Aluminum Foil from China

Investigation Nos. 701-TA-570 and 731-TA-1346 (Review)

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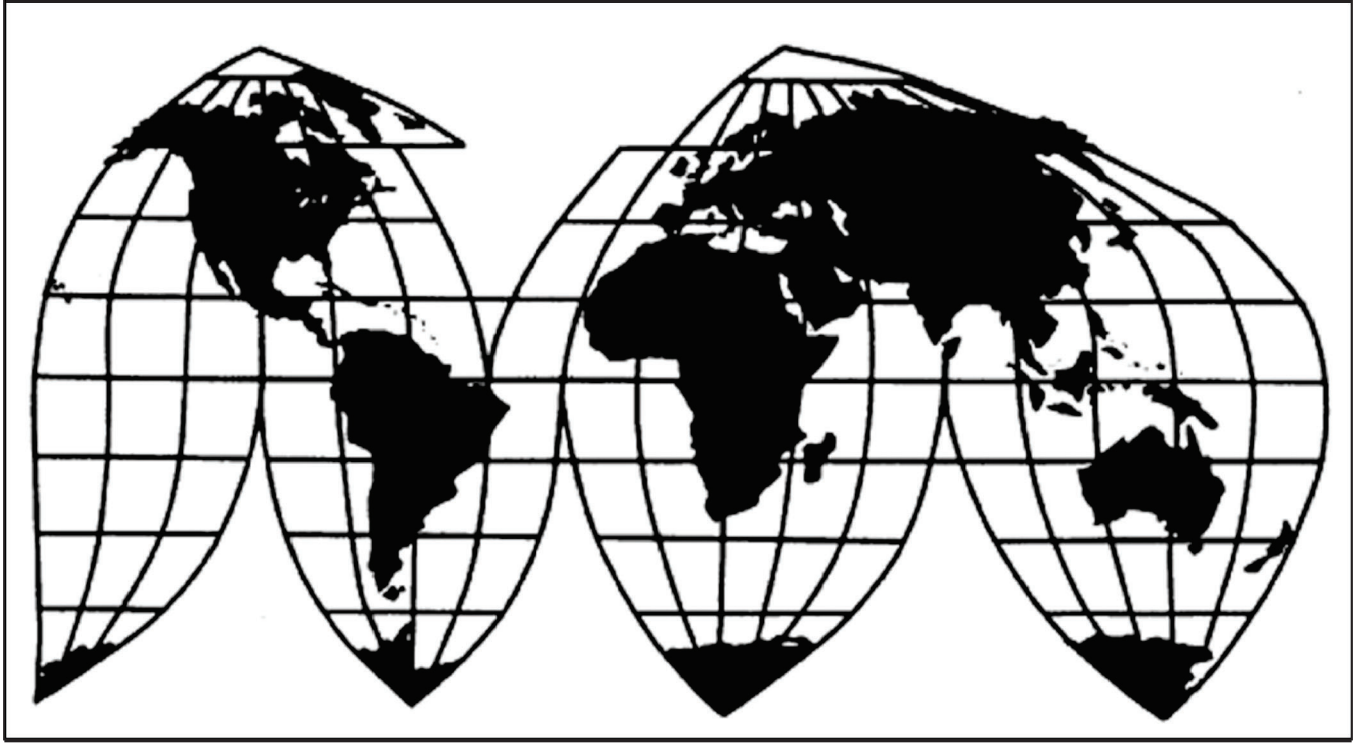
U.S. International Trade Commission



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UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 701-TA-570 and 731-TA-1346 (Review)

Aluminum Foil from China

DETERMINATIONS

On the basis of the record[1] developed in the subject five-year reviews, the United States International Trade Commission ("Commission") determines, pursuant to the Tariff Act of 1930 ("the Act"), that revocation of the antidumping and countervailing duty orders on aluminum foil from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

BACKGROUND

The Commission instituted these reviews on March 1, 2023 (88 FR 12990) and determined on June 5, 2023 that it would conduct expedited reviews (88 FR 44155, July 11, 2023).

[1] The record is defined in § 207.2(f) of the Commission's Rules of Practice and Procedure (19 CFR 207.2(f)).

Views of the Commission

Based on the record in these five-year reviews, we determine under section 751(c) of the Tariff Act of 1930, as amended ("the Tariff Act"), that revocation of the antidumping and countervailing duty orders on aluminum foil from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

I. Background

Original Investigations. In response to antidumping and countervailing duty petitions filed by the Aluminum Association Trade Enforcement Working Group and its individual members,[1] the Commission determined in April 2018 that an industry in the United States was materially injured by reason of imports of aluminum foil from China that were found by the Department of Commerce ("Commerce") to be sold at less than fair value ("LTFV") and subsidized by the government of China.[2] Commerce published its antidumping and countervailing duty orders on April 19, 2018.[3] The Commission's determinations were appealed and affirmed by the U.S. Court of International Trade ("CIT") and the Court of Appeals for the Federal Circuit ("CAFC").[4]

Current Reviews. On March 1, 2023, the Commission instituted these first five-year reviews.[5] The Commission received a joint response to the notice of institution from The

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[1] In the original investigations, the participating individual members were JW Aluminum Company, Novelis Corporation, and Reynolds Consumer Products. *Aluminum Foil from China*, Inv Nos. 701-TA-570 and 731-TA-1346 (Final), USITC Pub. 4771 (Apr. 2018) at 3 ("*Original Investigations*").

[2] *Original Investigations*, USTIC Pub. 4771 at 3.

[3] *Certain Aluminum Foil from the People's Republic of China: Amended Final Affirmative Countervailing Duty Determination and Countervailing Duty Order, 83 Fed. Reg. 17360 (Apr. 19, 2018); Certain Aluminum Foil from the People's Republic of China: Amended Final Affirmative Countervailing Duty Determination and Countervailing Duty Order*, 83 Fed. Reg. 17362 (Apr. 19, 2018). Commerce amended its final determination to correct a ministerial error it made in calculating the final dumping margin assigned to a Chinese producer.

[4] The CIT affirmed the Commission's determinations that ultra-thin gauge aluminum foil, as well as certain fin stock, were not separate domestic like products. *See Valeo North America, Inc. v. United States*, 404 F. Supp. 3d 1303, 1315, 1322 (Ct. Int'l Trade 2019), *aff'd*, 827 Fed. Appx. 937, 940 (Fed. Cir. 2020).

[5] *Aluminum Foil from China: Institution of Five-Year Review*, 88 Fed. Reg. 12990, 12991 (Mar. 1, 2023) ("*Notice of Institution*").

Aluminum Association Trade Enforcement Group and its individual members (collectively, "Domestic Producers"),[6] all of which are domestic producers of aluminum foil.[7] No respondent interested party responded to the notice of institution or participated in these reviews. On June 5, 2023, the Commission found that the domestic interested party group response was adequate and that the respondent interested party group response was inadequate.[8] Finding no other circumstances that would warrant conducting full reviews, the Commission determined that it would conduct expedited reviews of the antidumping and countervailing duty orders.[9] The Domestic Producers submitted final comments pursuant to 19 C.F.R. § 207.62(d)(1) regarding the determinations that the Commission should reach.[10]

U.S. industry data in these reviews are based on information provided by the Domestic Producers in their joint response to the notice of institution, which are estimated to have collectively accounted for *** percent of U.S. production of aluminum foil in 2022.[11] U.S. import data and related data are based on official Commerce statistics.[12] Foreign industry data and related information are based on information from the original investigations, information submitted by Domestic Producers in their response to the notice of institution, and publicly available information compiled by the Commission.[13] Additionally, three firms, ***, identified by the Domestic Producers as U.S. purchasers of aluminum foil, responded to the Commission's adequacy phase questionnaires.[14]

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[6] The individual members participating in these reviews are Gränges Americas Inc. ("Gränges"), JW Aluminum Company ("JW Aluminum"), Novelis Corporation ("Novelis"), and Reynolds Consumer Products, LLC ("Reynolds").

[7] *See Domestic Industry's Substantive Response to the Notice of Institution*, EDIS Doc. 793493, (Mar. 31, 2023) ("*Confidential Domestic Response*"); *Domestic Industry's Substantive Response to the Notice of Institution*, EDIS Doc. 793495 (Mar 31, 2023) ("*Domestic Response*"); *Supplement to Domestic Industry's Response to Notice of Institution*, EDIS Doc. 794593 (Apr. 19, 2023).

[8] *Aluminum Foil from China; Scheduling of Expedited Five-Year Reviews*, 88 Fed. Reg. 44155 (July 11, 2023).

[9] *Explanation of Commission Determination on Adequacy*, EDIS Doc. 799614 (June 30, 2023).

[10] *Domestic Industry's Final Comments*, EDIS Doc. 803151 (Aug. 24, 2023) ("*Domestic Final Comments*").

[11] *Confidential Staff Report*, INV-VV-044, EDIS Doc. No. 797056 (May 23, 2023) ("CR"), *Public Report* ("PR") at I-2.

[12] CR/PR at Table I-7. Import data are compiled from official Commerce statistics for HTS statistical reporting numbers 7607.11.3000, 7607.11.6000, 7607.11.6090, 7607.11.9030, 7607.11.9060, 7607.11.9090, and 7607.19.6000. *Id.*

[13] CR/PR at Table I-7 to I-9; *see generally Confidential Domestic Response* and Exhibits.

[14] CR/PR at D-3.

II. Domestic Like Product and Industry

A. Domestic Like Product

In making its determination under section 751(c) of the Tariff Act, the Commission defines the "domestic like product" and the "industry."[15] The Tariff Act defines "domestic like product" as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this subtitle."[16] The Commission's practice in five-year reviews is to examine the domestic like product definition from the original investigation and consider whether the record indicates any reason to revisit the prior findings.[17]

Commerce has defined the imported merchandise within the scope of the orders under review as follows:

> The merchandise covered by th{e} Order{s} 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. Regardless of specification, however, all aluminum foil meeting the scope description is included in the scope, including aluminum foil to which lubricant has been applied to one or both sides of the foil.
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> Excluded from the scope of th{e} Order{s} is aluminum foil that is backed with paper, paperboard, plastics, or similar backing

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[15] 19 U.S.C. § 1677(4)(A).

[16] 19 U.S.C. § 1677(10); *see*, *e.g., Cleo Inc. v. United States*, 501 F.3d 1291, 1299 (Fed. Cir. 2007); *NEC Corp. v. Dep't of Commerce*, 36 F. Supp. 2d 380, 383 (Ct. Int'l Trade 1998); *Nippon Steel Corp. v. United States*, 19 CIT 450, 455 (1995); *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int'l Trade 1996); *Torrington Co. v. United States*, 747 F. Supp. 744, 748-49 (Ct. Int'l Trade 1990), *aff'd*, 938 F.2d 1278 (Fed. Cir. 1991); *see also* S. Rep. No. 249, 96th Cong., 1st Sess. 90-91 (1979).

[17] *See*, *e.g.*, *Internal Combustion Industrial Forklift Trucks from Japan*, Inv. No. 731-TA-377 (Second Review), USITC Pub. 3831 at 8-9 (Dec. 2005); *Crawfish Tail Meat from China*, Inv. No. 731-TA-752 (Review), USITC Pub. 3614 at 4 (July 2003); *Steel Concrete Reinforcing Bar from Turkey*, Inv. No. 731-TA-745 (Review), USITC Pub. 3577 at 4 (Feb. 2003).

> 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.
>
> Where the nominal and actual measurements vary, a product is within the scope if application of either the nominal or actual measurement would place it within the scope based on the definitions set forth above. The products under the order{s} 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. Further, merchandise that falls within the scope of this proceeding may also be entered into the United States 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.
>
> Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of th{ese} Order{s} is dispositive.[18]

Aluminum foil is a thin wrought aluminum product that is produced via a rolling process. It is produced in a variety of gauges or levels of thickness and is commonly produced using 1XXX, 3XXX, and 8XXX series alloys.[19] Aluminum foil is used extensively in food and pharmaceutical packaging because it provides protection against light, oxygen, moisture, and bacteria. It is also used in industrial applications such as thermal insulation, cables, and electronics where properties such as heat reflectivity and barrier protection are desired.

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[18] *Issues and Decision Memorandum for the Final Results of the Expedited First Sunset Review of the Antidumping Duty Order on Certain Aluminum Foil from the People's Republic of China*, EDIS Doc. 803109, at 2 (June 23, 2023) ("*Commerce AD I&D Memo"*); *Issues and Decision Memorandum for the Expedited First Sunset Review of the Countervailing Duty Order of Certain Aluminum Foil from the People's Republic of China*, EDIS Doc. 803109, at 2-3 (June 21, 2023) ("*Commerce CVD I&D Memo").*

[19] CR/PR at I-8.

Common products that use aluminum foil include pie pans, food and candy wrappers, and household foil.[20]

Fin stock is an extra heavy type of aluminum foil that is produced in a variety of gauges or levels of thickness and is primarily produced using 1XXX, 3XXX, and 7XXX series alloys.[21] It is used in a variety of applications, including heating, ventilation, and air conditioning ("HVAC"), and other heat transfer products where properties such as light-weight, corrosion resistance, and formability are desired.[22]

In the original investigations, the Commission applied its traditional six factor test and defined a single domestic like product consisting of aluminum foil, coextensive with Commerce's scope.[23] The Commission considered three domestic like product issues. The Commission considered whether ultra-thin gauge aluminum foil or "extra-heavy" fin stock should be defined as separate like products, and whether the definition of the domestic like product should be expanded to include out-of-scope small reels of aluminum foil.[24] The Commission found that the definition should not be expanded nor should ultra-thin gauge or "extra-heavy" fin stock be defined as separate domestic like products.[25]

The record does not contain any new information suggesting that the pertinent product characteristics and uses of aluminum foil have changed since the original investigations so as to warrant revisiting the Commission's domestic like product definition. The Domestic Producers agree with the Commission's definition of the domestic like product from the original investigations.[26] Consequently, we again define a single domestic like product consisting of aluminum foil, coextensive with Commerce's scope.

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[20] CR/PR at I-7.

[21] CR/PR at I-9.

[22] CR/PR at I-9.

[23] *Original Investigations*, USITC Pub. 4771 at 4-9. The Commission generally considers a number of factors when defining the domestic like product, including the following: (1) physical characteristics and uses; (2) interchangeability; (3) channels of distribution; (4) customer and producer perceptions of the products; (5) common manufacturing facilities, production processes, and production employees; and, where appropriate, (6) price. *See Nippon*, 19 CIT at 455 n.4; *Timken Co.,* 913 F. Supp. at 584.

[24] *Original Investigations*, USITC Pub. 4771 at 7-15.

[25] *Original Investigations*, USITC Pub. 4771 at 7-15.

[26] *Domestic Response* at 19.

B. Domestic Industry

Section 771(4)(A) of the Tariff Act defines the relevant industry as the domestic "producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product."[27] In defining the domestic industry, the Commission's general practice has been to include in the industry producers of all domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market.

We must determine whether any producer of the domestic like product should be excluded from the domestic industry pursuant to section 771(4)(B) of the Tariff Act. This provision allows the Commission, if appropriate circumstances exist, to exclude from the domestic industry producers that are related to an exporter or importer of subject merchandise, or which are themselves importers.[28] Exclusion of such a producer is within the Commission's discretion based upon the facts presented in each investigation.[29]

In the original investigations, the Commission defined the domestic industry as all domestic producers of aluminum foil. Though several domestic producers qualified for possible exclusion from the domestic industry as related parties, the Commission found that appropriate circumstances did not exist to exclude them.[30]

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[27] 19 U.S.C. § 1677(4)(A). The definitions in 19 U.S.C. § 1677 are applicable to the entire subtitle containing the antidumping and countervailing duty laws, including 19 U.S.C. §§ 1675 and 1675a. *See* 19 U.S.C. § 1677.

[28] *See Torrington Co v. United States*, 790 F. Supp. 1161, 1168 (Ct. Int'l Trade 1992), *aff'd without opinion*, 991 F.2d 809 (Fed. Cir. 1993); *Sandvik AB v. United States*, 721 F. Supp. 1322, 1331-32 (Ct. Int'l Trade 1989), *aff'd mem.,* 904 F.2d 46 (Fed. Cir. 1990); *Empire Plow Co. v. United States*, 675 F. Supp. 1348, 1352 (Ct. Int'l Trade 1987).

[29] The primary factors the Commission has examined in deciding whether appropriate circumstances exist to exclude a related party include the following:

(1) the percentage of domestic production attributable to the importing producer;

(2) the reason the U.S. producer has decided to import the product subject to investigation (whether the firm benefits from the LTFV sales or subsidies or whether the firm must import in order to enable it to continue production and compete in the U.S. market);

(3) whether inclusion or exclusion of the related party will skew the data for the rest of the industry;

(4) the ratio of import shipments to U.S. production for the imported product; and

(5) whether the primary interest of the importing producer lies in domestic production or importation. *Changzhou Trina Solar Energy Co. v. USITC*, 100 F. Supp.3d 1314, 1326-31 (Ct. Int'l. Trade 2015); *see also Torrington Co. v. United States*, 790 F. Supp. at 1168.

[30] *Original Investigations*, USITC Pub. 4771 at 19. In the original investigations, three domestic producers, ***, ***, and ***, qualified for possible exclusion because they imported subject aluminum (Continued…)

In these reviews, Gränges may qualify as a related party due to its affiliation with Gränges Aluminum (Shanghai) Ltd., a foreign producer and exporter of the subject merchandise.[31] There is no information on the record indicating that the affiliated Chinese entity exported subject merchandise to the United States during the period of review or exerted direct or indirect control over Gränges, as would be necessary for Gränges to qualify as a related party. Moreover, Domestic Producers agree with the Commission's definition of the domestic industry from the original investigations and do not argue for Gränges' exclusion.[32]

In sum, consistent with our definition of the domestic like product, we define the domestic industry as all domestic producers of aluminum foil.[33]

(…Continued)
foil during the period of investigation. *Original Investigations*, Confidential Version, EDIS Doc. 795465 at 24 (Apr. 2018) ("*Original Investigations Confidential Opinion*"). The record also indicated that another domestic producer, ***, qualified as a related party by virtue of its affiliation with a Chinese exporter of subject merchandise to the U.S. market. *Id*. at 25 n.92. The Commission determined that ***, ***, and *** each imported small volumes of subject merchandise relative to their domestic production and were therefore principally interested in domestic production. *Id*. at 24-28. Thus, the Commission found that appropriate circumstances did not exist to exclude ***, ***, or *** from the domestic industry.

