THOUGHT LEADERSHIP

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Service

International Trade & Supply Chain

Expedited Schedule Announced for Aluminum Imports Investigation

On May 9, 2017, the U.S. Department of Commerce (DOC) published a notice in the Federal Register setting out the hearing schedule for the investigation of aluminum imports that was announced on April 27, 2017. The scope of the investigation appears to be broad and could affect large portions of the U.S. economy and supply chain. Thus, the announcement is important both for what it does and does not say.

DOC announced the following schedule for its investigation into the effect of aluminum imports on national security (view our previous alert):

June 15, 2017 – Requests to speak and written summaries of testimony due

June 16, 2017 – DOC selects which parties will speak at the hearing

June 22, 2017 – Hearing at DOC from 10 a.m. to 1 p.m.

June 29, 2017 – Full written comments due at DOC

The announcement made clear that DOC is particularly interested in comments on:

Quantity of aluminum or other circumstances related to the importation of aluminum;

Domestic production and productive capacity needed for aluminum to meet projected national defense requirements;

Existing and anticipated availability of human resources, products, raw materials, production equipment and facilities to produce aluminum;

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Growth requirements of the aluminum industry to meet national defense requirements and/or requirements to assure such growth;

The impact of foreign competition on the economic welfare of the aluminum industry;

The displacement of any domestic aluminum causing substantial unemployment, decrease in the revenues of government, loss of investment or specialized skills and productive capacity, or other serious effects; and

Relevant factors that are causing or will cause a weakening of our national economy.

While the above are issues that the government is required to assess, the issues not included in the announcement also are significant. Most fundamentally, DOC has not announced what products are covered by the case, and it is unclear when it will offer such a definition. It may be that the scope issue is not yet resolved within the administration. But the lack of definition makes it challenging to prepare a brief and data.

What This Means to You

The hearing announcement leads us to a few initial conclusions about the case:

The lack of definition of product coverage at this juncture means that producers, importers and consumers of basic aluminum products are almost surely covered by the case. Products further downstream also may be in, but it is unknown how far downstream. For example, the administration has mentioned both aluminum foil and extruded aluminum products in the past, but no announcement has been made as to whether these products are subject to this case.

There is no clearly defined exemption process at this point, which is not surprising given the absence of a clear scope of the case. The hearing process, which is short and covers multiple countries and products, is not likely to be a meaningful forum for discussion of exemptions or appropriate relief. It appears that work on exemptions will not be in a public forum but rather through working with members of Congress and with the technical experts in the agencies, as well as with the White House. We will provide more information, including on the scope of the case, as it becomes available.

Contact Us

For more information on how the aluminum investigation may impact your business, please contact Jeffrey S. Neeley or another member of Husch Blackwell's International Trade & Supply Chain team.