



**April 15, 2026**

**SUBMITTED ELECTRONICALLY**

The Honorable Jamieson Greer  
United States Trade Representative  
Office of the U.S. Trade Representative  
600 17th St., N.W. Washington, DC 20508

**Re: Initiation of Section 301 Investigations: Acts, Policies, and Practices of Certain Economies Relating to Structural Excess Capacity and Production in Manufacturing Sectors (Docket Number USTR-2026-0067 and 0068)**

Dear Ambassador Greer:

The Solar Energy Manufacturers for America (SEMA) Coalition supports the United States Trade Representative's (USTR's) effort to encourage our trading partners to limit structural excess capacity in the solar manufacturing sector.

The SEMA Coalition is a group of solar manufacturers united to rebuild the domestic solar supply chain. We represent the interests of the major non-Chinese solar manufacturers who are building or looking to build strategic solar components across the value chain in the U.S. Our coalition advocates for a suite of policies to develop a secure and competitive U.S. solar supply chain to meet our current and future energy demand while creating good-paying manufacturing jobs and protecting our national security.

We respectfully submit the enclosed comments in response to Docket ID: USTR-2026-0133 and welcome the opportunity to continue engaging with the USTR on these important matters.

Sincerely,

Mike Carr  
Executive Director  
SEMA Coalition

### **Background**

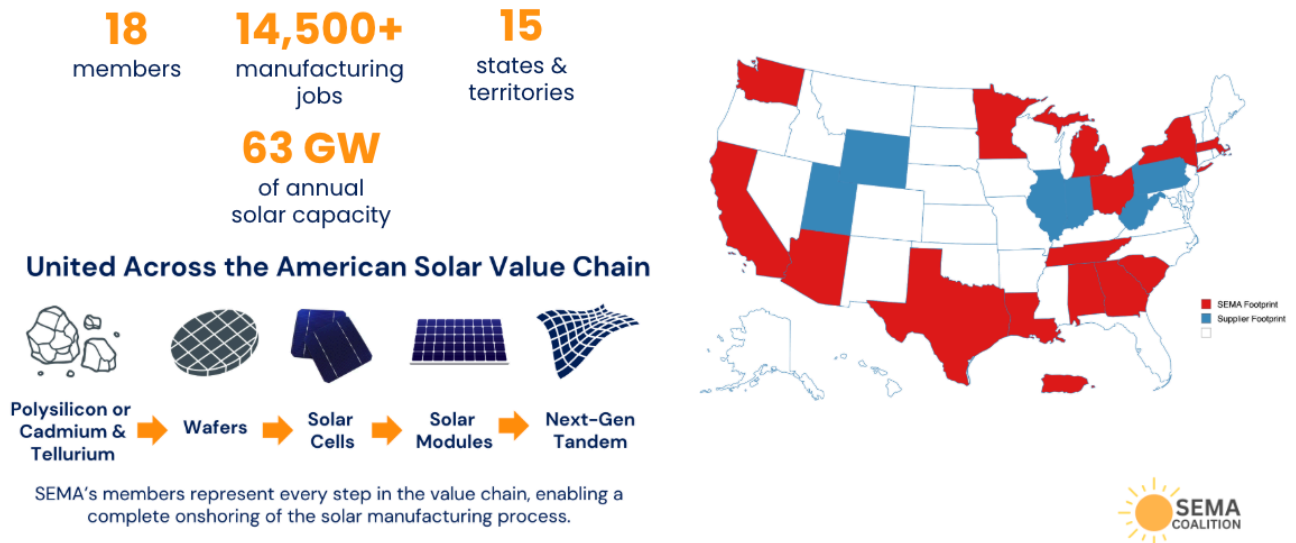
The United States is undergoing a once-in-a-generation effort to reestablish advanced domestic solar manufacturing and reduce dependence on foreign adversary supply chains. SEMA Coalition members support over 14,500 high-quality jobs across the country (Figure 1) and over [50,000 jobs](#) in the solar manufacturing supply chain. Multiple SEMA Coalition members will open billion-dollar facilities in the next year to strengthen American energy dominance and onshore energy manufacturing. SEMA Coalition



members lead the world in commercially viable next-generation solar technologies that will allow the U.S. to compete with China's supply chain on price without long-term government subsidies.

