



# Special Trade Measures on Steel Imports



## 2026 ATCC Conference

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UNITED STATES STEEL CORPORATION

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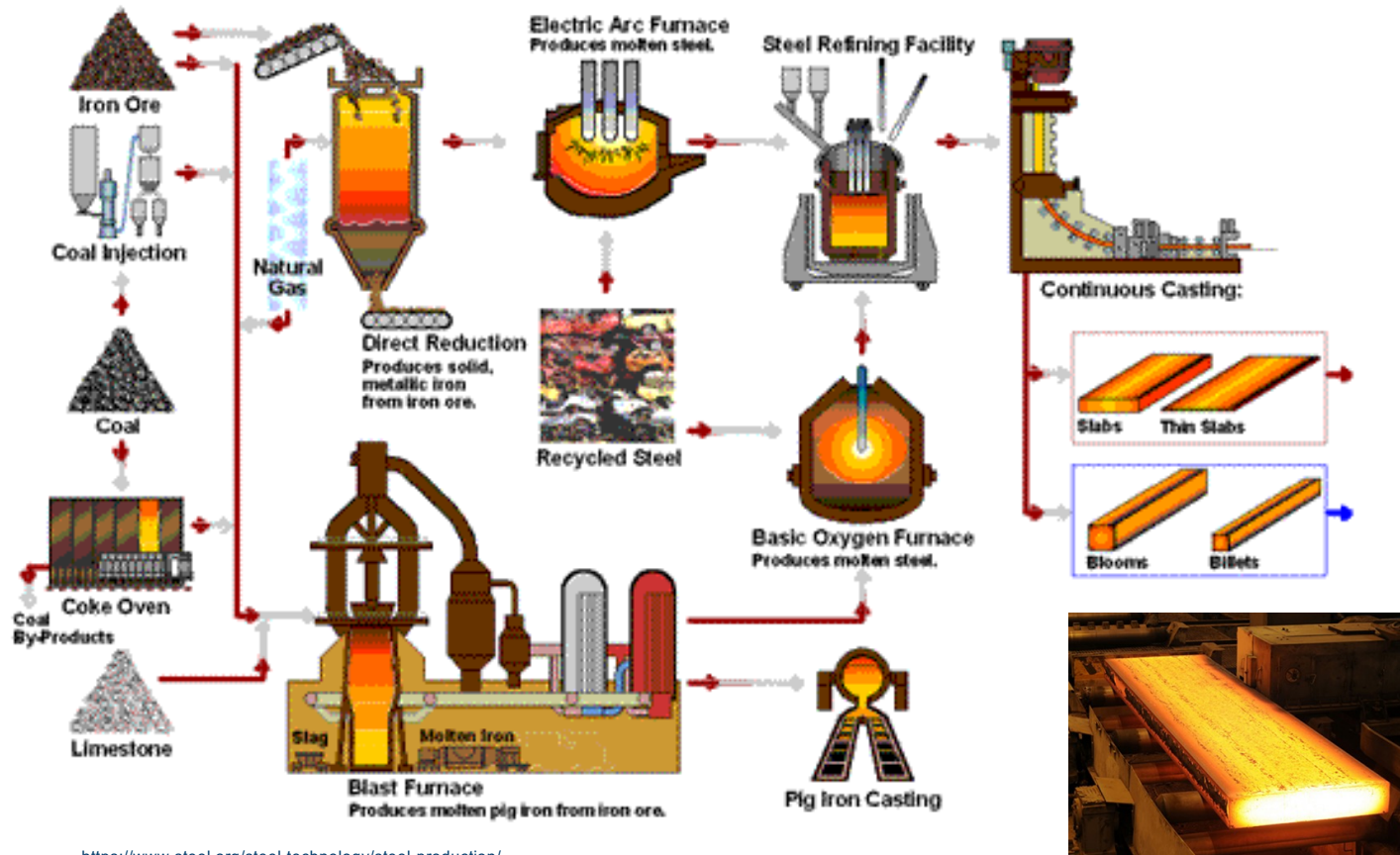
# Agenda

