



MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 112th Congress

Date approved

I. Background

Bill number:

Sponsor name:

Sponsor state:

Interested entity:

Name

City

State

Other bills on product (112th Congress only):

Nature of bill:

Expiration date:

Current or previous chapter 99 heading:

Retroactive date:

CAS number (if applicable):

Industry analyst:

Telephone:

Tariff Affairs contact:

Telephone:

Note:

1. Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tariff_affairs/congress_reports/.
2. In regard to the country(ies) of origin listed in section III, this report focuses on dutiable imports and does not take into account any tariff preference programs or special rates of duty.

II. Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Lithium carbonate (CAS No. 554-13-2) (provided for in subheading 2836.91.00)

(If enacted, the tariff relief provided for in this bill would be available to any entity that imports the product that is covered by the bill.)

Description above compared with bill as introduced:

- Same
 Different (see Technical Comments section)

III. Other product information, including uses/applications and source(s) of imports

The subject product is processed into value-added lithium products used in batteries, aluminum, smelting, glass, ceramics, industrial greases, and pharmaceuticals. The product is mainly imported from Argentina and Chile; imports from China have recently become significant. Opposition to this bill is noted below in the Contacts table.

IV. Estimated effect on customs revenue

Table with 6 columns: Subject product HTS subheading(s), 2013, 2014, 2015, 2016, 2017. Rows include Col.1-general rate of duty or percentage point reduction (%), Estimated value of dutiable imports (\$), and Customs revenue loss (\$).

Note: Customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ. Regarding the HTS subheading listed in the article description of the bill, the Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only U.S. Customs and Border Protection is authorized to issue a binding ruling on this matter. The Commission believes that Customs should be consulted prior to enactment of the bill.

Dutiable imports were based on (more than one may apply):

- Official statistics of the U.S. Department of Commerce
 Provided by industry sources
 Industry information
 Commission estimates

Duty reduction notes:

- This bill is not a duty reduction
 This bill is a temporary duty reduction. Rates are shown below.

Col.1-general duty rate (%) [] Temporary rate (%) [] Percentage point reduction (%) []

V. Technical comments

None

VI. Continuation

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VII. Contacts with domestic firms/organizations

#	Firm/organization and contact name	Telephone number	Claims same or competing product made in the United States	Submission attached	Opposition noted
1	FMC (Interested entity) Jerry Prout	202-956-5209	No	No	No
2	3M Greg Walters	202-414-3008	No	No	No
3	Air Products Richard F. Goodstein	202-639-0840	No	No	No
4	Albaugh Stuart Feldstein	515-964-9444	No	No	No
5	Arkema David Kunz	202-263-3491	No	No	No
6	Ashland Frank Fusiak	973-628-4123	No	No	No
7	BASF Richard J. Salamone	973-245-5793	No	No	No
8	Bayer Steve Johnsen	412-777-5616	No	No	No
9	Celanese Samuel Ramirez	972-443-4689	No	No	No
10	Chemtura Elizabeth J. Thomasino	203-573-2644	No	No	No
11	Clariant Andrew Zamoyski	202-415-9159	No	No	No
12	ColorChem Steven Printz	770-993-5500, x18	No	No	No
13	Crowell & Moring, LLP Mike Gill	202-508-8843	No	No	No
14	DSM Sheetal Bhadekar	973-257-8323	No	No	No
15	Dixie Chemical Mal Johnson	281-291-2659	No	No	No
16	Dow Chemical Co. Lisa Schroeter	202-429-3407	No	No	No
17	Drexel Chemical Stanley Bernard	901-774-4370	No	No	No
18	DuPont Elaine M. Olsen	302-992-2263	No	No	No