**Figure 1:** SEMA Coalition, Manufacturing Supply Chain Supports Manufacturing Jobs Across the U.S

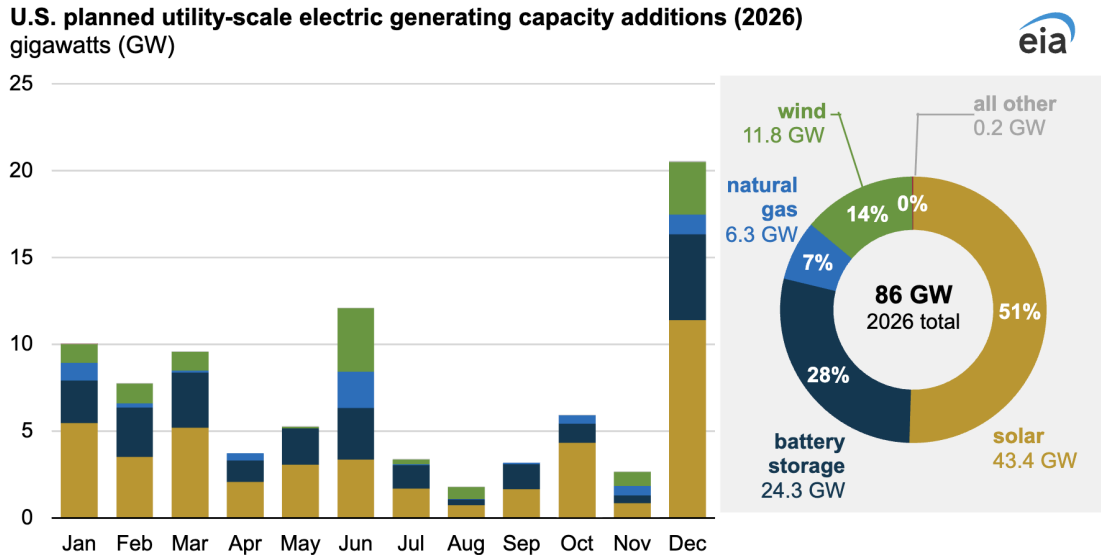
The SEMA Coalition is a group of manufacturers united to rebuild the U.S. solar supply chain free from Chinese influence



Crystalline silicon (c-Si) and cadmium telluride (CdTe) solar technologies, invented in the U.S., are quickly becoming the world's leading source of electricity grid additions. With clear [advantages](#) over other energy generation technologies, solar's deployment is rapidly accelerating across the U.S. utility-scale, commercial, industrial, and residential electricity markets. As highlighted in [prior](#) SEMA Coalition comment letters, major utilities, energy developers, and AI companies are urging the administration to support policies that deploy additional electrons on the grid as quickly as possible. President Trump has made clear that energy deployment is critical to long-term U.S. competitiveness, economic security, and maintaining low-cost energy for all Americans. As a result, U.S. solar manufacturing is critical to meeting the country's increasing need for low-cost energy while maintaining secure American energy supply chains.

With a projected 30 GW in solar module capacity this year, SEMA Coalition members will make nearly 50 percent of the 61.7 GW of utility-scale electricity-generating (non-battery) capacity the U.S. Energy Information Administration (EIA) expects to be added to the grid this year (Figure 2). SEMA Coalition members will also produce about 35 GW of upstream silicon manufacturing components (polysilicon, wafers, and cells) along with First Solar's 14 GW of upstream cadmium telluride production, all manufactured in the U.S.

**Figure 2:** [EIA, January 2026 Short-Term Energy Outlook](#)



Data source: U.S. Energy Information Administration, *Preliminary Monthly Electric Generator Inventory*, December 2025

### U.S. Policy Supporting Domestic Solar Manufacturing

U.S. solar manufacturers can compete on a level playing field with any company, but they cannot compete directly with the Chinese government. China has no inherent advantage in solar manufacturing. Solar manufacturing is largely driven by energy costs, and many U.S. localities have lower energy costs than China. Long-term U.S. policy has supported the reshoring of solar manufacturing and prevented Chinese government-backed solar companies from taking over a market responsible for over half of annual U.S. grid additions. Specifically, solar manufacturers benefit from supply-side incentives – the Section 45X tax credit – and demand-side incentives – the Section 48E/45Y tax credit’s domestic content bonus and strategic trade policy. The domestic content bonus was phased out and will effectively become unclaimable for the utility-scale market starting in July 2026. This will significantly decrease the incentive to buy American-made solar components.

