

US & Multilateral Trade Policy Developments

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US General Trade Policy Highlights

President Trump Signs Proclamations Implementing Section 232 Actions on Steel and Aluminum Imports

On March 8, 2018, President Trump signed proclamations containing his determinations in the investigations of imports of steel and aluminum into the United States, pursuant to Section 232 of the Trade Expansion Act of 1962 (19 U.S.C. 1862). In the proclamations (see Attachments I and II), President Trump (i) concurs with the Secretary of Commerce's findings that steel and aluminum are being imported into the United States in such quantities and under such circumstances as to threaten to impair the national security of the United States; (ii) determines that imports of steel and aluminum from all countries except Canada and Mexico must be adjusted, through the imposition of *ad valorem* import tariffs of 25 percent and 10 percent, respectively, in order to eliminate the threat of impairment of national security; and (iii) directs the Secretary of Commerce to establish by March 18, 2018 procedures for requesting the exclusion of covered products from the additional rates of duty, which will take effect on March 23, 2018. The proclamations are summarized below.

Import Adjustment Measures

President Trump has determined to adjust imports of steel and aluminum articles by imposing the following measures:

- **A 25 percent *ad valorem* tariff on steel articles imported from all countries except Canada and Mexico.** For the purposes of the proclamation, "steel articles" are defined at the Harmonized Tariff Schedule (HTS) 6-digit level as: 7206.10 through 7216.50, 7216.99 through 7301.10, 7302.10, 7302.40 through 7302.90, and 7304.10 through 7306.90, including any subsequent revisions to these HTS classifications.
- **A 10 percent *ad valorem* tariff on imports of aluminum articles from all countries except Canada and Mexico.** For the purposes of the proclamation, aluminum articles are defined in the HTS as: (a) unwrought aluminum (HTS 7601); (b) aluminum bars, rods, and profiles (HTS 7604); (c) aluminum wire (HTS 7605); (d) aluminum plate, sheet, strip, and foil (flat rolled products) (HTS 7606 and 7607); (e) aluminum tubes and pipes and tube and pipe fitting (HTS 7608 and 7609); and (f) aluminum castings and forgings (HTS 7616.99.51.60 and 7616.99.51.70), including any subsequent revisions to these HTS classifications.

These additional rates of duty will take effect with respect to goods entered, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern daylight time on March 23, 2018. The additional rates of duty will apply "in addition to any other duties, fees, exactions, and charges" applicable to the covered steel and aluminum articles.

Exemption of Canada and Mexico

As noted above, the new tariffs initially will not apply to Canada and Mexico. This exemption is based on President Trump's determination that "the necessary and appropriate means to address the threat to the national security" posed by imports of steel and aluminum articles from Canada and Mexico is to "continue ongoing discussions with these countries" and to exempt steel and aluminum imports from these countries from the new tariffs, "at least at this time." The proclamations further state that without the new tariffs and "satisfactory outcomes in ongoing negotiations with Canada and Mexico," the U.S. steel and aluminum industries "will continue to decline, leaving the United States at risk of becoming reliant on foreign producers...to meet our national security needs — a situation that is fundamentally inconsistent with the safety and security of the American people."

Other Country Exemptions

The proclamations state that "[a]ny country with which we have a security relationship is welcome to discuss with the United States alternative ways to address the threatened impairment of the national security caused by imports from that country," and that "[s]hould the United States and any such country arrive at a satisfactory alternative means to address the threat to the national security...I may remove or modify the restriction" on imports of steel or aluminum articles from that country.

According to a White House fact sheet released alongside the proclamations, the United States Trade Representative will be responsible for negotiations with countries that seek modification or removal of the tariffs. President Trump indicated during the signing ceremony for the proclamations that, in deciding whether to modify or

remove tariffs on a particular country, the United States will consider whether a country is allocating sufficient resources to defense efforts, including NATO-related contributions.

Potential Increase in Tariffs for Remaining Covered Countries

The proclamations also state that, if any country-specific exemptions or modifications of tariffs are granted, the President may, “if necessary, make any corresponding adjustments to the tariff as it applies to other countries as our national security interests require.” This indicates that any country exemptions or modifications granted might result in an increase in the tariff rate applicable to all remaining countries that have not obtained an exemption or modification.