#	Firm/organization and contact name	Telephone number	Claims same or competing product made in the United States	Submission attached	Opposition noted
19	DyStar L.P. Megan Malone	202-344-4621	No	No	No
20	Eastman Brent Perry	202-347-9547	No	No	No
21	Emerald Performance Materials Thomas Dirmyer	330-916-6706	No	No	No
22	Evonik Russell Mait	804-452-5711	No	No	No
23	Fanwood Chemical V. M. (Jim) DeLisi	908-322-8440	No	No	No
24	Honeywell Art Simonetti	202-662-2671	No	No	No
25	Huntsman Robert F. Hurley	202-289-9800	No	No	No
26	Kemira Rajesh Sharma	678-819-4577	No	No	No
27	LANXESS Jamie B. Schaeffer	412-809-3666	No	No	No
28	Lonza Joe Robinson	201-316-9364	No	No	No
29	Lubrizol Joe Eskra	440-347-5955	No	No	No
30	Milliken Kathi Dutilh	202-775-0084	No	No	No
31	Monsanto James K. Travis	202-383-2864	No	No	No
32	Nation Ford Chemical Jay Dickson	803-548-3210, x15	No	No	No
33	Nufarm Americas Joel Junker	206-621-7878	No	No	No
34	PPG Industries Bill Ries	412-434-1717	No	No	No
35	Procter & Gamble Matt Mattingley	202-841-5601	No	No	No
36	Purolite Gary Thundercliffe	484-384-2708	No	No	No
37	Rhodia Jackie Guscott	609-860-3379	No	No	No

38	Rockwood Lithium Jeff Davis	704-734-2680	Yes	Yes	Yes
39	Royce Associates, ALP Terry Scheirer	201-438-5200	No	No	No
40	SOCMA Robert E. Branand	202-345-2717	No	No	No
41	Sensient Technologies Ken Goldacker	314-658-7363	No	No	No
42	Sigma-Aldrich Jared Fenton	314-286-8326	No	No	No
43	Solutia Kassie Wooton	314-674-3297	No	No	No
44	Solvay Andrew K. Jones	856-251-3412	No	No	No
45	Symrise Elizabeth Scharlat	908-429-6821	No	No	No
46	Syngenta Mike Blythe	336-632-2824	No	No	No
47	Tessenderlo Kerley Brian Thomassen	602-889-8397	No	No	No
48	United Color Manufacturing Tom Nowakowski	215-860-2165	No	No	No
49	Valent Robin Demouth	925-256-2758	No	No	No

July 26, 2012

Jack Greenblatt
United States International Trade Commission

Rockwood Holdings, Inc., a US corporation based in Princeton, NJ, and its subsidiary Rockwood Lithium oppose Senate Bills 3153 and 3152, which would suspend import duties on lithium carbonate and lithium chloride, used in a range of industrial products, including batteries, pharmaceuticals and lubricants. We oppose the bills for three reasons:

- The bill will have a negative impact on our domestic production and sales of lithium carbonate just as we are starting up our expanded lithium carbonate production facilities in Nevada and North Carolina. The expansion of these facilities was funded in part by a grant from the Department of Energy. Rockwood's Nevada site is the only source of lithium carbonate in the United States, and the grant and expansion program are intended to make this site more competitive on a global basis.
- The bills would effectively penalize countries that have good relations with the US and have negotiated free trade agreements with our nation, in particular Chile, where Rockwood produces a large portion of its lithium carbonate and lithium chloride. Rockwood Lithium upgrades these basic products into value-added compounds at its facilities in North Carolina, Nevada, Tennessee and Texas, and the bills would disadvantage us.
- The bills in particular would give an unfair advantage to China, where we already see an increase in lithium manufacturing and more active imports of lithium products into the United States. These imported lithium materials from China will compete directly with domestically produced lithium materials. This will happen during a critical time of expanded use of these materials in domestically produced lithium ion batteries for the electric vehicle and energy storage markets.

Sincerely,



Jeff Davis
North American Sales Director
Rockwood Lithium
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E-mail: jeff.davis@rockwoodlithium.com

112TH CONGRESS
2D SESSION

S. 3153

To suspend temporarily the duty on lithium carbonate.

IN THE SENATE OF THE UNITED STATES

MAY 10, 2012

Mrs. HAGAN introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To suspend temporarily the duty on lithium carbonate.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. LITHIUM CARBONATE.**

4 (a) IN GENERAL.—Subchapter II of chapter 99 of
5 the Harmonized Tariff Schedule of the United States is
6 amended by inserting in numerical sequence the following
7 new heading:

“	9902.01.00	Lithium carbonate (CAS No. 554–13–2) (provided for in subheading 2836.91.00)	Free	No change	No change	On or before 12/31/2015	”.
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8 (b) EFFECTIVE DATE.—The amendment made by
9 subsection (a) applies to goods entered, or withdrawn from

- 1 warehouse for consumption, on or after the 15th day after
- 2 the date of the enactment of this Act.

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