

Presidential Documents

Proclamation 9777 of August 29, 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 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). The Secretary found and advised me of his opinion that steel 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. In light of this conclusion, the Secretary recommended action to adjust the imports of steel articles so that such imports will not threaten to impair the national security. The Secretary also recommended that I authorize him, in response to specific requests from affected domestic parties, to exclude from any adopted import restrictions those steel articles for which the Secretary determines there is a lack of sufficient domestic production capacity of comparable products, or to exclude steel articles from such restrictions for specific national security-based considerations.

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 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), 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 these steel articles by imposing a 25 percent ad valorem tariff on such articles imported from most countries. I further authorized the Secretary to provide relief from these additional duties for any steel article determined not to be produced in the United States in a sufficient and reasonably available amount or of a satisfactory quality and also to provide such relief based on specific national security considerations.

3. Consistent with the Secretary's recommendation that I authorize him to exclude from any adopted import restrictions those steel articles for which the Secretary determines there is a lack of sufficient domestic production of comparable products, or for specific national security-based considerations, I have determined to authorize the Secretary to provide relief from quantitative limitations on steel articles adopted pursuant to section 232 of the Trade Expansion Act of 1962, as amended, including those set forth in Proclamation 9740 of April 30, 2018 (Adjusting Imports of Steel Into the United States), and Proclamation 9759 of May 31, 2018 (Adjusting Imports of Steel Into the United States), on the same basis as the Secretary is currently authorized to provide relief from the duty established in clause 2 of Proclamation 9705.

4. In addition, I have been informed that the quantitative limitations set forth in Proclamation 9740 and Proclamation 9759 have in some cases already filled for this year, and that projects in the United States employing thousands of workers may be significantly disrupted or delayed because imports of specific steel articles, which were contracted for purchase prior to my decision to adjust imports of these articles, cannot presently be

entered into the United States because the quantitative limits have already been reached. In light of these circumstances, and after considering the impact on the economy and the national security objectives of section 232 of the Trade Expansion Act of 1962, as amended, I have determined to direct the Secretary to provide relief from the quantitative limitations set forth in Proclamation 9740 and Proclamation 9759 in limited circumstances.

5. In light of my determinations, I have considered whether it is necessary and appropriate in light of our national security interests to make any corresponding adjustments to the tariff or quotas imposed by previous proclamations. It is my judgment that it is necessary and appropriate, at this time, to maintain the current tariff and quota levels. As directed in Proclamation 9705, the Secretary shall continue to monitor imports of steel articles and inform me of any circumstances that, in his opinion, might indicate the need for further action under section 232 of the Trade Expansion Act of 1962, as amended.

6. The United States continues to hold discussions with countries on satisfactory alternative means to address the threatened impairment to our national security posed by steel articles imports. Should these discussions result in an agreement concerning such alternative means, I will take further action as appropriate.

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 Secretary, in consultation with the Secretary of State, the Secretary of the Treasury, the Secretary of Defense, the United States Trade Representative (USTR), the Assistant to the President for National Security Affairs, the Assistant to the President for Economic Policy, and such other senior Executive Branch officials as the Secretary deems appropriate, is hereby authorized to provide relief from the quantitative limitations applicable to steel articles described in subheadings 9903.80.05 through 9903.80.58 of subchapter III of chapter 99 of the HTSUS for any steel article determined not to be produced in the United States in a sufficient and reasonably available amount or of a satisfactory quality, and is also authorized to provide such relief based upon specific national security considerations. Such relief shall be provided for a steel article only after a request for relief is made by a directly affected party located in the United States. Such relief may be provided to directly affected parties on a party-by-party basis taking into account the regional availability of particular articles, the ability to transport articles within the United States, and any other factors as the Secretary deems appropriate. If the Secretary determines that relief should be granted to a requesting party for the importation of a particular steel article, the Secretary shall publicly post such determination and notify U.S. Customs and Border Protection (CBP) of the Department of Homeland Security concerning such article so that it will be excluded from the applicable quantitative limitation. Relief granted under this clause shall apply only to an article entered for consumption, or withdrawn from warehouse for consumption, on or after the date on which the request for relief is granted by the Secretary. Until such time as any applicable

quantitative limitation for a particular article has been reached, CBP shall count any steel article for which relief is granted under this clause toward such quantitative limitation at the time when such steel article is entered for consumption or withdrawn from warehouse for consumption. Any steel article for which relief is granted under this clause shall not be subject to the additional rate of duty set forth in Proclamation 9705, as amended. Steel articles for which relief is granted under this clause shall be subject to the duty treatment provided in subheading 9903.80.60 of subchapter III of chapter 99 of the HTSUS, as established by the Annex to this proclamation.

