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Re: U. S. Steel's Opposition to Exclusion Requests BIS-2018-0006-15478, -15636, -15671, -15683, -15710, -15721, -15724, -15728, -15735, -15740, -15743, -15746, -15751, -15763, -15778, -15790, -15799, -15803, -15811, -15812, -15813, -15881, -15931, -16342, -16354, -16362, -16365, -16394, -16404, -16415, -16421, -16430, -16445, -16449, -16490, -16502, -16518, -16535, -16563, -16571, -16587, -16597, -16610, -16639, -16653, -16656, -16664, -16668, -16682, -16695, -16710, -16722, -16739, -16746, -16756, -16792, -16801, -16803, -16804, -16806, -16808, -16810, -17390, -17720, -17727, -17801, -17812, -17816, -17824, -17827, -17830, -17834, -17836, -17841, -17844, -17848, -17851, -17859, -17861, -17867 by Southwark Metal Manufacturing, Co.
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Founded in 1901, United States Steel Corporation ("U. S. Steel") is the largest U.S.headquartered integrated producer of flat-rolled and tubular steel products. U. S. Steel has blast furnaces in Illinois, Indiana, Michigan, and Pennsylvania; iron mines in Minnesota; and finishing operations in six additional states (Alabama, California, Arkansas, Mississippi, Ohio, and Texas). U. S. Steel employs approximately 17,500 hardworking Americans. Due to the Department's Section 232 Investigation, Report, and Recommendations, and President Trump's Section 232 action, in March 2018, U. S. Steel announced the restart of its idled blast furnace "B" and steelmaking operations at Granite City, Illinois, with approximately 1.5 million tons of annual raw steelmaking capacity. U. S. Steel hired approximately 500 employees for the "B" blast furnace, which is now fully operational. On June 5, 2018, U. S. Steel announced the restart of Granite City's idled "A" blast furnace, with approximately 1.2 million tons of annual raw steelmaking capacity and for which we anticipate hiring an additional 300 new employees and being operational by October 2018. U. S. Steel also has an unfinished electric arc furnace at its Fairfield, Alabama facility that, if completed, would have 1.2-1.4 million tons of annual raw steelmaking capacity. U. S. Steel is optimistic that the Section 232 action will strengthen national security by reducing imports by 37 percent and returning the domestic industry to at least 80 percent capacity utilization.

For the reasons explained in the Objection Form and explained in more detail below, U. S. Steel strongly opposes the above-referenced exclusion request forms ("Exclusion Requests") filed by Southwark Metal Manufacturing, Co. ("SMM" or "the Requestor"):

- The galvanized products requested for exclusion are readily available in the quality and quantity from multiple domestic sources including from U. S. Steel;
- U. S. Steel is capable of producing the quantity noted in the Exclusion Requests;
- The Requestor fails to propose means for U.S. Customs and Border Protection ("CBP") to reasonably distinguish the products;
- The Exclusion Requests fail to provide sufficient supporting information to allow the Department to approve these requests; and
- The Section 232 relief is required, and the exclusions must be denied, for the domestic industry to reach sustainable capacity utilization rates to strengthen U.S. national security.

Accordingly, the Department must deny SMM's Exclusion Requests.

#### I. REASONS WHY THESE EXCLUSION REQUESTS SHOULD BE DENIED

SMM's Exclusion Requests should be denied for all of the below reasons (individually and collectively).

### A. The Hot Dipped Galvanized Steel Slit Sheet In Coil Products Requested For Exclusion Are Standard Products That Are Readily Available In The United States

As an initial and fundamental matter, SMM's Exclusion Requests should be denied due to the fact the hot dipped galvanized steel products requested for exclusion are a standard product that is readily available in the United States. SMM is seeking exclusions for standard hot dipped galvanized steel products of narrow width. SMM claims that there is insufficient U.S. availability for the gauge thickness required and maximum coil weights. However, these galvanized steel products are produced in abundant amounts by U. S. Steel and other domestic producers. As shown in the Objection Form fields 2.c, 2.d, and 2.e, U. S. Steel can produce all of the chemical, dimensional, and performance requirements noted in SMM's Exclusion Requests, all of which are within the requisite steel grades. Indeed, as reported in Objection Form fields 1.c and 1.d, U. S. Steel is capable of making and fulfilling SMM's required light-gauge products in Portage, Indiana, and SMM's requested heavy-gauge products in Portage, Indiana; Granite City, Illinois; Fairfield, Alabama; Jackson, Mississippi; and Pittsburgh, Pennsylvania.<sup>2</sup>