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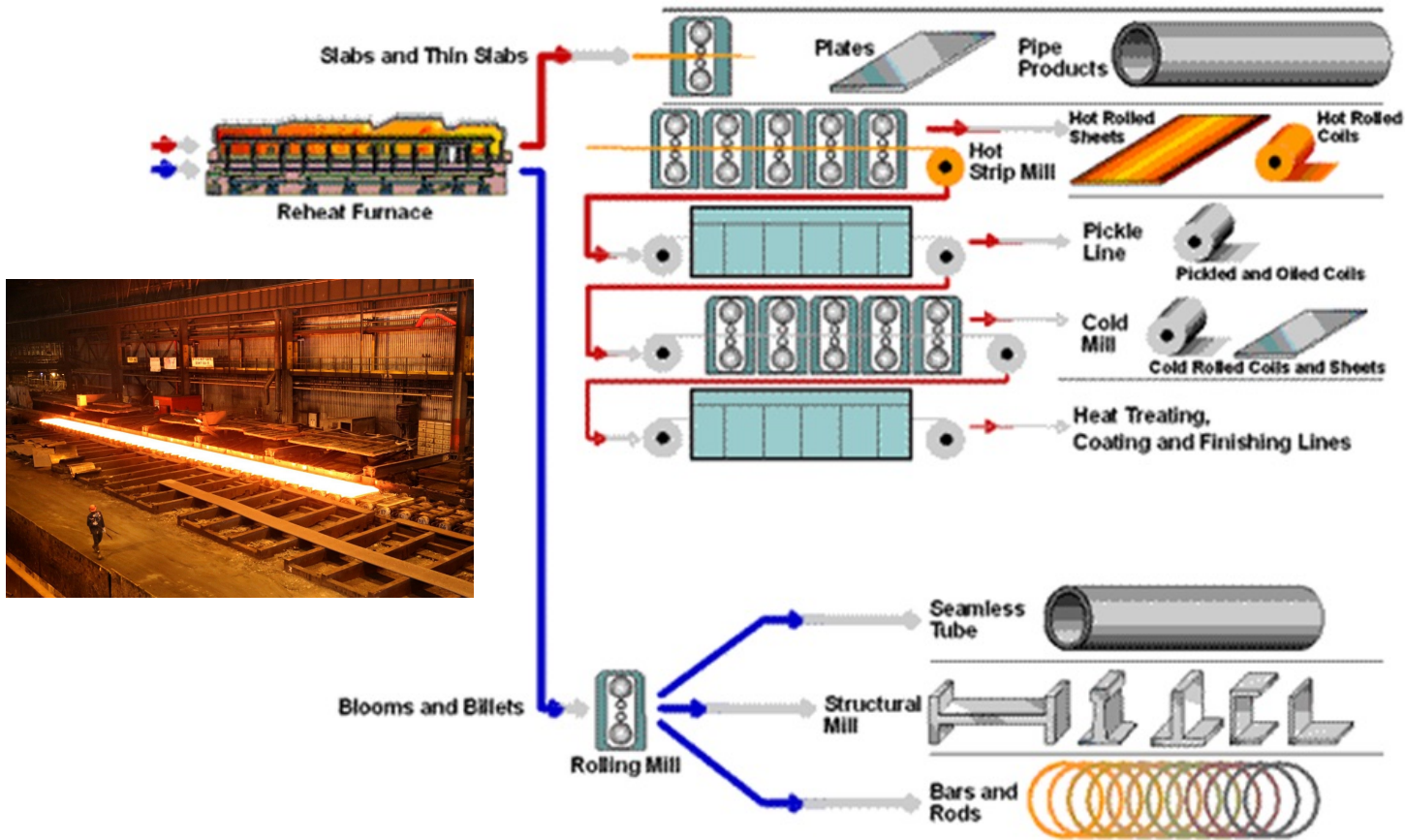