Product Exclusions

The proclamations direct the Secretary of Commerce to establish, no later than March 18, 2018, procedures for requesting the exclusion of particular articles from the additional rates of duty. The Secretary is authorized to provide relief from the additional duties (i) for any steel or aluminum article determined not to be produced in the United States in a sufficient and reasonably available amount or of a satisfactory quality; or (ii) based upon specific national security considerations. However, such relief shall be provided only after a request for exclusion is made “by a directly affected party located in the United States” (emphasis added).

If the Secretary determines that a particular article should be excluded, the Secretary shall, upon publishing a notice of such determination in the Federal Register, notify Customs and Border Protection (CBP) so that the article will be excluded from the additional duties.

Duration

The proclamations do not establish any specific end date for the measures. Rather, the proclamations direct the Secretary of Commerce to continue to monitor imports of steel and aluminum articles and, “from time to time”, review the status of such imports with respect to the national security. The Secretary of Commerce is required to inform the President of any circumstances that might indicate the need for further action by the President under Section 232, or that the additional duties provided for in the proclamations are no longer necessary.

The proclamations are attached for reference.

President Trump Signs Memorandum on “Actions by the United States Related to the Section 301 Investigation of China’s Laws, Policies, Practices, or Actions Related to Technology Transfer, Intellectual Property, and Innovation”

On March 22, 2018, President Trump signed a Memorandum directing US government agencies to take certain actions concerning China-origin products and investment based on the findings of the United States Trade Representative’s (USTR) investigation of China’s “Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation” under Section 301 of the Trade Act of 1974.¹ The Memorandum states that USTR made the following findings in the Section 301 investigation²

¹ Click [here](#) to view the Presidential Memorandum. The White House fact sheet on the investigation is available [here](#), and USTR’s fact sheet on the Section 301 actions is available [here](#).

² USTR released its report on the findings of the Section 301 investigation on March 22. In each of the four categories of “acts, policies, and practices” covered by the investigation, USTR identified actions that, in USTR’s estimation, are “unreasonable or discriminatory and burden or restrict U.S. commerce” and therefore are actionable under Section 301. The report is available at <https://ustr.gov/sites/default/files/Section%20301%20FINAL.PDF>

- China uses foreign ownership restrictions, including joint venture requirements, equity limitations, and other investment restrictions, to require or pressure technology transfer from US companies to Chinese entities;
- China imposes substantial restrictions on, and intervenes in, US firms' investments and activities, including through restrictions on technology licensing terms;
- China directs and facilitates the systematic investment in, and acquisition of, US companies and assets by Chinese companies to obtain cutting-edge technologies and intellectual property and to generate large-scale technology transfer in industries deemed important by Chinese government industrial plans; and
- China conducts and supports unauthorized intrusions into, and theft from, the computer networks of US companies.

Based on these findings, the Memorandum directs US government agencies to take the following actions:

- **Tariffs.** The Memorandum states that USTR “should take all appropriate action under section 301... to address the acts, policies, and practices of China that are unreasonable or discriminatory and that burden or restrict U.S. commerce”, and that USTR “shall consider whether such action should include increased tariffs on goods from China[.]” The Memorandum further directs USTR to (i) publish a proposed list of products and any intended tariff increases within 15 days (*i.e.*, by April 6, 2018); and (ii) after a period of notice and comment, and after consultation with appropriate agencies and committees, “publish a final list of products and tariff increases, if any, and implement any such tariffs.”

USTR has stated in a fact sheet that it plans to announce the proposed list of products “within the next several days”. The list will be published in a Federal Register notice seeking public comments on the proposed tariff action. Comments will be due 30 days from the publication of the Federal Register notice. The notice will also announce a date for a public hearing. USTR, with the assistance of the interagency Section 301 Committee, will review and analyze the comments, and when the process is completed, USTR will announce the final determination on the tariff action and publish the product list in the Federal Register.

