

Accusations of malfeasance fly at USITC preliminary conference for solar cell investigation

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Representatives of companies in favor of the imposition of antidumping and antisubsidy duties on the Southeast Asian solar products alleged the Chinese companies stymied by already extant trade duties on Chinese solar products were merely rerouting their profits through production facilities in Cambodia, Malaysia, Thailand and Vietnam.

Representatives of companies opposing the imposition of trade duties told the USITC that the petitioning coalition, particularly coalition member Hanwha QCells, "aims to stifle its US competition, not competition with Southeast Asia."

"Why else would this case target imports of solar cells from Southeast Asia, a vital component to US manufacturing, and leaving untouched the enormous quantities of solar cell and module imports from Korea, upon which Hanwha depends for its US manufacturing operations?" asked Jonathan T. Stoel, a lawyer representing Canadian Solar.

The USITC is scheduled to vote June 7 on whether to proceed to the final phase of the antidumping and antisubsidy investigations.

— Opposing duties —

According to Stoel, the majority of domestic US solar manufacturers oppose the petitioners' position because "all of these very large domestic solar producers, manufacturers, currently rely on imported solar cells from Southeast Asia to assemble solar modules here in the United States."

"As the commission is well aware, and as the petitioners admitted earlier today, there simply is no commercial-sized production of solar cells here in the United States," Stoel said.

"This case is not about protecting US manufacturing," agreed Canadian Solar's Andrew Williams, "or even... leveling the playing field."

"Rather," Williams said, "it's a baseless attempt to insulate the petitioners like Hanwha and First Solar and others from having to compete in a robust commercial market, and in fact, putting a thumb on the scale in their favor."

Representatives of domestic solar module producer Illuminate USA asked the commission to also reconsider previous assessments of the scope, arguing that there is a significant difference between solar modules and solar cells.

According to Crowell & Moring lawyer Robert LaFrankie and Illuminate CFO Kurt Wagner, "cells and modules are in fact separate products... modules are very different physically from cells, they cost significantly more to produce, and they require significant additional processing."

LaFrankie and Wagner told the USITC that modules and cells require entirely separate and different manufacturing facilities, and, as previously stated by representatives from Canadian Solar, there is currently no commercial-sized production of solar cells in the US.

"A finished cell is essentially a very thin refined piece of a silicon wafer," Wagner said. "It's less than half a millimeter thick and about seven inches square, it's flexible, delicate, and relatively raw."

In contrast, Wagner said, a module is “over seven feet tall, three and a half feet wide; it incorporates 72 of these full cells into a complete functioning unit designed to produce and capture electricity – it’s a highly engineered product, made through a multi-step process.”

According to Wagner, “nobody in the industry views cells and modules as the same product... [The petitioners] cannot be harmed by cell imports because they do not make cells – they are simply using this case to protect their South Korean cell supply chain at the expense of their competitors’ cell supply chains.”

— Requesting duties —

Representatives of the petitioning coalition, the American Alliance for Solar Manufacturing Trade Committee, argued that they are suffering from a “huge surge of dumped and subsidized solar imports from Cambodia, Malaysia, Thailand and Vietnam.”

According to Hanwha QCells’ Hal Connolly, “the reality is that American solar manufacturers have been overwhelmed, with irrational import volumes causing prices to crater and threatening all of the announcements made in the wake of the Inflation Reduction Act.”

“Manufacturers like QCells are losing millions of dollars a month, and investments across the sector are at critical risk of failure,” Connolly said, because “Chinese companies are moving to Southeast Asia to sidestep tariffs on Chinese products and continue the same unfair trade practices.”

“Import pressure from largely Chinese-owned companies in Cambodia, Malaysia, Thailand and Vietnam are driving prices down in our market below sustainable levels for US manufacturing,” said Convalt Energy CEO Hari Achuthan.

Mission Solar Energy’s Sam Martens agreed with Connolly and Achuthan, saying that “unfair trade practices by largely Chinese-owned companies in these countries are injuring the US solar industry, just when it should be thriving.”

“This means that a critical link in the US green energy supply chain, solar module manufacturing, is at serious risk of being cut out of that supply chain, replaced by Chinese-owned and controlled firms,” Martens said.

Meyer Burger America’s Ardes Johnson warned the USITC that “the EU provides a startling example of what will happen if unfair imports are left unchecked.”

“Imports, largely from Chinese-owned companies, have surged into the EU market and caused prices to crash,” Johnson said. “It is no exaggeration to say that the entire EU solar manufacturing industry is on the brink of collapse.”

According to Johnson, “subject imports not only negatively impact the domestic solar manufacturing industry at a fundamental level, they also threaten America’s ability to be a leader in advanced green energy technologies more broadly.”

Connolly, Johnson and Achuthan all told the USITC that their companies had planned to bring solar cell production to the US, but current market conditions impeded the potential success of those plans.

Hanwha, according to Connolly, “expect[s] to bring our 3.3 gigawatts of US cell and wafer production online by the end of this year,” while Convalt, according to Achuthan, plans to have “10 gigawatts of combined ingot, wafer, cell, and module production capacity come online” by the fourth quarter of 2025.

According to Johnson, Meyer Burger Americas “plans to develop 2 gigawatts of solar cell production in Colorado Springs... but due to pricing pressure from unfair imports and the related loss in revenue, we are being forced to delay the rollout of our cell facility.”

During closing remarks, Wiley Rein lawyer Timothy Brightbill told the USITC that “we do represent the majority of the domestic industry, as found in Commerce’s notice of initiation released today.”

“Respondents are Chinese-owned companies, partners with Chinese-owned companies, or customers whose business model is built on artificially low Chinese-owned company products... injuring the US market from Southeast Asia, and then simultaneously holding themselves out as American producers,” Brightbill said.

Brightbill warned the USITC that the “circumvention tariff holiday,” imposed by US President Joe Biden’s use of a rare emergency authority that placed a two-year suspension of trade remedy duties on solar goods from Cambodia, Malaysia,

Thailand and Vietnam (see [here](#)), will expire on June 6.

“The commission will see an even bigger surge in subject imports ... from all four countries after that point,” Brightbill said.

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