

***CRYSTALLINE SILICON PHOTOVOLTAIC CELLS (WHETHER OR NOT  
PARTIALLY OR FULLY ASSEMBLED INTO OTHER PRODUCTS)***

Investigation No. TA-201-75

Remedy Hearing

Testimony of **Fang Liu**

**On behalf of the Government of the People's Republic of China**

Good morning Madam Chairwoman, Commissioners. My name is Fang Liu, first secretary in Economic & Commercial Office, Embassy of the People's Republic of China. On behalf of the Government of China(GOC), I would like to thank the United States International Trade Commission (USITC) for the opportunity to participate in the remedy hearing today.

On September 22, 2017, USITC made the affirmative determination on injury in the Section 201 investigation on imports of crystalline silicon photovoltaic cells. GOC, strongly disagrees with the injury determination because the said determination violates the obligations under the WTO Safeguard Agreement in many respects. Today, GOC will briefly present its comments in the following three aspects on the Section 201 remedy measures without prejudice to its position on the injury determination.

At the outset, GOC reiterates that the measures under the WTO Safeguard Agreement shall be applied only in exceptional circumstances with special caution. The circumstances in the current investigation do not justify any remedy measures to be imposed on imports from China.

Second, GOC notes that the remedy proposals of the petitioners, which, in the view of GOC, would lead to the collapse of the US solar market, because solar would no longer be a viable energy in competition with other sources of energy. The lessons in the EU solar market, that the imposition of AD/CVD measures on China's solar panel contributes to the EU consumption collapse from 16 GW to 7 GW from 2012 to 2015, should be learned by the US.

Third, GOC reminds the United States that the remedy measure, if any, shall be taken only to the extent necessary to remedy the alleged injury experienced by the US industry, and that any remedy measure shall be applied in a non-discriminatory manner. Hence, as to the remedy measure on imports from China, any such remedy measure shall be capped by the existent anti-dumping and countervailing measures on imports from China which have eliminated the alleged injury that could be possibly contributed to by imports from China for the following three reasons as supported by USITC Staff Report.

(a) The volume of Chinese imports has been declining during the investigation period and in 2017 as a result of the existent anti-dumping and countervailing measures. This downward trend is projected to continue and there is no threat that the volume of Chinese imports would rebound, should the anti-dumping and countervailing measures remain in place.

(b) The share of Chinese imports in total imports has been shrinking due to the substitution by imports from other countries and regions.

(c) The unit prices of Chinese imports were in fact significantly higher than imports from other countries/regions, should the anti-dumping and countervailing duties be taken into account. It well explains that Chinese imports decreased and were substituted by imports from other countries.

GOC believes that USITC would draw the same conclusion that the anti-dumping and countervailing measures on Chinese imports in place have sufficiently remedied the alleged injury which could be possibly contributed to Chinese imports. Therefore, the Section 201 measures, if any, applied to Chinese imports shall be capped by the anti-dumping and countervailing duties on imports from China in place. If not, the Section 201 measures would otherwise be applied discriminatorily against Chinese imports in violation of the WTO rules.

GOC trusts that USITC would take the above issues into consideration. GOC will continue to watch the current Section 201 investigation closely, and reserves the right to take further actions.