According to the fact sheet, USTR will propose tariffs of 25 percent *ad valorem* on certain products of China “with an annual trade value commensurate with the harm caused to the U.S. economy resulting from China’s unfair policies.” The proposed product list subject to the tariffs will include “aerospace, information and communication technology, and machinery.” Public reports, citing White House officials, state that USTR’s proposed list will contain approximately 1,300 tariff lines with an annual import value of USD 50 to 60 billion.

Any tariffs implemented pursuant to this directive could be imposed without congressional input or consent, pursuant to the authority granted to USTR under Section 301 (19 U.S.C. 2411(c)(1)).

- **Investment restrictions.** The Memorandum instructs the Secretary of the Treasury (in coordination with other federal government agencies) to “propose executive branch action, as appropriate and consistent with law, and using any available statutory authority, to address concerns about investment in the United States directed or facilitated by China in industries or technologies deemed important to the United States.” The Treasury Secretary must report to President Trump on his progress within 60 days. This does not require congressional action to implement as it is an order to use existing laws to restrict Chinese investment in important “industries and technologies.” In terms of timing, it is likely that some measures to implement this could be taken quickly (*e.g.*, tighter restrictions on Chinese investment by the Committee on Foreign Investment in the United States (CFIUS) under the current CFIUS statute), whereas additional actions may require a review and assessment of other legal authorities before the Treasury Secretary proposes executive branch actions to address these concerns.

Notably, while the Memorandum largely focuses on sensitive technology—and the White House fact sheet in connection with the Memorandum states that “[t]he Department of Treasury, in consultation with other agencies, will propose restrictions on investment by China in sensitive U.S. technology”—this action is not necessarily limited to technology transactions. In particular, the President directs the Treasury Secretary to propose action to address concerns about Chinese investment in “industries or technologies deemed important to the United States.” Thus, actions taken to implement this memorandum could expand to other industries “deemed important to the United States,” which could potentially be interpreted broadly.

- **WTO dispute on licensing practices.** The Memorandum directs USTR to “pursue dispute settlement in the World Trade Organization (WTO) to address China’s discriminatory licensing practices. Where appropriate and consistent with law, [USTR] should pursue this action in cooperation with other WTO members to address China’s unfair trade practices.” The Memorandum requires USTR to provide a progress report on this action within 60 days.

Though the Memorandum outlines the types of remedies that the administration intends to impose under Section 301, information regarding the final remedies remains limited at this time. Details regarding the measures and the affected products and sectors will become clearer in the coming weeks, as the relevant US agencies issue the required documents. However, as noted above, the tariff action is expected to cover a wide range of imported products with an annual import value of more than USD 50 billion, and the proposed investment restrictions potentially could be applied in a wide range of sectors. The Section 301 actions therefore appear likely to have significant economic implications. The Government of China already has condemned the Section 301 actions and pledged to take “all necessary measures” in retaliation.

President Trump Signs Proclamations Providing Temporary Exemptions from Section 232 Measures for Australia, Argentina, Brazil, European Union, and South Korea

On March 22, 2018, President Trump signed Proclamations temporarily exempting Australia, Argentina, Brazil, the European Union, and South Korea from the additional tariffs on steel and aluminum imports that took effect on March 23, 2018 pursuant to Section 232 of the Trade Expansion Act and President Trump’s Proclamations of March 8, 2018.³

The new Proclamations state that the President has determined to temporarily exempt the aforementioned countries, as well as Canada and Mexico, from the tariffs until May 1, 2018 while the United States continues to hold discussions with these countries on “satisfactory alternative means to address the threatened impairment to the national security” by imports of steel and aluminum articles from these countries. The new Proclamations also make important clarifications and amendments regarding the product exclusion process and the treatment of subject steel and aluminum articles in U.S. foreign trade zones. These changes are summarized below.

Temporary Exemptions

The Proclamations provide that imports of the covered steel and aluminum articles from Canada, Mexico, Australia, Argentina, South Korea, Brazil, and the member countries of the European Union will be exempt from the additional 25 percent duty on steel imports and the additional 10 percent duty on aluminum imports until 12:01 a.m. eastern daylight time on May 1, 2018. Canada and Mexico already were exempt from the additional duties, pursuant to President Trump’s Proclamations of March 8, but these exemptions are now set to expire as of May 1, 2018, along

³ Click [here](#) to view the steel Proclamation and [here](#) to view the aluminum Proclamation. The White House statement on the Proclamations is available [here](#).

with the exemptions for Australia, Argentina, South Korea, Brazil, and the EU, unless the President issues a subsequent Proclamation extending them.

