

CLIENT ALERT

President Trump Signs Section 232 Proclamations – Tariffs Start March 23

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On March 8, President Trump officially signed proclamations imposing a 25 percent tariff on imported steel and a 10 percent tariff on imported aluminum pursuant to Section 232(b) of the Trade Expansion Act of 1962.

The signing of the proclamations came exactly one week after the president abruptly announced his decision to impose the global tariffs during a White House meeting with key steel and aluminum executives.

The effective date of the tariffs is March 23, exactly 15 days after the official announcement.

The proclamations provide for Country Exemptions and Product Exclusions.

Country Exemptions

The tariffs apply to steel and aluminum imported from all countries. However, Mexico and Canada are exempt from the tariffs. Certain other countries with which the United States has “a security relationship” may be eligible for a similar exemption. No countries are listed and the term “security relationship” is undefined. The U.S. Trade Representative, Ambassador Robert Lighthizer, will lead negotiations with countries seeking such exemptions. A timeframe for such discussions has not been announced.

Product Exclusions

The specific procedure to seek product exclusions has not yet been announced. The proclamations require it to be “issued within 10 days,” which is March 18. The Department of Commerce, in coordination with other agencies including the Department of Defense and the U.S. Trade Representative, is responsible for creating the procedures, as well as reviewing and approving submitted product exclusion requests.

The proclamations included certain requirements for product exclusions.

First, an exclusion request may only be made by “a directly affected party located in the United States.” Thus, foreign entities appear ineligible to submit the request.

Second, the following criteria are listed for exclusion requests:

1. An eligible requestor must show a product is not produced in the United States in a sufficient and reasonably available amount, or of a satisfactory quality.
2. The request must be based on specific national security considerations.

Country Retaliation

Shortly after the president announced his decision to impose a global tariff on steel and aluminum imports, the President of the European Commission, Jean-Claude Juncker, drafted a proposal for dispute settlement consultations with the United States. Other countries also announced retaliation on U.S. exports including Kentucky bourbon, orange juice, Levi jeans, Harley-Davidson motorcycles, and certain steel products under Chapters 72 and 73 of the Harmonized Tariff Schedule. This sets the stage for international negotiations.

To keep up with the latest developments on the Section 232 steel and aluminum investigations and tariffs, [please subscribe to Section 232 Investigations](#) from [Crowell & Moring's International Trade Law blog](#).

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