*** opposed the investigations, and while it was a domestic producer for the first two years of the investigation period (***), it ceased domestic production in 2016 and shifted to importing relatively small volumes of subject merchandise. *Id*. at 27. The record, however, did not indicate that *** had benefited from its imports of subject merchandise when it had been a domestic producer. Given this, and in the absence of any contrary argument, the Commission also determined that appropriate circumstances did not exist to exclude *** from the domestic industry. *Id*.

[31] *Domestic Response* at 15. The other participating Domestic Producers reported that they do not currently import subject merchandise, nor are they related to any importer or exporter of subject merchandise. *Confidential Domestic Response* at 15.

[32] *Domestic Response* at 19.

[33] Even if Gränges were to qualify as a related party, we would find that appropriate circumstances do not exist for its exclusion. Gränges estimates that it accounted for *** percent of domestic production of aluminum foil in 2022, making it the *** domestic producer that year. ***. Further, Gränges announced an investment of $26 million in three new rolling mills and equipment focused on the production of light-gauge aluminum foil at its Newport, Arkansas facility in 2018, and a subsequent expansion of the same facility in 2022 to produce aluminum foil for battery cathodes. Based on the foregoing, Gränges' primary interest would appear to be in domestic production and there is no indication on the record that its inclusion would skew the data. *See Confidential Domestic Response* at 17, Exhibits 1 and 9; CR/PR at Table I-5.

III. Revocation of the Antidumping and Countervailing Duty Orders Would Likely Lead to Continuation or Recurrence of Material Injury Within a Reasonably Foreseeable Time

A. Legal Standards

In a five-year review conducted under section 751(c) of the Tariff Act, Commerce will revoke an antidumping or countervailing duty order unless: (1) it makes a determination that dumping or subsidization is likely to continue or recur and (2) the Commission makes a determination that revocation of the antidumping or countervailing duty order "would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time."[34] The SAA states that "under the likelihood standard, the Commission will engage in a counterfactual analysis; it must decide the likely impact in the reasonably foreseeable future of an important change in the status quo – the revocation or termination of a proceeding and the elimination of its restraining effects on volumes and prices of imports."[35] Thus, the likelihood standard is prospective in nature.[36] The U.S. Court of International Trade has found that "likely," as used in the five-year review provisions of the Act, means "probable," and the Commission applies that standard in five-year reviews.[37]

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[34] 19 U.S.C. § 1675a(a).

[35] SAA at 883-84. The SAA states that "{t}he likelihood of injury standard applies regardless of the nature of the Commission's original determination (material injury, threat of material injury, or material retardation of an industry). Likewise, the standard applies to suspended investigations that were never completed." *Id*. at 883.

[36] While the SAA states that "a separate determination regarding current material injury is not necessary," it indicates that "the Commission may consider relevant factors such as current and likely continued depressed shipment levels and current and likely continued {sic} prices for the domestic like product in the U.S. market in making its determination of the likelihood of continuation or recurrence of material injury if the order is revoked." SAA at 884.

[37] *See NMB Singapore Ltd. v. United States*, 288 F. Supp. 2d 1306, 1352 (Ct. Int'l Trade 2003) ("'likely' means probable within the context of 19 U.S.C. § 1675(c) and 19 U.S.C. § 1675a(a)"), *aff'd mem.*, 140 Fed. Appx. 268 (Fed. Cir. 2005); *Nippon Steel Corp. v. United States*, 26 CIT 1416, 1419 (2002) (same); *Usinor Industeel, S.A. v. United States*, 26 CIT 1402, 1404 nn.3, 6 (2002) ("more likely than not" standard is "consistent with the court's opinion;" "the court has not interpreted 'likely' to imply any particular degree of 'certainty'"); *Indorama Chemicals (Thailand) Ltd. v. United States*, 26 CIT 1059, 1070 (2002) ("standard is based on a likelihood of continuation or recurrence of injury, not a certainty"); *Usinor v. United States*, 26 CIT 767, 794 (2002) ("'likely' is tantamount to 'probable,' not merely 'possible'").

The statute states that "the Commission shall consider that the effects of revocation or termination may not be imminent, but may manifest themselves only over a longer period of time."[38] According to the SAA, a "'reasonably foreseeable time' will vary from case-to-case, but normally will exceed the 'imminent' timeframe applicable in a threat of injury analysis in original investigations."[39]

Although the standard in a five-year review is not the same as the standard applied in an original investigation, it contains some of the same fundamental elements. The statute provides that the Commission is to "consider the likely volume, price effect, and impact of imports of the subject merchandise on the industry if the orders are revoked or the suspended investigation is terminated."[40] It directs the Commission to take into account its prior injury determination, whether any improvement in the state of the industry is related to the order or the suspension agreement under review, whether the industry is vulnerable to material injury if an order is revoked or a suspension agreement is terminated, and any findings by Commerce regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4).[41] The statute further provides that the presence or absence of any factor that the Commission is required to consider shall not necessarily give decisive guidance with respect to the Commission's determination.[42]

In evaluating the likely volume of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether the likely volume of imports would be significant either in absolute terms or relative to production or consumption in the United States.[43] In doing so, the Commission must consider "all relevant economic factors," including four enumerated factors: (1) any likely increase in production capacity or existing unused production capacity in the exporting country;

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[38] 19 U.S.C. § 1675a(a)(5).

[39] SAA at 887. Among the factors that the Commission should consider in this regard are "the fungibility or differentiation within the product in question, the level of substitutability between the imported and domestic products, the channels of distribution used, the methods of contracting (such as spot sales or long-term contracts), and lead times for delivery of goods, as well as other factors that may only manifest themselves in the longer term, such as planned investment and the shifting of production facilities." *Id*.

[40] 19 U.S.C. § 1675a(a)(1).

[41] 19 U.S.C. § 1675a(a)(1). Commerce has not made any duty absorption findings since the imposition of the antidumping and countervailing duty orders. *See generally Commerce I&D AD Memo*; *Commerce I&D CVD Memo.*

[42] 19 U.S.C. § 1675a(a)(5). Although the Commission must consider all factors, no one factor is necessarily dispositive. SAA at 886.

[43] 19 U.S.C. § 1675a(a)(2).

(2) existing inventories of the subject merchandise, or likely increases in inventories; (3) the existence of barriers to the importation of the subject merchandise into countries other than the United States; and (4) the potential for product shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products.[44]

In evaluating the likely price effects of subject imports if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether there is likely to be significant underselling by the subject imports as compared to the domestic like product and whether the subject imports are likely to enter the United States at prices that otherwise would have a significant depressing or suppressing effect on the price of the domestic like product.[45]

In evaluating the likely impact of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider all relevant economic factors that are likely to have a bearing on the state of the industry in the United States, including but not limited to the following: (1) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity; (2) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment; and (3) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.[46] All relevant economic factors are to be considered within the context of the business cycle and the conditions of competition that are distinctive to the industry. As instructed by the statute, we have considered the extent to which any improvement in the state of the domestic industry is related to the orders under review and whether the industry is vulnerable to material injury upon revocation.[47]

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[44] 19 U.S.C. § 1675a(a)(2)(A-D).

[45] *See* 19 U.S.C. § 1675a(a)(3). The SAA states that "{c}onsistent with its practice in investigations, in considering the likely price effects of imports in the event of revocation and termination, the Commission may rely on circumstantial, as well as direct, evidence of the adverse effects of unfairly traded imports on domestic prices." SAA at 886.

[46] 19 U.S.C. § 1675a(a)(4).

[47] The SAA states that in assessing whether the domestic industry is vulnerable to injury if the order is revoked, the Commission "considers, in addition to imports, other factors that may be contributing to overall injury. While these factors, in some cases, may account for the injury to the domestic industry, they may also demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports." SAA at 885.

No respondent interested party participated in these expedited reviews. The record, therefore, contains limited new information with respect to the aluminum foil industry in China. There also is limited information on the aluminum foil market in the United States during the period of review. Accordingly, for our determinations, we rely as appropriate on the facts available from the original investigations and the information on the record in these first five-year reviews.

B. Conditions of Competition and the Business Cycle

In evaluating the likely impact of the subject imports on the domestic industry if an order is revoked, the statute directs the Commission to consider all relevant economic factors "within the context of the business cycle and conditions of competition that are distinctive to the affected industry."[48] The following conditions of competition inform our determinations.

1. Demand Conditions

Original Investigations. The Commission found that U.S. demand for aluminum foil depends on the demand for U.S.-produced downstream products and overall economic growth.[49] The largest end-uses for aluminum foil included household foil, semi-rigid food containers, durable goods such as air conditioners, other types of containers and packaging, and passenger cars. Apparent U.S consumption of aluminum foil in the total market increased irregularly from *** short tons in 2014 to *** short tons in 2016, a level *** percent higher than in 2014; it was *** percent higher in interim 2017, at *** short tons, than in interim 2016, at *** short tons.[50]

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[48] 19 U.S.C. § 1675a(a)(4).

[49] *Original Investigations*, USITC Pub. 4771 at 23-24.

[50] *Original Investigations Confidential Opinion* at 36-37; *see also Original Investigations Staff Report*, EDIS Doc. 795463, INV-QQ-028, at Table C-1 (Mar. 6, 2018). Apparent U.S. consumption in the merchant market decreased by *** percent from *** short tons in 2014 to *** short tons in 2015 before increasing by *** percent to *** short tons in 2016, for an overall period increase of *** percent, and was up across interim periods by *** percent at *** short tons in interim 2016 and *** short tons in interim 2017. *Original Investigations Staff Report*, EDIS Doc. 795463 at Table C-2.

In the original investigations, the Commission found that the criteria for application of the captive production provision of the statute was satisfied. *See Original Investigations*, USTIC Pub. 4771 at 23-24. Accordingly, it focused on the merchant market in analyzing the market share and financial performance of the domestic industry. *Id*. at 24. It also considered the market as a whole for aluminum foil in its analysis. *See Original Investigations Confidential Opinion* at 37. The Commission has stated (Continued…)

Current Reviews. There is no new information indicating that the factors influencing demand have changed since the original investigations. The record indicates that demand for aluminum foil continues to derive from demand for domestically produced downstream products, including products for HVAC systems, automotive production, and packaging for food, beverages and pharmaceuticals.[51] Domestic Producers state that the COVID-19 pandemic reduced overall demand for aluminum foil, although demand for certain downstream aluminum foil products, especially for household uses, increased as consumers spent more time at home.[52]

In 2022, apparent U.S consumption of aluminum foil was *** short tons in the total market and *** short tons in the merchant market, which were each *** than in 2016.[53]

2. Supply Conditions

Original Investigations. The domestic industry was the largest source of supply to the merchant market during the original period of investigation ("POI"). Its share of the merchant market by quantity decreased from *** percent in 2014 to *** percent in 2015 and to *** percent in 2016.[54] Its share of the merchant market was *** percent in interim 2016 and *** percent in interim 2017.[55] Two domestic producers reported closing or idling aluminum foil production during the POI and both domestic producers and purchasers reported domestic supply constraints.[56]

(…Continued)
that the captive production provision does not apply to five-year reviews. *See e.g., Carbon and Certain Alloy Steel Wire Rod from Belarus, Italy, Russia, South Africa, South Korea, Spain, Turkey, Ukraine, the United Arab Emirates, and the United Kingdom*, Inv. Nos. 701-TA-573-574 & 731-TA-1349-1358 (Review), USITC Pub. 5449 at 34-35 n.182 (Aug. 2023); *Hot-Rolled Steel Products from Argentina, China, India, Indonesia, Kazakhstan, Romania, South Africa, Taiwan, Thailand, and Ukraine*, Inv. Nos. 701-TA-404-408 & 731-TA-898-902 & 904-908 (Review), USITC Pub. 3956 at 25 n.129 (Oct. 2007). However, we find it appropriate to consider the merchant market data as a relevant condition of competition in these reviews.

[51] *See Domestic Response* at 18-19.

[52] *Domestic Response* at 18-19.

[53] CR/PR at Table I-9; CR/PR at Table I-8.

[54] *Original Investigations Confidential Opinion* at 37. The domestic industry's share of the total market decreased from *** percent in 2014 to *** percent in 2015 and then to *** percent in 2016. *Id*. at 37 n.143.

[55] *Original Investigations Confidential Opinion* at 37. The domestic industry's share of the total market was *** percent in interim 2016 and *** percent in interim 2017. *Id*. at 37 n.143.

[56] *Original Investigations Confidential Opinion* at 37-38.

Subject imports were the second-largest source of supply to the merchant market over the original POI.[57] Subject imports' share of the merchant market, by quantity, increased from *** percent in 2014 to *** percent in 2015 and to *** percent in 2016. Their share of the merchant market was higher in interim 2017, at *** percent, than in interim 2016, at *** percent.[58]

Nonsubject imports were the smallest source of supply over the POI. Their share of the merchant market by quantity decreased from *** percent in 2014 to *** percent in 2015 and to *** percent in 2016.[59] Their share of the merchant market was lower in interim 2016, at *** percent, than in interim 2017, at *** percent.[60] In 2016, Germany, Russia, and Armenia were the largest nonsubject sources of supply to the U.S. market, in order of quantity.[61]

Current Reviews. The domestic industry was the largest source of supply in the U.S. total market in 2022, accounting for *** percent, which was *** than in 2016.[62]

The information available indicates that there were several changes to the domestic industry during the period of review. In May 2018, Gränges announced a $26 million investment to restart production and expand its light gauge aluminum foil facility in Newport, Arkansas, which it completed in October 2020.[63] In March 2021, Gränges also announced a $33 million investment to expand aluminum casting operations in Huntingdon, Tennessee, to meet increased demand from North American customers.[64] It estimated that these investments would increase its casting capacity by 27,588 short tons per year.[65] In May 2022, Gränges

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[57] *Original Investigations*, USTIC Pub. 4771 at 25.

[58] *Original Investigations Confidential Opinion* at 38-39. Subject imports' share of the total market increased from *** percent in 2014 to *** percent in 2015 and then to *** percent in 2016. *Id*. at n.153. Their share of the total market was lower in interim 2016, at *** percent, than in interim 2017, at *** percent. *Id*.

[59] *Original Investigations Confidential Opinion* at 39. Nonsubject imports' share of the total market, by quantity, decreased from *** percent in 2014 to *** percent in 2015 and then to *** percent in 2016. *Id.* at 39 n.154.

[60] *Original Investigations Confidential Opinion* at 39. Their share of the total market, by quantity, was lower in interim 2016, at *** percent, than in interim 2017, at *** percent. *Id*. at 39 n. 155.

[61] *Original Investigations Confidential Opinion* at 39.

[62] CR/PR at Table I-8. The domestic industry's share of apparent U.S. consumption in the merchant market was *** percent, which was also *** than in 2016. CR/PR at Table I-9.

[63] CR/PR at Table I-5.

[64] CR/PR at Table I-5.

[65] CR/PR at Table I-5.

announced an expansion of its Newport, Arkansas, facility to produce aluminum foil for battery cathodes and anticipated beginning deliveries in 2024.[66]

Novelis acquired Aleris Corporation and its facilities for foil production in Ohio, Virginia, and Iowa.[67] In June 2021, Novelis announced a $7 million investment to restart an Indiana plant that had been idled since 2014, where it produced aluminum foil for household applications.[68] In January 2022, Novelis announced a $365 million investment into a new recycling plant in Kentucky, where it will have a casting capacity of 264,555 short tons of aluminum sheet ingot. In October 2022, Novelis broke ground on a $2.2 billion recycling and rolling plant in Alabama, where it will have an annual capacity of 661,387 short tons for production primarily in the beverage container market.[69]

JW Aluminum closed its St. Louis, Missouri, plant in May 2020, where it produced aluminum foil for sale to converters. In January 2021, JW Aluminum also closed its Williamsport, Pennsylvania, facility, where it produced foil products for aerospace, building and construction, automotive and other transportation, and general distribution.[70]

Responding purchasers reported ***. Two responding purchasers *** reported that ***.[71] Responding purchaser *** reported that ***.[72]

Subject imports were the *** largest source of supply to the U.S. market in 2022, accounting for *** percent of apparent U.S. consumption in the total market, which was *** than in 2016.[73] This market share was *** than in the original investigations.[74]

Nonsubject imports were the *** supply to the U.S. total market in 2022, accounting for *** percent of apparent U.S. consumption in the total market.[75] This market share was ***

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[66] CR/PR at Table I-5.

[67] CR/PR at Table I-5. Novelis was required to divest a rolling mill in Lewisport, Kentucky, as a regulatory condition for the merger. *Id*.

[68] CR/PR at Table I-5.

[69] CR/PR at Table I-5.

[70] CR/PR at Table I-5. Domestic Producers report that AA Metals, Inc. purchased JW Aluminum's former Williamsport, PA facility in 2021 and began operating in the fourth quarter of 2022 as Chance Aluminum Corp. *See Confidential Domestic Response* at 18; Exhibit 11. The Domestic Producers estimate that ***. *Id*. at 17.

[71] CR/PR at D-4.

[72] CR/PR at D-4.

[73] CR/PR at Table I-8. Subject imports accounted for *** percent of apparent U.S. consumption in the merchant market, which was also *** than in 2016. CR/PR at Table I-9.

[74] CR/PR at Table I-9; CR/PR at Table I-8.