The White House has stated that, by May 1, 2018, the President will decide whether to continue to exempt the aforementioned countries from the tariffs, based on the status of the United States' discussions with these countries regarding measures to "reduce global excess capacity in steel and aluminum production by addressing its root causes."

Potential Quotas on Imports from Exempted Countries

The Proclamation raises the possibility that the President will impose quotas on steel and aluminum imports from the exempted countries "to prevent transshipment, excess production, or other actions" that would lead to increased exports of steel or aluminum articles to the United States. It states that the US Trade Representative (USTR), in consultation with other agencies, will advise the President on the appropriate means to ensure that imports from exempt countries "do not undermine the national security objectives" of the tariffs, and that, if "necessary and appropriate", the President will consider directing US Customs and Border Protection (CBP) to implement a quota as soon as practicable.

Modifications to Product Exclusion Process

The Proclamations provide two additional directives to the Secretary of Commerce regarding product exclusions. First, the Proclamations specify that "relief" (*i.e.* exclusions) from the additional duties "may be provided to directly affected parties on a party-by-party basis taking into account the regional availability of particular articles, the ability to transport articles within the United States, and any other factors as the Secretary deems appropriate." Second, for merchandise entered on or after the date when the directly affected party submitted an exclusion request, the relief shall be retroactive to the date the exclusion request was posted for public comment.

Treatment of Covered Articles in US Foreign-Trade Zones

The Proclamations provide that aluminum or steel articles admitted into a foreign trade zone (FTZ) on or after March 23, 2018 may only be admitted as "privileged foreign status". Upon entry into the United States for consumption, the privileged foreign status goods and any downstream good manufactured using them as inputs will be subject to Section 232 duties (and any other applicable *ad valorem* duty rate applicable to the upstream goods' classification). Moreover, steel and aluminum goods already in an FTZ that were admitted under privileged foreign status prior to March 23, 2018 will also be subject to the Section 232 duties upon entry into the United States for consumption.

US Department of Commerce Publishes Interim Final Rule on Section 232 Product Exclusion Process for Steel and Aluminum

On March 19, 2018, the US Department of Commerce, Bureau of Industry and Security (BIS) published an interim final rule establishing a process for interested parties in the United States to request exclusions from the actions taken by the President on March 8, 2018 to "adjust imports" of steel and aluminum into the United States, pursuant to Section 232 of the Trade Expansion Act of 1962.⁴ The interim final rule also establishes a process for parties in the United States to submit objections to the granting of an exclusion request. The interim final rule is effective as of March 19, 2018, and is summarized below.

Background

On March 8, 2018, President Trump issued Proclamations instituting a 25 percent tariff on steel imports and a 10 percent tariff on aluminum imports, with exemptions for Canada and Mexico, pursuant to Section 232. U.S. Customs

⁴ Click [here](#) to view the interim final rule. The BIS websites containing the forms for exclusion requests and objections, and the instructions for filing these forms, are located [here](#) (for steel) and [here](#) (for aluminum).

and Border Protection (CBP) will begin collecting the tariffs on March 23, 2018. The Proclamations authorized the Secretary of Commerce to provide relief from the additional duties for any steel or aluminum articles determined "not to be produced in the United States in a sufficient and reasonably available amount or of a satisfactory quality", or based upon "specific national security considerations." The new interim final rule amends the National Security Industrial Base Regulations (15 C.F.R. Part 705) by establishing two new supplements to implement these directives.

Filing of Exclusion Requests and Objections

The supplements provide that only individuals or organizations using steel or aluminum in business activities (e.g., construction, manufacturing, or supplying steel or aluminum product to users) in the United States may submit exclusion requests. Any individual or organization in the United States may file objections to exclusion requests. Exclusion requests may be submitted "at any time", and objections to submitted exclusion requests must be filed no later than 30 days after the related exclusion request is posted.