## B. There Is Significant U.S. Production, and Sufficient Domestic Capacity, Of The Hot Dipped Galvanized Steel Slit Sheet in Coil Products Requested for Exclusion

SMM's Exclusion Requests do not recognize U. S. Steel's production capacity and capability for this product. Over the last two years, U. S. Steel has made considerable capital investments to improve the quality of its galvanized products, as well as its capability to manufacture a wider breadth of products to support its domestic customer base.<sup>3</sup> However, it would not be practical for U. S. Steel to continue undertaking this work unless these Exclusion Requests are denied. In any event, U. S. Steel currently has sufficient capacity available to satisfy the customer order underlying the Exclusion Requests. U. S. Steel stands ready to provide its relevant company-specific confidential production and capacity data upon request. SMM argues that:

Domestic Mills will not supply the width required for the requesting companies manufacturing requirements.<sup>4</sup>

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See item 2.b of SMM's Exclusion Requests.

U. S. Steel stands ready to provide the confidential details related to its production capacity if requested.

U.S. Steel would be pleased to provide confidential information regarding the specific details of its capital investments in support of its current production capability upon request.

SMM Exclusion Requests at item 4.b (2)

However, U. S. Steel is fully capable of supplying the dimensions and meeting all the product specifications in the Exclusion Requests, including the gauge thickness specifications required.

### C. The Requestor Failed To Propose Reasonable Means For CBP To Efficiently Distinguish The Product Requested for Exclusion

In field 5.e., SMM claims that:

Once an exclusion is granted, we would also clearly mark on all entry summary paperwork submitted to CBP that material falls under a product exclusion referencing the appropriate exclusion number. We would also add the product exclusion reference on the shipping marks on the outside of export wrappers.

This statement is inadequate to provide reasonable guidance to CBP on how shipments covered by the exclusion requests could be identified and verified as to conforming to the physical limitations described in the request. Therefore, to grant these exclusion requests would add undue burden to CBP's current entry system and procedures.

#### D. SMM's Exclusion Requests Are Deficient

Under U.S. law, the cited HTS code is currently covered by the additional 25 percent *ad valorem* tariff on steel products. Thus, it is incumbent upon the requestor to ensure that its exclusion request is complete and provide the Department with: (1) all of the information needed to identify the product with great specificity; and (2) information that demonstrates that a temporary exclusion from the 232 tariffs are warranted and do not undermine the goals of those tariffs. In short, the burden is on the requestor to demonstrate that good cause exists to grant an exclusion on a precisely-defined article of steel, which CBP may realistically implement without substantial risks of evasion or circumvention. If the requestor fails to meet its burden, the exclusion request must be rejected. Such is the situation here. Indeed, these Exclusion Requests provide no factual support for its claim that the requested product is not produced by domestic manufacturers in sufficient quantities to meet market demand. Rather, the requests rely on an unsubstantiated assertion that domestic quantities are limited to manufacturing inefficiencies. As described above, domestic manufacturers, including U. S. Steel, have idle capacity to produce this product. To grant a request for exclusion without the required information would otherwise undermine the overarching purpose of the Section 232 investigative process.

#### E. National Security Considerations Direct Denial of These Exclusion Requests

As the Department found in its Section 232 Report, vertically-integrated steel producers are vital to national and economic security. U.S. national security depends on the domestic industry's ability to manufacture steel from start to finish in the United States. The ability to melt and pour steel is fundamental to our national and economic security. The hot end of the steel value chain is where steel is actually made and accounts for the largest share of investment in a new mill, most (up to 90 percent) of the cost of the finished product, and roughly two-thirds of total steel employment. Once a furnace is idled, it is difficult and costly to restart. Indeed, in Proclamation 9705 of March 8, 2018 ("Adjusting Imports of Steel Into the United States"), the President concurred with the finding of the Secretary of Commerce that "steel articles are being

Exclusion Request Form field 4.e.

