

Congress of the United States

Washington, DC 20515

March 19, 2025

The Honorable Howard Lutnick
Secretary
U.S. Department of Commerce
1401 Constitution Avenue NW
Washington, DC 20500

Dear Secretary Lutnick:

We are writing to express our concerns regarding the impact of Chinese practices on the polysilicon industry. China has aggressively consolidated the world's global productive capacity of this foundational material, which is critical to U.S. economic and national security.¹ In your confirmation hearing, you said that "I think [China] only cares about themselves and seek[s] to harm us, and so we need to protect ourselves."² We agree, and believe that the U.S. Department of Commerce (Commerce) should prohibit the importation of products containing Chinese-origin or Chinese-linked polysilicon or impose a prohibitively high tariff to neutralize China's unfair trade practices. Additionally, direct imports of Chinese-origin or Chinese-linked polysilicon should be restricted to prevent further damage to American producers.

As you know, polysilicon is an essential input for the production of microprocessors, artificial intelligence chips, memory and power devices, and other applications. There is no substitute for semiconductor-grade polysilicon in the manufacture of silicon wafers, which are the precursor to semiconductor chips. The continued erosion of domestic polysilicon production capacity poses a direct risk to the U.S. semiconductor industry and, by extension, to our leadership in advanced technology and defense systems.

China's monopolization of polysilicon production threatens to create a dangerous reliance on our foremost adversary for a critical component of our high-tech economy and national security infrastructure. The Chinese Communist Party has repeatedly leveraged economic dependencies to extract political and strategic concessions. In October, China mandated that "[Chinese] exporters must provide the authorities with detailed, step-by-step tracings of how shipments of rare earth metals are used in Western supply chains" in order to gain sensitive supply chain information which can be used as potential leverage against American importers of

¹ International Energy Agency, *Solar PV Global Supply Chains* (July 2022) available at www.iea.org/reports/solar-pv-global-supply-chains/.

² U.S. Senate Committee on Commerce, Science, & Transportation, Nomination Hearing – U.S. Secretary of Commerce (Jan. 29, 2025) available at www.commerce.senate.gov/2025/1/full-committee-nomination-hearing_2_3.

Chinese materials.³ In December—following this mandate—China banned the exports of gallium, germanium, antimony, and other minerals to the United States.⁴

Rather than competing in a free and fair market, U.S. polysilicon producers face an existential threat from China's unfair trade practices. Chinese polysilicon is heavily subsidized, with production capacity more than double total annual global production.⁵ This means Chinese producers are flooding the market with polysilicon at unsustainable prices, driving American producers out of business.⁶ Chinese polysilicon prices have collapsed to an artificially low \$4.70/kg, far below the National Renewable Energy Laboratory (NREL) minimum sustainable price of \$21/kg.⁷ Indeed, Chinese polysilicon producers rely on forced labor and operate with a carbon footprint that is roughly double that of U.S. producers.⁸ If these predatory practices are left unaddressed, the survival of U.S. polysilicon producers—and our access to a reliable domestic supply—will be in jeopardy.

Chinese-origin and Chinese-linked polysilicon is currently entering the U.S. through third countries and downstream products, like solar cells and modules.⁹ Indeed, relying on China for so-called 'renewable' energy is deeply misguided—there is nothing renewable about an energy supply chain dominated by forced labor, environmental destruction, and geopolitical manipulation. Taking immediate trade action with respect to Chinese-origin and Chinese-linked polysilicon and its solar supply chain derivatives could provide an effective remedy to this imminent national security threat. It could be structured to exclude fairly-traded polysilicon from allied countries and—when coupled with U.S. supply—would ensure more than enough polysilicon to satisfy U.S. demand.

China is actively looking to solidify its dominance of the upstream polysilicon supply chain, which threatens our ability to produce enough polysilicon to meet the needs of our semiconductor manufacturers and others, like solar. Therefore, we respectfully request that Commerce considers taking decisive action to restore fair market competition.

³ Keith Bradsher, *China Tightens Its Hold on Minerals Needed to Make Computer Chips*, N.Y. TIMES (Oct. 26, 2024) available at www.nytimes.com/2024/10/26/business/china-critical-minerals-semiconductors.html.

⁴ Institute for Energy Research, *China Has Banned Exports of Some Rare Minerals to the United States* (Dec. 12, 2024) available at www.instituteforenergyresearch.org/international-issues/china-has-banned-exports-of-some-rare-minerals-to-the-united-states/.

⁵ *China Solar Silicon Falls to Lowest Since 2020 Amid Overcapacity*, BLOOMBERG (Apr. 11, 2024) available at www.bloomberg.com/news/articles/2024-04-11/china-solar-silicon-falls-to-lowest-since-2020-amid-overcapacity.

⁶ *China's giant solar industry is in turmoil*, THE ECONOMIST (Jun. 17, 2024) available at www.economist.com/business/2024/06/17/chinas-giant-solar-industry-is-in-turmoil.

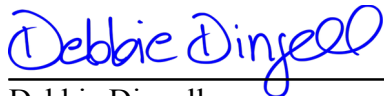
⁷ Ana Swanson & Chris Buckley, *Chinese Solar Companies Tied to Use of Forced Labor*, N.Y. TIMES (Jan. 28, 2021) available at www.nytimes.com/2021/01/08/business/economy/china-solar-companies-forced-labor-xinjiang.html.

⁸ *Id.*


⁹ Gavin Maguire, *China steers solar module export stream towards Asia*, REUTERS (Feb. 28, 2024) available at www.reuters.com/markets/commodities/china-steers-solar-module-export-stream-towards-asia-2024-02-28/.

Thank you for your attention to this important matter and we look forward to working with you in a bipartisan manner to determine the right solutions for this growing national security threat.

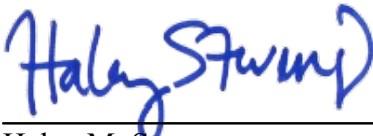
Sincerely,



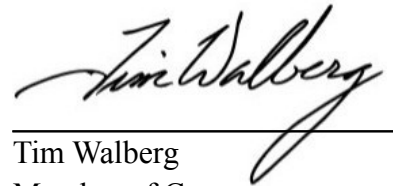
Debbie Dingell
Member of Congress



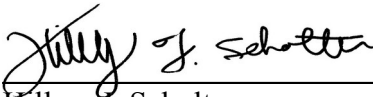
John R. Moolenaar
Member of Congress



Haley M. Stevens
Member of Congress



Tim Walberg
Member of Congress



Hillary J. Scholten
Member of Congress



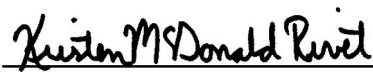
Lisa C. McClain
Member of Congress



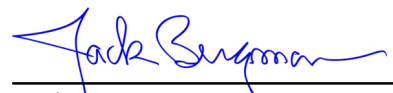
Shri Thanedar
Member of Congress




Bill Huizenga
Member of Congress



Kristen McDonald Rivet
Member of Congress



Jack Bergman
Member of Congress



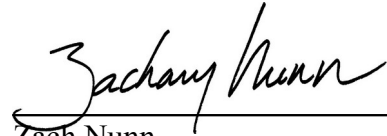
Tom Barrett
Member of Congress



Ro Khanna
Member of Congress



Charles J. "Chuck"
Fleischmann
Member of Congress



Zach Nunn
Member of Congress

CC: Ambassador Jamieson Greer, United States Trade Representative; Mr. Peter Navarro, Senior Counselor to the President