[75] CR/PR at Table I-8. Nonsubject imports accounted for *** percent of the merchant market, which was also *** than in 2016. CR/PR at Table I-9.

than in 2016. In 2021, antidumping duty orders were imposed on nonsubject imports of aluminum foil from Armenia, Brazil, Oman, Russia, and Turkey, and countervailing duty orders were imposed on nonsubject imports of aluminum foil from Oman and Turkey.[76]

In addition, Commerce has made preliminary determinations that nonsubject imports of aluminum foil from Thailand and South Korea using aluminum foil and sheet inputs manufactured in China were circumventing the antidumping and countervailing duty orders on aluminum foil from China.[77] The record indicates that imports of aluminum foil from South Korea increased 573 percent from 2017 to 2022, and 12,121 percent from Thailand over the same time period, as subject imports from China decreased by 90 percent.[78] By 2022, Thailand was the largest nonsubject source of aluminum foil imports into the United States, by quantity, and South Korea was the second-largest nonsubject source of aluminum imports into the United States, by quantity.[79]

3. Substitutability and Other Conditions

Original Investigations. The Commission found that there was a moderate degree of substitutability between subject imports and the domestic like product that varied based on the gauge of the product.[80] It noted that market participants expressed mixed views as to the degree of interchangeability between subject imports and the domestic like product.[81] The Commission also found that price was an important factor in purchasing decisions.[82]

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[76] CR/PR at Table I-3.

[77] *See Antidumping and Countervailing Duty Orders on Certain Aluminum Foil from the People's Republic of China: Preliminary Affirmative Determinations of Circumvention with Respect to the Republic of Korea and the Kingdom of Thailand*, 88 Fed. Reg. 17177 (Dep't. of Commerce Mar. 22, 2023).

[78] Imports from South Korea increased from 6,309 short tons in 2017 before the orders were imposed on aluminum foil from China, to 25,408 short tons in 2018, and then increased during all years in the review period up to 42,450 short tons in 2022. CR/PR at Table I-7. Similarly, imports from Thailand went from 408 short tons in 2017, to 3,320 short tons in 2018, and then increased during all years in the review period up to 49,865 short tons in 2022. CR/PR at Table I-7.

[79] CR/PR at I-35.

[80] *Original Investigations*, USITC Pub. 4771 at 26. The Commission observed that market participants expressed mixed views as to the degree of interchangeability between subject imports and the domestic like product, with the majority of U.S. producers indicating that subject imports and the domestic like product were always interchangeable and a majority of importers and purchasers reporting that they were always, frequently, or sometimes interchangeable. *Id*.

[81] *Original Investigations*, USITC Pub. 4771 at 26.

[82] *Original Investigations*, USITC Pub. 4771 at 26. The Commission noted that purchasers most frequently cited price, quality, and availability as being among the three most important factors (Continued…)

The Commission found that the primary raw material used to manufacture aluminum foil was unwrought aluminum, the price for which generally consisted of three components: an indexed price of aluminum such as the London Metal Exchange ("LME") price, the Midwest premium,[83] and a fabrication fee.[84] The record indicated that raw materials prices had fluctuated over the POI.[85]

The Commission also found that aluminum foil was sold primarily to end users.[86] Subject imports and the domestic like product overlapped with respect to their channels of distribution, particularly in the consumer packaging and industrial end use applications.[87] U.S. producers' U.S. shipments were sold primarily on the basis of annual and long-term contracts, with a small percentage being spot sales.[88] U.S. shipments of subject imports were made primarily on the spot market, but also pursuant to annual contracts.[89]

Current Review. The record in these reviews contains no new information to indicate that the degree of substitutability between the domestic like product and subject imports, or the importance of price in purchasing decisions have changed since the original investigations. Domestic Producers argue that subject imports and the domestic like product remain substitutable and that price remains an important factor in purchasing decisions.[90] Accordingly, we find, as in the original investigations, that there is a moderate degree of substitutability between subject imports and the domestic like product that varies based on the gauge of the product, and that price remains an import factor in purchasing decisions.

Aluminum foil imports are subject to *ad valorem* duties of 3.0, 5.3, or 5.8 percent depending on the HTS subheading under which they enter, which generally vary by foil

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(…Continued)
considered in purchasing decisions, with a large majority of responding U.S. purchasers reporting that price was a very important factor in purchasing decisions. *Id*.

[83] As the Commission explained, the Midwest premium is a daily premium to the LME price applicable to U.S. wrought aluminum producers; it is based on physical spot deals, bids, and offers reported through a daily survey of spot buyers and sellers, and uses a representative sample of producers, traders, and different types of end users. It reflects both deliveries to a typical freight consumer in a broad U.S. Midwest region via truck or rail as well as the transaction costs. *Original Investigations*, USITC Pub. 4771 at 27 n.169.

[84] *Original Investigations*, USITC Pub. 4771 at 27.

[85] *Original Investigations*, USITC Pub. 4771 at 27-28.

[86] *Original Investigations*, USITC Pub. 4771 at 28.

[87] *Original Investigations*, USITC Pub. 4771 at 28.

[88] *Original Investigations*, USITC Pub. 4771 at 28.

[89] *Original Investigations*, USITC Pub. 4771 at 27.

[90] *Confidential Domestic Response* at 13.

thickness.[91] Aluminum foil from China became subject to a 10 percent tariff under section 232 of the Trade Expansion Act of 1962, as amended ("Section 232"), effective March 23, 2018.[92] It also became subject to a 15 percent tariff under section 301 of the Trade Act of 1974, which was reduced to 7.5 percent effective February 14, 2020.[93]

C. Likely Volume of Subject Imports

1. The Original Investigations

The Commission found that the volume of subject imports, and the increase in volume, were significant in both absolute terms and relative to consumption. The volume of subject imports increased from 109,266 short tons in 2014, to 151,598 short tons in 2016, and were 121,745 short tons in interim 2017 compared to 112,099 short tons in interim 2016.[94] Subject imports' share of the merchant market increased from *** percent in 2014 to *** percent in 2016, and was higher in interim 2017, at *** percent, than in interim 2016, at *** percent.[95] The Commission rejected the respondents' argument that competition between the domestic like product and subject imports was attenuated and that subject imports gained market share in segments in which the domestic industry had little or no presence.[96] It found that the total volume of subject imports and their share of U.S. shipments increased in all product thickness categories for which data were collected, and that the domestic industry participated in each of those segments.[97]

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[91] CR/PR at I-6.

[92] CR/PR at I-6. Aluminum imports from all countries except Argentina, Australia, Canada and Mexico are subject to Section 232 duties. Imports from Australia, Canada and Mexico are exempt from Section 232 duties and quotes, while imports from Argentina are exempt from Section 232 duties but are subject to absolute quotas. Aluminum imports from EU member countries (effective January 1, 2022), and the United Kingdom (effective June 1, 2022) are currently subject to tariff-rate quotas ("TRQs") and imports that exceed the TRQ limits are subject to Section 232 tariffs. *Id*.

[93] CR/PR at I-6.

[94] *Original Investigations*, USITC Pub. 4771 at 28. The volume of subject imports increased in every product thickness category over the POI. *Id*. at 28 n.186.

[95] *Original Investigations Confidential Opinion* at 43-44.

[96] *Original Investigations*, USITC Pub. 4771 at 29.

[97] *Original Investigations*, USITC Pub. 4771 at 29.

2. Current Reviews

The record indicates that subject imports maintained a presence in the U.S. market throughout the period of review, even while under the disciplining effect of the orders. Subject import volume decreased from 45,644 short tons in 2018, to 16,283 short tons in 2019, 12,213 short tons in 2020, and 11,797 short tons in 2021, before increasing slightly to 12,949 short tons in 2022.[98] Subject imports accounted for *** percent of apparent U.S. consumption by quantity in the total market for aluminum foil in 2022, compared to *** percent in 2016.[99]

The record in these reviews contains limited information on the aluminum foil industry in China. Nonetheless, the available information indicates that subject producers have the means to export subject merchandise to the U.S. market at significant volumes if the orders were revoked. The information available indicates that the subject industry possessed substantial and increasing capacity, including excess capacity, during the period of review. Domestic Producers provided a list of 233 possible producers of aluminum foil in China.[100] According to information from *** submitted by Domestic Producers, the Chinese industry's capacity increased from *** short tons in 2016 to *** short tons in 2022, a level *** percent higher than in 2016.[101] The same information indicates that the Chinese industry's production increased from *** short tons in 2016 to *** short tons in 2022, a level *** percent higher than in 2016.[102] According to these data, the Chinese industry possessed excess capacity of *** short tons in 2022,equivalent to *** apparent U.S. consumption in the total market.[103]

Additional information available also indicates that several subject producers expanded their capacity during the period of review. According to information submitted by Domestic Producers, Chinese producer Henan Mingtai Aluminum Industrial Co. announced a plan to raise $592 million to construct a new facility that will expand its aluminum foil production capacity.[104] Domestic Producers also submitted information from a company website

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[98] CR/PR at Table I-7.

[99] CR/PR at Table I-8. Subject imports accounted for *** percent of apparent U.S. consumption by quantity in the merchant market in 2022, compared to *** percent in 2016. CR/PR at Table I-9.

[100] CR/PR at I-27; *Confidential Domestic Response* at Exhibit 8.

[101] *Confidential Domestic Response* at 6, Exhibit 3.

[102] *Confidential Domestic Response* at 6, Exhibit 3.

[103] *Confidential Domestic Response* at 6, Exhibit 3; CR/PR at Table I-8. The Chinese industry's excess capacity was equivalent to nearly *** apparent U.S. consumption in the merchant market in 2022. *See* CR/PR at Table I-9.

[104] *See Confidential Domestic Response* at 7-8, Exhibit 4; *see also Confidential Domestic Response* Exhibit 3.

indicating that Luoyan Longding Aluminum Co., another Chinese producer, recently constructed two additional aluminum casting and rolling lines.[105] Available information also indicates that in 2018, Chinese producer Shenhuo Aluminum shut down an aluminum smelter in Henan province that had an annual capacity of 562,179 short tons and opened a new plant in Yunnan province that, as of April 2022, has an annual capacity to produce 992,080 short tons of foil.[106] Another Chinese producer, Longding Aluminum, announced construction of a new foil plant in 2022.[107] In January 2023, it began installing annealing furnace equipment that it expected to complete in May 2023 and that would have an annual capacity to produce 110,231 short tons of battery and light gauge foil.[108]

The information available also indicates that the Chinese industry is a large exporter. According to GTA data, China was the leading global exporter of aluminum foil under harmonized system ("HS") subheading 7607.11 throughout the period of review, accounting for approximately 46 percent of global exports in 2022.[109] These data also indicate that exports of aluminum foil from China increased from 791,036 short tons in 2017 to 1,053,432 short tons in 2022, a level 33.2 percent higher than in 2017.[110]

The U.S. market remains attractive to subject producers. While under the disciplining effect of the orders, subject imports maintained a presence in the U.S. market, accounting for *** percent of apparent U.S. consumption in the total market in 2022,[111] indicating that subject producers have maintained distribution networks and customers in the U.S. market notwithstanding the imposition of the orders. Furthermore, in March 2023, Commerce made

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[105] *See Confidential Domestic Response* at 8; *see also Confidential Domestic Response* Exhibit 4.

[106] CR/PR at Table I-10.

[107] CR/PR at Table I-10.

[108] CR/PR at Table I-10.

[109] CR/PR at Table I-12. These GTA data include exports under HS subheading 7607.11 and may include out-of-scope merchandise, although they do not include exports of in-scope fin stock under HS subheading 7607.19.

We also note that Commerce reported that five of the subsidy programs that it found were likely to continue or recur were export subsidy programs within the meaning of Article 3.1 of the Agreement on Subsidies and Countervailing Measures (SCM Agreement) of the World Trade Organization (WTO*). Commerce CVD I&D Memo* at 13. Commerce also found it likely that 24 other programs would continue that do not fall within the meaning of Article 3.1 of the SCM but may be subsidies under Article 6.1 if the amount of the program exceeds five percent. *Id*. at 13-14. Such programs likely create an economic incentive for subject producers to export aluminum foil.

[110] CR/PR at Table I-11. These GTA data include exports under HS subheading 7607.11 and may include out-of-scope merchandise, although they do not include exports of in-scope fin stock under HS subheading 7607.19.

[111] CR/PR at Table I-9.

preliminary determinations that imports of aluminum foil from South Korea and Thailand using aluminum foil and sheet inputs manufactured in China were circumventing the antidumping and countervailing duty orders on aluminum foil from China,[112] further indicating that Chinese producers remain interested in serving the U.S. market. Consistent with Commerce's preliminary anticircumvention determinations, nonsubject imports from South Korea and Thailand increased markedly over the period of review as subject imports from China decreased.[113]

Trade measures on aluminum foil from China in third country markets would also make the U.S. market relatively more attractive in the event of revocation. Aluminum foil from China is currently subject to antidumping duty orders in Argentina, the European Union, the United Kingdom, Mexico, Taiwan, and Turkey.[114] In September 2021, following a circumvention investigation, the EU extended the antidumping duty orders on household aluminum foil from China to apply to imports from Thailand.[115] In December 2021, the EU imposed antidumping and countervailing duty orders on aluminum converter foil from China.[116]

Given the foregoing, including the significant and increasing volume of subject imports during the original investigations, the continued presence of subject imports in the U.S. market during the period of review, the Chinese industry's substantial production capacity, including excess capacity, and exports, and the attractiveness of the U.S. market to subject producers, we find that the volume of subject imports from China would likely be significant, both in absolute terms and relative to consumption in the United States, if the orders were revoked.[117]

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[112] *See Antidumping and Countervailing Duty Orders on Certain Aluminum Foil from the People's Republic of China: Preliminary Affirmative Determinations of Circumvention with Respect to the Republic of Korea and the Kingdom of Thailand*, 88 Fed. Reg. 17177 (Dep't. of Commerce Mar. 22, 2023).

[113] *See* CR/PR at Table I-7; *see also* CR/PR at I-35.

[114] CR/PR at I-30. Aluminum foil from China was also subject to antidumping duty orders in India from 2017 to 2022. In June 2022, the Government of India announced that it would discontinue the antidumping duty orders despite India's Directorate General of Trade Remedies' recommendation that the orders should continue. *Id*.

[115] CR/PR at I-31.

[116] CR/PR at I-31. The scope of the EU AD/CVD orders include "aluminum converter foil of a thickness less than 0.021mm (0.00083 inches), not backed, not further worked than rolled, in rolls of a weight exceeding 10 kg (22.05 lbs). *Id*.

[117] Given the subject industry's large excess capacity and export orientation, and the attractiveness of the U.S. market, we find that the duties under Sections 232 and 301 are not likely to prevent subject imports from entering the market at significant levels after revocation. Neither Domestic Producers nor the responding purchasers cited these duties as an impediment to subject imports from China. *See* CR/PR at D-4-5. The record of these expedited reviews does not contain (Continued…)

D. Likely Price Effects

1. Original Investigations

The Commission found that the domestic and imported products were moderately substitutable and that price was an important factor in purchasing decisions.[118] Subject imports undersold the domestic like product in 40 of 77 quarterly comparisons, or 52 percent of the time, at margins ranging from 1.2 percent to 23.0 percent. The volume of subject imports involved in quarters with underselling (233 million pounds) was substantially larger than the volume involved in quarters with overselling (18 million pounds).[119]

The Commission considered purchase cost data reported by purchasers that directly imported subject merchandise.[120] These data indicated that the direct import purchase cost of aluminum foil from China was lower than the sales prices for the domestic like product in 65 of 84 instances, or 77.4 percent of the time.[121] On a volume basis, there were *** pounds of direct imports in quarters in which the purchase cost was lower than the sales price for the domestic like product, and only *** pounds of direct imports in quarters in which the purchase cost was higher than the sales price for the domestic like product.[122]

The Commission also considered lost sales information. A substantial number of responding purchasers reported purchasing subject imports instead of the domestic like product, and a large majority of those purchasers indicated that the subject imports were lower-priced.[123]

(…Continued)
information concerning inventories of subject merchandise or the potential for product-shifting in the Chinese industry.

[118] The Commission collected quarterly pricing data on eight pricing products, spanning ultra thin to extra heavy (certain fin stock) thickness. *Original Investigations*, USITC Pub. 4771 at 29-30, n.191. Five U.S. producers and 12 importers providing usable pricing data, and these firms accounted for approximately 12 percent producers' shipments of aluminum foil and 22 percent of U.S. imports from China in 2016. *Id*. at 30.

[119] *Original Investigations*, USITC Pub. 4771 at 30.

[120] The Commission received import purchase cost data for six of the eight products surveyed from 15 importers that accounted for approximately 35 percent of subject imports from China in 2016.

[121] *Original Investigations*, USITC Pub. 4771 at 30.

[122] Original Investigations Confidential Opinion at 46.

[123] *Original Investigations*, USITC Pub. 4771 at 31-32. Of 50 responding purchasers, 40 reported that they had purchased subject imports rather than the domestically produced product since 2014; 34 of these purchasers reported that subject imports were priced lower than the domestically produced product, 9 of which reported that price was a primary reason for their decision to purchase subject imports rather than the domestic like product. *Id*.

The Commission concluded that the underselling by subject imports was significant over the POI and had caused a shift in market share from the domestic industry to subject imports.[124]

2. Current Reviews

As discussed in section III.B.3 above, we continue to find that the domestic like product and subject imports are moderately substitutable and that price remains an important factor in purchasing decisions.

The record in these expedited reviews does not contain new product-specific pricing information. Based on the available information, including the moderate substitutability between the domestic like product and subject imports and the importance of price in purchasing decisions, we find that, if the orders were revoked, significant volumes of subject imports would likely undersell the domestic like product, as they did in the original investigations, to gain market share.[125] Absent the discipline of the orders, the significant volumes of low-priced subject imports would likely take sales and market share from domestic producers and/or force the domestic industry to cut prices or forego price increases necessary to cover increasing costs, thereby depressing or suppressing prices for the domestic like product. Consequently, we find that if the orders were revoked, subject imports would likely have significant price effects.

