

PRESS RELEASE

Wiley Files Trade Petitions for Leading U.S. Solar Manufacturers to Combat China's Illegal & Harmful Trade Practices in Vietnam, Malaysia, Cambodia, and Thailand

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Washington, DC – The American Alliance for Solar Manufacturing Trade Committee, made up of leading U.S. solar manufacturers from across the country (Convalt Energy, First Solar, Meyer Burger, Mission Solar, Qcells, REC Silicon, and Swift Solar), represented by DC law firm Wiley Rein LLP, today filed a set of antidumping and countervailing duty petitions with the U.S. International Trade Commission (USITC) and the U.S. Department of Commerce to investigate potentially illegal trade practices by Cambodia, Malaysia, Thailand, and Vietnam that are injuring the U.S. solar industry. The companies subject to this investigation would be primarily Chinese-headquartered companies.

"America's solar manufacturing industry is on the cusp of tremendous growth that will create jobs and change the trajectory of our clean energy transition for decades to come. However, this manufacturing renaissance is being threatened by China's industrial policy, which has led to massive subsidization in China and Southeast Asia. This is resulting in high volumes of dumping on global markets including the U.S., injuring our domestic producers," said Tim Brightbill, co-chair of Wiley's International Trade Practice and lead counsel to the petitioner, the American Alliance for Solar Manufacturing Trade Committee. "We are seeking to enforce the rules, remedy the injury to our domestic solar industry, and signal that the U.S. will not be a dumping ground for foreign solar products."

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Practice Areas

Antidumping and Countervailing Duties/
Trade Remedy Cases

International Trade

This action comes less than a year after the U.S. Department of Commerce made its final determination that Chinese solar manufacturers were circumventing tariffs on solar cells and solar panels by shipping their products through Cambodia, Malaysia, Thailand, and Vietnam. However, the administration imposed a two-year moratorium on these tariffs, giving the Chinese-owned solar manufacturers in these countries time to shift their supply chains. Companies found to be circumventing the tariffs are not expected to pay tariffs when the moratorium ends in June 2024, because their Southeast Asia-based supply chains mean they are no longer in technical violation as outlined in the circumvention decision. This new trade case is required to address the unfair trade practices by these solar manufacturers in Cambodia, Malaysia, Thailand, and Vietnam.

The alleged dumping and subsidization of products made in Southeast Asia to avoid U.S. trade rules has led to a historic glut of solar panels believed to be sold at prices below the cost of production. The International Energy Agency (IEA) reports that there is a year and a half of stockpiled panels in American warehouses. Imports into the U.S. exceeded installations in 2023 by more than 25 gigawatts, and prices have fallen by more than 50% in that time. This anti-competitive, market-distorting behavior undermines the level playing field necessary for U.S. solar manufacturers to compete on their own merits.

The cases come on the heels of U.S. Treasury Secretary Janet Yellen's recent remarks that "China's overcapacity distorts global prices and production patterns and hurts American firms and workers." Chinese-owned companies' global market share in solar products is more than 80%. The current environment, if left unaddressed, threatens America's ambitions of building a domestic solar manufacturing supply chain and mitigating the risk of an overreliance on Chinese solar.

Convalt Energy, First Solar, Meyer Burger, Mission Solar, Qcells, REC Silicon, and Swift Solar are leading companies in the 34,000-worker strong solar manufacturing industry, with plans to add tens of thousands more good-paying, long-term jobs to the U.S. economy in the coming years. These collective investments are critical to hitting U.S. climate goals. Cornell University found that onshoring the solar supply chain could cut 30% of global solar manufacturing emissions. According to a study by the Blue Green Alliance, if all U.S. developers sourced 55% of their manufactured solar goods domestically, the solar manufacturing industry would support 900,000 jobs by 2035.

"Solar is the most cost-effective form of energy, even when made in the United States," said Tim Brightbill. "There is no need to rely on artificially low-priced products that injure U.S. manufacturers to power America's clean energy transition." Wiley's team representing the petitioner also includes International Trade partners Laura El-Sabaawi and Stephanie M. Bell.

FACT SHEET

Antidumping and Countervailing Duties: Antidumping duties are intended to offset the amount by which a product is sold at less than fair value, or "dumped," in the United States. The margin of dumping is calculated by the Commerce Department. Countervailing duties are intended to offset unfair subsidies that are provided by foreign governments and benefit the production of a particular good. After affirmative preliminary determinations by the Commerce Department, estimated duties in the amount of the dumping and subsidies

will be collected from importers at the time of importation. The USITC, an independent agency, will determine whether the domestic industry is materially injured or threatened with material injury by reason of the unfairly traded imports.

Next Steps: The Commerce Department will determine whether to initiate the investigations within 20 days of today's filing, and the USITC will reach a preliminary determination of material injury or threat of material injury within 45 days. The entire investigative process will take approximately one year, with final determinations of dumping, subsidization, and injury likely occurring spring 2025. The collection of preliminary countervailing and antidumping duties will begin approximately four months and six months, respectively, after initiation.

Product Description: The products subject to the petitions are crystalline silicon photovoltaic cells, whether or not assembled into modules, from Cambodia, Malaysia, Thailand, and Vietnam.

Petitioner: The petitioner in the case is the American Alliance for Solar Manufacturing Trade Committee, a coalition of seven member and supporter companies: Convalt Energy, First Solar, Meyer Burger, Mission Solar, Qcells, REC Silicon, and Swift Solar. The petitioner is represented by Wiley Rein LLP.

For more information on this petition, visit
AmericanSolarTradeCmte.org

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About The Alliance

The American Alliance for Solar Manufacturing Trade Committee is a coalition of seven member and supporter companies calling for trade law enforcement against foreign entities engaging in illegal practices to protect jobs, ensure fair prices, and foster a strong American solar industry for generations to come. For more information visit: AmericanSolarTradeCmte.org.