Without tax policy shaping the U.S. market for solar, trade policy will become increasingly important. As demonstrated below, antidumping and countervailing duty (AD/CVD) investigations have acted to limit the impact of predatory trade practices. But the ability of Chinese-owned manufacturers to move solar cell and module facilities within a year has significantly undermined the ability of our AD/CVD regime to protect U.S. solar manufacturers from predatory actors. The same Chinese-owned companies under the Solar 3 investigation (imports from Cambodia, Malaysia, Thailand, and Vietnam) moved to new countries in the Solar 4 investigation (imports from Laos, Indonesia, and India) and are now moving again. As seen

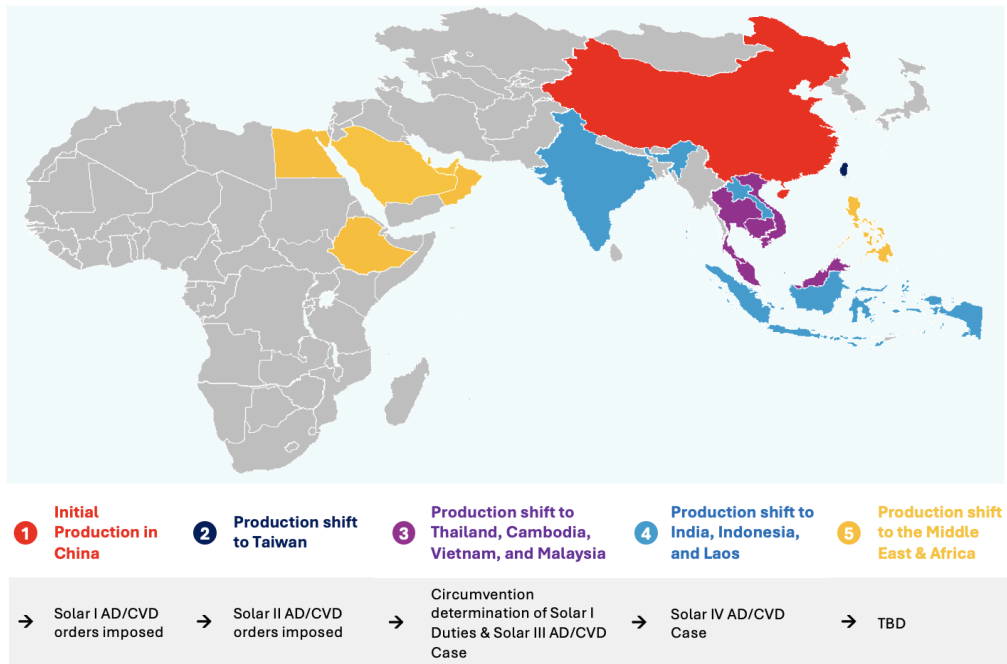


in Figure 3, Figure 4, and Figure 5 this constant effort to avoid AD/CVD duties has led to only a recent decrease in cell and module imports and a slight increase in effective duties paid.