E. Likely Impact

1. Original Investigations

The Commission found that most of the domestic industry's trade indicators in the merchant market declined from 2014 to 2016, before slightly improving in interim 2017 compared to interim 2016. The industry's capacity, production, and capacity utilization

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[124] *Original Investigations*, USITC Pub. 4771 at 32. The Commission found that domestic prices had increased for six products over the POI and decreased for two products. It also found that the domestic industry's merchant market COGS-to-net-sales ratios fluctuated within a narrow band over the POI. *Id.*

[125] Based on official Commerce statistics and information reported by Domestic Producers, Domestic Producers calculate that the average unit value ("AUV") of subject imports, at $4,149.00 per short ton, was *** percent lower than the AUV of the domestic industry's U.S. shipments, at $*** per short ton, in 2022. *Confidential Domestic Response* at 13, Exhibits 1 and 2.

declined irregularly during the POI, as did the industry's shipments, while its employment, share of apparent U.S. consumption, and financial performance declined.[126] The Commission found that significant and increasing volumes of low-priced subject imports had captured market share from the domestic industry, causing the industry's output indicia and financial performance to be worse than it would have been otherwise.[127]

The Commission found that nonsubject imports' share of apparent U.S. consumption in the merchant market had declined from 2014 to 2016.[128] It also found that the small increase in nonsubject import market share in interim 2017 compared to interim 2016 could not explain the magnitude of the domestic industry's market share losses during the POI.[129]

The Commission rejected several arguments raised by respondents. First, the Commission rejected the respondents' argument that there was no consistent relationship between subject imports and the domestic industry's financial performance because the domestic industry's merchant market profitability peaked in 2016, when subject imports' volume and market share were at their highest point. As the Commission explained, the domestic industry had lost sales and market share to lower-priced subject imports throughout the POI, including in 2016, and the industry's profitability in one year did not negate the injury caused by those lost sales.[130] The Commission also rejected respondents' argument that subject imports and the domestic like product did not compete within certain specific product categories, finding that subject imports and the domestic products competed throughout the market in all gauges of aluminum foil.[131] Rejecting respondents' argument that subject imports of standard gauge aluminum foil could have had no adverse impact, the Commission explained that the domestic industry had lost market share to subject imports of standard gauge aluminum foil throughout the POI despite possessing excess capacity that could have been used to increase shipments of such foil.[132] Finally, the Commission rejected respondents' argument that subject imports of heavy-gauge aluminum foil had a limited presence in the U.S. market,

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[126] *See Original Investigations Confidential Opinion* at 50-51.

[127] *Original Investigations*, USITC Pub. 4771 at 35-36.

[128] *Original Investigations*, USITC Pub. 4771 at 35-36.

[129] *Original Investigations*, USITC Pub. 4771 at 35-36.

[130] *Original Investigations,* USITC Pub. 4771 at 36. The Commission noted that the statute directs that the Commission "may not determine that there is no material injury or threat of material injury to an industry in the United States merely because that industry is profitable or because the performance of that industry has recently improved." 19 U.S.C. § 1677(7)(J).

[131] *Original Investigations*, USITC Pub. 4771 at 37-38.

[132] *Original Investigations*, USITC Pub. 4771 at 37.

noting that subject imports captured market share from the domestic industry in the merchant market for such foil throughout the POI.[133]

2. Current Reviews[134]

The record in these expedited reviews contains limited information concerning the domestic industry's performance since the original investigations.

The information available indicates that the domestic industry's performance concerning the total market was *** in terms of trade measures but generally *** in terms of financial measures in 2022 as compared to its performance in 2016, the last year of the period examined in the original investigations.[135] The domestic industry's capacity, at *** short tons, production, at *** short tons, and capacity utilization, at *** percent, were all *** in 2022 than in 2016.[136]

The industry's U.S. shipments of aluminum foil, at *** short tons and share of apparent U.S. consumption in the total market, at *** percent, and the merchant market at *** percent, were *** in 2022 than in 2016.[137]

The domestic industry's net sales value of *** in 2022, however, was *** than in 2016.[138] The industry's gross profit of $*** and operating income of $*** were also in *** in

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[133] *Original Investigations*, USITC Pub. 4771 at 37-38.

[134] In its expedited review of the antidumping duty order, Commerce determined that revocation of the order would result in the continuation or recurrence of dumping, with margins of up to 105.80 percent. *Certain Aluminum Foil from the People's Republic of China: Final Results of the Expedited First Sunset Review of the Antidumping Duty Order*, 88 Fed. Reg. 42292-23 (June 30, 2023).

In its expedited review of the countervailing duty order, Commerce determined that revocation of the order would be likely to lead to the continuation or recurrence of countervailable subsidies at the following percent *ad valorem* subsidy rates: Dingsheng Aluminum Industries (Hong Kong) Trading Co., Ltd (54.35 percent), Jiangsu Zhongji Lamination Materials Co., Ltd. (40.71 percent), Loften Aluminum (Hong Kong) Limited (114.77) percent, Manakin Industries, LLC (114.77 percent), All Others (47.43 percent). *Certain Aluminum Foil from the People's Republic of China: Final Results of the Expedited First Sunset Review of the Countervailing Duty Order*, 88 Fed. Reg. 41884-85 (June 28, 2023).

[135] The record of these reviews does not contain information concerning the domestic industry's performance in the merchant market. *See* CR/PR at Table I-6.

[136] CR/PR at Table I-6. The domestic industry's capacity utilization was *** percent in 2016.

[137] CR/PR at Table I-6. The domestic industry's share of apparent U.S. consumption in the merchant market was *** percent in 2016; CR/PR at Table I-9; its share of the total market was *** percent in 2016.

[138] CR/PR at Table I-6. The domestic industry's net sales were *** in 2016. *Id*.

2022 than in 2016, and its operating income as a share of net sales, at *** percent, was ***.[139] The limited information available in these reviews is insufficient for us to make a finding as to whether the domestic industry is vulnerable to the continuation or recurrence of material injury in the event of revocation of the orders.

Based on the information available on the record, we find that revocation of the orders would likely result in a significant volume of subject imports that would likely undersell the domestic like product to a significant degree. Given the moderate substitutability between the domestic like product and subject imports and the importance of price in purchasing decisions, significant volumes of low-priced subject imports would likely capture sales and market share from the domestic industry and/or significantly depress or suppress prices for the domestic like product. The likely significant volume of low-priced subject imports and their adverse price effects would likely have a significant adverse impact on the production, shipments, sales, market share, and revenues of the domestic industry, which, in turn, would have a direct adverse impact on the industry's profitability and employment, as well as its ability to raise capital and make and maintain necessary capital investments. We thus conclude that, if the orders were revoked, subject imports from China would be likely to have a significant adverse impact on the domestic industry within a reasonably foreseeable time.

We have also considered the role of factors other than subject imports, including the presence of nonsubject imports. Nonsubject imports maintained a substantial and increasing presence in the U.S. market during the period of review, accounting for *** percent of apparent U.S consumption in the total market by quantity in 2022.[140] Nevertheless, the record provides no indication that the presence of nonsubject imports would prevent subject imports from China from significantly increasing their presence in the U.S. market after revocation, given the subject industry's excess capacity and export orientation and the relative attractiveness of the U.S. market. Indeed, Commerce has preliminarily found that nonsubject imports from South Korea and Thailand made using inputs from China circumvented the orders. In light of the moderate degree of substitutability between subject imports and the domestic like product and the importance of price to purchasers, the significant volume of low-priced

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[139] CR/PR at Table I-6. By comparison, in 2016, the domestic industry's operating income was *** million and its operating income as a share of net sales was *** percent in 2016. *Id*.

[140] CR/PR at Table I-9. Nonsubject imports share of the U.S. merchant market was *** in 2022. CR/PR at Table I-8. The volume of nonsubject imports during the period of review increased from *** short tons in 2017, to *** short tons in 2018, *** short tons in 2019, *** short tons in 2020, *** short tons in 2021, and *** short tons in 2022. CR/PR at Table I-7.

subject imports that we have found likely after revocation would likely take market share from the domestic industry, at least in part, as well as from nonsubject imports, and/or force domestic producers to either lower prices or forgo price increases to retain market share. Consequently, we find that any future effects of nonsubject imports would be distinct from the likely effects attributable to subject imports.

IV. Conclusion

For the foregoing reasons, we determine that revocation of the antidumping and countervailing duty orders on aluminum foil from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

Information obtained in these reviews

Background

On March 1, 2023, the U.S. International Trade Commission ("Commission") gave notice, pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"),[1] that it had instituted reviews to determine whether revocation of the antidumping and countervailing duty orders on aluminum foil from China would be likely to lead to the continuation or recurrence of material injury to a domestic industry.[2] All interested parties were requested to respond to this notice by submitting certain information requested by the Commission.[3] [4] Table I-1 presents information relating to the background and schedule of this proceeding:

Table I-1
Aluminum foil: Information relating to the background and schedule of this proceeding

Effective date	Action
March 1, 2023	Notice of institution by Commerce (88 FR 12915, March 1, 2023)
March 1, 2023	Notice of institution by Commission (88 FR 12990, March 1, 2023)
June 5, 2023	Commission's vote on adequacy
June 28, 2023	Commerce's results of its countervailing duty expedited review (88 FR 41884, June 28, 2023)
June 30, 2023	Commerce's results of its antidumping duty expedited review (88 FR 42292, June 30, 2023)
September 8, 2023	Commission's vote
September 19, 2023	Commission's determinations and views

[1] 19 U.S.C. 1675(c).

[2] 88 FR 12990, March 1, 2023. In accordance with section 751(c) of the Act, the U.S. Department of Commerce ("Commerce") published a notice of initiation of five-year reviews of the subject antidumping and countervailing duty orders. 88 FR 12915, March 1, 2023. Pertinent Federal Register notices are referenced in app. A, and may be found at the Commission's website (www.usitc.gov).

[3] As part of their response to the notice of institution, interested parties were requested to provide company-specific information. That information is presented in app. B. Summary data compiled in the original investigations are presented in app. C.

[4] Interested parties were also requested to provide a list of three to five leading purchasers in the U.S. market for the domestic like product and the subject merchandise. Presented in app. D are the responses received from purchaser surveys transmitted to the purchasers identified in this proceeding.

Responses to the Commission's notice of institution

Individual responses

The Commission received one submission in response to its notice of institution in the subject reviews. It was filed on behalf of the following entities:

1. It was filed on behalf of the Aluminum Association Trade Enforcement Working Group and its individual members: Gränges Americas Inc. ("Gränges"), JW Aluminum Company ("JW Aluminum"), Novelis Corporation ("Novelis"), and Reynolds Consumer Products, LLC ("Reynolds"), domestic producers of aluminum foil (collectively referred to herein as "domestic interested parties").

A complete response to the Commission's notice of institution requires that the responding interested party submit to the Commission all the information listed in the notice. Responding firms are given an opportunity to remedy or explain deficiencies in their responses and to provide clarifying details where appropriate. A summary of the number of responses and estimates of coverage for each is shown in table I-2.

Table I-2
Aluminum foil: Summary of responses to the Commission's notice of institution

Interested party	Type	Number of firms	Coverage
U.S. producer	Domestic	4	***%

Note: The U.S. producer coverage figure presented is the domestic interested parties' estimate of their share of total U.S. production of aluminum foil during 2022. Domestic interested parties' response to the notice of institution, March 31, 2023, p. 17.

Party comments on adequacy

The Commission received party comments on the adequacy of responses to the notice of institution and whether the Commission should conduct expedited or full reviews from the domestic interested parties. The domestic interested parties request that the Commission conduct expedited reviews of the antidumping and countervailing duty orders on aluminum foil.[5]

[5] Domestic interested parties' comments on adequacy, May 11, 2023, p. 2.

The original investigations

The original investigations resulted from petitions filed on March 9, 2017 with Commerce and the Commission by The Aluminum Association Trade Enforcement Working Group, Arlington, Virginia, and its individual members.[6] On March 5, 2018, Commerce determined that imports of aluminum foil from China were being sold at less than fair value ("LTFV") and subsidized by the Government of China.[7] The Commission determined on April 9, 2018 that the domestic industry was materially injured by reason of LTFV imports of aluminum foil from China and subsidized by the government of China.[8] On April 19, 2018, Commerce amended its final determinations and issued its antidumping and countervailing duty orders with the final weighted-average dumping margins ranging from 48.64 percent to 105.80 percent and net subsidy rates ranging from 17.14 percent to 80.52 percent.[9]

[6] Aluminum Foil from China, Inv. Nos. 701-TA-570 and 731-TA-1346 (Final), USITC Publication 4771, April 2018 ("Original publication"), p. I-1. The members of the Working Group are JW Aluminum, Novelis, and Reynolds, p. 3.

[7] 83 FR 9282 and 83 FR 9274, March 5, 2018.

[8] 83 FR 16128, April 13, 2018.

[9] 83 FR 17362 and 83 FR 17360, April 19, 2018. Commerce amended its final determination to reflect the correction of a ministerial error it made in calculating the final margin assigned to Dingsheng.

Previous and related investigations

The Commission has conducted a number of previous import relief investigations on aluminum foil or similar merchandise, as presented in table I-3.

Table I-3
Aluminum foil: Previous and related Commission proceedings and status of orders

Date	Number	Country	ITC original determination	Current status of order
2020	701-TA-658	Oman	Affirmative	Order in place after final investigation
2020	701-TA-659	Turkey	Affirmative	Order in place after final investigation
2020	731-TA-1538	Armenia	Affirmative	Order in place after final investigation
2020	731-TA-1539	Brazil	Affirmative	Order in place after final investigation
2020	731-TA-1540	Oman	Affirmative	Order in place after final investigation
2020	731-TA-1541	Russia	Affirmative	Order in place after final investigation
2020	731-TA-1542	Turkey	Affirmative	Order in place after final investigation

Source: U.S. International Trade Commission publications and Federal Register notices.

Note: "Date" refers to the year in which the investigation was instituted by the Commission.

Note: Aluminum was subject to a General Factfinding Section 332 investigation in 2016, Aluminum: Competitive Conditions Affecting the U.S. Industry, Inv. No. 332-557, USITC Publication 4703, June 2017.

Commerce's five-year reviews

Commerce announced that it would conduct expedited reviews with respect to the orders on imports of aluminum foil from China with the intent of issuing the final results of these reviews based on the facts available not later than June 29, 2023.[10] Commerce publishes its Issues and Decision Memoranda and its final results concurrently, accessible upon publication at https://access.trade.gov/public/FRNoticesListLayout.aspx. Issues and Decision Memoranda contain complete and up-to-date information regarding the background and history of the order, including scope rulings, duty absorption, changed circumstances reviews, and anticircumvention, as well as any decisions that may have been pending at the issuance of this report. Any foreign producers/exporters that are not currently subject to the antidumping and/or countervailing duty orders on imports of aluminum foil from China are noted in the sections titled "The original investigations" and "U.S. imports," if applicable.

[10] Letter from Alex Villanueva, Senior Director, Office I, AD/CVD Operations, Enforcement and Compliance, U.S. Department of Commerce to Nannette Christ, Director of Investigations, April 20, 2023.

The product

Commerce's scope

Commerce has defined the scope as follows:

> *The merchandise covered by this investigation 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. Regardless of specification, however, all aluminum foil meeting the scope description is included in the scope, including aluminum foil to which lubricant has been applied to one or both sides of the foil.*
>
> *Excluded from the scope of this investigation 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.*
>
> *Where the nominal and actual measurements vary, a product is within the scope if application of either the nominal or actual measurement would place it within the scope based on the definitions set forth above.*[11]

[11] 83 FR 17360 and 83 FR 17362, April 19, 2018.

U.S. tariff treatment

Aluminum foil is currently imported under Harmonized Tariff Schedule of the United States ("HTS") statistical reporting numbers 7607.11.3000, 7607.11.6090,[12] 7607.11.9030, 7607.11.9060, 7607.11.9090, and 7607.19.6000. The merchandise subject to the review, if measuring over 2 mm in thickness, may also be imported under the following HTS statistical reporting numbers: 7606.11.3060, 7606.11.6000, 7606.12.3045, 7606.12.3055, 7606.12.3091, 7606.12.3096, 7606.12.6000, 7606.91.3095, 7606.91.6095, 7606.92.3035, 7606.92.6095. The general rate of duty is 5.8 percent ad valorem for HTS subheading 7607.11.30, 5.3 percent ad valorem for HTS subheading 7607.11.60, and 3.0 percent ad valorem for HTS subheadings 7607.11.90, and 7607.19.60.[13] Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

Effective March 23, 2018, aluminum foil originating in China is subject to an additional 10 percent ad valorem duty under section 232 of the Trade Expansion Act of 1962, as amended.[14] [15]

Effective September 1, 2019, aluminum foil originating in China was subject to an additional 15 percent ad valorem duty under section 301 of the Trade Act of 1974. Effective February 14, 2020, the section 301 duty for aluminum foil was reduced to 7.5 percent.[16]

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[12] Effective January 1, 2019, HTS statistical reporting number 7607.11.6000 was annotated and divided into statistical reporting numbers 7607.11.6010 and 7607.11.6090. Boxed aluminum foil weighing not more than 11.3 kg, of a thickness exceeding 0.01 mm is imported under HTS statistical reporting number 7607.11.6010, and is excluded from the scope of this investigation. Other aluminum foil of a thickness exceeding 0.01 mm is imported under HTS statistical reporting number 7607.11.6090, and is within the scope of this investigation; HTS Change Record 2019.

[13] USITC, HTS (2023) Basic Revision 4, Publication 5424, April 2023, pp. 76-9.

[14] 85 FR 11619, March 15, 2018. See also HTS heading 9903.85.01 and U.S. notes 19(a) and 19(b) to subchapter III of chapter 99 and related tariff provisions for this duty treatment. USITC, HTS (2023) Revision 4, USITC Publication 5424, April 2023, July 2022, pp. 99-III-23–99-III-26, 99-III-293.

[15] Section 232 import duties on aluminum articles currently cover all countries of origin except Argentina, Australia, Canada, and Mexico. Imports from Australia, Canada, and Mexico are exempt from section 232 duties and quotas on aluminum articles, while imports from Argentina are exempt from duties but are instead subject to absolute quotas. EU member countries (effective January 1, 2022) and the United Kingdom (effective June 1, 2022) are currently subject to tariff-rate quotas ("TRQs") for aluminum articles, and imports that exceed the TRQ limits are subject to the section 232 tariffs. 83 FR 11619, March 15, 2018; 83 FR 13355, March 28, 2018; 83 FR 25849, June 5, 2018; 84 FR 23983, May 23, 2019; 85 FR 68709, October 27, 2020; 87 FR 1, January 3, 2022; 87 FR 33583, June 3, 2022.

