October 23, 2019

The Honorable Wilbur Ross  
Secretary  
U.S. Department of Commerce  
1401 Constitution Avenue, NW  
Washington, DC 20230

Dear Secretary Ross:

As the Administration continues to pursue a comprehensive agreement to address long-standing industrial subsidies and other policies that fuel China’s structural overcapacity across the aluminum value chain, we urge you to implement a monitoring program for aluminum imports entering the country.

We know that strong trade enforcement is essential to a fair, rules-based global trading system. Expanding the Commerce Department’s current import monitoring program to capture the import of aluminum products will help government officials and the industry to better identify trends in trade flows and address aluminum misclassification, transshipment and evasion of duties. We look forward to working with the U.S. government to develop a program that will help ensure U.S. aluminum producers can compete on a level playing field within North America.

While excess capacity in China is a problem for many U.S. industries, as you know, it is a particularly acute problem in the aluminum industry. The U.S. aluminum industry generates nearly $71 billion in direct economic output annually and directly employs more than 162,000 workers – and aluminum is a key input component for U.S. manufacturing sectors and consumer products.

Tools like antidumping and countervailing duty investigations are critical for enforcing rules-based trade and recent successful cases have led to a sharp decline in unfairly traded Chinese imports of aluminum foil and common alloy aluminum sheet to the United States. However, despite these efforts, global exports of semi-fabricated aluminum products from China hit record levels in 2018 – and growing further still in 2019, up 6 percent year-to-date. Alarmingly, in the midst of slowing demand and production, China’s primary aluminum capacity grew 5.7 percent in 2018. We can see that Chinese aluminum producers are increasingly reliant on exports of semi-fabricated aluminum products – reaching a record 5.23 million metric tons in 2018 – to justify capacity expansions.

A monitoring program would give the U.S. government – and the aluminum manufacturing sector – new tools to identify trends and trade flows to determine if there is circumvention or evasion of the industry’s AD/CVD orders and to swiftly address illegal activity. Notably, Canada recently expanded its import monitoring system to include aluminum and aluminum products.
Canada’s decision is consistent with the commitments set forth in the May 17 agreement that reinstated the country’s exemption from Section 232 tariffs on aluminum products – an exemption that we strongly support. In the May 17 joint statement, the U.S. and Canada agreed to adopt policies to improve aluminum import monitoring and prevent the transshipment of metal.

Establishing a U.S. aluminum import monitoring program in coordination with our North American trading partners would further bolster the robust, fair and rules-based trade of aluminum and aluminum products between our three countries. China’s export of its subsidized mid- and downstream aluminum products continues to disrupt the global aluminum market, to the detriment of U.S. aluminum producers, and must urgently be addressed by the U.S. government and its international partners.

Sincerely,

Suzan K. DelBene  
Member of Congress

Larry Bucshon, M.D.  
Member of Congress

Dave Loebsack  
Member of Congress

Bill Johnson  
Member of Congress

Bruce Westerman  
Member of Congress

Mike Doyle  
Member of Congress

William Timmons  
Member of Congress

Elise Stefanik  
Member of Congress
Jan Schakowsky
Member of Congress

Jason Smith
Member of Congress

Rick Crawford
Member of Congress

Brenda Lawrence
Member of Congress

Robert E. Latta
Member of Congress