**Figure 3: SEMA, China’s Production Shift to Avoid AD/CVD Orders**

### Chinese Production Has Rapidly Spread to MENA to Avoid SE Asia AD/CVD

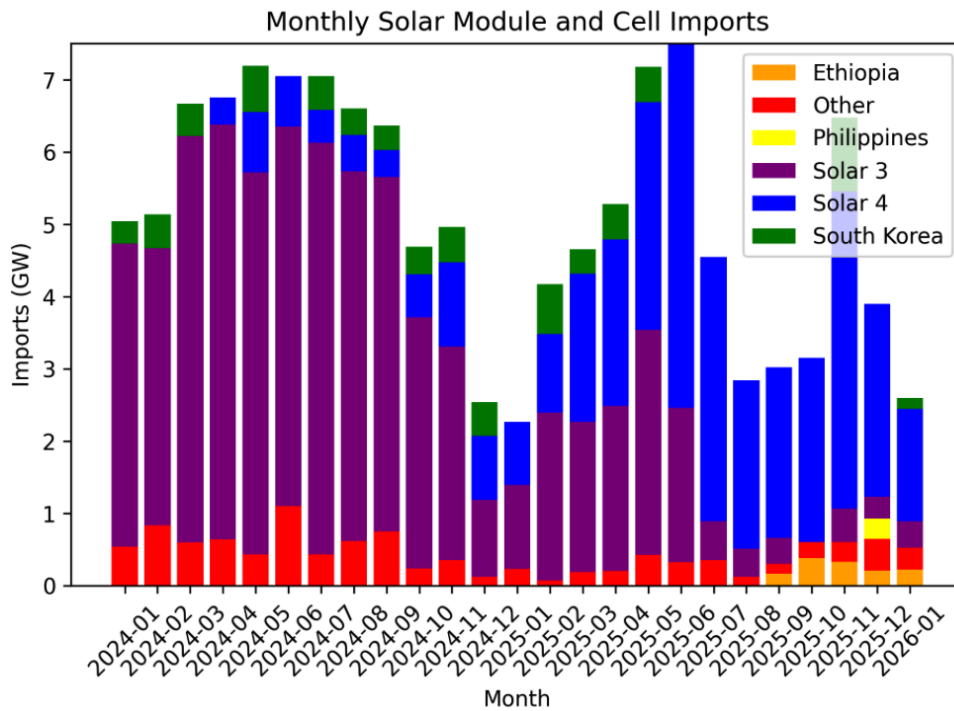
Wafer production is centered in SE Asia to avoid circumvention duties and UFLPA, while cell and module manufacturing has quickly emerged in Middle East and Africa to avoid new AD/CVD



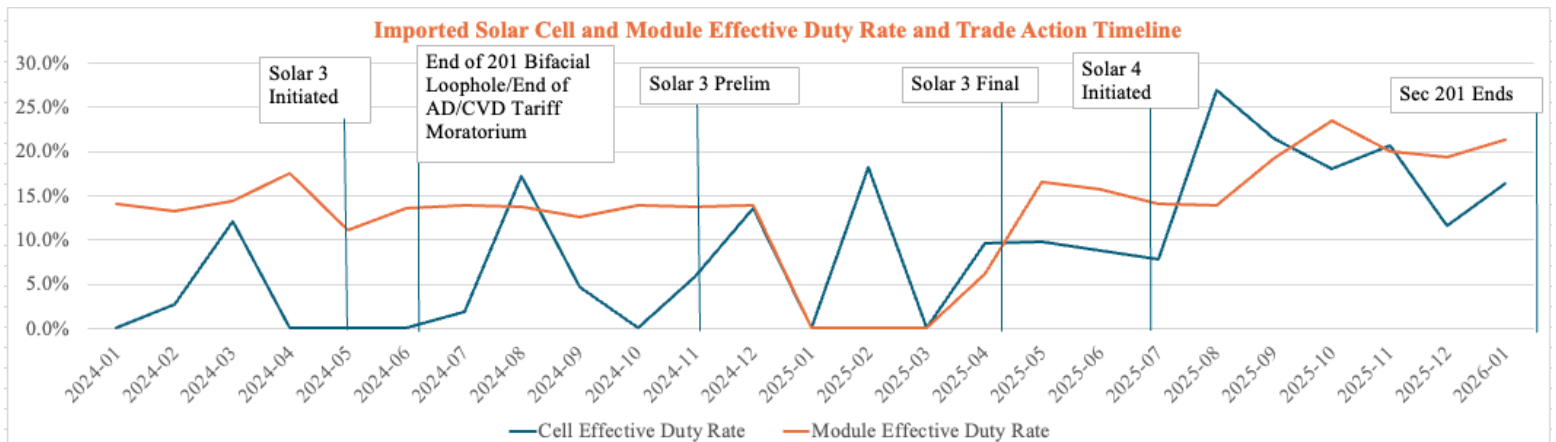
President Trump’s 2018 action in support of domestic solar manufacturing imposed a gradually diminishing 30 percent global [Section 201 tariff](#) on imports of solar modules and cells with a tariff rate quota at the cell level. During the signing of this proclamation, President Trump said, “*We’ll be making solar products now much more so in the United States. Our companies have been decimated, and those companies are going to be coming back strong.*” President Trump was right.