[16] 84 FR 45821, August 30, 2019; 85 FR 3741, January 22, 2020. See also HTS heading 9903.88.15 and U.S. notes 20(r) and 20(s) to subchapter III of chapter 99 and related tariff provisions for this duty treatment. USITC, HTS (2023) Basic Revision 4, USITC Publication 5424, April 2023, pp. 99-III-86–99-III-100, 99-III-295.

Description and uses[17]

Aluminum foil is a thin, wrought[18] aluminum product that is produced via a rolling process. The subject product is aluminum foil having a thickness of 0.2 mm (0.007874 inch) or less, in reels exceeding 25 pounds, regardless of width. Also, it is made from an aluminum alloy that contains between 92 and 99 percent aluminum. Aluminum foil is commonly produced using 1XXX,[19] 3XXX,[20] and 8XXX[21] series aluminum alloys. Aluminum foil can be produced to meet the requirements of various international standard specifications, including American Society for Testing and Materials ("ASTM") International Standard B-479. Among the major chemical and physical properties of aluminum, the alloy type, level of thickness, surface finish, temper, and width all play an important role in meeting the specifications of end users. Table I-4 presents information on aluminum foil by alloy series, properties, and end uses.

[17] Unless otherwise noted, this information is based on the original publication, pp. I-13-I-19.

[18] Wrought aluminum consists of aluminum products that are rolled, drawn, extruded, or otherwise mechanically formed.

[19] 1XXX series contains 99 percent or more aluminum by weight. This is considered commercially pure by industry standards.

[20] The main alloying metal in the 3XXX series is manganese

[21] 8XXX series alloys include metals such as lithium, tin, nickel, and titanium

Table I-4

Series	Alloying metal	Properties	End uses
1XXX	Pure Aluminum	Commercially pure (99 percent or more Al by weight), non-heat-treatable, low strength, excellent formability, high thermal and electrical conductivity, high corrosion resistance, highly reflective	Aircraft frames, fuel filters, electric power grid lines, radiator tubing, lighting reflectors, decorative components, food packaging trays, foil
3XXX	Manganese	Non-heat-treatable, medium strength, good formability, good corrosion resistance	Storage tanks, beverage cans, foil, home appliances, heat exchangers, pressure vessels, siding, gutters
8XXX	Other elements, including lithium (Li), nickel (Ni), tin (Sn), and titanium (Ti)	Heat-treatable (Al-Li alloys), very high strength, low density	Aircraft and aerospace structures, foil, heat exchangers (air conditioning)

Note: Not all 1XXX, 3XXX, and 8XXX series alloy are subject to these investigations. The properties and end uses described above may include product that is out of the scope of these investigations.

Source: Aluminum Association, "Aluminum Alloys 101", https://www.aluminum.org/sites/default/files/2021-09/AA-Infographic-Alloys-v5_0.jpg, (accessed April 11, 2023).; ASM International, "Aluminum and Aluminum Alloys Subject Guide", https://www.asminternational.org/aluminum/subject-guide, (accessed November 11, 2020). Havrilla, David, "Joining Aluminum With Laser", *The Welder,* July 12, 2013, https://www.thefabricator.com/thewelder/article/laserwelding/joining-aluminum-with-laser. *Aluminum:Competitive Conditions Affecting the U.S. Industry, Inv. No. 332-557*, USITC Publication 4703, June 2017, p. 530-31.

Aluminum foil is produced and imported in a variety of gauges, or levels of thickness, and is commonly denominated in inches, millimeters, and microns.[22] The major categories of aluminum foil by thickness include:

Ultra-thin. -- Aluminum foil less than 0.000315 inch (8 microns) in thickness.

Thin. -- Aluminum foil greater than or equal to 0.000315 inch (8 microns) and less than 0.00039 inch (10 microns) in thickness.

Standard. -- Aluminum foil greater than or equal to 0.00039 inch (10 microns) and less than or equal to 0.001 inch (25 microns) in thickness.

Heavy. -- Aluminum foil greater than 0.001 inch (25 microns) thickness and less than 0.00177 inch (45 microns) in thickness.

Extra heavy. -- Aluminum foil greater than or equal to 0.00177 inch (45 microns) in thickness.

[22] Microns are commonly referred to as micrometers and represent one thousandth of a millimeter, or one millionth of a meter.

The scope of these investigations currently excludes "aluminum foil that is backed with paper, paperboard, plastics, or similar backing materials of the aluminum foil, as well as etched capacitor foil and aluminum foil that is cut to shape."

Aluminum foil is used extensively in food and pharmaceutical packaging because it provides protection against light, oxygen, moisture, and bacteria. It is also used in industrial applications such as thermal insulation, cables, and electronics where properties such as heat reflectivity and barrier protection are desired (e.g., in fin stock, which is discussed in greater detail below). Common products that use aluminum foil include pie pans, food and candy wrappers, and household foil, among others. Figure I-1 presents images of some common aluminum foil products.

Certain fin stock is used in a variety of applications, including heating, ventilation and air conditioning (HVAC), and other heat transfer products where properties such as light-weight, corrosion resistance, and formability are desired. Certain fin stock is primarily produced using 1XXX, 3XXX, and 7XXX series alloys and produced to a variety of gauges; however some certain fin stock is produced using 8XXX series alloys as well. Figure I-2 presents an example of fin stock. For fin stock, a coating material is applied in order to further improve corrosion resistance and operating efficiency in applications such as cooling equipment (air conditioners).

Figure I-1
Aluminum foil: Images of aluminum foil products

Images from left to right (top): Reynolds™ Foodservice Foil, pie pan, foil coil in jumbo roll.
Notes continued next page.

Figure I-1 Continued

Aluminum foil: Images of aluminum foil products

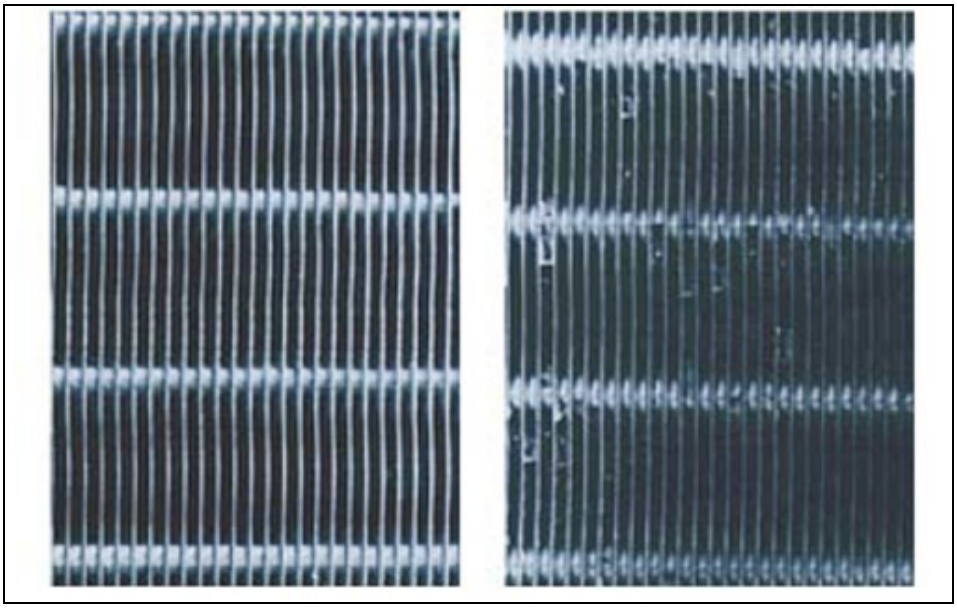
Source: Office Supply, https://www.officesupply.com/cleaning-breakroom/breakroom-supplies/food-service-supplies/foil-wraps/reynolds-wrap-interfolded-aluminum-foil-sheets-silver/p600744.html?ref=pla&utm_source=google&utm_medium=cpc&adpos=&scid=scplp600744&sc_intid=600744&gclid=Cj0KCQjw28T8BRDbARIsAEOMBczi2DJ3IjQGAlXkZ1PQKG946kXxqSDW2MupYmLA89Md6PKYPDyVhKEaAsR6EALw_wcB, (accessed April 11, 2023); Foil-Pans, https://www.foil-pans.com/collections/7-round-pans/products/handi-foil-6-5-8-round-slim-foil-take-out-pan-500-cs, (accessed April 11, 2023); Alibaba, https://www.alibaba.com/product-detail/8011-Aluminium-Foil-Raw-Material-Jumbo_60650799535.html, (accessed April 11, 2023).

Images from left to right (bottom): Stand-up barrier pouches, pharmaceutical packaging, fin stock in heat exchanger.

Source: Uline, https://www.uline.com/Product/Detail/S-19167SILB/Plastic-Retail-Food-Bags/Stand-Up-Barrier-Pouches-4-x-6-x-2-Silver-Back?pricode=WZ749&gadtype=pla&id=S-19167SILB&gclid=CJ_x0ZuBn9MCFdiPswod-msDUw&gclsrc=aw.ds, (accessed April 11, 2023); Direct Industry, https://www.directindustry.com/prod/hydro/product-224115-2325498.html, (accessed April 26, 2023); Elval, https://www.elval.com/en/markets-heating-ventilation-air-contitioning-hvac-heat-exchangers, (accessed April 11, 2023).

Figure I-2

Certain fin stock: Pre-coated fin stock and fin stock with no treatment (from left to right)



Source: Kobe Steel, Ltd., "Pre-coated Aluminum Fin Stock for Heat Exchangers," http://www.kobelco.co.jp/english/products/almi/precoat-aluminum-fin.html, (accessed April 11, 2023).

Manufacturing process[23]

The manufacturing processes for aluminum foil are summarized below. In general, there are three distinct stages that include: (1) melting and refining aluminum, (2) casting aluminum into semi-finished forms, and (3) rolling semi-finished forms into flat rolled products such as aluminum foil.

Melting and refining

Aluminum is produced using either the primary or the secondary smelting process. Inputs for the primary smelting process are derived from aluminum-containing ore (bauxite) that is first mined then refined into aluminum-oxide (alumina) in the Bayer process. In the Hall-Héroult electrolytic smelting process, the aluminum-oxide is then smelted to remove oxygen and produce molten aluminum metal. The molten aluminum is then alloyed with different metals to enhance certain properties and qualities.

During the secondary smelting process, aluminum scrap (both old[24] and new[25]) is smelted and alloyed, producing molten aluminum. Some producers use a combination of primary and secondary sources to produce molten aluminum. The desired metallurgical characteristics (e.g., hardness, strength, resistance to corrosion) of aluminum are determined prior to the casting stage.

Casting

Following the production of molten aluminum with the desired properties, the molten aluminum is then cast into a semi-finished form that can enter the rolling process. The most common casting methods used during the production of aluminum foil include continuous casting and direct chill casting. Direct chill casting requires more energy than continuous casting.

Continuous casting

During the continuous casting process, molten aluminum is transferred to a holding hearth where it is stored at the correct level of purity and temperature until it is ready to be fed

[23] Unless otherwise noted, this information is based on the original publication, pp. I-14-1-20.

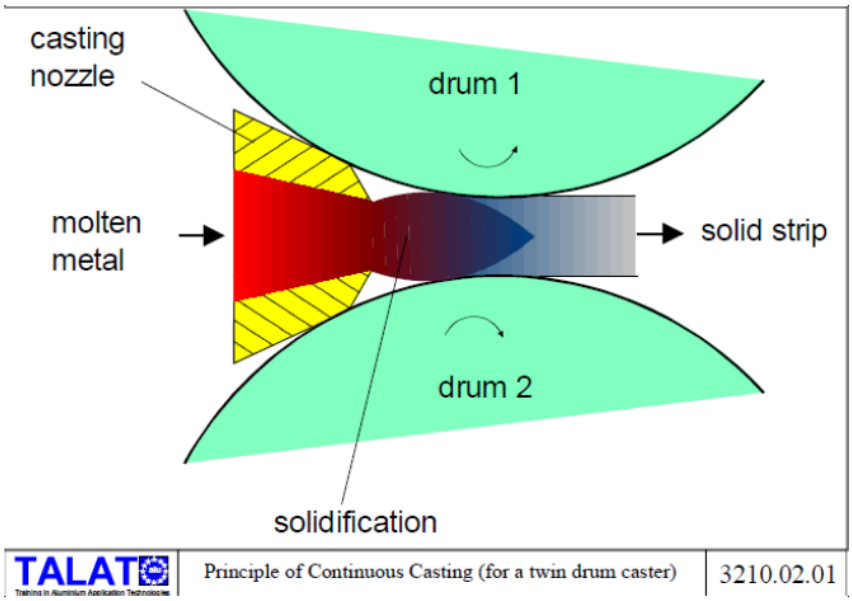
[24] Old scrap is post-consumer material derived from various end uses such as manufactured products and construction materials.

[25] New scrap is generated during the manufacturing of various aluminum products, and often takes the form of shavings and trimmings.

into a casting unit. As the molten aluminum is fed into the casting unit, it flows between water-cooled rollers[26] and emerges as a continuous solid strip of aluminum (figure I-3). The strip of aluminum is fed into a combination stand where it is cut into designated lengths by shears before it is wound into a coil of foil stock (figure I-4).[27] Strips produced during this process can be between 3 and 20 mm (0.11811 and 0.787402 inches) in thickness.[28] The foil stock is then transferred to a cold-rolling mill where it is then further reduced in thickness to produce different gauges of aluminum foil.

Figure I-3

Aluminum foil: Casting molten aluminum into solid strip (continuous casting process)



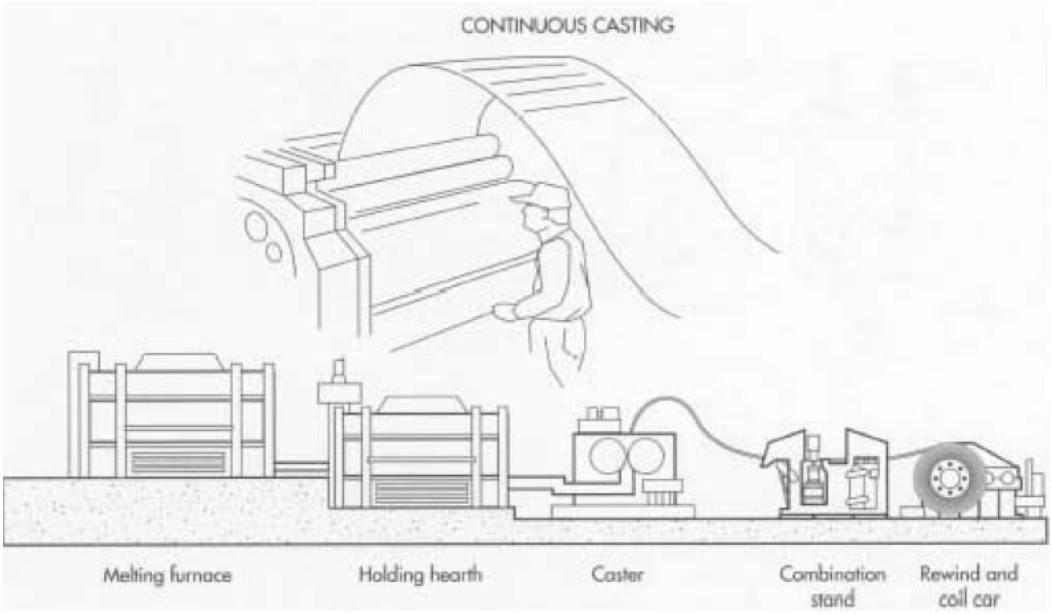
Source: Catrin Kammer, European Aluminum Association, "TALAT Lecture 3210, Continuous Casting of Aluminum", 1999, 4.

[26] The water-cooled rollers are labeled 'drum 1' and 'drum 2' in Figure I-3.

[27] How Products are Made, "Aluminum Foil: Smelting," http://www.madehow.com/Volume-1/Aluminum-Foil.html (accessed April 11, 2023).

[28] Catrin Kammer, European Aluminum Association, "TALAT Lecture 3210, Continuous Casting of Aluminum", 1999, p. 3.

Figure I-4
Aluminum foil: Continuous casting process



Source: http://www.madehow.com/Volume-1/Aluminum-Foil.html, (accessed April 11, 2023).

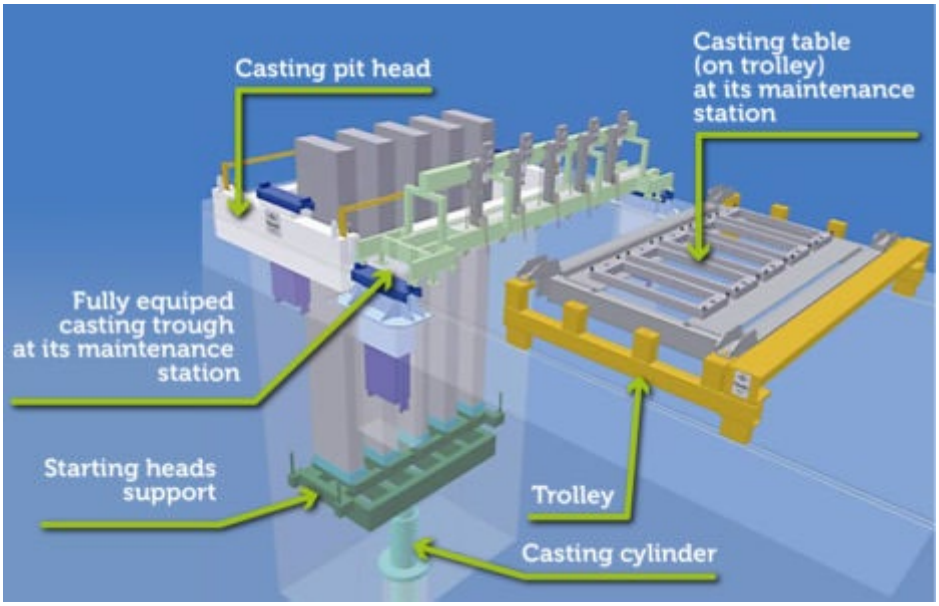
Direct chill casting

Another method of casting used in the production of aluminum foil is direct chill casting. During this process, molten aluminum is transferred to a holding hearth where it is stored at the correct level of purity and temperature until it is ready to be fed into a casting unit with a mold. As the molten aluminum flows into in the casting unit, cold water is pumped around the base of the mold. This cools the molten aluminum, solidifying it into the shape of the mold, producing a semi-finished product known as slab or sheet ingot (figure I-5). These semi-finished products are then removed from the casting unit and undergo a process known as scalping[29] before they are cooled to room temperature and transferred to a hot-rolling mill for further processing.