- Steel production 101
- Global steel overcapacity and imports
- Special trade measures on steel and derivative imports

# Raw and Semi-Finished Steel Production



# Steel Mill Production



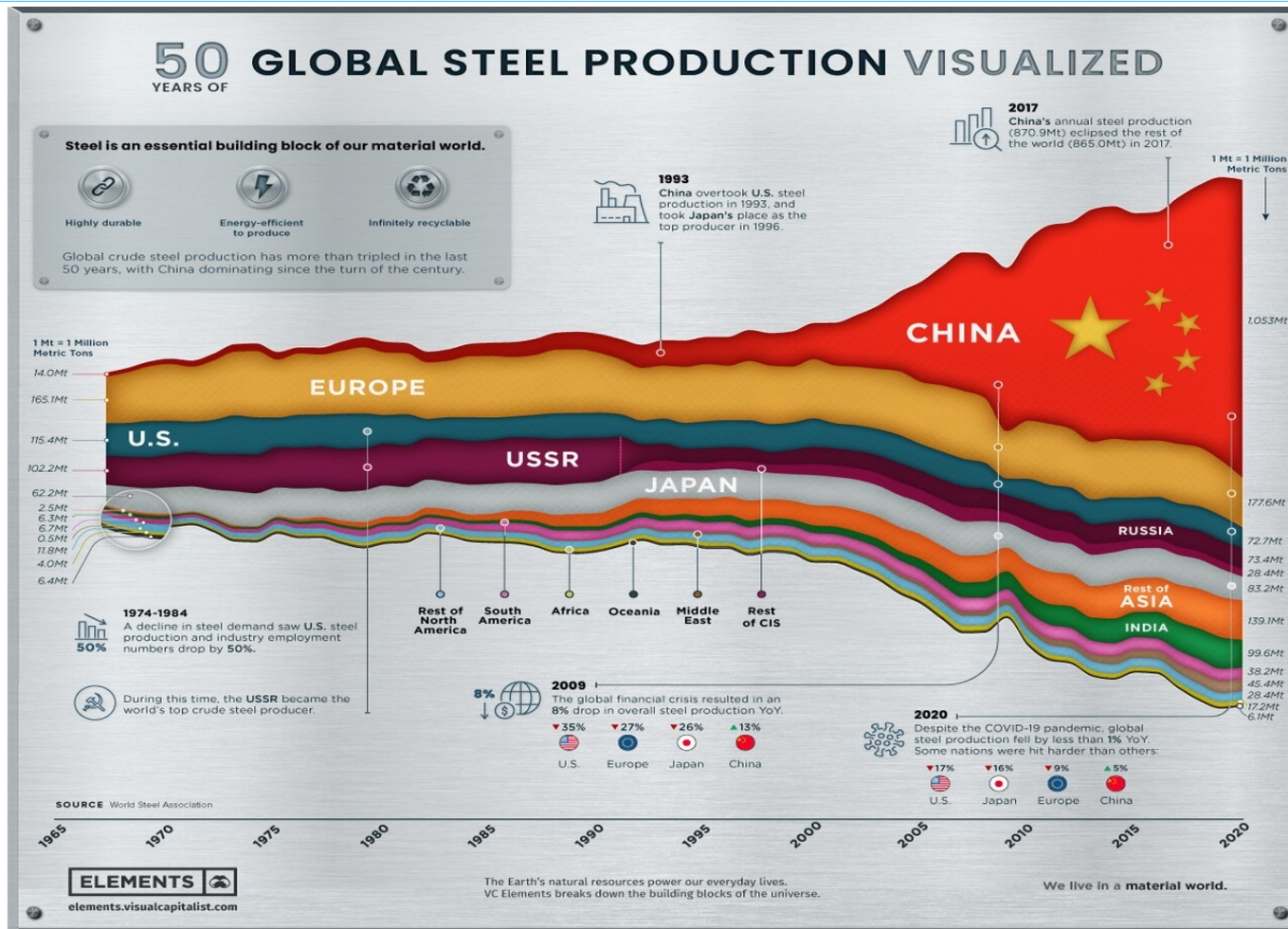
# Global Steel Overcapacity and Import Competition