imported into the United States in such quantities and under such circumstances" that the national security of the United States is threatened and impaired. In an effort to reduce imports to a level that would enable domestic steel producers to revive idle production facilities, thereby increasing production, the President imposed a 25 percent ad valorem tariff on certain steel products. Additionally, the tariff relief is intended to create long-term viability of the domestic steel industry so that the United States does not become reliant on foreign producers to meet its national security needs. As such, the Secretary of Commerce may grant exclusions from the duties only in situations where the steel articles are determined not to be: (1) in a sufficient and reasonable available amount; (2) of a satisfactory quality; or (3) based upon specific national security considerations. None of those criteria are met in these Exclusion Requests. It is important for the effectiveness of this measure, and for the protection that it is designed to provide the national security of the United States, that SMM's Exclusion Requests be denied. If granted, these exclusions would both inhibit the domestic industry's ability to achieve sustainable capacity utilization rates and undermine the very national security goals that the Section 232 action is designed to achieve. Indeed, granting SMM's Exclusion Requests would further deteriorate the domestic steel industry which has been negatively impacted by unfairly traded imports for years, as evidenced by the antidumping and countervailing duty orders on Certain Corrosion-Resistant Steel Products from China, India, Italy, Korea, and Taiwan (A-570-026, C-570-027, A 533-863, A-475-832, A-580-878, A-583-856). See Certain Corrosion-Resistant Steel Products from China, India, Italy, Korea, and Taiwan, Inv. Nos. 701-TA-534-537 and 731-TA-1274-1278 (Final), USITC Pub. 4620 (July 2016).

#### II. CONFIDENTIALITY

The Department of Commerce will note, certain information requested in the excel document entitled: Objection Filing to Posted Section 232 Exclusion Request Steel (OMB Control No. 0694-0138) as well as information referenced above, has not been provided by U. S. Steel because it is confidential business information of the company. Information such as capacity and capacity utilization is not information that U. S. Steel publicly releases, and indeed is considered business proprietary information in antidumping and countervailing duty proceedings at the Department<sup>6</sup> and the Commission. Indeed, the requested information "is of a kind that the provider would not customarily make available to the public." It is therefore exempt from the Freedom of Information Act, 5 U.S.C. § 552 as "trade secrets and commercial or financial information obtained from a person and privileged or confidential." Thus, U. S. Steel has business proprietary information related to the Objection Form fields 1.c, 1.d, 3.b, 3.c, and 3.d and stands ready to provide that information confidentially if requested.

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See e.g., 19 C.F.R. § 351.105(c).

<sup>&</sup>lt;sup>7</sup> Critical Mass Energy Project v. Nuclear Regulatory Comm'n, 975 F.2d 871, 871 (1992).

<sup>&</sup>lt;sup>8</sup> See 5 U.S.C. § 552(b)(4); 15 C.F.R. § 2004.4.

# ATTACHMENT 1



#### **Presidential Documents**

Proclamation 9740 of April 30, 2018

#### Adjusting Imports of Steel Into the United States

#### By the President of the United States of America

#### A Proclamation

- 1. On January 11, 2018, the Secretary of Commerce (Secretary) transmitted to me a report on his investigation into the effect of imports of steel mill articles on the national security of the United States under section 232 of the Trade Expansion Act of 1962, as amended (19 U.S.C. 1862).
- 2. In Proclamation 9705 of March 8, 2018 (Adjusting Imports of Steel Into the United States), I concurred in the Secretary's finding that steel mill articles are being imported into the United States in such quantities and under such circumstances as to threaten to impair the national security of the United States, and decided to adjust the imports of steel mill articles, as defined in clause 1 of Proclamation 9705, as amended by clause 8 of Proclamation 9711 of March 22, 2018 (Adjusting Imports of Steel Into the United States) (steel articles), by imposing a 25 percent ad valorem tariff on such articles imported from all countries except Canada and Mexico. I further stated that any country with which we have a security relationship is welcome to discuss with the United States alternative ways to address the threatened impairment of the national security caused by imports from that country, and noted that, should the United States and any such country arrive at a satisfactory alternative means to address the threat to the national security such that I determine that imports from that country no longer threaten to impair the national security, I may remove or modify the restriction on steel articles imports from that country and, if necessary, adjust the tariff as it applies to other countries, as the national security interests of the United States require.
- 3. In Proclamation 9711, I noted the continuing discussions with the Argentine Republic (Argentina), the Commonwealth of Australia (Australia), the Federative Republic of Brazil (Brazil), Canada, Mexico, the Republic of Korea (South Korea), and the European Union (EU) on behalf of its member countries, on satisfactory alternative means to address the threatened impairment to the national security by imports of steel articles from those countries. Recognizing that each of these countries and the EU has an important security relationship with the United States, I determined that the necessary and appropriate means to address the threat to national security posed by imports of steel articles from these countries was to continue the ongoing discussions and to exempt steel articles imports from these countries from the tariff proclaimed in Proclamation 9705 until May 1, 2018.
- 4. The United States has successfully concluded discussions with South Korea on satisfactory alternative means to address the threatened impairment to our national security posed by steel articles imports from South Korea. The United States and South Korea have agreed on a range of measures, including measures to reduce excess steel production and excess steel capacity, and measures that will contribute to increased capacity utilization in the United States, including a quota that restricts the quantity of steel articles imported into the United States from South Korea. In my judgment, these measures will provide an effective, long-term alternative means to address South Korea's contribution to the threatened impairment to our national security by restraining steel articles exports to the United States

from South Korea, limiting transshipment, and discouraging excess capacity and excess steel production. In light of this agreement, I have determined that steel articles imports from South Korea will no longer threaten to impair the national security and have decided to exclude South Korea from the tariff proclaimed in Proclamation 9705. The United States will monitor the implementation and effectiveness of the quota and other measures agreed upon with South Korea in addressing our national security needs, and I may revisit this determination, as appropriate.

