

# U.S. INTERNATIONAL TRADE COMMISSION

## FY 2020 AT A GLANCE



### Import Injury Investigations

#### WHAT WE DO

The USITC determines whether imports are causing injury, threat of injury, or material retardation of a U.S. industry under the applicable laws. Import injury investigations at the USITC include antidumping and countervailing duty investigations and five-year (sunset) reviews under title VII of the Tariff Act of 1930; global safeguard (escape clause) investigations under the Trade Act of 1974; bilateral safeguard investigations under U.S. laws implementing certain free trade agreements; U.S.-Mexico cross-border long-haul trucking services investigations under the U.S.-Mexico-Canada Agreement; and investigations under section 22 of the Agricultural Adjustment Act.

The Commissioners base their determinations in import injury investigations on the requirements of the applicable law and the factual record developed in each investigation. Commission opinions are published and are subject to judicial and binational panel review.

#### HOW WE DO IT

In each investigation, the Commission and an investigative staff team (which includes a supervisory investigator, an investigator, an accountant/auditor, an economist, a commodity-industry analyst, an attorney, and a statistician) develop a thorough record of the conditions of competition within the domestic market of the industry under investigation.

The Commissioners and the investigative team employ a variety of fact-gathering techniques, which include (but are not limited to) industry-specific questionnaires, telephone interviews, plant visits, consultations with technical and marketing

specialists, statements by the parties, public hearings, and reviews of industry and market literature.

The investigative team collects and analyzes the extensive data in each investigation, then presents an objective and comprehensive report to the Commission. Data presented in the staff's report include (but are not limited to): the domestic industry's production capacity, production, capacity utilization, shipments, inventories, employment, productivity, and wages; pricing; imports; market conditions; U.S. market shares held by domestic and foreign suppliers; and full financial data for U.S. companies producing the product under investigation. Information about specific foreign industries producing the product under investigation is also collected and analyzed.

The Commission holds a hearing in most investigations at which parties present testimony and answer questions from Commissioners. Parties also submit briefs presenting their arguments.

#### FY 2020 NEW TITLE VII CASES

- Antidumping:  
25 petitions filed, comprising  
82 individual investigations
- Countervailing Duty:  
21 petitions filed, comprising  
30 individual investigations

#### PRODUCTS INCLUDED

- Chassis and subassemblies
- Common alloy aluminum sheet
- Fluid end blocks
- Metal lockers
- Non-refillable steel cylinders
- Phosphate fertilizers
- Standard steel welded wire mesh
- Vertical shaft engines
- Walk-behind lawn mowers
- Wood mouldings and millwork

#### OTHER INVESTIGATIONS

- Five-Year (Sunset) Reviews:  
31 reviews instituted,  
covering 71 separate orders
- Global Safeguard Investigations: 1
- Fresh, Chilled, or Frozen Blueberries
- Global Safeguard Monitoring Investigation: 1
- Crystalline Silicon Photovoltaic Cells, Whether or Not Partially or Fully Assembled Into Other Products
- Global Safeguard Modification Investigation: 1
- Crystalline Silicon Photovoltaic Cells, Whether or Not Partially or Fully Assembled Into Other Products
- Global Safeguard Extension Investigation: 1
- Large Residential Washers





## UNDERSTANDING ANTIDUMPING AND COUNTERVAILING DUTY INVESTIGATIONS

Under the Tariff Act of 1930, U.S. industries may petition the government for relief from imports that are sold in the United States at less than fair value (“dumped”) or which benefit from certain subsidies provided through foreign government programs. Under the law, the U.S. Department of Commerce (Commerce) determines whether the dumping or subsidizing exists and, if so, the margin of dumping or amount of the subsidy. The USITC determines whether the dumped or subsidized imports materially injure or threaten to materially injure the U.S. industry.

The USITC conducts preliminary and final

phase injury investigations. In its preliminary phase, the USITC determines, on the basis of the best information available to it at the time of the determination, (1) whether there is a “reasonable indication” that an industry is materially injured or is threatened with material injury, or (2) whether the establishment of an industry is materially retarded, by reason of the imports under investigation. If the USITC preliminary phase determination is affirmative, Commerce continues its investigation of whether the alleged dumping or subsidizing exists. If Commerce reaches a preliminary affirmative determination, the USITC initiates the final phase of its injury investigation.

In its final phase investigation, the USITC determines (1) whether an industry in the United States is materially injured or threatened with material injury, or (2) whether the establishment of an industry in the United States is materially retarded, by reason of imports that Commerce has determined to be subsidized or sold in the United States at less than fair value. If the final phase USITC determination is affirmative, the Secretary of Commerce issues an antidumping duty order (in a dumping investigation) or a countervailing duty order (in a subsidy investigation), which is enforced by U.S. Customs and Border Protection.

## UNDERSTANDING FIVE-YEAR (SUNSET) REVIEWS

The USITC also conducts five-year (sunset) reviews of existing antidumping and countervailing duty orders and suspension agreements. The Uruguay Round Agreements Act, approved in late 1994, amended the antidumping and countervailing duty laws in several respects. The most significant change was a provision that requires Commerce to revoke an antidumping or

countervailing duty order, or terminate a suspension agreement, five years after its initial publication or five years after publication of any subsequent determination to continue it, unless Commerce and the USITC determine that revoking the order or terminating the suspension agreement would be likely to lead to continuation or recurrence of dumping or subsidies

(Commerce) and of material injury (USITC) within a reasonably foreseeable time. If both agencies’ determinations are affirmative, the order or suspension agreement remains in effect. If either determination is negative, the Secretary of Commerce revokes the order or terminates the suspension agreement.

## UNDERSTANDING GLOBAL AND BILATERAL SAFEGUARD INVESTIGATIONS

Under section 201 of the Trade Act of 1974, domestic industries seriously injured or threatened with serious injury by increased imports may petition the USITC for import relief. The USITC determines whether an article is being imported in such increased quantities that it is a substantial cause of serious injury, or threat thereof, to the U.S. industry producing an article like or directly competitive with the imported article. Section 201 does not require a finding of dumping, subsidization, or any other unfair

trade practices. If the USITC makes an affirmative determination, it recommends to the President relief that would remedy the injury and facilitate industry adjustment to import competition. The President makes the final decision whether to provide relief and the amount of relief. Such relief may be in the form of a tariff increase, quantitative restrictions, or orderly marketing agreements, among other forms.

The Commission also conducts bilateral safeguard investigations under the

North American Free Trade Agreement Implementation Act and other statutes that implement bilateral free trade agreements. The Commission’s procedures in these bilateral investigations are similar in that if the Commission finds injury, it recommends a remedy to the President, and the President makes the final decision whether to provide relief and the amount of relief.

## UNDERSTANDING U.S.-MEXICO CROSS-BORDER LONG-HAUL TRUCKING SERVICES INVESTIGATIONS

Under the US-Mexico-Canada Agreement, which took effect during FY 2020, the USITC investigates whether grants of authority, or requests for grants of authority, for persons of Mexico to provide cross-border long-haul trucking services in the territory of the United States outside the border commercial zones are causing, or threaten to cause, material harm to U.S. suppliers, operators, or drivers.

An investigation may be based on a petition filed by an interested party representative of the U.S. long-haul trucking services industry; at the request of the President or the U.S. Trade Representative; or upon the resolution of the Committee on Ways and Means of the House of Representatives or the Committee on Finance of the Senate. The USITC has 120 days to conduct such an investigation. If the

USITC makes an affirmative determination, it must then recommend a remedy to the President within 60 days thereafter. The President makes the final decision whether to provide relief and the amount of relief.