[29] Scalping removes irregularities or undesirable chemical compositions from the surface of the ingot.

Figure I-5

Aluminum foil: Direct chill casting process



Source: Novelis PAE, https://novelispae.com/dc-casting-machine/, (accessed April 26, 2023).

Rolling process

Semi-finished forms of aluminum derived from the continuous casting and direct chill casting processes are reduced in thickness in a rolling mill. Hot rolling and cold rolling are two different methods by which semi-finished forms of aluminum are reduced in thickness between rollers. The major difference between these methods is how the input (foil stock in coils, slabs, sheet ingot) is treated before it is reduced.

Slabs and sheet ingots

Slabs or sheet ingots are re-heated, or annealed, to approximately 500°C before they make successive passes through a hot-rolling mill line where steel rollers reduce the slab or sheet ingot to a desired gauge, usually between 4 and 6 mm (0.15748 and 0.23622 inches).[30] The sheet of aluminum produced during this process is then coiled and cooled to room temperature before it is sent to a cold-rolling mill for further processing. Once it arrives at the cold-rolling mill, the coil is then unrolled into a continuous sheet, or web, that is then fed into the cold-rolling mill line where it makes successive passes through a series of work rolls (Figure I-6) that are paired with backup rolls that further reduce the foil sheet's gauge by rotating in opposite directions. Rolling oils or rolling lubricants are used to control friction between the rollers and the foil, and to cool the rollers. During the cold rolling process, the aluminum foil must be annealed, or heat treated in order to enhance its workability. This can occur between passes on the cold-rolling mill line or after a final gauge has been produced.

Cold rolling two coils at the same time, a process known as doubling, is used to avoid breakage that may occur as the foil is reduced in thickness.[31] This process is used to produce thinner gauges of aluminum foil. Doubling the foil sheet produces two natural finishes, bright and matte.[32] As the two layers of aluminum foil are separated, they are coiled into large rolls of foil stock that are trimmed and slitted with circular and razor-like knives into rectangular pieces. Trimming refers to cutting the edges of the foil, while slitting involves making one or more cuts along the width of the master coil in order to produce coils with a narrower width. For certain fabricating and converting operations, webs that have been broken during rolling must be joined back together or spliced. Common types of splices for joining webs of Certain Aluminum Foil include ultrasonic, heat-sealing tape, pressure-sealing tape, and electric welded. The ultrasonic splice uses a solid-state weld—made with an ultrasonic transducer—in the overlapped metal. Once inspected and packed, the finished rolls of aluminum foil are then shipped to customers for various end uses.

[30] Roy Woodward, European Aluminum Association, "TALAT Lecture 1301, The Rolling of Aluminum: the Process and the Product," 1994, p. 6.

[31] Aluminum Association, "Foil and Packaging," https://www.aluminum.org/foil-packaging, (accessed April 11, 2023).

[32] The bright finish is produced when the foil comes into contact with the rollers, while the matte finish is produced when the two sheets come into contact with each other.

Foil stock

The manufacturing process for rolling foil stock produced from continuous casting differs from semi-finished forms derived from the direct chill casting process. Unlike slabs or sheet ingots, foil stock produced using continuous casting technology does not require the annealing stage in the hot rolling process since this is achieved during the continuous casting phase.[33] For this reason, continuous casting has lower processing, investment, operating, and energy costs when compared to direct chill casting and hot rolling of slabs or sheet ingots.[34] Following the continuous casting process, the foil stock is cooled down to room temperature before it is sent directly to a cold-rolling mill rather than a hot-rolling mill. The cold rolling process is similar for foil stock produced using the continuous casting process.[35]

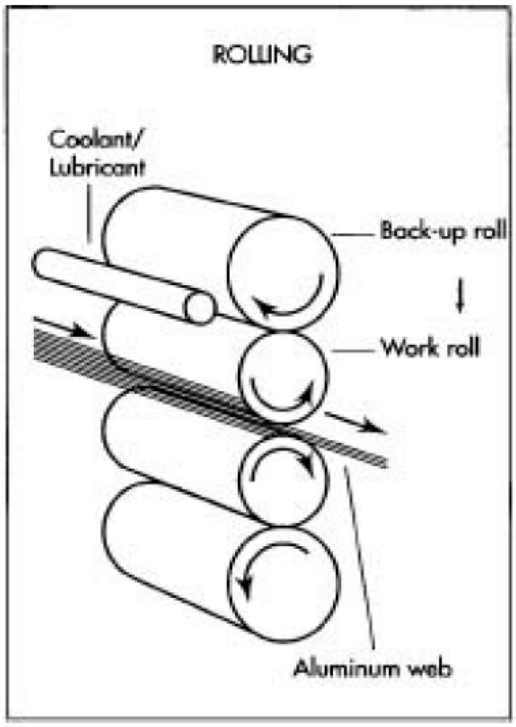
[33] How Products are Made, "Aluminum Foil: Smelting," http://www.madehow.com/Volume-1/Aluminum-Foil.html, (accessed April 11, 2023).

[34] Catrin Kammer, European Aluminum Association, "TALAT Lecture 3210, Continuous Casting of Aluminum," 1999, p. 4.

[35] Following the continuous casting process, the foil stock is rolled into a coil and then transferred to a cold-rolling mill where it is unrolled and fed into a cold-rolling mill line. The production process from this point is similar to that of cold rolling for foil stock produced from direct chill casting and the subsequent hot rolling process.

Figure I-6

Aluminum foil: Rolling aluminum foil stock



Source: http://www.madehow.com/Volume-1/Aluminum-Foil.html, (accessed April 11, 2023).

Following the rolling process, aluminum foil can be coated with a wide variety of materials to enhance its appearance or to provide greater protection. Aluminum foil can also be laminated to other products such as paper and plastic, however aluminum foil that is backed with paper, paperboard, plastics, or similar backing materials is excluded from the scope of these investigations.

The industry in the United States

U.S. producers

During the final phase of the original investigations, the Commission received U.S. producer questionnaires from six firms, which accounted for the vast majority of production of aluminum foil in the United States during 2016.[36]

In response to the Commission's notice of institution in these current reviews, the domestic interested parties provided a list of five known and currently operating U.S. producers of aluminum foil. Four firms providing U.S. industry data in response to the Commission's notice of institution accounted for approximately *** percent of production of aluminum foil in the United States during 2022.[37]

[36] Original publication, p. III-1.

[37] Domestic interested parties' response to the notice of institution, March 31, 2023, p. 17.

Recent developments

Table I-5 presents recent developments in the U.S. industry since the Commission's original investigations.

Table I-5
Aluminum foil: Developments in the U.S. industry

Item	Firm	Event
Expansion	Gränges	May 2018: Gränges announces a $26 million investment to restart production and expand its light gauge aluminum foil facility in Newport, Arkansas.
Expansion	JW Aluminum	June 2018: JW Aluminum announces an expansion of its rolling mill in Goose Creek, South Carolina. The expansion will add 175 million pounds of new capacity and 50 new jobs to the facility.
Acquisition	Novelis	April 2020: Novelis completed its acquisition of Aleris Corporation. Novelis gained rolling mills in Uhrichville, Ohio and Richmond, Virginia, and casting and finishing facilities in Davenport, Iowa. The company was required to divest its newly acquired rolling mill in Lewisport, Kentucky in order to meet regulatory conditions of the merger.
Closure	JW Aluminum	May 2020: Following an announcement in January 2020, JW Aluminum closed its St. Louis, Missouri plant in May 2020. The plant produced aluminum foil for sale to converters.
Fire damage	JW Aluminum	August-December 2020: The Goose Creek, South Carolina manufacturing facility suffered four fires during the second half of the year, with damage estimates of $100 million. JW Aluminum has said the fires were sustained at non-foil production facilities.
Restart	Gränges	October 2020: Gränges reopened its foil rolling operations at its plant in Newport, Arkansas, following an expansion project that began in 2018.
Closure	JW Aluminum	January 2021: Following an announcement in September 2020, JW Aluminum closed its Williamsport, Pennsylvania facility, effective January 2021.This facility focused on the production of foil products for aerospace, building and construction, automotive, transportation, and general distribution.
Expansion	Gränges	March 2021: Gränges announced that it will invest $33 million to expand its aluminum casting operations in Huntingdon, Tennessee to meet growing demand from North American customers. The casting capacity will increase by about 25,000 metric tons (27,588 short tons) per year and enable higher capacity utilization in the downstream rolling and slitting operations.
Restart	Novelis	July 2021: Novelis announced a $7 million investment to restart idled equipment at its plant in Terre Haute, Indiana. The plant will produce aluminum foil for household applications. According to its website, Novelis had previously stopped producing aluminum foil in 2014 due to unfavorable market dynamics.

Table continued.

Table I-5 Continued
Aluminum foil: Developments in the U.S. industry

Item	Firm	Event
Plant opening	Novelis	January 2022: Novelis announced it will invest $365 million into a new recycling plant in Guthrie, Kentucky, with an annual casting capacity of 240 kilotonnes (264,555 short tons) of sheet ingot.
Expansion	Gränges	May 2022: Gränges announced an expansion of its Newport, Arkansas facility to produce aluminum foil for battery cathodes. Commercial deliveries of this new product are expected to begin in 2024.
Plant opening	Novelis	October 2022: Novelis breaks ground on a $2.2 billion aluminum recycling and rolling plant in Bay Minette, Alabama. The facility will have 600 kilotonnes (661,387 short tons) of capacity annually, and will focus on the beverage container market, with flexibility for the automotive market.

Source: Gränges,"Gränges to Restart Production in Newport, Arkansas – Investment of USD 26 Million," May 3, 2018, https://www.granges.com/newsroom/press-releases/2018/granges-to-restart-production-in-newport-arkansas--investment-of-usd-26-million/; *Business Wire*, "JW Aluminum Announces Expansion at its South Carolina Manufacturing Facility," June 11, 2018, https://www.businesswire.com/news/home/20180611005630/en/JW-Aluminum-Announces-Expansion-at-its-South-Carolina-Manufacturing-Facility; Novelis, "Novelis Completes Acquisition of Aleris, April 14, 2020. https://www.novelis.com/novelis-completes-acquisition-of-aleris/; Recycling Today, "DOJ Sues to Stop Novelis Purchase of Aleris," September 5, 2019, https://www.recyclingtoday.com/news/department-justice-lawsuit-novelis-acquisition-aleris/#:~:text=The%20U.S.%20Department%20of%20Justice,sheet%20used%20to%20make%20cars; JW Aluminum, "JW Aluminum Announces the Closure of its Plant in St. Louis, Missouri," January 21, 2020, http://www.jwaluminum.com/news-1; Berkeley County News, "Four Fires Reported at JW Aluminum Since August; What is the Cause?" December 10, 2020, https://www.counton2.com/news/local-news/berkeley-county-news/four-fires-reported-at-jw-aluminum-since-august-what-is-the-cause/; The Post and Courier, "Cause of Fire at the Center of SC Aluminum Maker's $100M Insurance Fight," June 25, 2021, https://www.postandcourier.com/business/cause-of-fire-at-the-center-of-sc-aluminum-makers-100m-insurance-fight/article_dc181f5c-d5bd-11eb-acf9-1f50d9796bb5.html; S&P Global, "Gränges Restarts Upgrades, Output at Two US Aluminum Plants in Q3 on Demand Rebound: Company," October 22, 2020, https://www.spglobal.com/commodityinsights/zh/market-insights/latest-news/metals/102220-grnges-restarts-upgrades-output-at-two-us-aluminum-plants-in-q3-on-demand-rebound-company; U.S. International Trade Commission (USITC). Hearing transcript in connection with Inv. Nos. 701-TA-658-659 and 731-TA-1531-1542 (Final), *Aluminum Foil from Armenia, Brazil, Oman, Russia, and Turkey,* May 25, 2021, p 119; JW Aluminum, "JW Aluminum Announces the Closure of its Plant in Williamsport, PA," September 2, 2020, http://www.jwaluminum.com/news-1-0-0; Gränges, "Gränges to Invest USD 33 Million to Increase Aluminum Casting Capacity in the U.S.," March 25, 2021, https://www.granges.com/newsroom/press-releases/2021/granges-to-invest-usd-33-million-to-increase-aluminium-casting-capacity-in-the-us/; Novelis, "Novelis Announces $7 Million Expansion, 37 New Jobs in Terre Haute," July 27, 2021, https://investors.novelis.com/2021-07-27-Novelis-Announces-7-million-Expansion,-37-New-Jobs-in-Terre-Haute; Novelis, "Novelis to Build $365 Million Recycling Center to Support North American Automotive Customers and Reduce Carbon Emissions by More Than One Million Tons a Year," January 11, 2022, https://investors.novelis.com/2022-01-11-Novelis-to-Build-365-Million-Recycling-Center-to-Support-North-American-Automotive-Customers-and-Reduce-Carbon-Emissions-by-More-Than-One-Million-Tons-a-Year; Gränges, "Gränges First to Invest in Battery Foil Production in the U.S.," May 2, 2022, https://www.granges.com/newsroom/press-releases/2022/granges-first-to-invest-in-battery-foil-production-in-the-us/; Novelis, "Novelis Breaks Ground on $2.5 Billion Aluminum Recycling and Rolling Plant," October 7, 2022, https://investors.novelis.com/2022-10-07-Novelis-Breaks-Ground-on-2-5-Billion-Aluminum-Recycling-Rolling-Plant.

U.S. producers' trade and financial data

The Commission asked domestic interested parties to provide trade and financial data in their response to the notice of institution in the current five-year reviews.[38] Table I-6 presents a compilation of the trade and financial data submitted from all responding U.S. producers in the original investigations.

Table I-6
Aluminum foil: Trade and financial data submitted by U.S. producers concerning the total U.S market, by period

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short ton; ratio is in percent

Item	Measure	2014	2015	2016	2022
Capacity	Quantity	***	***	***	***
Production	Quantity	***	***	***	***
Capacity utilization	Ratio	***	***	***	***
U.S. shipments	Quantity	***	***	***	***
U.S. shipments	Value	***	***	***	***
U.S. shipments	Unit value	***	***	***	***
Net sales	Value	***	***	***	***
COGS	Value	***	***	***	***
COGS to net sales	Ratio	***	***	***	***
Gross profit or (loss)	Value	***	***	***	***
SG&A expenses	Value	***	***	***	***
Operating income or (loss)	Value	***	***	***	***
Operating income or (loss) to net sales	Ratio	***	***	***	***

Source: For the years 2014-16, data are compiled using data submitted in the Commission's original investigations. For the year 2022, data are compiled using data submitted by domestic interested parties. Domestic interested parties' supplemental response to the notice of institution, April 19, 2023, exh 1.

Note: For a discussion of data coverage, please see "U.S. producers" section.

[38] Individual company trade and financial data are presented in app. B.

Definitions of the domestic like product and domestic industry

The domestic like product is defined as the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the subject merchandise. The domestic industry is defined as the U.S. producers as a whole of the domestic like product, or those producers whose collective output of the domestic like product constitutes a major proportion of the total domestic production of the product. Under the related parties provision, the Commission may exclude a U.S. producer from the domestic industry for purposes of its injury determination if "appropriate circumstances" exist.[39]

In its original determinations, the Commission defined a single domestic like product aluminum foil coextensive with Commerce's scope and it defined a single domestic industry consisting of all domestic producers of aluminum foil.[40] In these current reviews ***.[41]

U.S. importers

During the final phase of the original investigations, the Commission received U.S. importer questionnaires from 28 firms, which accounted for approximately 79.0 percent of total U.S. imports of aluminum foil from China during 2016.[42] Import data presented in the original investigations are based on official Commerce statistics.

Although the Commission did not receive responses from any respondent interested parties in these current reviews, in its response to the Commission's notice of institution, the domestic interested parties provided a list of 128 potential U.S. importers of aluminum foil.[43] [44]

[39] Section 771(4)(B) of the Tariff Act of 1930, 19 U.S.C. § 1677(4)(B).

[40] 88 FR 12990, March 1, 2023; and Original publication pp. 4-14.

[41] Domestic interested parties' response to the notice of institution, March 31, 2023, p. 15.

[42] Original publication, p. IV-1.

[43] Domestic interested parties' response to the notice of institution, March 31, 2023, exh. 7.

[44] The list of possible U.S. importers submitted by domestic interested parties likely overstates the actual number of U.S. importers of aluminum foil because it includes numerous freight forwarding and logistics firms as well as a number of duplicate entities. Domestic interested parties' response to the notice of institution, March 31, 2023, exh. 7.

U.S. imports

Table I-7 presents the quantity, value, and unit value of U.S. imports from China as well as the other top sources of U.S. imports (shown in descending order of 2022 imports by quantity).

