

THE WHITE HOUSE
Office of the Press Secretary

FOR IMMEDIATE RELEASE

April 20, 2017

MEMORANDUM FOR THE SECRETARY OF COMMERCE

SUBJECT: Steel Imports and Threats to National Security

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the Trade Expansion Act of 1962, it is hereby directed as follows:

Section 1. Policy. Core industries such as steel (including specialty steel unique to defense applications), aluminum, vehicles, aircraft, shipbuilding, and semiconductors are critical elements of our manufacturing and defense industrial bases, which we must defend against unfair trade practices and other abuses. In the case of steel, both the United States and global markets for steel products are distorted by large volumes of excess capacity -- much of which results from foreign government subsidies and other unfair practices.

The United States has placed more than 150 antidumping and countervailing duty orders on steel products, but they have not substantially alleviated the negative effects that unfairly traded imports have had on the United States steel industry. Repeated efforts by the United States to encourage other countries to reduce and address the underlying causes of excess capacity in the steel market have had little meaningful effect.

The artificially low prices caused by excess capacity and unfairly traded imports suppress profits in the American steel industry, which discourages long-term investment in the industry and hinders efforts by American steel producers to research and develop new and better grades of steel. If the present situation continues, it may place the American steel industry at risk by undermining the ability of American steel producers to continue investment and research and development, and by reducing or eliminating the jobs needed to maintain a pool of skilled workers essential for the continued development of advanced steel manufacturing.

Sec. 2. Investigation. The Secretary of Commerce (Secretary) has initiated an investigation under section 232(b)(1)(A) of the Trade Expansion Act of 1962 (the "Act") (19 U.S.C. 1862(b)(1)(A)) to determine the effects on national security of steel imports. In conducting this investigation, and in accordance with section 232(d) of the Act (19 U.S.C. 1862(d)), the Secretary shall, as appropriate and consistent with law:

(a) consider the domestic production of steel needed for projected national defense requirements; the capacity of domestic industries to meet such requirements; the existing and anticipated availabilities of the human resources, products, raw materials, and other supplies and services essential to the national defense; the

requirements of growth of such industries and such supplies and services, including the investment, exploration, and development necessary to assure such growth; and the importation of goods in terms of their quantities, availabilities, character, and use as those affect such industries and the capacity of the United States to meet national security requirements;

(b) recognize the close relation of the Nation's economic welfare to our national security, and consider the effect of foreign competition in the steel industry on the economic welfare of domestic industries;

(c) consider any substantial unemployment, decrease in government revenues, loss of skills or investment, or other serious effects resulting from the displacement of any domestic products by excessive steel imports; and

(d) consider the status and likely effectiveness of efforts of the United States to negotiate a reduction in the levels of excess steel capacity worldwide.

Sec. 3. Submit Report and Provide Recommendations. (a) The Secretary shall, consistent with applicable law, proceed expeditiously in conducting the investigation described in section 2 of this memorandum and shall submit to the President a report on the findings.

(b) Pursuant to section 232(b) of the Act (19 U.S.C. 1862(b)), if the Secretary finds that steel is being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security, the Secretary shall, in the report submitted under subsection (a) of this section, recommend actions and steps that should be taken to adjust steel imports so that they will not threaten to impair the national security.

Sec. 4. General Provisions. (a) Nothing in this memorandum shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department or agency, or the head thereof; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This memorandum shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

DONALD J. TRUMP

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