Congress of the United States
Washington, DC 20515

April 14, 2016

The Honorable Michael Froman
United States Trade Representative
600 17th St., NW
Washington, D.C. 20508

The Honorable Penny Pritzker
Secretary of Commerce
U.S. Department of Commerce
1401 Constitution Ave., NW
Washington, D.C. 20230

Dear Ambassador Froman and Secretary Pritzker,

We write today about the approaching December 11, 2016 deadline contained in Article 15 of China's Protocol of Accession to the WTO. We understand that some argue that this provision obligates granting China market economy status for the purposes of calculating antidumping duties. However, there are strong arguments that this provision creates no such obligation.

The antidumping law is a vital tool to ensure that unfairly priced Chinese imports do not injure U.S. companies and workers. This unfair trade is often due to Chinese production overcapacity, particularly in the steel and aluminum industries, and has had harmful effects on U.S. producers.

As you know, in determining whether or not to treat a country as a non-market economy (NME) for the purposes of calculating antidumping duties, 19 U.S.C. § 1677(18)(B) requires the Commerce Department to consider six factors:

- The extent to which the currency of the foreign country is convertible into the currency of other countries;
- The extent to which wage rates in the foreign country are determined by free bargaining between labor and management;
- The extent to which joint ventures or other investments by firms of other foreign countries are permitted in the country;
- The extent of government ownership or control of the means of production;
- The extent of government control over the allocation of resources and over the price and output decisions of enterprises; and
- Such other factors as the administering authority considers appropriate.

Based on these six factors, the Commerce Department currently treats China as an NME. This ensures that antidumping duties fully remedy unfairly priced Chinese imports.

Any consideration of the implications of the December 11, 2016 deadline contained in Article 15 of China's Protocol of Accession to the WTO must be consistent with U.S. law and should reflect the importance of effectively addressing unfairly priced Chinese imports. We also encourage you to take into consideration whether China has implemented the economic reforms promised when Article 15 of China's Protocol of Accession to the WTO was agreed upon. Thank you for your attention to this matter.

Sincerely,

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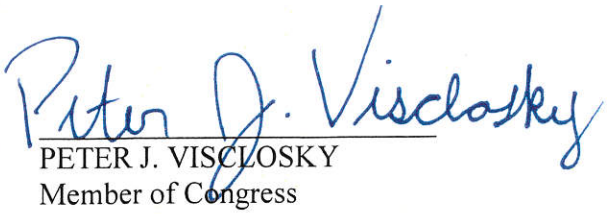

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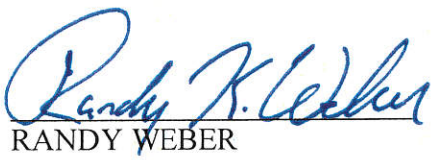

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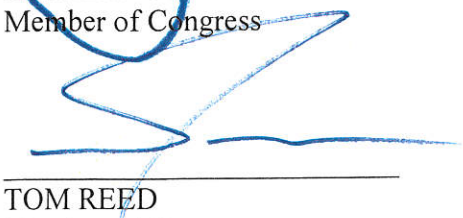

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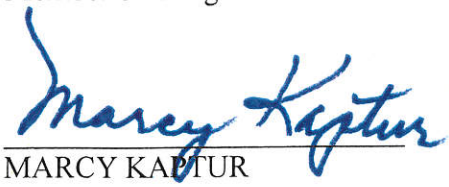

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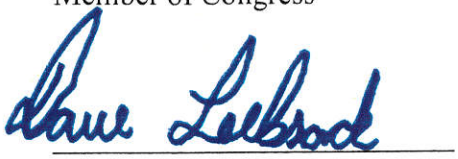

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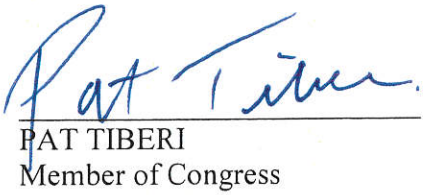

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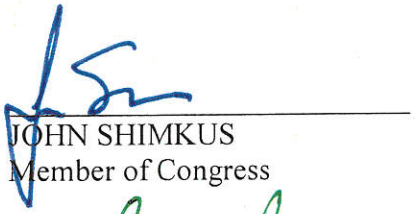

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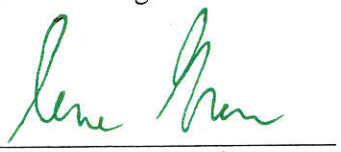

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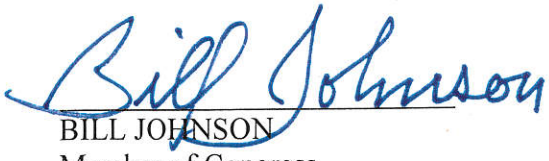

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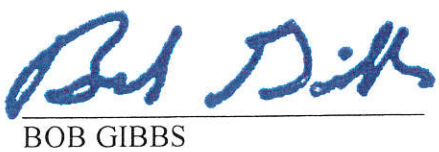

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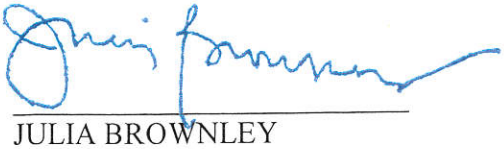

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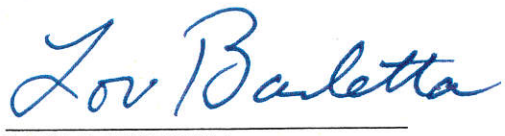

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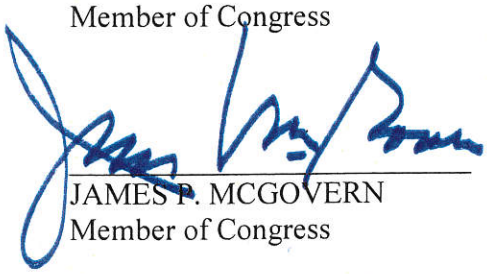

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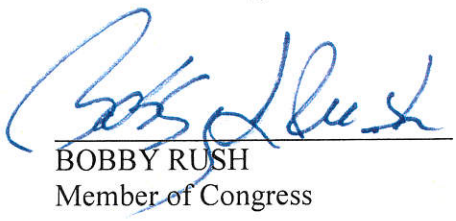

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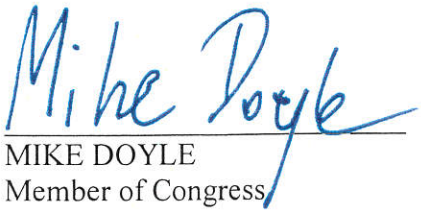

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