

Congress of the United States

Washington, DC 20515

March 15, 2023

The Honorable Gina M. Raimondo
Secretary of Commerce
International Trade Administration
Attn: Enforcement and Compliance
Washington, DC 20230

Dear Secretary Raimondo:

We write on behalf of West Virginia and other manufacturers who are members of the Coalition for Fair Trade in Hardwood Plywood (hereinafter the Coalition). The Coalition's five-member companies employ thousands of men and women across the United States and hardwood plywood is an important product for U.S. consumers and domestic manufacturers. The hardwood plywood and veneer industry is specifically important to West Virginia. However, I am concerned that manufacturing in this sector has been disrupted in recent years due to some unfair import practices.

In 2017, the Department of Commerce (hereinafter the Department) determined that the hardwood plywood industry was materially injured due to unfair subsidies provided to producers and exporters from China. As a result, in January 2018, the Department issued antidumping and countervailing (AD/CVD) orders and duties were imposed on all Chinese exporters of hardwood plywood. However, we have been made aware that while the AD/CVD investigations were ongoing, Chinese producers began finding ways to circumvent and evade the potential duties. These efforts have resulted in significant financial and employment losses for the domestic industry.

In February 2020, the Coalition filed a joint scope ruling and circumvention request asking the Department to find that hardwood plywood originating in China, with only minor assembly in Vietnam, is subject to the scope of the orders. Commerce reached an affirmative preliminary determination in this proceeding in July 2022, and concluded that hardwood plywood assembled in Vietnam from Chinese veneers circumvented the orders.

Following this decision, it is my understanding that the Department visited Vietnam to verify many of these producers and found that thirty-six companies were uncooperative with the Department's investigation. In light of these findings, we are concerned that the Department is considering modifications to its preliminary determination by offering a second-chance for previously uncooperative companies to avoid paying duties and allow Vietnamese companies to self-certify retroactively.

We ask that the Department take careful consideration to ensure that producers and importers of subsidized Chinese hardwood plywood largely assembled in Vietnam are complying with the lawful payment of duties, including those companies that did not fully cooperate with Commerce's scope investigations.

Thank you for your swift consideration of this important issue.

Sincerely,



Shelley Moore Capito
United States Senator



Joe Manchin III
United States Senator



Carol D. Miller
Member of Congress