Despite efforts by Chinese-connected interests to diminish its usefulness, the Section 201 tariffs were successful in reshoring solar manufacturing. But those tariffs have now expired, and U.S. manufacturers are threatened by the same surge in solar imports they faced in 2018. The Trump administration must build on the legacy of President Trump’s Section 201 solar tariff to strengthen the entire solar manufacturing supply chain against China’s persistent unfair trade practices

**Figure 4:** SEMA, AD/CVD Investigations Lead to Drop and Imports and Then a Supply Chain Shift



**Figure 5:** SEMA, Effective Duty Rates Slightly Increased Over the Past Year<sup>1</sup>



<sup>1</sup> “Effective Duty Rate” means the Calculated Duties divided by the Dutiable Value (Imports for Consumption) in a given month. USITC [data](#) downloaded on 3/30/2025, commodity lists: 854143, 85414300

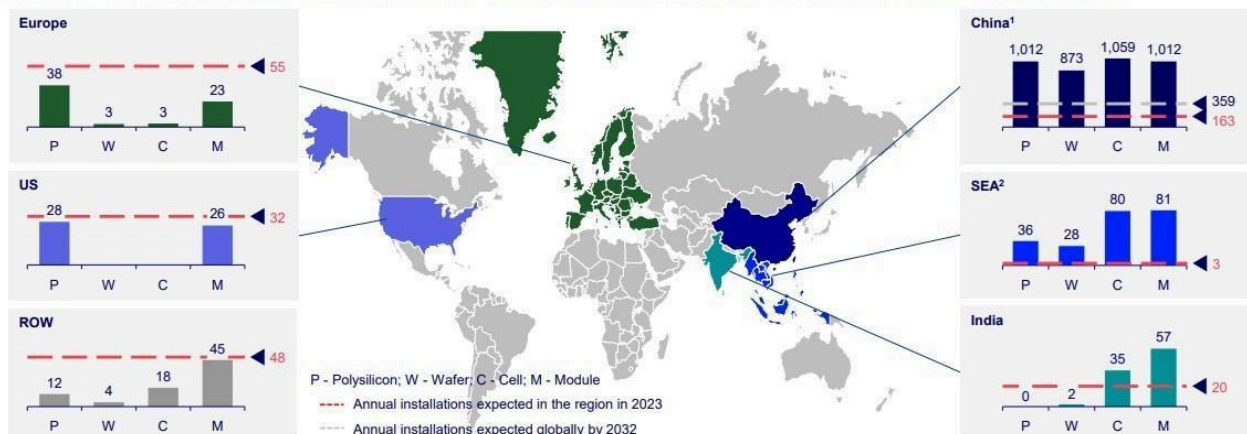
**I. The acts, policies, and practices of each investigated economy creating or maintaining structural excess capacity or production in specific sectors. Whether the acts, policies, and practices are unreasonable or discriminatory.**

According to Wood Mackenzie and a recent Reuters [report](#), solar manufacturers in China alone (not counting Chinese-owned factories around the world) have the capacity to produce more than twice the global demand for solar goods. As demonstrated in Figure 6, the scale, supply chain control, and continued planned growth of China's solar giants loom large over the solar sector.

China's 2021-2025 [Five-Year plan](#) specifically mentions strengthening the solar industry by coordinating "upstream manufacturing" to achieve the "core task" of "reducing costs" and encouraging "high-quality renewable energy industries" to "go global." China's 2026-2031 Five-Year plan [emphasizes](#) that solar energy will be fundamental to China's economic growth and energy-generating capacity. According to the [Organisation for Economic Co-operation and Development](#) (OECD), despite having received large amounts of subsidies, Chinese producers of solar goods experienced in 2024 falling revenue, sizable losses, and job cuts. Despite this problem, Chinese manufacturers continue to expand. This is because China's government has issued implicit policy orders to maintain production to dominate global supply chains. Chinese solar manufacturers are untethered from the pressures of a market-based economy, unlike U.S. solar manufacturers.