The supplements provide that separate exclusion requests must be submitted for steel or aluminum products with certain distinct characteristics, as shown below:

- **Aluminum.** Separate exclusion requests must be submitted for aluminum products "with distinct critical dimensions (e.g., 10 mm diameter bar, 15 mm bar, or 20 mm bar) covered by a common HTSUS statistical reporting number. Separate exclusion requests must also be submitted for products falling in more than one 10-digit HTSUS statistical reporting number."
- **Steel.** Separate exclusion requests must be submitted "for steel products with chemistry by percentage breakdown by weight, metallurgical properties, surface quality (e.g., galvanized, coated, etc.), and distinct critical dimensions (e.g., 0.25-inch rebar, 0.5-inch rebar; 0.5-inch sheet, or 0.75 sheet) covered by a common HTSUS subheading. Separate exclusion requests must also be submitted for products falling in more than one 10-digit HTSUS statistical reporting number."

BIS has posted fillable forms on the BIS website that are to be used by organizations for submitting exclusion requests, and these forms require detailed information regarding the specific product that is the subject of the exclusion request, the organization requesting the exclusion, and the justification for the proposed exclusion. BIS also has posted fillable forms that are to be used by organizations for submitting objections to exclusion requests. Information submitted in exclusion requests and objections to submitted exclusion requests will be subject to public review and made available for public inspection and copying.

Review and Approval of Exclusions

The interim final rule states that the review period for exclusion requests "normally will not exceed 90 days, including adjudication of objections submitted on exclusion requests." However, the exclusion request forms posted on the BIS website state that processing of an exclusion request will take "approximately 90 *business days*" (emphasis added) – thus extending the processing timeline by almost a month.

The Commerce Department will approve exclusions "on a product basis and the approvals will be limited to the individual or organization that submitted the specific exclusion request, unless Commerce approves a broader application of the product-based exclusion request to apply to additional importers." Moreover, the exclusion request forms published by BIS require requesters to identify the foreign suppliers of the product at issue, and the forms state that "the Exclusion Request, if granted, will pertain solely to the identified supplier(s) listed in this form and the country of origin."

Individuals or organizations that wish to submit an exclusion request for a steel or aluminum product that has already been the subject of an approved exclusion request will be permitted to do so. In addition, individuals and

organizations in the United States will not be precluded from submitting a request for exclusion of a product even though an exclusion request submitted for that product by another requester or that requester was denied or is no longer valid.

The Commerce Department will post responses to each exclusion request submitted under the relevant docket numbers at www.regulations.gov. The Commerce Department's response to an exclusion request will also be responsive to any of the objection requests for that submitted exclusion request. Approved exclusions will be effective five business days after publication of the responses at www.regulations.gov.

Comments on the Interim Final Rule

BIS is accepting public comments on the interim final rule. Public comments must be received by BIS no later than May 18, 2018. The preamble to the interim final rule states that “[c]ommenters on this interim final rule may submit comments regarding how and whether or not the country of origin of a proposed product should be considered by Commerce as part of the process for reviewing product-based exclusion requests.” However, the rule does not provide any further guidance regarding issues that may be addressed in the public comments.

Implications

The interim final rule and the associated forms indicate that any exclusions granted by the Commerce Department are likely to be narrow, *i.e.*, limited not only to a particular product and 10-digit HTS code, but also to particular countries of origin and foreign suppliers. In addition, the rule indicates that most, if not all, product exclusions will be granted only to the party that requested the exclusion, meaning that other U.S. parties who import or use the same product will have to file their own exclusion requests in order to obtain relief from the additional duties. Given these requirements, the exclusion process will be labor-intensive for requesting parties (and particularly those that import multiple types of steel or aluminum products), and, by extension, for BIS officials who will have to process this large number of exclusion requests. This could prove challenging for BIS, which is a relatively small office with a staff that does not have within its normal responsibilities the consideration and adjudication of technical exclusion requests, some of which will be contested.

Moreover, the interim rule also provides no relief for US importers who have requested exclusions, but whose request remains pending for up to approximately four months. In particular, the rule (1) indicates that such parties will be required to pay Section 232 duties on any imports of subject goods that enter the United States while the exclusion request is pending; and (2) does not provide for retroactive application of an exclusion or a process for receiving a refund from duties paid by an importer while its exclusion request is pending. Thus, it may take 90 business days or – given the aforementioned resource constraints – even longer before a U.S. party requesting an exclusion obtains any relief from the additional Section 232 duties.

