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**UNITED STATES – ADDITIONAL IMPORT DUTIES
ON STEEL AND ALUMINIUM ARTICLES FROM CANADA**

REQUEST FOR CONSULTATIONS BY CANADA

The following communication, dated 12 March 2025, from the delegation of Canada to the delegation of the United States, is circulated to the Dispute Settlement Body in accordance with Article 4.4 of the DSU.

The Government of Canada hereby requests consultations with the Government of the United States pursuant to Articles 1 and 4 of the *Understanding on Rules and Procedures Governing the Settlement of Disputes*, in conjunction with Article XXII:1 of the *General Agreement on Tariffs and Trade 1994* (GATT 1994), with respect to measures adopted by the United States that impose *ad valorem* rates of import duty on certain steel and aluminum articles as of March 12, 2025. These rates of import duty are in addition to any other duties applicable to such imported steel and aluminum articles.

On March 8, 2018, the United States imposed a 10 percent *ad valorem* rate of additional import duty on certain aluminum articles and a 25 percent *ad valorem* rate of additional import duty on certain steel articles originating in almost all countries. Steel and aluminum articles originating in Canada were exempted from the additional duties. The rates of additional import duty took effect on March 23, 2018. On May 31, 2018, the exemption for Canada expired, meaning that, as of June 1, 2018, steel and aluminum articles from Canada were respectively subject to 25 percent and 10 percent *ad valorem* additional import duties. On May 17, 2019, Canada and the United States issued a Joint Statement wherein they agreed, *inter alia*, that the United States would "eliminate...[a]ll tariffs the United States imposed under Section 232 on imports of aluminum and steel products from Canada". Accordingly, on May 19, 2019, the United States once again exempted Canada from the 10 percent additional import duty on aluminum articles and the 25 percent additional import duty on steel articles, effective May 20, 2019. On January 24, 2020, the United States extended its additional import duties on aluminum and steel articles to derivative aluminum and steel articles but exempted Canada from such duties. On August 6, 2020, the United States modified Canada's exemption from the additional import duties for aluminum by excluding from the exemption imports of non-alloyed unwrought aluminum, effective August 16, 2020. On October 27, 2020, the United States re-restored Canada's exemption for non - alloyed unwrought aluminum, effective retroactively to September 1, 2020. Finally, on February 10, 2025, the United States terminated Canada's exemption from the additional import duties on both steel and aluminum articles, including derivative steel and aluminum articles, effective March 12, 2025. In addition, the United States increased the additional import duty on aluminum articles, including non-alloyed unwrought aluminum articles and derivative aluminum articles, from a rate of 10 percent *ad valorem* to 25 percent *ad valorem*.

The legal instruments through which the United States imposes and administers the import duty on aluminum and steel articles, operating separately or in combination, include the following measures:

- Section 232 of the Trade Expansion Act of 1962;¹

¹ 19 U.S.C 1862.

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- Section 604 of the Trade Act of 1974;²

For aluminum articles:

- Presidential Proclamation No. 9704, dated March 8, 2018;³
- Presidential Proclamation No. 9758, dated May 31, 2018;⁴
- Presidential Proclamation No. 9893, dated May 19, 2019;⁵
- Presidential Proclamation No. 9980, dated January 24, 2020;⁶
- Presidential Proclamation No. 10060, dated August 6, 2020;⁷
- Presidential Proclamation No. 10106, dated October 27, 2020;⁸
- Presidential Proclamation No. 10895, dated February 10, 2025;⁹
- Department of Commerce (DOC) Notice – Implementation of Duties on Aluminum Pursuant to Proclamation 10895 Adjusting Imports of Aluminum into the United States;¹⁰

as well as any amendments, replacements, renewals, extensions, implementing measures, exemptions, or other related measures or instruments thereto, including any subsequent measures that alter the rate or scope of the tariffs.

For steel articles:

- Presidential Proclamation No. 9705, dated March 8, 2018;¹¹
- Presidential Proclamation No. 9740, dated April 30, 2018;¹²
- Presidential Proclamation No. 9894, dated May 19, 2019;¹³
- Presidential Proclamation No. 9980, dated January 24, 2020;¹⁴
- Presidential Proclamation No. 10896, dated February 10, 2025;¹⁵
- Department of Commerce (DOC) Notice – Implementation of Duties on Steel Pursuant to Proclamation 10896 Adjusting Imports of Steel into the United States;¹⁶

as well as any amendments, replacements, renewals, extensions, implementing measures, exemptions, or other related measures or instruments thereto, including any subsequent measures that alter the rate or scope of the tariffs.

Specifically:

- Clause 2 of Presidential Proclamation No. 9704, as amended, imposes a 25 percent *ad valorem* rate of duty on all imports of aluminum articles of Canada, effective on March 12, 2025;
- Clause 1 of Presidential Proclamation No. 9980, as amended, imposes a 25 percent *ad valorem* rate of duty on all imports of derivative aluminum articles and derivative steel articles of Canada, effective on March 12, 2025;
- Clause 2 of Presidential Proclamation No. 9705, as amended, imposes a 25 percent *ad valorem* rate of duty on all imports of steel articles of Canada, effective March 12, 2025.

The Government of Canada considers that the above measures appear to be inconsistent with the United States' obligations under the following GATT 1994 provisions:

² 19 U.S.C. 2483.

³ 83 FR 11619-11624, March 15, 2018.

⁴ 83 FR 25849-25855, June 5, 2018.

⁵ 84 FR 23983-23985, May 23, 2019.

⁶ 85 FR 5281-5293, January 29, 2020.

⁷ 85 FR 49921-49926, August 14, 2020.

⁸ 85 FR 68709-68713, October 30, 2020.

⁹ 90 FR 9807-9816, February 18, 2025.

¹⁰ 90 FR 11251-11253, March 5, 2025.

¹¹ 83 FR 11625-11630, March 15, 2018.

¹² 83 FR 20683-20686, May 7, 2018.

¹³ 84 FR 23987-23989, May 23, 2019.

¹⁴ 85 FR 5281-5293, January 29, 2020.

¹⁵ 90 FR 9817-9830, February 18, 2025.

¹⁶ 90 FR 11249-11251, March 5, 2025.

1. Article II:1(a) because the United States has failed to accord certain steel and aluminum articles of Canada treatment no less favourable than that provided for in the appropriate part of the United States' Schedule of Concessions and Commitments annexed to the GATT 1994.
2. Article II:1(b) because the United States has failed to exempt certain steel and aluminum articles of Canada from ordinary customs duties in excess of those set forth and provided for in the United States' Schedule of Concessions and Commitments.

The United States' measures described above, whether or not they are inconsistent with the GATT 1994, nullify or impair benefits accruing to Canada directly or indirectly under that Agreement.

The Government of Canada reserves the right to address additional measures, as well as any additional factual and legal claims, in the course of consultations and in any future request for panel establishment.

The Government of Canada looks forward to receiving the Government of the United States' reply to this request and to determining a mutually convenient date and place for the consultations.