- 5. The United States has agreed in principle with Argentina, Australia, and Brazil on satisfactory alternative means to address the threatened impairment to our national security posed by steel articles imported from these countries. I have determined that the necessary and appropriate means to address the threat to national security posed by imports of steel articles from Argentina, Australia, and Brazil is to extend the temporary exemption of these countries from the tariff proclaimed in Proclamation 9705, in order to finalize the details of these satisfactory alternative means to address the threatened impairment to our national security posed by steel articles imported from these countries. In my judgment, and for the reasons I stated in paragraph 10 of Proclamation 9711, these discussions will be most productive if steel articles from Argentina, Australia, and Brazil remain exempt from the tariff proclaimed in Proclamation 9705, until the details can be finalized and implemented by proclamation. Because the United States has agreed in principle with these countries, in my judgment, it is unnecessary to set an expiration date for the exemptions. Nevertheless, if the satisfactory alternative means are not finalized shortly, I will consider re-imposing the tariff.
- 6. The United States is continuing discussions with Canada, Mexico, and the EU. I have determined that the necessary and appropriate means to address the threat to the national security posed by imports of steel articles from these countries is to continue these discussions and to extend the temporary exemption of these countries from the tariff proclaimed in Proclamation 9705, at least at this time. In my judgment, and for the reasons I stated in paragraph 10 of Proclamation 9711, these discussions will be most productive if steel articles from these countries remain exempt from the tariff proclaimed in Proclamation 9705.
- 7. For the reasons I stated in paragraph 11 of Proclamation 9711, however, the tariff imposed by Proclamation 9705 remains an important first step in ensuring the economic stability of our domestic steel industry and removing the threatened impairment of the national security. As a result, unless I determine by further proclamation that the United States has reached a satisfactory alternative means to remove the threatened impairment to the national security by imports of steel articles from Canada, Mexico, and the member countries of the EU, the tariff set forth in clause 2 of Proclamation 9705 shall be effective June 1, 2018, for these countries.
- 8. In light of my determination to exclude, on a long-term basis, South Korea from the tariff proclaimed in Proclamation 9705, I have considered whether it is necessary and appropriate in light of our national security interests to make any corresponding adjustments to the tariff set forth in clause 2 of Proclamation 9705 as it applies to other countries. I have determined that, in light of the agreed-upon quota and other measures with South Korea, the measures being finalized with Argentina, Australia, and Brazil, and the ongoing discussions that may result in further long-term exclusions from the tariff proclaimed in Proclamation 9705, it is necessary and appropriate, at this time, to maintain the current tariff level as it applies to other countries.
- 9. Section 232 of the Trade Expansion Act of 1962, as amended, authorizes the President to adjust the imports of an article and its derivatives that are being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security.

