

August 6, 2025

Julia Khersonsky
Deputy Assistant Secretary for Strategic Trade
Bureau of Industry and Security
U.S. Department of Commerce
1401 Constitution Avenue, NW
Washington, D.C. 20230

***RE: Notice of Request for Public Comments on Section 232 National Security
Investigation of Imports of Polysilicon and its Derivatives***

Dear Deputy Assistant Secretary Khersonsky:

Alliance for Automotive Innovation (“Auto Innovators”) submits these comments in response to the Request for Public Comments from the Bureau of Industry and Security (“BIS”) on its investigation to determine the effects on the national security of imports of polysilicon and its derivatives. We appreciate the opportunity to provide the auto industry’s perspective on this investigation.

Auto Innovators represents the full auto industry, including the manufacturers producing most vehicles sold in the U.S., equipment suppliers, battery producers, semiconductor makers, technology companies, and autonomous vehicle developers. Our mission is to work with policymakers to realize a cleaner, safer, and smarter transportation future and to ensure a healthy and competitive auto industry that supports U.S. economic and national security. Representing over 5 percent of the country’s GDP, responsible for supporting nearly 11 million jobs, and driving \$1.5 trillion in annual economic activity, the automotive industry is the nation’s largest manufacturing sector.

Polysilicon is a critical input in modern automobiles. As an essential element in integrated circuits, microchips, and transistors, polysilicon is found in nearly all vehicle electronics. This includes electronic control units (ECUs) that manage and control various vehicle functions and features, including engine performance, transmission control, and advanced safety systems. The full extent of the auto industry’s use of polysilicon is difficult to quantify, but there is no doubt that it is a crucial material in today’s vehicles and the auto industry could be significantly impacted by a trade action in this area.

Auto Innovators is aligned with the Administration in seeking to ensure that the importation of polysilicon does not threaten our national security. At present, industry is heavily reliant on international sources for polysilicon. In fact, our understanding is that China currently controls approximately 80% of the global production of polysilicon. For this reason, we support the development and implementation of focused policies that can promote and maintain a robust and resilient supply of polysilicon required for U.S.-based automotive production. However, until such time that these policies are fully implemented and producing their intended results, we strongly urge the Administration to refrain from implementing tariffs or other restrictive trade actions on

polysilicon. Any action that increases costs or constrains supply of this material will raise overall production costs for automotive manufacturers, could cause production delays or shutdowns, and may result in vehicle shortages and higher vehicle prices on American consumers at a time when new vehicle prices are already at historic highs. Cost increases and supply constraints are also likely to reduce the competitiveness of U.S.-based automotive and semiconductor manufacturing operations relative to foreign producers in markets around the world.

If tariffs are imposed on polysilicon, we urge the Administration to limit the scope of the action to solar-grade polysilicon and exclude electronic-grade polysilicon. If such a distinction is not possible, we urge the Administration to exclude derivative products from the scope of the action.

We also reiterate our request for close policy alignment – including clear goals and policy sequencing – on trade-related actions impacting the auto industry in the U.S. Any action related to polysilicon should be closely assessed in the context of existing tariffs on automobiles and automotive parts and potential actions related to semiconductors. As we noted in our May 7 comments on the national security investigation of imports of semiconductors and semiconductor manufacturing equipment and our May 16 comments on the national security investigation of imports of processed critical minerals and derivative products, at this crucial time in the auto industry’s transformation amid strong global competition and uncertainty, we strongly encourage BIS and other agencies within the federal government to focus on policies that can reduce uncertainty, avoid adding unnecessary costs, and position the industry for near- and long-term success.

Finally, going forward, it would be helpful if BIS could reference the specific Chemical Abstract Service (CAS) registry number or numbers that it intends to cover by this investigation or any subsequent trade action. This will enable companies to develop a better understanding of potential impact and to facilitate eventual compliance or mitigation measures, as needed.

Auto Innovators welcomes the opportunity to work with BIS on this and other matters critical to the auto industry.

Sincerely,

A handwritten signature in black ink, appearing to read 'Hilary M. Cain', with a long horizontal stroke extending to the right.

Hilary M. Cain
Senior Vice President, Policy