Given these issues, members of Congress and groups representing US importers have raised concerns about the interim final rule's burdens on US businesses. For example, House Ways and Means Committee Chairman Kevin Brady (R-TX) has called for “more flexibility” in the final rule and for exclusions to be applied on a retroactive basis, and 15 other Republican Members of Congress have urged DOC to apply exclusions retroactively. At this stage, however, there are no indications that DOC intends modify the interim final rule to provide for retroactive application of exclusions, or to make other significant changes to the rule.

Generalized System of Preferences Reauthorized in Omnibus Appropriations Bill

On March 23, 2018, President Trump signed into law the Consolidated Appropriations Act of 2018 (HR 1625), which includes provisions reauthorizing the Generalized System of Preferences (GSP) program.⁵ The bill reauthorizes GSP

⁵ Click [here](#) to view HR 1625.

through December 31, 2020 and applies GSP benefits retroactively to articles imported during the program's lapse, which began on January 1, 2018. The bill also modifies the process by which the US Trade Representative (USTR) considers "competitive need limitations" for GSP-eligible articles, and requires USTR to report annually on its efforts to enforce the GSP eligibility criteria. An overview of the legislation is provided below.

Reauthorization and retroactivity

The reauthorization of GSP through December 31, 2020 will apply with respect to articles entered on or after April 22, 2018. Any entry of a covered article to which GSP treatment would have applied if the entry had been made on December 31, 2017, that was made after December 31, 2017 and before April 22, 2018, will be liquidated or reliquidated as though the entry occurred on April 22, 2018.⁶

A liquidation or reliquidation may be made with respect to an entry only if a request is filed with US Customs and Border Protection not later than September 19, 2018. Amounts owed by the United States will be paid, without interest, no later than 90 days after the date of the liquidation or reliquidation.

Modifications to competitive need limitation process

HR 1625 made certain modifications to the process by which USTR considers competitive need limitations (CNLs) for GSP-eligible articles. CNLs are quantitative ceilings on GSP benefits for each product and beneficiary developing country. When the President determines that a beneficiary developing country exported to the United States during a calendar year either: (i) a quantity of a GSP-eligible article having a value in excess of the applicable amount for that year (USD 180 million for 2017), or (ii) a quantity of a GSP-eligible article having a value equal to or greater than 50 percent of the value of total U.S. imports of the article from all countries (the "50 percent" CNL), the President must terminate GSP treatment for that article from that country, unless a waiver is granted.

HR 1625 made the following modifications to the CNL provisions of the GSP statute:

- Under previous law, the 50 percent CNL did not apply to an eligible article if a "like or directly competitive" article was not produced in the United States on January 1, 1995. HR 1625 amended the law so that the exemption applies where a like or directly competitive article was not produced in the United States in any of the preceding three calendar years. Supporters of this change argued that it will ensure that the CNL process accurately accounts for current domestic production.
- Under previous law, if the President determined that imports of an article exceeded a CNL during a calendar year, the President was required to terminate duty-free treatment for the article by July 1 of the following calendar year, unless a waiver was granted before the termination takes effect. HR 1625 extended the annual deadline for termination and granting of waivers to November 1. Supporters of this change argued that it will ensure that the CNL review process is based on trade data covering the full calendar year.

New reporting requirement on GSP enforcement efforts

The bill requires USTR to submit a new annual report to Congress describing USTR's efforts to ensure that countries designated as beneficiary developing countries are meeting the eligibility criteria set forth in the GSP statute. The eligibility criteria require USTR to take into account certain factors, such as a country's efforts to protect intellectual property rights, in determining whether the country should be designated as a GSP beneficiary. USTR in October 2017 established a new triennial process for assessing whether beneficiary developing countries are complying with the statutory eligibility criteria.

⁶ The term "covered article" is defined in the bill as an article from a country that is a GSP beneficiary developing country as of April, 22, 2018.