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- Imports fueled by massive and increasing global steel overcapacity, unfair trade, and foreign government support threaten the viability of the domestic industry, US manufacturing base, critical infrastructure, and national economic security.
- Global raw steel overcapacity is over 600 million metric tons (OECD):
  - Over 6 times entire USA annual steel market (93 MMT in 2024)
  - Over 23 times total USA annual steel imports (26 MMT in 2024)
- China is by far the largest steel producer and exporter, evades global trade measures with foreign investment, exporting capacity, and moving downstream to steel-intensive goods (indirect steel trade).  
The threat, however, is global:
  - Russia is the 5<sup>th</sup> largest steel producer and 9<sup>th</sup> largest steel exporter
  - Iran is a growing threat, now 10<sup>th</sup> largest steel producer with massive capacity expansions
  - Vietnam and India are adding significant capacity
  - Other significant net exporters: Japan, Korea, Germany, Brazil, Belgium, Austria, Ukraine...

# China's Growing Dominance of Global Steel Production

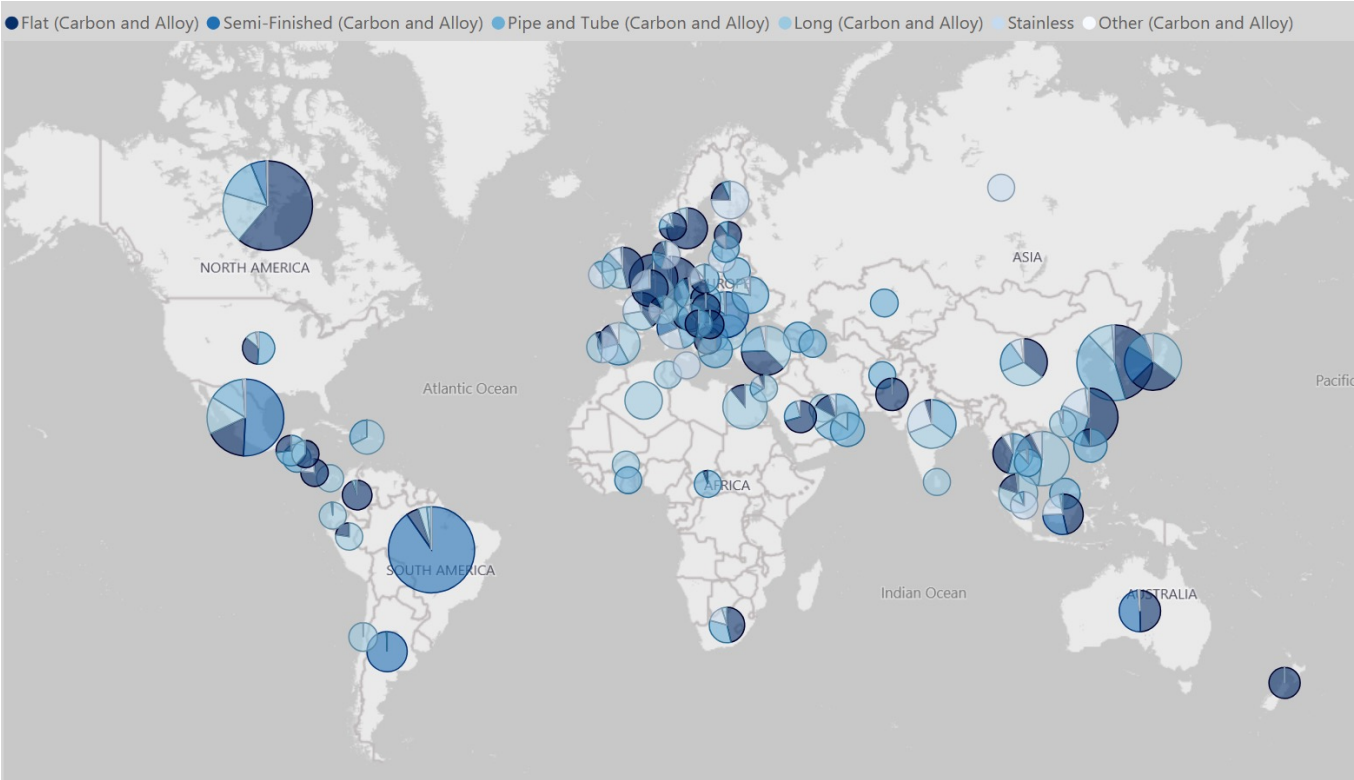


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<https://elements.visualcapitalist.com/50-years-of-global-steel-production/>

# U.S. imports 22 million tons of steel from 80+ countries



## 2025 U.S. Steel Imports



<https://www.trade.gov/data-visualization/us-steel-import-monitor>