(2) The Secretary shall, on an expedited basis, grant relief from the quantitative limitations set forth in Proclamation 9740 and Proclamation 9759 and their accompanying annexes for any steel article where (i) the party requesting relief entered into a written contract for production and shipment of such steel article before March 8, 2018; (ii) such contract specifies the quantity of such steel article that is to be produced and shipped to the United States consistent with a schedule contained in such contract; (iii) such steel article is to be used to construct a facility in the United States and such steel article cannot be procured from a supplier in the United States to meet the delivery schedule and specifications contained in such contract; (iv) the payments made pursuant to such contract constitute 10 percent or less of the cost of the facility under construction; and (v) lack of relief from the quantitative limitations on such steel article would significantly disrupt or delay completion of the facility being constructed in the United States with the steel article specified in such contract. Until such time as any applicable quantitative limitation for a particular article has been reached, CBP shall count any steel article for which relief is granted under this clause toward such quantitative limitation at the time when such steel article is entered for consumption or withdrawn from warehouse for consumption. Any steel article for which relief is granted under this clause shall be subject to the additional rate of duty set forth in clause 2 of Proclamation 9705, as amended by this proclamation, when such steel article is entered for consumption or withdrawn from warehouse for consumption. This rate of duty is in addition to any other duties, fees, exactions, and charges applicable to such steel article. Any steel article provided relief under this clause must be entered for consumption, or withdrawn from warehouse for consumption, on or before March 31, 2019, and may not be granted further relief by the Secretary under clause 3 of Proclamation 9705, as amended. Steel articles for which relief is granted under this clause shall be subject to the duty treatment provided in subheading 9903.80.61 of subchapter III of chapter 99 of the HTSUS, as established by the Annex to this proclamation.

(3) The Secretary shall grant relief under clause 2 of this proclamation only upon receipt of a sworn statement signed by the chief executive officer and the chief legal officer of the party requesting relief. Such statement shall attest that (i) the steel article for which relief is sought and the associated contract meet all of the criteria for relief set forth in clause 2 of this proclamation; (ii) the party requesting relief will accurately report to CBP, in the manner that CBP prescribes, the quantity of steel articles entered for consumption, or withdrawn from warehouse for consumption, pursuant to any grant of relief; and (iii) the quantity of steel articles entered pursuant to a grant of relief will not exceed the quantity specified in such contract for delivery on or before March 31, 2019. Upon granting relief under clause 2 of this proclamation, the Secretary shall notify CBP and publish a notice of relief for the quantity of steel articles specified in such contract that are scheduled for delivery on or before March 31, 2019. The Secretary shall revoke any grant of relief under clause 2 of this proclamation if the Secretary determines at any time after such grant that the criteria for relief have not been met and may, if the Secretary deems it appropriate, notify the Attorney General of the facts that led to such revocation.

(4) As soon as practicable, the Secretary shall issue procedures for the requests for exclusion described in clause 1 of this proclamation. The issuance of such procedures is exempt from Executive Order 13771 of January 30, 2017 (Reducing Regulation and Controlling Regulatory Costs). CBP shall implement exclusions granted pursuant to clause 1 or relief provided under clause 2 of this proclamation as soon as practicable.

(5) Clause 3 of Proclamation 9705, as amended by Proclamation 9711, is further amended by striking the fourth and fifth sentences and inserting in lieu thereof the following two sentences: “If the Secretary determines that a particular steel article should be excluded, the Secretary shall publicly post such determination and notify U.S. Customs and Border Protection (CBP) of the Department of Homeland Security concerning such article so that it will be excluded from the duties described in clause 2 of this proclamation. For merchandise entered for consumption, or withdrawn from warehouse for consumption, on or after the date the duty established under this proclamation is effective and with respect to which liquidation is not final, such relief shall be retroactive to the date the request for relief was accepted by the Department of Commerce.”.

(6) In order to establish the duty rate on imports of steel articles for which relief is granted under clause 2 of this proclamation, clause 2 of Proclamation 9705, as amended, is further amended by striking the last sentence and inserting in lieu thereof the following two sentences: “All steel articles imports covered by subheading 9903.80.61, in subchapter III of chapter 99 of the HTSUS, shall be subject to the additional 25 percent ad valorem rate of duty established herein with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern daylight time on the date specified in a determination by the Secretary granting relief. These rates of duty, which are 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 three sentences.”.