**Figure 6:** [Wood Mackenzie](#), China's Capacity Exceeds Expected 2032 Global Installations

**Production capacity across module supply chain (polysilicon, wafer, cell and module) by region (GW), 2023**



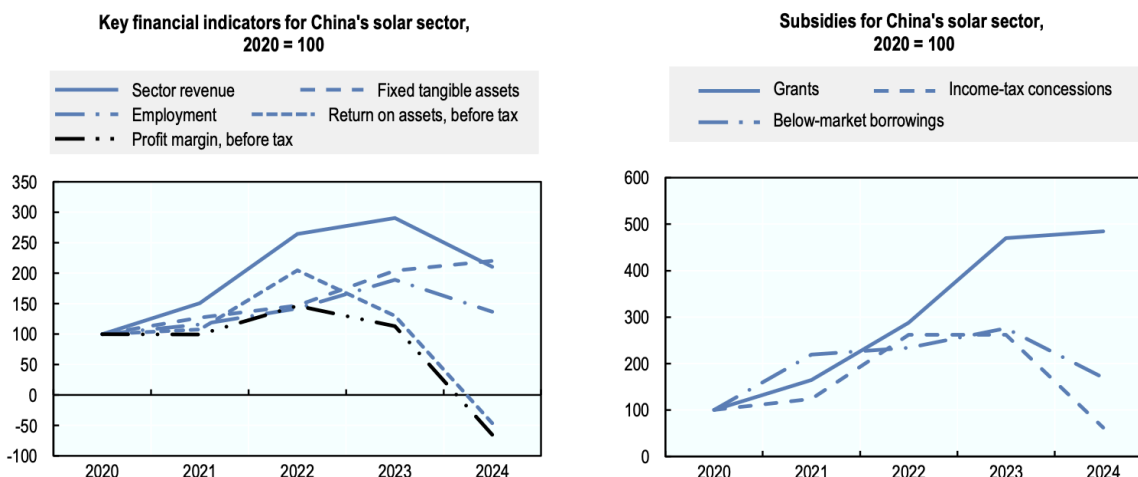
<sup>1</sup> The oversupply caused by the rapid capacity expansion will hinder some expansion plans, resulting in actual capacity being lower than the announced production capacity.

<sup>2</sup> The SEA market's production capacity mainly supplies the US market's demand. Considering that the US has passed the Inflation Reduction Act (IRA) to develop its domestic PV manufacturing, demand for SEA PV products will be affected and the actual capacity will be lower than the announced production capacity.



Figure 7: [OECD](#), Subsidies to China’s Solar Industry

**Figure 3. Key financial indicators for China’s solar industry show a reversal in financial performance and lower subsidies in 2024**



Note: Variables are rebased such that their value in the year 2020 corresponds to 100 on the y axis.  
 Source: OECD MAGIC database.

SUBSIDIES AND THE SOLAR PANEL INDUSTRY: TOO CLOSE TO THE SUN © OECD 2026

These subsidies are not just for companies in China but extend to Chinese-owned companies abroad. Three separate U.S. CVD investigations into Chinese-owned companies provide significant evidence of a sustained effort by China’s government to prop up its solar manufacturing companies abroad. In the recent Solar 4 investigation, the U.S. Department of Commerce found substantial evidence for the cross-border provision of Chinese-origin polysilicon, silicon wafer, silver paste, and solar glass for less-than-adequate-remuneration (LTAR).