# U.S. Special Trade Measures Currently Impacting Imports of Steel and *Steel Intensive Goods (aka Steel Derivative Products)*

- Steel § 232 tariffs
- Steel melt and pour requirements
- Auto, trucks and buses § 232 tariffs
- China IPR § 301 tariffs
- IEEPA tariffs
- Increased duties on Russia

## 2024 U.S. Imports

- 20.6 million MT Finished Steel (2025 YTD 16.5 million MT)
- 5.6 million MT Semi-Finished Steel (2025 YTD 5.6 million MT)
- According to the American Iron and Steel Institute (AISI), in 2024, there were ~45 million MT equivalent net imports of **Steel-Intensive Goods** (autos, appliances, equipment, fabricated structural, machinery, packaging, etc.).

# Steel 232 Tariffs: Timeline



**APR - DEC  
2017**

Department of Commerce (DOC) investigates whether steel imports “threaten to impair” U.S. national security under § 232 of the Trade Expansion Act of 1962



**JAN - MAR  
2018**

DOC finalizes report and recommendations and [Presidential Proclamation 9705](#) imposes **25% tariffs on steel imports from all countries**



**MAR 2018 -  
FEB 2025**

Presidents Trump and Biden issue 18 proclamations modifying the Steel 232 tariffs (country quotas and exemptions, tariff rate quotas (TRQs), product exclusions, and derivative products added)



**MAR - DEC  
2025**

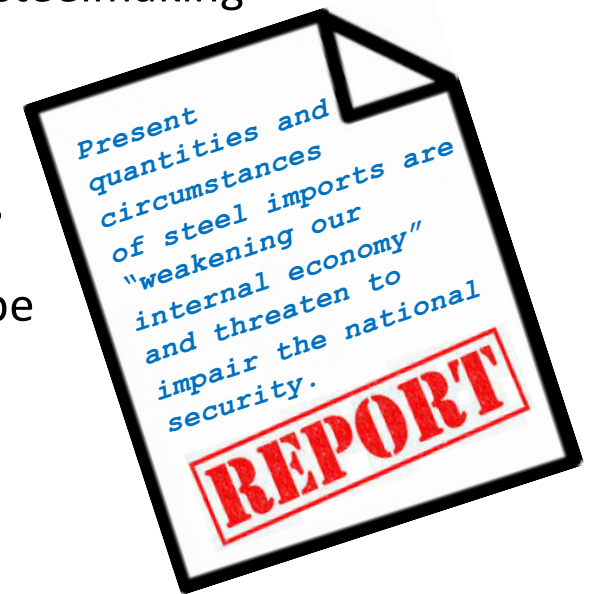
All country exemptions and quotas revoked, derivatives added, and product exclusions replaced with derivative inclusion process; **tariff increased to 50% for most countries**