Petitions and Investigations Highlights

US Department of Commerce Issues Affirmative Final Determinations in Antidumping and Countervailing Duty Investigations of Aluminum Foil from China

On February 27, 2018, the US Department of Commerce (DOC) announced its affirmative final determinations in the antidumping duty (AD) and countervailing duty (CVD) investigations of imports of certain aluminum foil from China.⁷ In its investigations, DOC determined that imports of the subject merchandise from China were sold in the United States at the following subsidy rates and dumping margins:

Country	Exporter/Producer	Subsidy Rate
China	Dingsheng Aluminum Industries (Hong Kong) Trading Co.	19.98%
	Jiangsu Zhongji Lamination Materials Co., Ltd.	17.14%
	Loften Aluminum (Hong Kong) Limited	80.97%
	Manakin Industries LLC and Suzhou Manakin Aluminum Processing Technology Co., Ltd.	80.97%
	All Others	18.56%

Country	Exporter/Producer	Dumping Rate	Cash Deposit ⁸
China	Dingsheng	106.09%	94.73%
	Zhongji	48.64%	37.99%
	Separate Rate Companies	84.94%	73.84%
	China-Wide Rate	106.09%	95.44%

The merchandise covered by the investigations is aluminum foil having a thickness of 0.2 mm or less, in reels exceeding 25 pounds, regardless of width. Aluminum foil is made from an aluminum alloy that contains more than 92 percent aluminum. Aluminum foil may be made to ASTM specification ASTM B479, but can also be made to other specifications. Excluded from the scope is aluminum foil that is backed with paper, paperboard, plastics, or similar backing materials on one side or both sides of the aluminum foil, as well as etched capacitor foil and aluminum foil that is cut to shape.

The products under investigation are currently classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7607.11.3000, 7607.11.6000, 7607.11.9030, 7607.11.9060, 7607.11.9090, and 7607.19.6000, and may also be entered under HTSUS subheadings 7606.11.3060, 7606.11.6000, 7606.12.3045, 7606.12.3055, 7606.12.3090, 7606.12.6000, 7606.91.3090, 7606.91.6080, 7606.92.3090, and 7606.92.6080.

The US International Trade Commission (ITC) is scheduled to make its final determinations on or around April 12, 2018. If the ITC makes affirmative final determinations that imports of certain aluminum foil from China materially injure, or threaten material injury to, the domestic industry, DOC will issue AD and CVD orders. If the ITC makes negative determinations of injury, the investigations will be terminated.

In 2016, imports of certain aluminum foil from China were valued at an estimated USD 389 million.

⁷ Click [here](#) to view DOC fact sheet on the investigations.

⁸ The difference between the dumping margins and the cash deposit rates represents the adjustment for the export subsidies and the domestic subsidy "pass through" identified in the companion CVD investigation.

US Department of Commerce Issues Affirmative Preliminary Determination in Countervailing Duty Investigation of Polytetrafluoroethylene Resin from India

On March 1, 2018, the US Department of Commerce (DOC) announced its affirmative preliminary determination in the countervailing duty (CVD) investigation concerning imports of polytetrafluoroethylene (PTFE) resin from India.⁹ In its investigation, DOC determined that imports of the subject merchandise from India received countervailable subsidies at a rate of 3.90 percent.

The product covered by the investigation is PTFE resin, including but not limited to granular, dispersion, or coagulated dispersion (also known as fine powder). PTFE is classified under HTSUS subheadings 3904.61.0010 and 3904.61.0090, and may also be classified under HTSUS subheading 3904.69.5000.

DOC is scheduled to make its final determination in this investigation on or around May 15, 2018. If DOC makes an affirmative final determination, and the US International Trade Commission (ITC) makes an affirmative final determination that imports of PTFE resin from India materially injure, or threaten material injury to, the domestic industry, DOC will issue a CVD order.

According to DOC, imports of PTFE resin from India in 2016 were valued at an estimated USD 14.3 million.