**Figure 8:** U.S. Department of Commerce, China’s Cross-Border Subsidies<sup>2</sup>

<b>Provision of Inputs for LTAR Programs</b>	
Cross-Border Provision of Polysilicon Inputs from the Government of the People’s Republic of China for LTAR	471.25
Cross-Border Provision of Silicon Wafers from the Government of the People’s Republic of China for LTAR	471.25
Cross-Border Provision of Solar Glass from the Government of the People’s Republic of China for LTAR	55.23
Cross-Border Provision of Silver Paste from the Government of the People’s Republic of China for LTAR	471.25

**II. *Whether the acts, policies, and practices burden or restrict U.S. commerce, and if so, the nature and level of the burden or restriction. This would include economic assessments of the burden or restriction.***

Policy-driven excess capacity by Chinese-owned solar companies has made it nearly impossible for any non-Chinese solar manufacturer to compete without trade and tax interventions that correct for China’s aggressive and persistent market manipulation. As discussed in [prior comment letters to USTR](#), we are concerned that the U.S. will continue to be flooded with heavily subsidized Chinese-made solar imports. China’s policy-driven excess supply is a form of market manipulation that impacts U.S. investment decisions, including decisions to invest in innovative approaches to manufacturing solar components.

For example, Chinese-owned producers are flooding the global market with polysilicon at predatory prices, often supported by forced labor, driving American producers [out of business](#). At the beginning of last year, REC Silicon [abandoned](#) polysilicon production in Moses Lake, Washington, while other polysilicon manufacturers have reduced capacity as Chinese polysilicon prices eroded due to excess capacity. Chinese polysilicon prices continue to [collapse](#) to artificially low prices. An April 2026 PV Magazine [article](#) reported that China’s polysilicon spot price is at “near historical lows and below production costs.” This price is far below the National Lab of the Rockies' minimum sustainable price of [\\$24/kg](#).

There is no doubt that Chinese subsidies play a role in price manipulation, and that has undercut investment in U.S. solar manufacturing. In the three completed AD/CVD investigations into China’s solar

<sup>2</sup> U.S. Department of Commerce, Decision Memorandum for the Final Affirmative Determination of the Countervailing Duty Investigation of Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled into Modules from Cambodia (C-555-004), April 18, 2025



supply chains, the U.S International Trade Commission has found that imports of silicon-based solar cells and modules injure or threaten to injure the American solar industry each time.

Over the long term, the SEMA Coalition believes the U.S. must have and maintain a robust manufacturing capacity across all segments of the solar supply chain – polysilicon, ingot, wafer, cell, and module – to maintain U.S. energy security and meet our long-term energy needs. China’s control over parts of the solar supply chain is a concern for the broader energy sector. While Chinese-owned suppliers are currently highly competitive with one another in sales to the U.S. market, this could easily change with policy direction from China’s government.

**III. *Whether the acts, policies, and practices are actionable under section 301(b) of the Trade Act, and what action, if any, should be taken, including tariff and non-tariff actions.***

**1) USTR should impose a global tariff on solar imports that contain polysilicon originating from China and Chinese-owned and controlled companies outside of China**

Global tariffs on Chinese-owned and controlled solar products would incentivize U.S. trading partners to implement controls to lessen excess capacity. However, these tariffs would have to be at a high rate to deter excess capacity. The International Emergency Economic Powers Act (IEEPA) rates, for example, would not be sufficient to combat China’s predatory pricing.

**Section 232 measures or Section 301 trade actions consistent with the following principles, as discussed in [SEMA’s Section 232 polysilicon comment letter](#), would produce the most optimal outcome to follow the first Trump administration's solar manufacturing trade policy success:**

1. As the SEMA Coalition has stated in multiple comment letters, the solar wafers and cell industries are critical choke points that China could weaponize. Commerce must consider how any remedy impacts the full supply chain and should avoid simply pushing a national security vulnerability down the supply chain.
2. Trade actions must equitably address the full spectrum of derivative imports, including ingots, wafers, cells, and modules, as the vast majority of U.S. imports of polysilicon are via these derivative products. Any link in the U.S. solar manufacturing supply chain that China can exploit is a national security concern.
3. A remedy should not cover non-Chinese and non-Chinese-linked producers of polysilicon and their derivatives from allied countries that can demonstrate UFLPA compliance, and that are not benefiting from other structural unfair trading factors. With this approach, imports — when coupled with domestic supply — should ensure that enough polysilicon and its derivatives are available to satisfy U.S. solar demand (consistent with the [request](#) of a bipartisan congressional delegation).