# Steel 232 Tariffs: Rationale



## Key Findings in [DOC Report](#):

- Steel is important to U.S. national security and 16 critical infrastructure sectors (identified in [Presidential Policy Directive 21](#))
- Global excess steel capacity → U.S. imports → low U.S. steelmaking capacity utilization
- Low utilization rates threaten the ability to make critical products *from start to finish* in the United States
- Target *sustained* capacity utilization is 80%, which can be achieved with 37% steel import reduction



# Steel 232 Tariffs: Current\* Status

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- **Steel 232 tariffs apply to all covered steel and derivative product imports:**
  - Chapter 72: 25% for United Kingdom (UK), 50% for rest of world, full entered value, no exemptions!
  - Chapter 73 and derivatives: above Steel 232 tariffs apply only to the “steel content” (IEEPA tariffs apply to “non-steel content”). See slide 14.
- **Exclusions process terminated February 10, 2025**
- **Derivative inclusions process launched May 2025:**
  - Opportunities to request every May, September, and January
  - First round of decisions in August, added over 400 HTSUS tariff subheadings
  - Second round for new requests closed September 2025, decisions pending

\*As of December 19, 2025.

# Steel 232 Tariffs: Scope



- Original product coverage (March 2018):

- ✓ Semi-finished steel ingots, billets, and slabs
- ✓ Flat-rolled steel products
- ✓ Steel bars, wire rod, and wire products
- ✓ Most steel angles, shapes, and sections
- ✓ Steel sheet piling, railway rails, and certain other railway products
- ✓ Most steel pipes/tubes
- ✗ Pig iron, scrap, and ferroalloys



- 1<sup>st</sup> derivative products expansion (February 2020)

- 2<sup>nd</sup> derivatives expansion (March 2025)

- [Proclamation 10947](#) (June 2025) changed coverage for all Chapter 73 products to only apply to “steel content”

- 3<sup>rd</sup> derivatives expansion (June 2025): appliances

- 4<sup>th</sup> derivatives expansion (August 2025): 400+ HTSUS

# Steel 232 Tariffs: CBP Guidance



- **Covered and excluded entries (e.g., CSMS [#39633923](#))**
  - Declare 9903 **and** standard HTS code
  - No drawback permitted
  - Collected in addition to any AD/CVD
- **Directives in February 2025 [Proclamation 10896](#)**
  - Enhance oversight to prevent evasion
  - Misclassification receives **maximum** penalties
- **Guidance for March 2025 changes (CSMS [#64384423](#))**
  - Which product exclusions are valid/expired
  - Reporting country of melt and pour is **mandatory**
  - Derivatives with unknown value (cost) of steel content, 50% tariff applies to full entered value
- **Guidance for June 2025 changes (CSMS [#65236374](#), [#65441222](#))**
  - Tariff stacking (see slides 15-16) CSMS [#65236374](#)
  - Steel 232 tariffs only apply to value of steel content for Chapter 73 steel products and all derivatives
- **Guidance for August 2025 derivative inclusions (CSMS [#65936570](#))**



# Steel 232 Tariffs: Steel Content

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- **Chapter 72 steel products are 100% steel; no backing out any manufacturing, labor, coating, *etc.* costs.**
  
- **Chapter 73 steel products and covered steel derivatives:**
  - If product is 100% steel, there is no “non-steel content” to separate and 232 tariff is assessed on the full entered value; no backing out any costs
  - If the product is not wholly of steel, 232 tariff is assessed on steel content, based on invoice paid by the buyer/supplier of steel content. Non-steel content does not refer to fabrication, machining, labor, costs, *etc.* If the value of steel content cannot be determined, report the 232 tariff based on the total entered value.
  - Surface treatments like galvanizing are integral to the finished steel product, not a separate component or part.
  - Paint, lacquer and other coatings are not parts and their cost cannot be deducted

