



FACT SHEET

Commerce Preliminarily Finds Countervailable Subsidization of Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled into Modules from the People's Republic of China

- On March 20, 2012, the Department of Commerce (Commerce) announced its affirmative preliminary determination in the countervailing duty (CVD) investigation of imports of crystalline silicon photovoltaic cells, whether or not assembled into modules (solar cells) from the People's Republic of China (China).
- For the purpose of CVD investigations, countervailable subsidies are financial assistance from foreign governments that benefit the production of goods from foreign companies and are limited to specific enterprises or industries, or are contingent either upon export performance or upon the use of domestic goods over imported goods.
- Commerce preliminarily determined that Chinese producers/exporters have received countervailable subsidies ranging from 2.90 to 4.73 percent.
- Mandatory respondent, Wuxi Suntech Power Co., Ltd., received a preliminary subsidy rate of 2.90 percent. Mandatory respondent, Changzhou Trina Solar Energy Co., Ltd., received a preliminary subsidy rate of 4.73 percent
- All other Chinese producers/exporters received a preliminary subsidy rate of 3.61 percent.
- In an earlier decision on January 27, 2012, Commerce preliminarily determined that critical circumstances exist in the CVD investigation.
- As a result of this preliminary determination, Commerce will instruct U.S. Customs and Border Protection to collect a cash deposit or bond based on these preliminary rates, applicable to all entries of Chinese solar cells made up to 90 days prior to the preliminary determination.
- The preliminary determination in the companion antidumping duty (AD) investigation on solar cells from China is scheduled to be announced on May 17, 2012.
- On March 20, 2012, Commerce also announced a clarification of the scope of the ongoing AD and CVD investigations, finding that the scope covers not only imports of solar cells produced in China and solar modules/panels produced in China from Chinese-made solar cells, but also imports of solar modules/panels produced outside of China from solar cells produced in China. Commerce also found that the scope does not cover imports of modules/panels produced in China from solar cells produced in a third country. Changes in the scope are indicated in bold, below. As with all issues on the record, interested parties are welcome to comment on the scope clarification in their case briefs.
- The petitioner for this investigation is SolarWorld Industries America Inc. (OR).
- The products covered by this investigation are crystalline silicon photovoltaic cells, and modules, laminates, and panels, consisting of crystalline silicon photovoltaic cells, whether or not partially or

fully assembled into other products, including, but not limited to, modules, laminates, panels and building integrated materials.

- This investigation covers crystalline silicon photovoltaic cells of thickness equal to or greater than 20 micrometers, having a p/n junction formed by any means, whether or not the cell has undergone other processing, including, but not limited to, cleaning, etching, coating, and/or addition of materials (including, but not limited to, metallization and conductor patterns) to collect and forward the electricity that is generated by the cell.
- Subject merchandise may be described at the time of importation as parts for final finished products that are assembled after importation, including, but not limited to, modules, laminates, panels, building-integrated modules, building-integrated panels, or other finished goods kits. Such parts that otherwise meet the definition of subject merchandise are included in the scope of this investigation.
- Excluded from the scope of this investigation are thin film photovoltaic products produced from amorphous silicon (a-Si), cadmium telluride (CdTe), or copper indium gallium selenide (CIGS).
- Also excluded from the scope of this investigation are crystalline silicon photovoltaic cells, not exceeding 10,000mm² in surface area, that are permanently integrated into a consumer good whose function is other than power generation and that consumes the electricity generated by the integrated crystalline silicon photovoltaic cell. Where more than one cell is permanently integrated into a consumer good, the surface area for purposes of this exclusion shall be the total combined surface area of all cells that are integrated into the consumer good.
- **Modules, laminates, and panels produced in a third-country from cells produced in the PRC are covered by this investigation; however, modules, laminates, and panels produced in the PRC from cells produced in a third-country are not covered by this investigation.**
- Merchandise covered by this investigation is currently classified in the Harmonized Tariff System of the United States (HTSUS) under subheadings 8501.61.0000, 8507.20.80, 8541.40.6020 and 8541.40.6030. These HTSUS subheadings are provided for convenience and customs purposes; the written description of the scope of these investigations is dispositive.
- In 2011, imports of solar cells from China were valued at an estimated \$3.1 billion. However, the solar cells subject to this investigation are classified within HTSUS basket categories that contain products beyond the scope of the investigation.

NEXT STEPS

- Commerce is currently scheduled to make its final determination in June 2012.
- If Commerce makes an affirmative final determination, and the U.S. International Trade Commission (ITC) makes an affirmative final determination that imports of solar cells from China materially injure, or threaten material injury to, the domestic industry, Commerce will issue a CVD order. The ITC is scheduled to make its final injury determination in July 19, 2012.

Preliminary Subsidy Rates:

PRODUCER/EXPORTER	SUBSIDY RATE
Wuxi Suntech Power Co., Ltd.	2.90 %
Changzhou Trina Solar Energy Co., Ltd.	4.73 %
All Others	3.61 %

CASE CALENDAR¹:

EVENT	CVD INVESTIGATION
Petition Filed	October 19, 2011
DOC Initiation Date	November 8, 2011
ITC Preliminary Determination	December 5, 2011
DOC Preliminary Determination	March 19, 2012
DOC Final Determination*	June 4, 2012
ITC Final Determination**	July 19, 2012
Issuance of Order***	July 26, 2012

*This deadline may be extended under the governing statute.

**This will take place only in the event of a final affirmative determination from Commerce.

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IMPORT STATISTICS:

CHINA	2009	2010	2011
Quantity (No.)	26,876,000	46,084,000	93,292,000
Value (US\$)	639,528,000	1,506,329,000	3,117,369,000

Source: U.S. Bureau of Census, accessed through Global Trade Atlas. (HTSUS 8501.61.0000, 8507.20.80, 8541.40.6020, 8541.40.6030). Some HTSUS subheadings include basket categories and may cover both subject and non-subject merchandise.

¹ For a CVD investigation, the deadline is set forth in section 705(a)(1) of the Tariff Act of 1930, as amended (the Act)