Regardless of specification, however, all common alloy sheet meeting the scope description is included in the scope. Subject merchandise includes common alloy sheet that has been further processed in a third country, including but not limited to annealing, tempering, painting, varnishing, trimming, cutting, punching, and/or slitting, or any other processing that would not otherwise remove the merchandise from the scope of the order if performed in the country of manufacture of the common alloy sheet.
>
> Excluded from the scope of this order is aluminum can stock, which is suitable for use in the manufacture of aluminum beverage cans, lids of such cans, or tabs used to open such cans. Aluminum can stock is produced to gauges that range from 0.200 mm to 0.292 mm, and has an H-19, H-41, H-48, or H-391 temper. In addition, aluminum can stock has a lubricant applied to the flat surfaces of the can stock to facilitate its movement through machines used in the manufacture of beverage cans. Aluminum can stock is properly classified under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7606.12.3045 and 7606.12.3055
>
> Where the nominal and actual measurements vary, a product is within the scope if application of either the nominal or actual measurement would place it within the scope based on the definitions set for the above.
>
> Common alloy sheet is currently classifiable under HTSUS subheadings 7606.11.3060, 7606.11.6000, 7606.12.3096, 7606.12.6000, 7606.91.3095, 7606.91.6095, 7606.92.3035, and 7606.92.6095. Further, merchandise that falls within the scope of this order may also be entered into the United States under HTSUS subheadings 7606.11.3030, 7606.12.3015, 7606.12.3025, 7606.12.3035, 7606.12.3091, 7606.91.3055, 7606.92.6055, 7606.92.3025, 7606.92.6055, 7607.11.9090. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this order is dispositive.

The scope of this petition is identical to the existing ADD and CVD orders on CAAS from China.

Dumping and Subsidy Allegations

The dumping rates alleged in the petition are as follows:

Country	Dumping Rate
Bahrain	56.98 percent
Brazil	30.23 – 44.20 percent
Croatia	32.01 percent
Egypt	31.50 percent
Germany	37.22 percent
Greece	61.25 percent
India	122.80 – 151 percent

Indonesia	32.12 percent
Italy	28.97 percent
Korea	41.88 percent
Oman	15.90 – 62.80 percent
Romania	56.22 percent
Serbia	40.61 percent
Slovenia	30.88 percent
South Africa	78.25 percent
Spain	25.26 percent
Taiwan	27.22 percent
Turkey	42.45 percent

In addition, Petitioners allege that the Governments of Bahrain, Brazil, India, and Turkey are subsidizing the production and export of CAAS through a variety of countervailable subsidy programs, including various tax programs, loans, grants, and investment incentives, as well as the provision of goods and services for less than adequate remuneration.

Next Steps in the Investigations

By March 30, 2020, the US Department of Commerce (DOC) must decide whether the petitions contain the legally required information regarding Petitioners' standing, dumping, subsidies, and injury to warrant initiating antidumping and countervailing duty investigations. The US International Trade Commission (ITC) is currently scheduled to make its preliminary injury determination on April 23, 2020. If the ITC determines that there is a reasonable indication that imports of CAAS from the subject countries materially injure, or threaten material injury to, the domestic industry, the investigations will continue. DOC will then be scheduled to announce its preliminary CVD determination within 65 days after the CVD investigation is initiated and its preliminary ADD determination within 140 days after the ADD investigation is initiated, though these deadlines may be extended.

US Department of Commerce Issues Affirmative Preliminary Determination in CVD Investigation of Forged Steel Fittings from India

On March 24, 2020, the US Department of Commerce (DOC) announced its affirmative preliminary determination in the countervailing duty (CVD) investigation of imports of forged steel fittings from India. In its investigation, DOC preliminarily determined that imports of the subject merchandise from India received countervailable subsidies ranging from 2.65 to 284.91 percent. As a result of the determination, US Customs and Border Protection (CBP) will collect cash deposits from importers of forged steel fittings from India based on these preliminary rates.