**Source:** CF28 on 232 valuation for steel content

# Steel M&P Requirements



## Country of Melt and Pour (M&P):

Where iron and/or scrap are M&P into solid steel



- 1933** *Buy American Act* is first major domestic content law
- 2019**
  - *Steel 232* removed for Canada and Mexico, which agree to prevent unfair trade, surges, and transshipment of steel M&P overseas
  - *USMCA* auto rules of origin (ROO) amended, requiring M&P for 70% of steel
- 2020** *Steel Import Monitoring and Analysis (SIMA) license applications* require country of M&P
- 2021** *Build America Buy America Act* includes U.S. M&P requirement for infrastructure projects
- 2022** *Steel 232* TRQs for steel M&P in EU, Japan, and UK
- 2024** *CBP Form 7501 Entry Summary* updated with M&P field for steel imports  
*Steel 232* tariffs reimposed for Mexico if not M&P in North America
- 2025** *100% USA M&P Exception for steel 232 derivatives*

# Auto 232 Tariffs



- DOC § 232 investigation → February 2019 finding high-volume passenger vehicle and light truck imports threaten U.S. national security
- Effective April 3, 2025, for **finished vehicles**:
  - 25% tariff on non-U.S. component value of **USMCA-compliant** vehicles
  - 25% tariff on full value of all other (e.g., Asian and Euro) vehicles
- Starting May 3, 2025, for **auto parts**:
  - 25% tariff on non-U.S. component value **\*paused indefinitely\*** for **USMCA-compliant** parts
  - 25% tariff on full value of all other parts
- TRQ for UK autos and 10% for UK auto parts; 15% for Japan
- No exclusions, but domestic assembly incentive and inclusions process launched July 1, 2025
- First window of inclusions process opening January 1, 2026

## USMCA Auto ROOs

75% RVC for vehicles

≥ 64% RVC for parts

70% M&P for steel by 2027

40% LVC



# Truck & Bus 232 Tariffs



- DOC § 232 investigation → April 22, 2025, finding large and growing medium- and heavy-duty truck and bus import penetration threatens U.S. national security
- Effective November 1, 2025:
  - **Medium- and Heavy-Duty Vehicles (MHDV)**
    - After DOC approval, 25% tariff on non-U.S. component value of **USMCA-compliant** MHDVs
    - 25% tariff on full value of all other (e.g., Asian and Euro) MHDVs
  - **Bus**
    - 10% tariff on full value of Bus
  - **MHDV parts**
    - 25% tariff on non-U.S. component value *\*paused indefinitely\** for **USMCA-compliant** MHDV parts
    - 25% tariff on full value of knock-down kits or parts compilations and all other MHDV parts
- No exclusions, but domestic assembly incentive and inclusions processes contemplated



# China IPR § 301 Tariffs



- Retaliation for Chinese violation of U.S. intellectual property rights (IPR) under § 301 of the Trade Act of 1974
- Implemented in 4 parts, starting July 2018, eventually covering hundreds of billions of dollars of imports
- USTR [increased tariffs](#) in strategic sectors in September 2024:
  - Currently 7.5 to 100% tariffs:
  - 25% for steel, iron, scrap, and some critical minerals and many steel-intensive goods
  - 50% for semiconductors and solar products
  - 100% for electric vehicles
- USTR extended ~200 product exclusions in October 2025



# IEEPA Tariffs: Fentanyl



- Int'l Emergency Economic Powers Act (IEEPA) tariffs for illegal migration and fentanyl trade ***national emergencies*** declared February 1, 2025
- No investigation period and President can modify at will
- Current^ rates:
  - 🇨🇳 **CHINA:** 10% on all goods until November 2026
  - 🇨🇦 **CANADA:** 10% on “energy resources” and 35% on other goods (*e.g., steel*)\*
  - 🇲🇽 **MEXICO:** 10% for potash and 25% on all other goods\*
- No exclusions process

***\*USMCA-compliant goods currently exempt***

For **nonalloy flat** steel = hot-rolling and all further processing in USMCA country

For **alloy/stainless flat** steel = M&P

For **seamless pipe & tube** = formed from billet/round in USMCA country

For **welded pipe & tube** = formed from USMCA HRC

^As of December 19, 2025.