(7) Where the government of a country identified in the superior text to subheadings 9903.80.05 through 9903.80.58 of subchapter III of chapter 99 of the HTSUS notifies the United States that it has established a mechanism for the certification of exports to the United States of products covered by the quantitative limitations applicable to these subheadings, and where such mechanism meets the operational requirements for participation in an export certification system administered by the United States, CBP, in consultation with the Secretary, USTR, and other relevant executive departments and agencies, may require that importers of these products furnish relevant export certification information in order to qualify for the treatment set forth in subheadings 9903.80.05 through 9903.80.58. Where CBP adopts such a requirement, it shall publish in the *Federal Register* notice of the requirement and procedures for the submission of relevant export certification information. No article that is subject to the export certification requirement announced in such notice may be entered for consumption, or withdrawn from warehouse for consumption, on or after the effective date specified in such notice, except upon presentation of a valid and properly executed certification, in accordance with the procedures set forth in the notice.

(8) Subdivision (c) of U.S. note 16 to subchapter III of chapter 99 of the HTSUS is amended by inserting at the end the following new sentence: “Pursuant to subheadings 9903.80.60 and 9903.80.61 and superior text there-to, the Secretary may provide that any excluded product shall be granted entry into the customs territory of the United States when the applicable quantitative limitation has filled for the specified period for such good.”.

(9) Subdivision (d) of U.S. note 16 to subchapter III of chapter 99 of the HTSUS is amended by inserting after “9903.80.58” the phrase “and 9903.80.60 and 9903.80.61”.

(10) The rate of duty specified in the HTSUS in the general column for heading 9903.80.01 is amended by striking “25%” and inserting in lieu thereof: “The duty provided in the applicable subheading + 25%”.

(11) The rate of duty specified in the HTSUS in the general column for heading 9903.80.02 is amended by striking “50%” and inserting in lieu thereof: “The duty provided in the applicable subheading + 50%”.

(12) The superior text for subheadings 9903.80.05 through 9903.80.58 of the HTSUS is amended by deleting “Iron” and inserting in lieu thereof: “Except as provided in subheadings 9903.80.60 and 9903.80.61, iron”.

(13) To implement clauses 1 and 2 of this proclamation, subchapter III of chapter 99 of the HTSUS is modified as provided in the Annex to this proclamation.

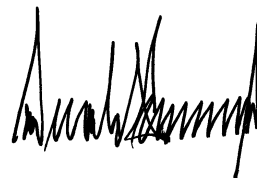
(14) The modifications to the HTSUS made by clauses 8 through 13 of this proclamation and the Annex to this proclamation shall be effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern daylight time on August 30, 2018, and shall continue in effect, unless such actions are expressly reduced, modified, or terminated.

(15) Clause 5 of Proclamation 9705 is amended by inserting “for consumption” after “goods entered” in the first sentence. Clause 5 of Proclamation 9711, as amended, is amended by striking “by this proclamation” from the end of the second sentence. Clause 6 of Proclamation 9740 is amended by striking “by clause 1 of this proclamation”.

(16) The Secretary, in consultation with CBP and other relevant executive departments and agencies, shall revise the HTSUS so that it conforms to the amendments directed by this proclamation. The Secretary shall publish any such modification to the HTSUS in the *Federal Register*.

(17) 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 twenty-ninth day of August, in the year of our Lord two thousand eighteen, and of the Independence of the United States of America the two hundred and forty-third.



ANNEX

**TO MODIFY CERTAIN PROVISIONS OF CHAPTER 99 OF
THE HARMONIZED TARIFF SCHEDULE OF THE UNITED STATES**

Effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern daylight time on August 30, 2018, subchapter III of chapter 99 of the Harmonized Tariff Schedule of the United States is modified by inserting in numerical sequence the following new tariff provision, with the material in the new tariff provisions inserted in the columns labeled “Heading/Subheading”, “Article Description”, “Rates of Duty 1-General”, “Rates of Duty 1-Special,” and “Rates of Duty 2”, respectively:

Heading/ Subheading	Article description	Rates of Duty		
		1		2
		General	Special	
	“Iron or steel products of Argentina, of Brazil, or of South Korea enumerated in U.S. note 16(b) to this subchapter, each covered by an exclusion granted by the Secretary of Commerce under note 16(c) to this subchapter:			
9903.80.60	Goods granted relief from the application of quantitative limitation otherwise imposed in relation to subheadings 9903.80.05 through 9903.80.58, for any steel article determined by the Secretary not to be produced in the United States in a sufficient and reasonably available amount, or of a satisfactory qualify, or for specific national security reasons, provided that such goods shall be counted toward any quantitative limitation proclaimed by the President until such limitation has filled.....	The duty provided in the applicable subheading		
9903.80.61	Goods subject to a qualifying contract for which relief has been provided from the application of quantitative limitation otherwise imposed in relation to subheadings 9903.80.05 through 9903.80.58, provided that such goods shall be counted toward any quantitative limitation proclaimed by the President until such limitation has filled.....		The duty provided in the applicable subheading + 25%”	