- 10. Section 604 of the Trade Act of 1974, as amended (19 U.S.C. 2483), authorizes the President to embody in the Harmonized Tariff Schedule of the United States (HTSUS) the substance of statutes affecting import treatment, and actions thereunder, including the removal, modification, continuance, or imposition of any rate of duty or other import restriction.
- NOW, THEREFORE, I, DONALD J. TRUMP, President of the United States of America, by the authority vested in me by the Constitution and the laws of the United States of America, including section 232 of the Trade Expansion Act of 1962, as amended, section 301 of title 3, United States Code, and section 604 of the Trade Act of 1974, as amended, do hereby proclaim as follows:
- (1) Imports of all steel articles from Argentina, Australia, Brazil, and South Korea shall be exempt from the duty established in clause 2 of Proclamation 9705, as amended by clause 1 of Proclamation 9711. Imports of all steel articles from Canada, Mexico, and the member countries of the EU shall be exempt from the duty established in clause 2 of Proclamation 9705 until 12:01 a.m. eastern daylight time on June 1, 2018. Further, clause 2 of Proclamation 9705, as amended by clause 1 of Proclamation 9711, is also amended by striking the last two sentences and inserting in lieu thereof the following two sentences: "Except as otherwise provided in this proclamation, or in notices published pursuant to clause 3 of this proclamation, all steel articles imports specified in the Annex shall be subject to an additional 25 percent ad valorem rate of duty with respect to goods entered for consumption, or withdrawn from warehouse for consumption, as follows: (a) on or after 12:01 a.m. eastern daylight time on March 23, 2018, from all countries except Argentina, Australia, Brazil, Canada, Mexico, South Korea, and the member countries of the European Union, and (b) on or after 12:01 a.m. eastern daylight time on June 1, 2018, from all countries except Argentina, Australia, Brazil, and South Korea. This rate of duty, which is in addition to any other duties, fees, exactions, and charges applicable to such imported steel articles, shall apply to imports of steel articles from each country as specified in the preceding sentence.".
- (2) In order to provide the quota treatment referred to in paragraph 4 of this proclamation to steel articles imports from South Korea, U.S. Note 16 of subchapter III of chapter 99 of the HTSUS is amended as provided for in Part A of the Annex to this proclamation. U.S. Customs and Border Protection (CBP) of the Department of Homeland Security shall implement this quota as soon as practicable, taking into account all steel articles imports from South Korea since January 1, 2018.
- (3) The exemption afforded to steel articles from Canada, Mexico, and the member countries of the EU shall apply only to steel articles of such countries entered for consumption, or withdrawn from warehouse for consumption, through the close of May 31, 2018, at which time such countries shall be deleted from the article description of heading 9903.80.01 of the HTSUS.
- (4) Clause 5 of Proclamation 9711 is amended by inserting the phrase ", except those eligible for admission under "domestic status" as defined in 19 CFR 146.43, which is subject to the duty imposed pursuant to Proclamation 9705, as amended by Proclamation 9711," after the words "Any steel article" in the first and second sentences.
- (5) Steel articles shall not be subject upon entry for consumption to the duty established in clause 2 of Proclamation 9705, as amended by clause 1 of this proclamation, merely by reason of manufacture in a U.S. foreign trade zone. However, steel articles admitted to a U.S. foreign trade zone in "privileged foreign status" pursuant to clause 5 of Proclamation 9711, as amended by clause 4 of this proclamation, shall retain that status consistent with 19 CFR 146.41(e).
- (6) No drawback shall be available with respect to the duties imposed on any steel article pursuant to Proclamation 9705, as amended by clause 1 of this proclamation.

- (7) The Secretary, in consultation with CBP and other relevant executive departments and agencies, shall revise the HTSUS so that it conforms to the amendments and effective dates directed in this proclamation. The Secretary shall publish any such modification to the HTSUS in the *Federal Register*.
- (8) Any provision of previous proclamations and Executive Orders that is inconsistent with the actions taken in this proclamation is superseded to the extent of such inconsistency.

IN WITNESS WHEREOF, I have hereunto set my hand this thirtieth day of April, in the year of our Lord two thousand eighteen, and of the Independence of the United States of America the two hundred and forty-second.

Am Manny

Billing code 3295-F8-P

Heading/ Subheading	Article description	Quantitative Limitation
9903.80.10	Cold-rolled black plate, provided for in subheading	
	7209.18.25	34,385,821 kg
9903.80.11	Plate in cut lengths, provided for in subheading	
	7208.40.30, 7208.51.00, 7208.52.00, 7210.90.10,	
į	7211.13.00, 7211.14.00 (except for statistical reporting	
ļ	number 7211.14.0090), 7225.40.30, 7225.50.60 or	
	7226.91.50	202,530,628 kg
903.80.12	Flat-rolled products, hot-dipped, provided for in	,
	subheading 7210.41.00, 7210.49.00, 7210.70.60	
	(except for statistical reporting numbers 7210.70.6030	
	and 7210.70.6090), 7212.30.10, 7212.30.30,	
	7212.30.50, 7225.92.00 or 7226.99.01 (except for	
	statistical reporting numbers 7226.99.0110 and	
	7226.99.0180)	166,310,597 kg
903.80.13	Flat-rolled products, coated, provided for in	
	subheading 7210.20.00, 7210.61.00, 7210.69.00,	
	7210.70.60 (except for statistical reporting numbers	
	7210.70.6030 and 7210.70.6060), 7210.90.60,	
	7210.90.90, 7212.50.00 or 7212.60.00	190,840,544 kg
9903.80.14	Tin-free steel, provided for in subheading	
	7210.50.00	18,374,353 kg
9903.80.15	Tin plate, provided for in subheading 7210.11.00,	
	7210.12.00 or 7212.10.00	54,749,093 kg
9903.80.16	Silicon electrical steel sheets and strip, provided for in	
	subheading 7225.11.00, 7225.19.00, 7226.11.10,	
	7226.11.90, 7226.19.10 or 7226.19.90	7,505,976 kg
2002 00 17		
9903.80.17	Sheets and strip electrolytically coated or plated with	
	zinc, provided for in subheading 7210.30.00, 7210.70.60 (except for statistical reporting numbers	,
	7210.70.606 (except for statistical reporting numbers 7210.70.6060 and 7210.70.6090), 7212.20.00,	
	7210.70.6060 and 7210.70.6090), 7212.20.00, 7225.91.00 or 7226.99.01 (except for statistical	
	reporting numbers 7226.99.0130 and 7226.99.0180)	13,094,743 kg
	reporting numbers 7220.55.0130 and 7220.55.0100)	15,057,775 Ng