The merchandise covered by this investigation is carbon and alloy forged steel fittings, whether unfinished (commonly known as blanks or rough forgings) or finished. Such fittings are made in a variety of shapes including, but not limited to, elbows, tees, crosses, laterals, couplings, reducers, caps, plugs, bushings, unions (including

hammer unions), and outlets. Forged steel fittings are covered regardless of end finish, whether threaded, socket-weld or other end connections. The scope includes integrally reinforced forged branch outlet fittings, regardless of whether they have one or more ends that is a socket welding, threaded, butt welding end, or other end connections.

Subject carbon and alloy forged steel fittings are normally entered under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7307.92.3010, 7307.92.3030, 7307.92.9000, 7307.99.1000, 7307.99.3000, 7307.99.5045, and 7307.99.5060. They may also be entered under HTSUS 7307.93.3010, 7307.93.3040, 7307.93.6000, 7307.93.9010, 7307.93.9040, 7307.93.9060, and 7326.19.0010.

DOC is scheduled to announce its final determination on or around August 4, 2020, unless the deadline is extended. If DOC makes an affirmative final determination, and the US International Trade Commission (ITC) makes an affirmative final determination that imports of forged steel fittings from India materially injure, or threaten material injury to, the domestic industry, DOC will issue a CVD order. If either agency'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 DOC issues its final determination, if affirmative.

In 2018, imports of forged steel fittings from India were valued at an estimated $92.6 million, according to DOC.

US Department of Commerce Issues Affirmative Final Determination in Antidumping Investigation of Sodium Sulfate Anhydrous from Canada

On March 24, 2020, the US Department of Commerce (DOC) announced its affirmative final determination in the antidumping duty (AD) investigation of imports of sodium sulfate anhydrous from Canada. In its investigation, DOC determined that imports of the subject merchandise from Canada were sold in the United States at a dumping margin of 8.89 percent. As a result, US Customs and Border Protection (CBP) will collect AD cash deposits equal to the applicable final weighted-average dumping rate.

The merchandise covered by this investigation is sodium sulfate (Na2SO4) (Chemical Abstracts Service (CAS) Number 7757-82-6) that is anhydrous (i.e., containing no water), regardless of purity, grade, color, production method, and form of packaging, in which the percentage of particles between 20 mesh and 100 mesh, based on U.S. mesh series screens, ranges from 10-95% and the percentage of particles finer than 100 mesh, based on U.S. mesh series screens, ranges from 5-90%.

The merchandise subject to this investigation is classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheading 2833.11.5010. Subject merchandise may also be classified under 2833.11.1000, 2833.11.5050, and 2833.19.0000.

The ITC is scheduled to make its final determination in this investigation on or around May 7, 2020. If the ITC makes an affirmative final determination that imports of sodium sulfate anhydrous from Canada materially injure, or threaten material injury to, the domestic industry, DOC will issue an AD order. If the ITC makes a negative determination of injury, the investigation will be terminated.

In 2018, imports of sodium sulfate anhydrous from Canada were valued at an estimated $5.7 million, according to DOC.

US International Trade Commission Issues Affirmative Final Determinations in AD/CVD Investigations of Wooden Cabinets and Vanities from China

On March 24, 2020, the US International Trade Commission (ITC) determined that a US industry is materially injured by reason of imports of wooden cabinets and vanities from China that the US Department of Commerce (DOC) has determined are subsidized and sold in the United States at less than fair value.

ITC Chairman David S. Johanson and Commissioners Rhonda K. Schmidtlein, Jason E. Kearns, Randolph J. Stayin, and Amy A. Karpel voted in the affirmative. As a result of the Commission's affirmative determinations, DOC will issue antidumping and countervailing duty orders on imports of these products from China. In its investigations, DOC determined that imports of the subject merchandise from China (1) were sold in the United States at dumping margins ranging from 4.37 to 262.18 percent; and (2) received countervailable subsidies ranging from 13.33 to 293.45 percent.