US Department of Commerce Issues Affirmative Final Determinations in AD/CVD Investigations Concerning Imports of Silicon Metal from Australia, Brazil, Kazakhstan, and Norway

On March 1, 2018, the US Department of Commerce (DOC) announced its affirmative final determinations in the antidumping duty (AD) investigations concerning imports of silicon metal from Australia, Brazil, and Norway, and in the countervailing duty investigations concerning imports of the same from Australia, Brazil and Kazakhstan.¹⁰ In its investigations, DOC determined that imports of the subject merchandise were sold in the United States at the following dumping margins and subsidy rates:

Country	Dumping margin
Australia	41.73 - 51.28 percent
Brazil	68.97 - 134.92 percent
Norway	3.22 percent

Country	Subsidy Rate
Australia	14.78 percent
Brazil	2.44 - 52.51 percent
Kazakhstan	100 percent

These investigations cover all forms and sizes of silicon metal, including silicon metal powder. Silicon metal contains at least 85.00 percent but less than 99.99 percent silicon, and less than 4.00 percent iron, by actual weight. Semiconductor grade silicon (merchandise containing at least 99.99 percent silicon by actual weight and classifiable under HTSUS subheading 2804.61.0000) is excluded from the scope of the investigations. Silicon metal is currently classifiable under subheadings 2804.69.1000 and 2804.69.5000 of the HTSUS.

⁹ Click [here](#) to view the DOC fact sheet on the investigation.

¹⁰ Click [here](#) to view the DOC fact sheet on the investigation.

The US International Trade Commission (ITC) is scheduled to make its final determinations on or around April 13, 2018. If the ITC makes an affirmative final determination that imports of silicon metal from Australia, Brazil, Kazakhstan, and/or Norway materially injure or threaten material injury to the domestic industry, DOC will issue AD and/or CVD orders.

According to DOC, imports of silicon metal from Australia, Brazil, Kazakhstan, and Norway in 2016 were valued at an estimated USD 33.9 million, 60.0 million, 17.5 million, and 26.1 million, respectively.

US International Trade Commission Issues Affirmative Preliminary Determinations in Anti-Dumping and Countervailing Duty Investigations of Rubber Bands from China and Thailand

On March 15, 2018, the US International Trade Commission (ITC) determined that there is a reasonable indication that a US industry is threatened with material injury by reason of imports of rubber bands from China and Thailand.¹¹ The ITC further found that imports of rubber bands from Sri Lanka are negligible.

As a result of the ITC's affirmative determinations, the US Department of Commerce (DOC) will continue with its anti-dumping (AD) and countervailing duty (CVD) investigations concerning imports of rubber bands from China and Thailand, with its preliminary CVD determinations due on or around April 26, 2018, and its preliminary AD determinations due on or around July 10, 2018. As a result of the ITC's finding of negligibility, the investigation concerning Sri Lanka will be terminated.

The ITC's public report will contain the views of the Commission and the information developed during the investigations. The report will be available by April 16, 2018.

US International Trade Commission Issues Affirmative Final Determinations in Anti-Dumping and Countervailing Duty Investigations of Aluminum Foil from China

On March 15, 2018, the US International Trade Commission (ITC) determined that a US industry is materially injured by reason of imports of aluminum foil from China that the US Department of Commerce (DOC) has determined are subsidized and sold in the United States at less than fair value.¹² In its investigations, DOC determined that imports of the subject merchandise from China were sold in the United States at dumping margins ranging from 48.64 to 106.09 percent and received countervailable subsidies ranging from 17.14 to 80.97 percent.

As a result of the ITC's affirmative determinations, DOC will issue anti-dumping and countervailing duty orders on imports of the subject merchandise from China. The subject merchandise is currently classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7607.11.3000, 7607.11.6000, 7607.11.9030, 7607.11.9060, 7607.11.9090, and 7607.19.6000, and may also be entered under HTSUS subheadings 7606.11.3060, 7606.11.6000, 7606.12.3045, 7606.12.3055, 7606.12.3090, 7606.12.6000, 7606.91.3090, 7606.91.6080, 7606.92.3090, and 7606.92.6080.

According to the ITC, imports of the subject merchandise from China were valued at USD 431.4 million in 2016. The ITC's public report on the investigation will be made available by April 30, 2018.

¹¹ Click [here](#) to view the ITC's press release on the investigations.

¹² Click [here](#) to view the ITC's press release on the investigations.