# ATTACHMENT 2

#### **Presidential Documents**

Proclamation 9759 of May 31, 2018

#### Adjusting Imports of Steel Into the United States

#### By the President of the United States of America

#### **A Proclamation**

- 1. On January 11, 2018, the Secretary of Commerce (Secretary) transmitted to me a report on his investigation into the effect of imports of steel mill articles on the national security of the United States under section 232 of the Trade Expansion Act of 1962, as amended (19 U.S.C. 1862).
- 2. In Proclamation 9705 of March 8, 2018 (Adjusting Imports of Steel Into the United States), I concurred in the Secretary's finding that steel mill articles are being imported into the United States in such quantities and under such circumstances as to threaten to impair the national security of the United States, and decided to adjust the imports of steel mill articles, as defined in clause 1 of Proclamation 9705, as amended (steel articles), by imposing a 25 percent ad valorem tariff on such articles imported from most countries, beginning March 23, 2018. I further stated that any country with which we have a security relationship is welcome to discuss with the United States alternative ways to address the threatened impairment of the national security caused by imports from that country, and noted that, should the United States and any such country arrive at a satisfactory alternative means to address the threat to the national security such that I determine that imports from that country no longer threaten to impair the national security, I may remove or modify the restriction on steel articles imports from that country and, if necessary, adjust the tariff as it applies to other countries, as the national security interests of the United States require.
- 3. In Proclamation 9711 of March 22, 2018 (Adjusting Imports of Steel Into the United States), I noted the continuing discussions with the Argentine Republic (Argentina), the Commonwealth of Australia (Australia), the Federative Republic of Brazil (Brazil), Canada, Mexico, the Republic of Korea (South Korea), and the European Union (EU) on behalf of its member countries, on satisfactory alternative means to address the threatened impairment to the national security posed by imports of steel articles from those countries. Recognizing that each of these countries and the EU has an important security relationship with the United States, I determined that the necessary and appropriate means to address the threat to national security posed by imports of steel articles from these countries was to continue the ongoing discussions and to exempt steel articles imports from these countries from the tariff proclaimed in Proclamation 9705, as amended, until May 1, 2018.
- 4. In Proclamation 9740 of April 30, 2018 (Adjusting Imports of Steel Into the United States), I noted that the United States had agreed in principle with Argentina, Australia, and Brazil on satisfactory alternative means to address the threatened impairment to our national security posed by steel articles imports from these countries and extended the temporary exemption of these countries from the tariff proclaimed in Proclamation 9705, as amended, in order to finalize the details.
- 5. The United States has agreed on a range of measures with these countries, including measures to reduce excess steel production and excess steel capacity, measures that will contribute to increased capacity utilization in the United States, and measures to prevent the transshipment of steel articles

and avoid import surges. In my judgment, these measures will provide effective, long-term alternative means to address these countries' contribution to the threatened impairment to our national security by restraining steel articles exports to the United States from each of them, limiting transshipment and surges, and discouraging excess steel capacity and excess steel production. In light of these agreements, I have determined that steel articles imports from these countries will no longer threaten to impair the national security and thus have decided to exclude these countries from the tariff proclaimed in Proclamation 9705, as amended. The United States will monitor the implementation and effectiveness of the measures agreed upon with these countries to address our national security needs, and I may revisit this determination, as appropriate.