The scope of these investigations covers wooden cabinets and vanities that are for permanent installation (including floor mounted, wall mounted, ceiling hung or by attachment of plumbing), and wooden components thereof. Imports of subject merchandise are classified under Harmonized Tariff Schedule of the United States (HTSUS) statistical numbers 9403.40.9060 and 9403.60.8081. The subject component parts of wooden cabinets and vanities may be entered into the United States under HTSUS statistical number 9403.90.7080.

In 2018, imports of wooden cabinets and vanities from China were valued at an estimated $4.4 billion, according to DOC.

The ITC's public report on the investigation will be issued by April 27, 2020.

US International Trade Commission Issues Affirmative Final Determinations in AD/CVD Investigations of Carbon and Alloy Steel Threaded Rod from China and India

On March 19, 2020, the US International Trade Commission (ITC) determined that a US industry is materially injured by reason of imports of carbon and alloy steel threaded rod from China and India that the US Department of Commerce (Commerce) has determined are subsidized and sold in the United States at less than fair value.

Chairman David S. Johanson and Commissioners Rhonda K. Schmidtlein, Jason E. Kearns, Randolph J. Stayin, and Amy A. Karpel voted in the affirmative. As a result of the Commission's affirmative determinations, DOC will issue antidumping and countervailing duty orders on imports of carbon and alloy steel threaded rod from China and India. . In its investigations, DOC determined that imports of the subject merchandise from China have been sold in the United States at the following dumping margins and subsidy rates:

Country	Dumping Margin	Subsidy Rate
China	4.26-59.45%	31.02-66.81%
India	2.47-28.34%	6.07-211.72%

The merchandise covered by these investigations is carbon and alloy steel threaded rod. Steel threaded rod is certain threaded rod, bar, or studs, of carbon or alloy steel, having a solid, circular cross section of any diameter, in any straight length. Steel threaded rod is currently classifiable under subheadings 7318.15.5051, 7318.15.5056, and 7318.15.5090 of the Harmonized Tariff Schedule of the United States (HTSUS). Subject merchandise may also enter under subheading 7318.15.2095 and 7318.19.0000 of the HTSUS.

In 2018, imports of carbon and alloy steel threaded rod from China and India were valued at an estimated $104.7 million, and $35.8 million, respectively, according to DOC.

The Commission's public report on this investigation will be available by April 24, 2020.

US International Trade Commission Issues Affirmative Final Detrerminations in Antidumping Investigations of Acetone from Belgium, Korea, and South Africa

On March 17, 2020, the US International Trade Commission (ITC) determined that a US industry is materially injured by reason of imports of acetone from Belgium, Korea, and South Africa that the US Department of Commerce (DOC) has determined are sold in the United States at less than fair value.

Chairman David S. Johanson and Commissioners Rhonda K. Schmidtlein, Jason E. Kearns, Randolph J. Stayin, and Amy A. Karpel voted in the affirmative. As a result of the Commission's affirmative determinations, DOC will issue antidumping duty orders on imports of this product from Belgium, Korea, and South Africa. DOC in February 2020 determined that imports of the subject merchandise were sold in the United States at dumping margins of 28.10 percent (for Belgium), 25.05 to 47.86 percent (for Korea) and 314.51 to 414.92 percent (for South Africa).

The merchandise covered by these investigations is all grades of liquid or aqueous acetone. Acetone is also known under the International Union of Pure and Applied Chemistry (IUPAC) name propan-2-one. The merchandise covered by these investigations is currently classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 2914.11.1000 and 2914.11.5000. Combinations or mixtures of acetone may enter under subheadings in Chapter 38 of the HTSUS, including, but not limited to, those under heading 3814.00.1000, 3814.00.2000, 3814.00.5010, and 3814.00.5090.

In 2018, imports of acetone from Belgium, Korea, and South Africa were valued at an estimated $51.1 million, $61.2 million, and $21.8 million, respectively, according to DOC.

The Commission's public report on these investigations will be available by April 20, 2020.