Table I-7
Aluminum foil: U.S. imports, by source and period

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short ton

U.S. imports from	Measure	2017	2018	2019	2020	2021	2022
China	Quantity	134,790	45,644	16,283	12,213	11,796	12,946
Thailand	Quantity	408	3,320	5,089	6,002	37,066	49,865
South Korea	Quantity	6,309	25,408	23,767	32,289	35,045	42,450
Germany	Quantity	11,952	24,694	21,949	24,269	25,823	28,011
All other sources	Quantity	71,571	133,879	140,019	137,747	131,527	131,681
Nonsubject sources	Quantity	90,240	187,301	190,824	200,307	229,461	252,007
All import sources	Quantity	225,031	232,945	207,107	212,520	241,257	264,953
China	Value	408,626	174,125	60,527	44,570	50,595	68,608
Thailand	Value	1,335	10,276	19,254	20,574	135,562	246,849
South Korea	Value	23,464	112,537	97,823	116,097	148,074	244,541
Germany	Value	53,209	117,785	102,460	103,547	128,829	182,509
All other sources	Value	266,213	605,801	526,974	459,850	533,632	740,079
Nonsubject sources	Value	344,221	846,399	746,511	700,068	946,097	1,413,978
All import sources	Value	752,847	1,020,524	807,038	744,638	996,692	1,482,586
China	Unit value	3,032	3,815	3,717	3,649	4,289	5,300
Thailand	Unit value	3,270	3,095	3,783	3,428	3,657	4,950
South Korea	Unit value	3,719	4,429	4,116	3,596	4,225	5,761
Germany	Unit value	4,452	4,770	4,668	4,267	4,989	6,516
All other sources	Unit value	3,720	4,525	3,764	3,338	4,057	5,620
Nonsubject sources	Unit value	3,814	4,519	3,912	3,495	4,123	5,611
All import sources	Unit value	3,346	4,381	3,897	3,504	4,131	5,596

Source: Compiled from official Commerce statistics for HTS statistical reporting numbers 7607.11.3000, 7607.11.6000, 7607.11.6090, 7607.11.9030, 7607.11.9060, 7607.11.9090, and 7607.19.6000, accessed May 1, 2023.

Note: Because of rounding, figure may not add to total shown.

Note: The U.S. Department of Commerce made preliminary affirmative determinations that imports of aluminum foil from South Korea and Thailand using inputs manufactured in China were circumventing the antidumping and countervailing duty orders on aluminum foil from China. 88 FR 17177 and 88 FR 18297, March 22, 2023.

Apparent U.S. consumption and market shares

Table I-8 presents data on U.S. producers' U.S. shipments, U.S. imports, apparent U.S. consumption, and market shares for the total market and table I-9 presents data on U.S. producers' U.S. shipments, U.S. imports, apparent U.S. consumption, and market shares for the merchant market.

Table I-8
Aluminum foil total market: Apparent U.S. consumption and market shares, by source and period

Quantity in short tons; value in 1,000 dollars; shares in percent

Source	Measure	2014	2015	2016	2022
U.S. producers	Quantity	***	***	***	***
China	Quantity	109,266	130,855	151,598	12,946
Nonsubject sources	Quantity	75,978	64,323	62,997	252,007
All import sources	Quantity	185,244	195,177	214,595	264,953
Apparent U.S. consumption	Quantity	***	***	***	***
U.S. producers	Value	***	***	***	***
China	Value	357,957	411,407	431,387	68,608
Nonsubject sources	Value	378,269	268,665	226,398	1,413,978
All import sources	Value	736,226	680,072	657,786	1,482,586
Apparent U.S. consumption	Value	***	***	***	***
U.S. producers	Share of quantity	***	***	***	***
China	Share of quantity	***	***	***	***
Nonsubject sources	Share of quantity	***	***	***	***
All import sources	Share of quantity	***	***	***	***
U.S. producers	Share of value	***	***	***	***
China	Share of value	***	***	***	***
Nonsubject sources	Share of value	***	***	***	***
All import sources	Share of value	***	***	***	***

Source: For the years 2014-16, U.S. producers' U.S. shipments data are compiled using data submitted in the Commission's original investigations and U.S. import data are compiled using official U.S. import statistics for HTS statistical reporting numbers 7607.11.3000, 7607.11.6000, 7607.11.9030, 7607.11.9060, 7607.11.9090, and 7607.19.6000, accessed December 21, 2017. For the year 2022, U.S. producers' U.S. shipments are compiled from the domestic interested parties' response to the Commission's notice of institution and U.S. imports are compiled using official Commerce statistics under HTS statistical reporting numbers 7607.11.3000, 7607.11.6090, 7607.11.9030, 7607.11.9060, 7607.11.9090, and 7607.19.6000, accessed May 1, 2023.

Note: Share of quantity is the share of apparent U.S. consumption by quantity in percent; share of value is the share of apparent U.S. consumption by value in percent.

Note: For a discussion of data coverage, please see "U.S. producers" and "U.S. importers" sections.

Table I-9
Aluminum foil merchant market: Apparent U.S. consumption and market shares, by source and period

Quantity in short tons; value in 1,000 dollars; shares in percent

Source	Measure	2014	2015	2016	2022
U.S. producers	Quantity	***	***	***	***
China	Quantity	109,266	130,855	151,598	12,946
Nonsubject sources	Quantity	75,978	64,323	62,997	252,007
All import sources	Quantity	185,244	195,177	214,595	264,953
Apparent U.S. consumption	Quantity	***	***	***	***
U.S. producers	Value	***	***	***	***
China	Value	357,957	411,407	431,387	68,608
Nonsubject sources	Value	378,269	268,665	226,398	1,413,978
All import sources	Value	736,226	680,072	657,786	1,482,586
Apparent U.S. consumption	Value	***	***	***	***
U.S. producers	Share of quantity	***	***	***	***
China	Share of quantity	***	***	***	***
Nonsubject sources	Share of quantity	***	***	***	***
All import sources	Share of quantity	***	***	***	***
U.S. producers	Share of value	***	***	***	***
China	Share of value	***	***	***	***
Nonsubject sources	Share of value	***	***	***	***
All import sources	Share of value	***	***	***	***

Source: For the years 2014-16, U.S. producers' U.S. shipments data are compiled using data submitted in the Commission's original investigations and U.S. import data are compiled using official U.S. import statistics for HTS statistical reporting numbers 7607.11.3000, 7607.11.6000, 7607.11.9030, 7607.11.9060, 7607.11.9090, and 7607.19.6000, accessed December 21, 2017. For the year 2022, U.S. producers' U.S. shipments are compiled from the domestic interested parties' response to the Commission's notice of institution and U.S. imports are compiled using official Commerce statistics under HTS statistical reporting numbers 7607.11.3000, 7607.11.6090, 7607.11.9030, 7607.11.9060, 7607.11.9090, and 7607.19.6000, accessed May 1, 2023.

Note: Share of quantity is the share of apparent U.S. consumption by quantity in percent; share of value is the share of apparent U.S. consumption by value in percent.

Note: For a discussion of data coverage, please see "U.S. producers" and "U.S. importers" sections

The industry in China

Producers in China

During the final phase of the original investigations, the Commission received foreign producer/exporter questionnaires from 12 firms, which accounted for approximately 27.9 percent of production of aluminum foil in China during 2016, and approximately 64.7 percent of aluminum foil exports from China to the United States during 2016.[45]

Although the Commission did not receive responses from any respondent interested parties in these five-year reviews, the domestic interested parties provided a list of 233 possible producers of aluminum foil in China.[46]

[45] Original publication, p. VII-3.

[46] Domestic interested parties' response to the notice of institution, March 31, 2023, exh. 8.

Recent developments

Table I-10 presents events in the Chinese industry since the Commission's original investigations.

Table I-10
Aluminum foil: Developments in the Chinese industry

Item	Firm	Event
Plant relocation	Shenhuo Aluminum	May 2018: Shenhuo announced it will shut down its 510,000 metric ton (562,179 short tons) aluminum smelter in the Henan province and move operations to the Yunnan province. The new plant in Yunnan is expected to have 451,000 (497,142 short tons) metric tons of initial annual production capacity, to be expanded to 900,000 metric tons in the next phase of development.
Production increase	Shenhuo Aluminum	April 2022: Shenhuo announced it will increase production to use its entire 900,000 metric ton (992,080 short tons) capacity at its foil facility in the Yunnan Province of China. Power cuts the year before had previously led this plant to reduce capacity by approximately 50 percent.
New product offering	Longding Aluminum	December 2022: Longding Aluminum announced the establishment of a hydrophilic foil branch.
Expansion	Longding Aluminum	January 2023: Following a September 2022 announcement regarding the construction of a new foil plant, Longding Aluminum announced that it has begun installing annealing furnace equipment that will produce 100,000 metric tons (110,231 short tons) of battery and light gauge foil annually. Installation is expected to be completed by the end of May.

Source: S&P Global, "Henan Shenhuo to Move 900,000-Tonne Annual Aluminum Smelting Capacity to Yunnan," May 22, 2018, https://www.spglobal.com/marketintelligence/en/news-insights/trending/01nxypwxe0gwirk4py3nyg2; Reuters, "China Shenhuo to Raise Aluminium Output in Yunnan as Power Curbs Ease," April 26, 2022, https://www.reuters.com/article/china-shenhuo-yunnan/china-shenhuo-to-raise-aluminium-output-in-yunnan-as-power-curbs-ease-idUSL2N2WO06Y; Longding Aluminum, "The Battery Foil Factory Has Been Established!" September 19, 2022, https://www.ldlyaluminum.com/info/the-battery-foil-factory-was-officially-established-i00088i1.html; Longding Aluminum, "Longding Aluminum Establishes Hydrophilic Foil Branch," December 20, 2022, https://www.ldlyaluminum.com/info/longding-aluminum-established-hydrophilic-foil-branch-i00095i1.html; Longding Aluminum, "The Project With an Annual Output of 100,000 Tons of Battery Foil and Light Gauge Foil Has Entered the Equipment Installation Stage," January 16, 2023, https://www.ldlyaluminum.com/info/the-project-with-an-annual-output-of-100000-tons-of-battery-foil-and-light-gauge-foil-has-entered-the-equipment-installation-stage-i00098i1.html.

Exports

Table I-11 presents export data for aluminum foil from China (by export destination in descending order of quantity for 2022).

Table I-11
Aluminum foil: Quantity of exports from China, by destination and period

Quantity in short tons

Destination market	2017	2018	2019	2020	2021	2022
Thailand	35,674	47,538	66,774	68,601	103,759	88,886
India	75,926	80,063	97,475	69,361	64,812	83,980
Mexico	40,260	46,110	39,474	39,681	58,737	68,849
United Arab Emirates	42,417	47,997	49,738	48,492	62,140	68,297
Indonesia	33,851	53,956	45,926	51,176	53,076	61,793
South Korea	37,993	55,109	51,710	53,702	64,374	61,663
Saudi Arabia	41,462	48,090	51,597	50,724	47,340	59,310
Japan	27,825	33,176	34,267	33,818	49,405	51,585
Canada	22,957	31,860	21,006	23,976	22,096	42,293
Malaysia	24,589	26,435	27,204	20,999	30,881	35,544
All other markets	408,080	430,777	414,388	409,714	381,200	431,233
All markets	791,036	901,111	899,560	870,243	937,819	1,053,432

Source: S&P Global, Global Trade Atlas, HS subheading 7607.11, accessed April 20, 2023.

Note: Data reported in this table does not include in-scope merchandise (fin stock) imported under HS subheading 7607.19. Because of rounding, figures may not add to total shown.

Third-country trade actions

Aluminum foil from China is currently subject to antidumping duty orders in Argentina, the European Union, the United Kingdom, India, Mexico, Taiwan, and Turkey. Certain aluminum foil from China is also subject to countervailing duty orders in the European Union.

Argentina

In March 2020, Argentina imposed antidumping duty orders with duties of 28 percent on certain aluminum foil from China.[47] The scope of these orders includes "aluminum sheets, without support, simply rolled, with a thickness greater than or equal to 0.006 mm (0.00024 inch) but less than or equal to 0.2 mm (0.00787 inch) and width less than or equal to 1,300 mm (51.18 inches), except smooth, with an aluminum content greater than or equal to 99.2%, by weight, thickness less than or equal to 6 micrometers (0.00024 inch), in coils with a width less than or equal to 500 mm (19.69 inches), according to the ASTM B 373-95 standard."[48]

European Union and the United Kingdom

In June 2019, the European Union (EU) extended antidumping duty orders on aluminum foil in rolls from China. These orders were originally imposed in March 2013. Antidumping duty orders on this product range from 14.2 percent to 35.6 percent. The scope of these orders includes "aluminum foil of a thickness of 0.007 mm (0.00028 inch) or more but less than 0.021 mm (0.00083 inch), not backed, not further worked than rolled, whether or not embossed, in low weight rolls of a weight not exceeding 10 kg (22.05 lbs.)."[49] Following the United Kingdom's (UK) departure from the European Union, the UK announced its determination to transition these measures to apply to imports from China to the United Kingdom as well.[50]

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[47] World Trade Organization ("WTO"), Committee on Anti-Dumping Practices, *Semi-Annual Report Under Article l6.4 of the WTO Antidumping Agreement: Argentina*, January 1 to June 30, 2020, retrieved April 21, 2022, https://docs.wto.org/dol2fe/Pages/FE_Search/FE_S_S009-Html.aspx?Id=265919&BoxNumber=3&DocumentPartNumber=1&Language=E&HasEnglishRecord=True&HasFrenchRecord=True&HasSpanishRecord=True&Window=L&PreviewContext=DP&FullTextHash=371857150.

[48] Argentina Ministry of Productive Development, "Resolution 99/2020," March 5, 2020, http://servicios.infoleg.gob.ar/infolegInternet/anexos/335000-339999/335196/norma.htm.

[49] Official Journal of the European Union, "Commission Implementing Regulation (EU) 2019/915," June 4, 2019, https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32019R0915&qid=1607445682879&from=EN.

[50] Government of the United Kingdom, "Notice of Determination 2020/31: Antidumping Duty on Certain Aluminum Foil in Rolls Originating in the People's Republic of China," December 31, 2020,

(*continued*...)

In September 2021, following an investigation revealing circumvention of Chinese household foil imports into the EU through Thailand, the EU extended antidumping duties on aluminum household foils to apply also to imports from Thailand.[51] The scope for these orders is presented below.

In December 2021, the EU imposed antidumping and countervailing duty orders on aluminum converter foil from China.[52] Antidumping duty orders range from 15.4 percent to 28.5 percent, while countervailing duty orders range from 16.1 percent to 46.7 percent. The scope for these orders includes: "aluminium converter foil of a thickness of less than 0.021 mm (0.00083 inch), not backed, not further worked than rolled, in rolls of a weight exceeding 10 kg (22.05 lbs.)."[53]

In March 2022, the EU extended antidumping duty orders on household aluminum foil from China.[54] These orders were originally imposed in 2009 and first extended in 2015.55 Antidumping duty orders on this product range from 6.4 percent to 30.0 percent. The scope for these orders includes "aluminium foil of a thickness of not less than 0.008 mm (0.000315 inch and not more than 0.018 mm (0.00071 inch), not backed, not further worked than rolled, in

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(…*continued*)

https://www.gov.uk/government/publications/trade-remedies-notices-anti-dumping-duty-on-aluminium-foil-from-china/notice-of-determination-202031-anti-dumping-duty-on-certain-aluminium-foil-in-rolls-originating-in-the-peoples-republic-of-china.

[51] European Commission, "Commission Takes Action Against Circumvention of Antidumping Duties on Chinese Aluminum Foil," September 15, 2021. https://policy.trade.ec.europa.eu/news/commission-takes-action-against-circumvention-anti-dumping-duties-chinese-aluminium-foil-2021-09-15_en.

[52] European Commission, "Commission Imposes Anti-Dumping Duties on Chinese Aluminum Converter Foil Imports," December 8, 2021, https://policy.trade.ec.europa.eu/news/commission-imposes-anti-dumping-duties-chinese-aluminium-converter-foil-imports-2021-12-08_en; European Commission, "Commission Imposes Countervailing Duties on Imports of Aluminum Converter Foil from China," December 22, 2021, https://policy.trade.ec.europa.eu/news/commission-imposes-countervailing-duties-imports-aluminium-converter-foil-china-2021-12-22_en#:~:text=Today%2C%20the%20European%20Commission%20imposed,from%2016.1%25%20to%2046.7%25.

[53] Official Journal of the European Union, "Commission Implementing Regulation (EU) 2021/2287," December 17, 2021, https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32021R2287&from=EN.

[54] European Commission, "EU Takes Action on Dumped Imports of Aluminum Household Foil from China," March 11, 2022, https://policy.trade.ec.europa.eu/news/eu-takes-action-dumped-imports-aluminium-household-foil-china-2022-03-11_en.

[55] Official Journal of the European Union, "Commission Implementing Regulation (EU) 2022/402," March 9, 2022, https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022R0402&from=EN.

rolls of a width not exceeding 650 mm (25.59 inches) and of a weight exceeding 10 kg (22.05 lbs.)."[56]

India

In June 2022, despite recommendations from India's Directorate General of Trade Remedies to continue antidumping orders on certain aluminum foil from China, the Central Government announced it would not continue these orders.[57] These orders were originally imposed in May 2017.[58] The scope for these orders includes "aluminum foil of thickness ranging from 5.5. microns (0.00022 inches) to 80 microns (0.00315 inches)."

Mexico

In December 2019, Mexico finalized antidumping duty orders on aluminum foil in rolls from China. Antidumping duty orders on this product range from $0.17968/kg to $1.1634/kg on imports, the import price of which, corresponding to the unit customs value, is lower than the reference price of $3.4817/kg.[59]

Taiwan

In September 2021, Taiwan imposed antidumping duty orders on certain aluminum foil products from China. The antidumping duty rates for these imports are between 19.42 percent and 31.36 percent.[60]

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[56] Official Journal of the European Union, "Commission Implementing Regulation (EU) 2022/401," March 9, 2022, https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022R0402&from=EN.

[57] Government of India, Ministry of Finance, "Office Memorandum F.No. CBIC-190354/21/2022-TO(TRU-I)-CBEC," June 13, 2022, https://www.dgtr.gov.in/sites/default/files/OM_Aluminium%20Foil_ADD.pdf.

[58] Government of India, Department of Commerce, "Initiation Notification Case No. AD (SSR) 22/2021," September 16, 2021, https://www.dgtr.gov.in/sites/default/files/SSR%20Aluminium%20foil%202021.pdf.

