



CSUSTL SUBMITS COMMENTS REGARDING CURRENCY MANIPULATION

THE COMMITTEE TO SUPPORT U.S. TRADE LAWS FOR IMMEDIATE RELEASE:

(Washington, DC, June 28) – The Committee To Support US Trade Laws (CSUSTL) has submitted comments in response to a proposed rule by the Department of Commerce that would, in part, clarify how ITA determines the existence of a benefit resulting from a subsidy in the form of currency manipulation and undervaluation. This change would enable the agency to countervail currency subsidies that harm US industries under US trade remedy laws. CSUSTL commends the Administration’s efforts, and Commerce’s initiative in this rulemaking, to use all powers under the United States’ trade remedy laws to protect domestic industries from unfair trade practices. We strongly support Commerce’s action to offset the trade-distorting effects caused by a foreign government’s targeted intervention in the market that artificially devalues its currency. Given the myriad cases involving diverse industries, CSUSTL supports a final rule that provides Commerce maximum flexibility in administering the CVD law to offset government intervention that confers an unfair competitive advantage to foreign producers over U.S. manufacturers.

“For decades, US manufacturers, industries, and lawmakers have called for our government to address the pervasive problem of subsidies due to foreign currency manipulation. CSUSTL is very pleased that the Commerce Department is now moving ahead on this critically important issue”, said Timothy Brightbill, of Wiley Rein LLP, who is the Chairman of CSUSTL’s Executive Committee. Thomas Beline, of Cassidy Levy Kent LLP, who serves as CSUSTL Lawyers Committee Co-Chair, added “this proposed rule making is a very positive step and is a strong indication that Assistant Secretary Kessler and his team at Commerce intend to use all of the tools provided by Congress to combat all types of unfair trade practices that otherwise place U.S. industries at a competitive disadvantage.”

The CSUSTL submission focuses on 5 technical points that support the fair and effective administration of the proposed final rule to allow currency manipulation and undervaluation as countervailable subsidy. This includes the organization’s concern that the *Proposed Rule* appears to inappropriately cede decisional authority under the countervailing duty laws to Treasury, and that this language should be amended to clarify that it will not “defer” to Treasury regarding the existence and extent of currency undervaluation but will “confer with, and seek advice from” Treasury. CSUSTL notes that Commerce and Treasury may come to different conclusions given the different statutory schemes and so deference to Treasury is unwarranted.

John Herrmann, of Kelley Drye & Warren LLP, who also serves as Co-Chair of the Lawyers Committee, commented that “on behalf of CSUSTL’s membership, which includes companies, trade associations, and labor unions committed to preserving and strengthening the U.S. unfair trade laws, we are grateful for the Commerce Department’s efforts on this important issue. We look forward to the agency’s issuance of a final regulation that ensures subsidies bestowed through undervalued currencies are subject to the disciplining effects of the U.S. countervailing duty law.”



The Committee to Support U.S. Trade Laws (CSUSTL) is a national organization of companies, trade associations, labor unions, law firms and individuals located in all 50 states of the nation and is committed to preserving and enhancing U.S. trade laws and supporting trade policies that benefit the United States-based productive economy. CSUSTL consists of 423 companies and organizations representing 167 industries, including manufacturing, technology, agriculture, mining, energy, and services. We are dedicated to ensuring that the laws against unfair trade are not weakened through legislation or policy decisions in Washington, DC, in international negotiations, or through dispute settlement at the World Trade Organization (WTO) and elsewhere.

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