

Presidential Documents

Proclamation 10783 of July 10, 2024

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 the President a report on the Secretary's investigation into the effect of imports of steel mill articles (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 the President of the Secretary's 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.

2. In Proclamation 9705 of March 8, 2018 (Adjusting Imports of Steel Into the United States), the President 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 steel articles by imposing a 25 percent ad valorem tariff on such articles imported from all countries except Canada and Mexico. Proclamation 9705 further stated that any country with which the United States has a security relationship is welcome to discuss 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 the President determines that imports from that country no longer threaten to impair the national security, the President 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 9705, the President also directed the Secretary to monitor imports of steel articles and inform the President of any circumstances that in the Secretary's opinion might indicate the need for further action under section 232 of the Trade Expansion Act of 1962, as amended, with respect to such imports.

4. In Proclamation 9894 of May 19, 2019 (Adjusting Imports of Steel Into the United States), the President noted that the United States had successfully concluded discussions with Mexico on satisfactory alternative means to address the threatened impairment of the national security posed by steel imports from Mexico. The United States agreed on a range of measures with Mexico that were expected to allow imports of steel from Mexico to remain stable at historical levels without meaningful increases, thus permitting the domestic capacity utilization to remain reasonably commensurate with the target level recommended in the Secretary's report. In the President's judgment, these measures would provide effective, long-term alternative means to address the contribution of Mexico's imports to the threatened impairment of the national security.

5. The President determined in Proclamation 9894 that, under the framework in the agreement reached with Mexico, imports of steel from Mexico would

no longer threaten to impair the national security and accordingly excluded Mexico from the tariff proclaimed in Proclamation 9705, as amended. The President noted that the United States would monitor the implementation and effectiveness of these measures in addressing our national security needs, and that the President may revisit this determination as appropriate.

6. In Proclamation 9980 of January 24, 2020 (Adjusting Imports of Derivative Aluminum Articles and Derivative Steel Articles Into the United States), the President noted that, among other things, imports of certain derivatives of steel articles had significantly increased since the imposition of tariffs and quotas on imports of steel articles in 2018. The President further noted the Secretary's assessment that foreign producers increased shipments of such derivative articles to the United States to circumvent the duties on steel articles imposed in Proclamation 9705, and that the net effect of the increase of imports of these derivatives had been to erode the customer base for United States producers of steel and undermine the purpose of Proclamation 9705.

7. Based on such assessments by the Secretary, the President concluded in Proclamation 9980 that it was necessary and appropriate in light of our national security interests to adjust the tariffs imposed by previous proclamations to apply to certain derivatives of steel articles from most countries, excluding Argentina, Australia, Brazil, Canada, Mexico, and South Korea. This action was necessary and appropriate to address circumvention that was undermining the effectiveness of the adjustment of imports made in Proclamation 9705, as amended, and to remove the threatened impairment of the national security of the United States found in that proclamation.

8. The Secretary has informed me that domestic steel producers' capacity utilization remains below the target 80 percent capacity utilization recommended in the Secretary's report of January 11, 2018, and imports of steel articles from Mexico have increased significantly as compared to their levels at the time of Proclamation 9894. In the Secretary's opinion, these developments indicate the need for further action under section 232 of the Trade Expansion Act of 1962, as amended, with respect to such steel imports. In monitoring the implementation and effectiveness of the agreement with Mexico in addressing our national security needs, I have determined that it is appropriate to revisit the President's determination in Proclamation 9894 regarding the applicability of the tariff imposed in Proclamation 9705 to steel articles imports from Mexico.

9. Accordingly, the United States will implement a melt and pour requirement for imports of steel articles that are products of Mexico and will increase the section 232 duty rate for imports of steel articles and derivative steel articles that are products of Mexico that are melted and poured in a country other than Mexico, Canada, or the United States. In order to be eligible for importation free from section 232 tariffs, steel articles and derivative steel articles that are products of Mexico must be melted and poured in Mexico, Canada, or the United States. In my judgment, these measures will provide an effective, long-term alternative means to address any contribution by Mexican steel articles imports to the threatened impairment of the national security by restraining steel articles imports to the United States from Mexico, limiting transshipment, and discouraging excess steel capacity and production. The United States will monitor the implementation and effectiveness of the measures agreed upon with Mexico in addressing our national security needs, and I may revisit this determination, as appropriate.

10. To prevent transshipment, excess production, or other actions that would lead to increased exports of steel articles to the United States, the United States Trade Representative, in consultation with the Secretary, shall advise me if there is a surge in imports of steel articles to the United States from Mexico and on the appropriate means to ensure that such imports from Mexico do not undermine the national security objectives of the tariff imposed in Proclamation 9705, as amended. If necessary and appropriate,

I will consider directing the U.S. Customs and Border Protection (CBP) of the Department of Homeland Security to no longer exclude imports of steel articles from Mexico from the tariff imposed in Proclamation 9705, as amended.

11. In light of my determination to adjust the tariff proclaimed in Proclamation 9705, as amended, as applied to eligible steel articles imports from Mexico, respectively, 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 it is necessary and appropriate, at this time, to maintain the current tariff level as it applies to other countries.

12. 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.

13. 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, JOSEPH R. BIDEN JR., 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) To establish a melt and pour requirement for imports of steel articles and derivative steel articles that are products of Mexico, and an increase in the duty rate for imports of steel articles and derivative steel articles that are products of Mexico that are melted and poured in a country other than Mexico, Canada, or the United States, amendments to U.S. note 16 to subchapter III of chapter 99 and new HTSUS headings are provided for in the Annex to this proclamation. Imports of steel articles and derivative steel articles that are products of Mexico shall be exempt from the duty provided that such steel products are melted and poured in Mexico, Canada, or the United States.