[59] World Trade Organization ("WTO"), Committee on Anti-Dumping Practices, *Semi-Annual Report Under Article 16.4 of WTO Antidumping Agreement: Mexico,* July 1 to December 31, 2019, retrieved April 24, 2023, https://docs.wto.org/dol2fe/Pages/FE_Search/FE_S_S009-Html.aspx?Id=262211&BoxNumber=3&DocumentPartNumber=1&Language=E&HasEnglishRecord=True&HasFrenchRecord=True&HasSpanishRecord=True&Window=L&PreviewContext=DP&FullTextHash=371857150#KV_GENERATED_FILE_000007.htm

[60] Asian Metal, "Taiwan Decides to Impose Antidumping Duty on Certain Aluminum Foil Products Imported from Chinese Mainland," September 10, 2021, https://www.asianmetal.com/news/1721047/Taiwan-decides-to-impose-anti-dumping-duty-on-certain-

(*continued*...)

Turkey

In January 2020, Turkey extended 22.0 percent antidumping duty orders on certain aluminum foil from China. These orders were originally imposed in July 2014. The scope of these orders includes "aluminum foil of a thickness not exceeding 0.2 mm (0.00787 inch), not backed."[61]

The global market

Table I-12 presents the largest global export sources of aluminum foil during 2017-2022. Exports from China accounted for 45.7 percent of global exports of aluminum foil in 2022. The next largest source in 2022 was Germany (8.7 percent) followed by Turkey, Italy, and the United States (5.9 percent, 4.0 percent, and 3.9 percent of global exports, respectively).

(…*continued*)

aluminum-foil-products-imported-from-Chinese-Mainland/1; see also International Trade Commission, Ministry of Economic Affairs, "List of Antidumping Investigation Cases," retrieved April 21, 2022, https://www.moeaitc.gov.tw/ITC/english/content/wfrmContent.aspx?menu_id=141.

[61] World Trade Organization ("WTO"), Committee on Anti-Dumping Practices, *Semi-Annual Report Under Article 16.4 of WTO Antidumping Agreement: Turkey,* January 1 to June 30, 2020, retrieved April 24, 2023, https://docs.wto.org/dol2fe/Pages/FE_Search/FE_S_S009-Html.aspx?Id=266649&BoxNumber=3&DocumentPartNumber=1&Language=E&HasEnglishRecord=True&HasFrenchRecord=True&HasSpanishRecord=True&Window=L&PreviewContext=DP&FullTextHash=371857150.

Table I-12
Aluminum foil: Quantity of global exports by country and period

Quantity in short tons

Exporting country	2017	2018	2019	2020	2021	2022
China	791,036	901,111	899,560	870,243	937,819	1,053,432
Germany	206,215	212,524	205,226	197,136	196,525	201,801
Turkey	87,313	114,049	125,960	117,114	127,486	135,130
Italy	67,003	64,618	65,034	75,156	85,961	93,273
United States	77,493	73,740	68,672	69,807	87,857	89,075
South Korea	48,862	55,410	55,298	69,412	76,158	83,097
Greece	67,513	77,606	76,015	78,826	80,889	75,366
Belgium	26,657	27,840	36,782	30,799	59,415	49,607
Japan	42,168	52,154	50,550	38,367	53,007	48,221
Slovenia	32,815	33,126	33,940	34,578	37,641	36,257
All other exporters	456,610	491,141	482,068	459,070	481,961	442,209
All exporters	1,903,684	2,103,318	2,099,105	2,040,508	2,224,719	2,307,469

Source: S&P Global, Global Trade Atlas, HS subheadings 7607.11.

Note: Data reported in this table does not include in-scope merchandise (fin stock) imported under HS subheading 7607.19. Because of rounding, figures may not add to totals shown.

Nonsubject countries

The industry in Thailand

Thailand was the largest nonsubject source of aluminum foil imports into the United States by quantity in 2022.[62] The United States is the second-largest export destination for aluminum foil from Thailand and accounted for 18.9 percent of Thailand's exports of aluminum foil in 2022.[63] Other notable export destinations include India and Turkey which accounted for 58.1 percent, and 9.2 percent of aluminum foil exports from Thailand, respectively. Effective March 23, 2018, aluminum foil originating in Thailand is subject to an additional 25 percent ad valorem duty under section 232 of the Trade Expansion Act of 1962, as amended.[64] In March 2023, the U.S. Department of Commerce issued a preliminary determination affirming that imports of aluminum foil from Thailand using aluminum foil and sheet inputs manufactured in China were circumventing the antidumping and countervailing duty orders on aluminum foil from China.[65]

The industry in South Korea

South Korea was the second-largest nonsubject source of aluminum foil imports into the United States by quantity in 2022.[66] The United States is the largest export destination for aluminum foil from South Korea and accounted for 49.2 percent of South Korea's exports of aluminum foil in 2022.[67] Other notable export destinations include China and Poland which accounted for 15.3 percent, and 8.6 percent of aluminum foil exports from South Korea, respectively. Effective May 1, 2018, aluminum foil originating in South Korea is subject to an additional 25 percent ad valorem duty under section 232 of the Trade Expansion Act of 1962, as amended.[68] In March 2023, the U.S. Department of Commerce issued a preliminary determination affirming that imports of aluminum foil from South Korea using aluminum foil and sheet inputs manufactured in China were circumventing the antidumping and countervailing duty orders on aluminum foil from China.[69]

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[62] USITC DataWeb/Census, HTS statistical reporting numbers 7607.11.3000, 7607.11.6000, 7607.11.6090, 7607.11.9030, 7607.11.9060, 7607.11.9090, 7607.19.6000 accessed May 1, 2023.

[63] S&P Global, Global Trade Atlas, HS subheading 7607.11, accessed April 20, 2023.

[64] 85 FR 11619, March 15, 2018.

[65] 88 FR 17177, March 22, 2023.

[66] USITC DataWeb/Census, HTS statistical reporting numbers 7607.11.3000, 7607.11.6000, 7607.11.6090, 7607.11.9030, 7607.11.9060, 7607.11.9090, 7607.19.6000 accessed May 1, 2023.

[67] S&P Global, Global Trade Atlas, HS subheading 7607.11, accessed April 20, 2023.

[68] 83 FR 20677, May 7, 2018.

[69] 88 FR 17177, March 22, 2023.

The industry in Germany

Germany was the third-largest nonsubject source of aluminum foil imports into the United States by quantity in 2022.[70] The United States is the third largest export destination for aluminum foil from Germany and accounted for 12.8 percent of Germany's exports of aluminum foil in 2022.[71] Other notable export destinations include Switzerland, France, and Italy which accounted for 20.8 percent, 17.8 percent, and 7.6 percent of aluminum foil exports from Germany, respectively. Between June 1, 2018 and December 31, 2021, aluminum foil originating in EU member countries, including Germany, was subject to an additional 25 percent ad valorem duty under section 232 of the Trade Expansion Act of 1962, as amended.[72] Effective January 1, 2022 each EU member country became subject to individual tariff-rate quotas.[73] In 2022, the annual limit for aluminum imports from Germany under the tariff-rate quota was 290,000 kg (319.7 short tons).[74]

[70] USITC DataWeb/Census, HTS statistical reporting numbers 7607.11.3000, 7607.11.6000, 7607.11.6090, 7607.11.9030, 7607.11.9060, 7607.11.9090, 7607.19.6000 accessed May 1, 2023.

[71] S&P Global, Global Trade Atlas, HS subheading 7607.11, accessed April 20, 2023.

[72] 83 FR 13355, March 28, 2018; 83 FR 20677, May 7, 2018; 83 FR 25849, June 5, 2018.

[73] 87 FR 1, January 3, 2022.

[74] U.S. Customs and Border Protection (CBP), "European Union Sec 232 Aluminum Tariff Rate Quota (TRQ) 2022," accessed April 26, 2022, https://www.cbp.gov/sites/default/files/assets/documents/2021-Dec/EU%20Aluminum%202022%20TRQ%20Limits.pdf.

APPENDIX A

FEDERAL REGISTER NOTICES

The Commission makes available notices relevant to its investigations and reviews on its website, www.usitc.gov. In addition, the following tabulation presents, in chronological order, Federal Register notices issued by the Commission and Commerce during the current proceeding.

Citation	Title	Link
88 FR 12990 March 1, 2023	*Aluminum Foil From China; Institution of Five-Year Reviews*	https://www.govinfo.gov/content/pkg/FR-2023-03-01/pdf/2023-04071.pdf
88 FR 12915 March 1, 2023	*Initiation of Five-Year (Sunset) Reviews*	https://www.govinfo.gov/content/pkg/FR-2023-03-01/pdf/2023-04187.pdf

APPENDIX B

COMPANY-SPECIFIC DATA

RESPONSE CHECKLIST FOR U.S. PRODUCERS

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APPENDIX C

SUMMARY DATA

Total market

Table C-1

Aluminum foil: Summary data concerning the U.S. total market, 2014-16, January to September 2016, and January to September 2017

(Quantity=short tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per short ton; Period changes=percent--exceptions noted)

	Reported data					Period changes			
	Calendar year			January to September		Calendar year			Jan-Sep
	2014	2015	2016	2016	2017	2014-16	2014-15	2015-16	2016-17
U.S. consumption quantity:									
Amount	***	***	***	***	***	***	***	***	***
Producers' share (fn1)	***	***	***	***	***	***	***	***	***
Importers' share (fn1):									
China	***	***	***	***	***	***	***	***	***
Armenia	***	***	***	***	***	***	***	***	***
Germany	***	***	***	***	***	***	***	***	***
Russia	***	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***	***	***
All import sources	***	***	***	***	***	***	***	***	***
U.S. consumption value:									
Amount	***	***	***	***	***	***	***	***	***
Producers' share (fn1)	***	***	***	***	***	***	***	***	***
Importers' share (fn1):									
China	***	***	***	***	***	***	***	***	***
Armenia	***	***	***	***	***	***	***	***	***
Germany	***	***	***	***	***	***	***	***	***
Russia	***	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***	***	***
All import sources	***	***	***	***	***	***	***	***	***
U.S. imports from:									
China:									
Quantity	109,266	130,855	151,598	112,099	121,745	38.7	19.8	15.9	8.6
Value	357,957	411,407	431,387	317,778	366,402	20.5	14.9	4.9	15.3
Unit value	$3,276	$3,144	$2,846	$2,835	$3,010	(13.1)	(4.0)	(9.5)	6.2
Ending inventory quantity	13,516	16,332	21,637	22,098	20,590	60.1	20.8	32.5	(6.8)
Armenia:									
Quantity	28,745	15,198	8,000	6,465	10,755	(72.2)	(47.1)	(47.4)	66.4
Value	83,025	45,505	20,829	16,905	28,821	(74.9)	(45.2)	(54.2)	70.5
Unit value	$2,888	$2,994	$2,604	$2,615	$2,680	(9.9)	3.7	(13.0)	2.5
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Germany:									
Quantity	15,427	16,010	16,447	13,246	8,421	6.6	3.8	2.7	(36.4)
Value	74,962	71,046	63,140	48,895	37,159	(15.8)	(5.2)	(11.1)	(24.0)
Unit value	$4,859	$4,438	$3,839	$3,691	$4,413	(21.0)	(8.7)	(13.5)	19.5
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Russia:									
Quantity	2,217	8,442	12,890	10,374	12,961	481.4	280.8	52.7	24.9
Value	6,221	24,159	31,740	25,459	34,524	410.2	288.3	31.4	35.6
Unit value	$2,806	$2,862	$2,462	$2,454	$2,664	(12.2)	2.0	(14.0)	8.5
Ending inventory quantity	***	***	***	***	***	***	***	***	***
All other sources:									
Quantity	29,589	24,672	25,660	19,896	27,450	(13.3)	(16.6)	4.0	38.0
Value	214,061	127,955	110,690	84,879	117,597	(48.3)	(40.2)	(13.5)	38.5
Unit value	$7,234	$5,186	$4,314	$4,266	$4,284	(40.4)	(28.3)	(16.8)	0.4
Ending inventory quantity	3,763	2,541	3,160	2,587	5,223	(16.0)	(32.5)	24.4	101.9
Nonsubject sources:									
Quantity	75,978	64,323	62,997	49,981	59,587	(17.1)	(15.3)	(2.1)	19.2
Value	378,269	268,665	226,398	176,137	218,101	(40.1)	(29.0)	(15.7)	23.8
Unit value	$4,979	$4,177	$3,594	$3,524	$3,660	(27.8)	(16.1)	(14.0)	3.9
Ending inventory quantity	7,526	5,788	4,617	4,671	10,217	(38.7)	(23.1)	(20.2)	118.7
All import sources:									
Quantity	185,244	195,177	214,595	162,080	181,332	15.8	5.4	9.9	11.9
Value	736,226	680,072	657,786	493,916	584,503	(10.7)	(7.6)	(3.3)	18.3
Unit value	$3,974	$3,484	$3,065	$3,047	$3,223	(22.9)	(12.3)	(12.0)	5.8
Ending inventory quantity	21,042	22,120	26,254	26,769	30,807	24.8	5.1	18.7	15.1

Table continued on next page.

Table C-1--Continued
Aluminum foil: Summary data concerning the U.S. total market, 2014-16, January to September 2016, and January to September 2017
(Quantity=short tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per short ton; Period changes=percent--exceptions noted)

	Reported data					Period changes			
	Calendar year			January to September		Calendar year			Jan-Sep
	2014	2015	2016	2016	2017	2014-16	2014-15	2015-16	2016-17
U.S. producers':									
Average capacity quantity	***	***	***	***	***	***	***	***	***
Production quantity	***	***	***	***	***	***	***	***	***
Capacity utilization (fn1)	***	***	***	***	***	***	***	***	***
U.S. shipments:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Export shipments:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Inventories/total shipments (fn1)	***	***	***	***	***	***	***	***	***
Production workers	***	***	***	***	***	***	***	***	***
Hours worked (1,000s)	***	***	***	***	***	***	***	***	***
Wages paid ($1,000)	***	***	***	***	***	***	***	***	***
Hourly wages (dollars)	***	***	***	***	***	***	***	***	***
Productivity (short tons per 1,000 hours)	***	***	***	***	***	***	***	***	***
Unit labor costs	***	***	***	***	***	***	***	***	***
Net sales:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***	***	***	***
Gross profit or (loss)	***	***	***	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***	***	***	***
Net income or (loss)	***	***	***	***	***	***	***	***	***
Capital expenditures	***	***	***	***	***	***	***	***	***
Unit COGS	***	***	***	***	***	***	***	***	***
Unit SG&A expenses	***	***	***	***	***	***	***	***	***
Unit operating income or (loss)	***	***	***	***	***	***	***	***	***
Unit net income or (loss)	***	***	***	***	***	***	***	***	***
COGS/sales (fn1)	***	***	***	***	***	***	***	***	***
Operating income or (loss)/sales (fn1)	***	***	***	***	***	***	***	***	***
Net income or (loss)/sales (fn1)	***	***	***	***	***	***	***	***	***

Notes:

fn1.--Reported data are in percent and period changes are in percentage points.
fn2.--Undefined.

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics using HTS statistical reporting numbers 7607.11.3000, 7607.11.6000, 7607.11.9030, 7607.11.9060, 7607.11.9090, and 7607.19.6000, accessed December 21, 2017.

Merchant market

Table C-2

Aluminum foil: Summary data concerning the U.S. merchant market, 2014-16, January to September 2016, and January to September 2017

(Quantity=short tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per short ton; Period changes=percent--exceptions noted)

	Reported data					Period changes			
	Calendar year			January to September		Calendar year			Jan-Sep
	2014	2015	2016	2016	2017	2014-16	2014-15	2015-16	2016-17
U.S. consumption quantity:									
Amount	***	***	***	***	***	***	***	***	***
Producers' share (fn1)	***	***	***	***	***	***	***	***	***
Importers' share (fn1):									
China	***	***	***	***	***	***	***	***	***
Armenia	***	***	***	***	***	***	***	***	***
Germany	***	***	***	***	***	***	***	***	***
Russia	***	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***	***	***
All import sources	***	***	***	***	***	***	***	***	***
U.S. consumption value:									
Amount	***	***	***	***	***	***	***	***	***
Producers' share (fn1)	***	***	***	***	***	***	***	***	***
Importers' share (fn1):									
China	***	***	***	***	***	***	***	***	***
Armenia	***	***	***	***	***	***	***	***	***
Germany	***	***	***	***	***	***	***	***	***
Russia	***	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***	***	***
All import sources	***	***	***	***	***	***	***	***	***
U.S. producers':									
Commercial U.S. shipments:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Commercial sales:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***	***	***	***
Gross profit or (loss)	***	***	***	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***	***	***	***
Net income or (loss)	***	***	***	***	***	***	***	***	***
Unit COGS	***	***	***	***	***	***	***	***	***
Unit SG&A expenses	***	***	***	***	***	***	***	***	***
Unit operating income or (loss)	***	***	***	***	***	***	***	***	***
Unit net income or (loss)	***	***	***	***	***	***	***	***	***
COGS/sales (fn1)	***	***	***	***	***	***	***	***	***
Operating income or (loss)/sales (fn1)	***	***	***	***	***	***	***	***	***
Net income or (loss)/sales (fn1)	***	***	***	***	***	***	***	***	***

Notes:

fn1.--Reported data are in percent and period changes are in percentage points.
fn2.--Undefined.

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics using HTS statistical reporting numbers 7607.11.3000, 7607.11.6000, 7607.11.9030, 7607.11.9060, 7607.11.9090, and 7607.19.6000, accessed December 21, 2017.

APPENDIX D

PURCHASER QUESTIONNAIRE RESPONSES

As part of their response to the notice of institution, interested parties were asked to provide a list of three to five leading purchasers in the U.S. market for the domestic like product. A response was received from the domestic interested parties and it provided contact information for the following three firms as top purchasers of aluminum foil: ***. Purchaser questionnaires were sent to these three firms and three firms *** provided responses, which are presented below.

1. Have there been any significant changes in the supply and demand conditions for aluminum foil that have occurred in the United States or in the market for aluminum foil in China since January 1, 2018?

Purchaser	Yes / No	Changes that have occurred
***	***	***
***	***	***
***	***	***

2. Do you anticipate any significant changes in the supply and demand conditions for aluminum foil in the United States or in the market for aluminum foil in China within a reasonably foreseeable time?

Purchaser	Yes / No	Anticipated changes
***	***	***
***	***	***
***	***	***