# IEEPA Tariffs: Non-Reciprocal Trade



- Response to ***national emergency*** of persistent goods trade deficits caused by non-reciprocal trade relationships
- Announced April 2, 2025, but previewed in President Trump's [America First Trade Policy memo](#) and [Fair and Reciprocal Plan](#)
- Current\* rates:
  - 🇨🇳 10% on most Chinese goods (higher rate paused until November 2026)
  - 🌐 10 to 51% country-specific tariffs on most goods from rest of world
- Exemptions:
  - [Annex II](#) and [Annex III](#) energy and goods covered by 232 actions (e.g., **steel**, autos, and critical minerals)
  - Canadian and Mexican goods while Fentanyl IEEPA tariffs active

\*As of December 19, 2025.



# IEEPA Tariffs: Other



Response to national emergencies related to Brazilian government censorship and political persecution include an **additional 40% IEEPA reciprocal tariff on many Brazilian goods, on top of** the 10% baseline IEEPA reciprocal tariffs (but see exemptions in Annex I of EO 14323 of July 30, 2025)



Response to Indian purchases of Russian crude oil include an **additional 25% IEEPA tariff on most Indian goods, on top of** the 25% baseline IEEPA reciprocal tariffs (same exemptions as reciprocal IEEPA, see EO 14329 of Aug. 6, 2025)



On August 29, 2025, the U.S. Court of Appeals for the Federal Circuit found all IEEPA tariffs are unlawful (*V.O.S. Selections, Inc. et al v. Trump*, 2025-1812 2025-1813), but **IEEPA tariffs continue to apply while the Supreme Court considers the Administration's appeal.**

\*As of December 19, 2025.

# Special Tariff Stacking



**MULTIPLE TARIFFS MAY APPLY!**

**Check closely for misclassification, undervaluation, allocation of steel content, and origin!**

Hierarchy and “stacking” rules per [EO 14289](#) (April 29, 2025) and certain subsequent Section 232 Proclamations:

If paying...	Exempt from...	But stack...
Auto 232	Al/Cu/Steel 232; Ca/Mx Fentanyl, Reciprocal, and Brazil/India IEEPA	AD/CVD China 301 China Fentanyl IEEPA
Steel 232	Ca/Mx Fentanyl, Reciprocal and Brazil/India IEEPA for steel content	AD/CVD Aluminum 232 China 301 China Fentanyl IEEPA
Ca/Mx Fentanyl IEEPA	Reciprocal IEEPA	AD/CVD

Only paying if *not* USMCA compliant!

AD/CVD, China 301,  
and China Fentanyl  
IEEPA tariffs **always**  
stack.

# Special Tariff Stacking




As of December 19, 2025:

 **Chinese hot-rolled steel:**

12-91% AD/CVD  
50% Steel 232  
25% China 301  
+ 10% Fentanyl IEEPA  
97% *minimum*

 **Canadian tin mill steel:**  
= 50% Steel 232 on full entered value

 **UK tin mill steel:**  
= 25% Steel 232 on full entered value

 **Vietnamese metal chairs  
with textile cushion:**  
= 50% Steel 232 on steel content  
= 20% IEEPA reciprocal on non-  
steel content



# Duties on Russian Steel

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Increased U.S. customs duties on Russian goods after February 2022 invasion of Ukraine:

**APR 2022** - Congress suspends PNTR with Russia → U.S. duties on Russian steel automatically increase from 0% to 20-33%

**AUG 2022** - President Biden's [Proclamation 10420](#) → U.S. duties on certain Russian steel raised to 35%

**AUG 2023** - President Biden's [Proclamation 10523](#) → U.S. duties on certain Russian steel raised to 70%





# Questions?

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