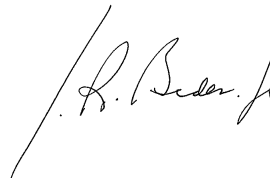
(2) For purposes of implementing the melt and pour requirements in this and other proclamations, importers of steel and steel derivative articles shall provide to CBP the information necessary to identify the countries where the steel used in the manufacture of steel articles imports, covered by clause 1 of Proclamation 9705, and derivative steel articles, specified in Annex II of Proclamation 9980, are melted and poured. CBP shall implement the melt and pour information requirements as soon as practicable.

(3) The modifications to the HTSUS made by clause 1 of 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 July 10, 2024, and shall continue in effect, unless such actions are expressly reduced, modified, or terminated.

(4) Any imports of steel articles that are products of Mexico and that were admitted into a U.S. foreign trade zone under “privileged foreign status” as defined in 19 CFR 146.41, prior to 12:01 a.m. eastern daylight time on July 10, 2024, shall be subject upon entry for consumption made on or after 12:01 a.m. eastern daylight time on July 10, 2024, to the provisions of Proclamations 9894 and 9980.

(5) 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 tenth day of July, in the year of our Lord two thousand twenty-four, and of the Independence of the United States of America the two hundred and forty-eighth.

A handwritten signature in black ink, appearing to read "R. Biden Jr.", written in a cursive style.

ANNEX

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

Section A. 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 July 10, 2024, subchapter III of chapter 99 of the Harmonized Tariff Schedule of the United States (“HTSUS”) is hereby modified below. Any imports of steel articles and derivative steel articles of Mexico that were admitted into a U.S. foreign trade zone under “privileged foreign status” as defined in 19 CFR 146.41, prior to 12:01 a.m. eastern daylight time on July 10, 2024, shall be subject upon entry for consumption made on or after 12:01 a.m. eastern daylight time on July 10, 2024, to the provisions of this Proclamation.

1. The following new subdivision (h)(i) is inserted at the end of U.S. note 16 to subchapter III of chapter 99 of the HTSUS:

“16(h)(i) Heading 9903.81.85 provides the ordinary duty treatment of steel articles that are products of Mexico, provided that such steel products are melted and poured in a country other than the United States, Mexico or Canada, for products enumerated in subdivision (b) of this note. For any such goods that are eligible for special tariff treatment under any of the free trade agreements or preference programs listed in general note 3(c)(i) to the tariff schedule, the duty provided in such heading shall be collected in addition to any special rate of duty otherwise applicable under the appropriate tariff subheading, except where prohibited by law. Goods for which entry is claimed under a provision of chapter 98 and which are subject to the additional duties prescribed herein shall be eligible for and subject to the terms of such provision and applicable U.S. Customs and Border Protection (“CBP”) regulations, except that duties under subheading 9802.00.60 shall be assessed based upon the full value of the imported article. Except as otherwise provided in this subdivision, the duty provided in these headings shall be collected on the full value of the article that contains steel that was melted and poured in a country other than the United States, Mexico or Canada. Importers of steel articles shall provide to CBP information necessary to identify the country or countries where the steel used in the manufacture of steel articles imports are melted and poured.”

2. The following new subdivision (h)(ii) is inserted at the end of U.S. note 16 to subchapter III of chapter 99 of the HTSUS:

“16(h)(ii) Heading 9903.81.86 provides the ordinary duty treatment of the derivative steel articles that are products of Mexico, provided that such derivative steel products are melted and poured in a country other than the United States, Mexico or Canada, for products enumerated in subdivision (a)(ii) of this note. For any such goods that are eligible for special tariff treatment under any of the free trade agreements or preference programs listed in general note 3(c)(i) to the tariff schedule, the duty provided in such heading shall be collected in addition to any special rate of duty otherwise applicable under the appropriate tariff subheading, except where prohibited by law. Goods for which entry is claimed under a provision of chapter 98 and which are subject to the additional duties prescribed herein shall be eligible for and subject to the terms of such provision and applicable U.S. Customs and Border Protection (“CBP”) regulations, except that duties under subheading 9802.00.60 shall be assessed based upon the full value of the imported article. Except as otherwise

provided in this subdivision, the duty provided in these headings shall be collected on the full value of the article that contains steel that was melted and poured in a country other than the United States, Mexico or Canada. Importers of steel derivative articles shall provide to CBP information necessary to identify the country or countries where the steel used in the manufacture of derivative steel articles imports are melted and poured.”

3. The article description of heading 9903.80.01 is modified by inserting after “of Mexico” the following: “(as specified in subdivision (h)(i) of such U.S. note 16)”.
4. The article description of heading 9903.80.03, is modified by inserting after “of Mexico” the following: “(as specified in subdivision (h)(ii) of such U.S. note 16)”.
5. The following new headings are inserted in numerical sequence:

“9903.81.85	Steel articles of Mexico enumerated in U.S. note 16 to this subchapter, where the steel was melted and poured in a country other than the United States, Mexico or Canada.	The duty provided in the applicable subheading + 25%		
9903.81.86	Derivative steel articles of Mexico enumerated in U.S. note 16 to this subchapter, where the steel was melted and poured in a country other than the United States, Mexico or Canada.	The duty provided in the applicable subheading + 25%”		

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