- 6. In light of my determination to exclude, on a long-term basis, these countries from the tariff proclaimed in Proclamation 9705, as amended, I have considered whether it is necessary and appropriate in light of our national security interests to make any corresponding adjustments to such tariff as it applies to other countries. I have determined that, in light of the agreed-upon measures with these countries, and the fact that the tariff will now apply to imports of steel articles from additional countries, it is necessary and appropriate, at this time, to maintain the current tariff level as it applies to other countries.
- 7. Section 232 of the Trade Expansion Act of 1962, as amended, authorizes the President to adjust the imports of an article and its derivatives that are being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security.
- 8. Section 604 of the Trade Act of 1974, as amended (19 U.S.C. 2483), authorizes the President to embody in the Harmonized Tariff Schedule of the United States (HTSUS) the substance of statutes affecting import treatment, and actions thereunder, including the removal, modification, continuance, or imposition of any rate of duty or other import restriction.
- NOW, THEREFORE, I, DONALD J. TRUMP, President of the United States of America, by the authority vested in me by the Constitution and the laws of the United States of America, including section 232 of the Trade Expansion Act of 1962, as amended, section 301 of title 3, United States Code, and section 604 of the Trade Act of 1974, as amended, do hereby proclaim as follows:
- (1) The superior text to subheadings 9903.80.05 through 9903.80.58 of the HTSUS is amended by replacing "South Korea" with "Argentina, of Brazil, or of South Korea".
- (2) For the purposes of administering the quantitative limitations applicable to subheadings 9903.80.05 through 9903.80.58 for Argentina and Brazil, the annual aggregate limits for each country set out in the Annex to this proclamation shall apply for the period starting with calendar year 2018 and for subsequent years, unless modified or terminated. The quantitative limitations applicable to subheadings 9903.80.05 through 9903.80.58 for these countries, which for calendar year 2018 shall take into account all steel articles imports from each respective country since January 1, 2018, shall be effective for steel articles entered for consumption, or withdrawn from warehouse for consumption, on or after June 1, 2018, and shall be implemented by U.S. Customs and Border Protection (CBP) of the Department of Homeland Security as soon as practicable, consistent with the superior text to subheadings 9903.80.05 through 9903.80.58. The Secretary of Commerce shall monitor the implementation of the quantitative limitations applicable to subheadings 9903.80.05 through 9903.80.58 and shall, in consultation with the Secretary of Defense, the United States Trade Representative, and such other senior Executive Branch officials as the Secretary deems appropriate, inform the President of any circumstance that in the Secretary's opinion might indicate that an adjustment of the quantitative limitations is necessary.

- (3) The text of subdivision (e) of U.S. note 16 to subchapter III of chapter 99 of the HTSUS is amended by striking the last sentence and inserting in lieu thereof the following sentence: "Beginning on July 1, 2018, imports from any such country in an aggregate quantity under any such subheading during any of the periods January through March, April through June, July through September, or October through December in any year that is in excess of 500,000 kg and 30 percent of the total aggregate quantity provided for a calendar year for such country, as set forth on the internet site of CBP, shall not be allowed."
- (4) The Secretary of Commerce, in consultation with CBP and with other relevant executive departments and agencies, shall revise the HTSUS so that it conforms to the amendments and effective dates directed in this proclamation. The Secretary shall publish any such modification to the HTSUS in the *Federal Register*.
- (5) Clause 5 of Proclamation 9711, as amended, is amended by striking the phrase "as amended by Proclamation 9711," in the first and second sentences and inserting in lieu thereof the following phrase: "as amended, or to the quantitative limitations established by proclamation,". Clause 5 of Proclamation 9711, as amended, is further amended by inserting the phrase "or quantitative limitations" after the words "ad valorem rates of duty" in the first and second sentences.
- (6) Clause 5 of Proclamation 9740 is amended by striking the phrase "as amended by clause 1 of this proclamation," and inserting in lieu thereof the following phrase: "as amended, or to the quantitative limitations established by proclamation," in the first sentence. Clause 5 of Proclamation 9740 is further amended by striking the words "by clause 4 of this proclamation" from the second sentence.
- (7) Any provision of previous proclamations and Executive Orders that is inconsistent with the actions taken in this proclamation is superseded to the extent of such inconsistency.

IN WITNESS WHEREOF, I have hereunto set my hand this thirty-first day of May, in the year of our Lord two thousand eighteen, and of the Independence of the United States of America the two hundred and forty-second.

La Marine

Billing code 3295-F8-P

Heading/ Subheading	Article description	Quantitative Limitation
9903.80.09	Cold-rolled strip and other products, provided for in	
	subheading 7211.23.15, 7211.23.20, 7211.23.30,	
	7211.23.45, 7211.23.60, 7211.29.20, 7211.29.45,	
	7211.29.60, 7211.90.00, 7212.40.10, 7212.40.50,	
	7226.92.50, 7226.92.70, 7226.92.80 or 7226.99.01	
	(except for statistical reporting numbers 7226.99.0110	
	and 7226.99.0130)	0 kg
9903.80.10	Cold-rolled black plate, provided for in subheading	
	7209.18.25	0 kg
9903.80.11	Plate in cut lengths, provided for in subheading	
	7208.40.30, 7208.51.00, 7208.52.00, 7210.90.10,	
	7211.13.00, 7211.14.00 (except for statistical reporting	
	number 7211.14.0090), 7225.40.30, 7225.50.60 or	
	7226.91.50	0 kg
9903.80.12	Flat-rolled products, hot-dipped, provided for in	
	subheading 7210.41.00, 7210.49.00, 7210.70.60	
	(except for statistical reporting numbers 7210.70.6030	
	and 7210.70.6090), 7212.30.10, 7212.30.30,	
	7212.30.50, 7225.92.00 or 7226.99.01 (except for	
	statistical reporting numbers 7226.99.0110 and	
	7226.99.0180)	701 kg
9903.80.13	Flat-rolled products, coated, provided for in	
	subheading 7210.20.00, 7210.61.00, 7210.69.00,	
	7210.70.60 (except for statistical reporting numbers	
	7210.70.603 (except for statistical reporting numbers 7210.70.6030 and 7210.70.6060), 7210.90.60,	
	7210.90.90, 7212.50.00 or 7212.60.00	0 kg
9903.80.14	Tin-free steel, provided for in subheading	
	7210.50.00	0 kg
9903.80.15	Tin plate, provided for in subheading 7210.11.00,	
	7210.12.00 or 7212.10.00	0 kg
9903.80.16	Silicon electrical steel sheets and strip, provided for in	
	subheading 7225.11.00, 7225.19.00, 7226.11.10,	
	7226.11.90, 7226.19.10 or 7226.19.90	0 kg

Heading/ Subheading	Article description	Quantitative Limitation
	number 7211.14.0090), 7225.40.30, 7225.50.60 or	
	7226.91.50	9,116,198 kg
9903.80.12	Flat-rolled products, hot-dipped, provided for in	
	subheading 7210.41.00, 7210.49.00, 7210.70.60	
	(except for statistical reporting numbers 7210.70.6030	
	and 7210.70.6090), 7212.30.10, 7212.30.30,	
	7212.30.50, 7225.92.00 or 7226.99.01 (except for	
	statistical reporting numbers 7226.99.0110 and 7226.99.0180)	179,284,354 kg
	/220.99.0180)	179,264,554 kg
9903.80.13	Flat-rolled products, coated, provided for in	
	subheading 7210.20.00, 7210.61.00, 7210.69.00,	
	7210.70.60 (except for statistical reporting numbers	
	7210.70.6030 and 7210.70.6060), 7210.90.60,	
	7210.90.90, 7212.50.00 or 7212.60.00	49,974,441 kg
9903.80.14	Tin-free steel, provided for in subheading	
3303.00.14	7210.50.00	2,428,916 kg
9903.80.15	Tin plate, provided for in subheading 7210.11.00,	
9903.80.13	7210.12.00 or 7212.10.00	11,315,455 kg
	Cities and advised about the same and advise according for in	
9903.80.16	Silicon electrical steel sheets and strip, provided for in subheading 7225.11.00, 7225.19.00, 7226.11.10,	
	7226.11.90, 7226.19.10 or 7226.19.90	2,186,384 kg
	7220.11.30, 7220.13.10 01 7220.13.30	2,100,504 kg
9903.80.17	Sheets and strip electrolytically coated or plated with	
	zinc, provided for in subheading 7210.30.00,	
	7210.70.60 (except for statistical reporting numbers	
	7210.70.6060 and 7210.70.6090), 7212.20.00,	
	7225.91.00 or 7226.99.01 (except for statistical	
	reporting numbers 7226.99.0130 and 7226.99.0180)	687,693 kg
9903.80.18	Oil country pipe and tube goods, provided for in	
	subheading 7304.23.30, 7304.23.60, 7304.29.10,	
	7304.29.20, 7304.29.31, 7304.29.41, 7304.29.50,	
	7304.29.61, 7305.20.20, 7305.20.40, 7305.20.60,	
	7305.20.80, 7306.29.10, 7306.29.20, 7306.29.31,	
	7306.29.41, 7306.29.60 or 7306.29.81	56,857,548 kg
9903.80.19	Line pipe exceeding 406.4 mm in outside diameter,	
	provided for in subheading 7304.19.10 (except for	
	statistical reporting numbers 7304.19.1020,	
	7304.19.1030, 7304.19.1045 and 7304.19.1060),	