Proclamation 10060 of August 6, 2020

Adjusting Imports of Aluminum Into the United States

By the President of the United States of America

A Proclamation

1. On January 19, 2018, the Secretary of Commerce (Secretary) transmitted to me a report on his investigation into the effect of imports of aluminum 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 aluminum articles were 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 9704 of March 8, 2018 (Adjusting Imports of Aluminum Into the United States), I concurred in the Secretary’s finding that aluminum articles were 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 aluminum articles, as defined in clause 1 of Proclamation 9704, by imposing a 10 percent ad valorem tariff on such articles imported from most countries. I further stated that any country with which we have a security relationship is welcome to discuss with the United States 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 I determine that imports from that country no longer threaten to impair the national security, I may remove or modify the restriction on aluminum 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 9893 of May 19, 2019 (Adjusting Imports of Aluminum Into the United States), I noted that the United States had successfully concluded discussions with Canada on satisfactory alternative means to address the threatened impairment of the national security posed 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 I determine that imports from that country no longer threaten to impair the national security, I may remove or modify the restriction on aluminum 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.

4. In light of this agreement, I determined that, under the framework in the agreement, imports of aluminum from Canada would no longer threaten to impair the national security, and thus I decided to exclude Canada from the tariff proclaimed in Proclamation 9704, as amended. I noted that the United States would monitor the implementation and effectiveness of the measures agreed upon with Canada in addressing our national security needs, and that I may revisit this determination as appropriate.

5. In Proclamation 9704, I also directed the Secretary to monitor imports of aluminum articles and inform me 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.

6. The Secretary has now advised me that imports of non-alloyed unwrought aluminum from Canada, which accounted for 59 percent of total aluminum imports from Canada during June 2019 through May 2020, increased substantially in the twelve months following my decision to exclude, on a long-term basis, Canada from the tariff proclaimed in Proclamation 9704. Imports of non-alloyed unwrought aluminum from Canada during June 2019 through May 2020 increased 87 percent compared to the prior twelve-month period and exceeded the volume of any full calendar year in the previous decade. Moreover, imports of these articles from Canada continue to increase, reaching in June of this year the highest level of any month since I decided to adjust imports of aluminum articles in Proclamation 9704. The increase in imports of these articles from Canada is principally responsible for the 27 percent increase in total aluminum imports from Canada during June 2019 through May 2020.

7. Canada is the largest source of United States imports of non-alloyed unwrought aluminum, accounting for nearly two-thirds of total imports of these articles from all countries in 2019 and approximately 75 percent of total imports in the first five months of 2020. The surge in imports of these articles from Canada coincides with a decrease in imports of these articles from other countries and threatens to harm domestic aluminum production and capacity utilization.

8. In light of the Secretary’s information, I have determined that the measures agreed upon with Canada are not providing an effective alternative means to address the threatened impairment to our national security from imports of aluminum from Canada. Thus, I have determined that it is necessary and appropriate to re-impose the 10 percent ad valorem tariff proclaimed in Proclamation 9704, as amended, on imports of non-alloyed unwrought aluminum articles from Canada, commensurate with the tariff imposed on such articles imported from most countries.

9. The United States will continue to monitor the implementation and effectiveness of the measures agreed upon with Canada in addressing our national security needs, including with respect to imports of other aluminum articles. In particular, the United States will monitor for import surges of articles that continue to be exempt from the tariff proclaimed in Proclamation 9704, to ensure that exports of non-alloyed unwrought aluminum to the United States are not simply reoriented into increased exports of alloyed, further processed, or wrought aluminum articles.

10. 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.

11. 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) Clause 2 of Proclamation 9704, as amended, is further amended in the second sentence by deleting “and” before “(d)” and inserting before the period at the end: “, (e) on or after 12:01 a.m. eastern daylight time on August 16, 2020, from all countries except Argentina, Australia, and Mexico; and (f) on or after 12:01 a.m. eastern daylight time on August
16, 2020, from Canada, except with respect to imports of non-alloyed un-
wrought aluminum provided for in subheading 7601.10, which shall be
subject to the additional 10 percent ad valorem rate of duty”.

(2) The Secretary, in consultation with U.S. Customs and Border Protection
and other relevant executive departments and agencies, shall revise the
HTSUS so that it conforms to the amendments and effective dates directed
in this proclamation. The Secretary shall publish any such modification
to the HTSUS in the Federal Register.

(3) The modifications 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 August 16, 2020, and shall continue in effect, unless such actions are
expressly reduced, modified, or terminated.

(4) Any exclusion of aluminum articles from Canada granted by the Sec-
retary of Commerce pursuant to clause 3 of Proclamation 9704, as amended,
that has not expired shall be valid under the modifications to the HTSUS
made by this proclamation. Previously granted exclusions that have expired
may be renewed.

(5) Any imports of non-alloyed unwrought aluminum articles from Canada
provided for in subheading 7601.10 that were admitted into a United States
foreign trade zone under “privileged foreign status” as defined in 19 CFR
146.41 prior to 12:01 a.m. eastern daylight time on August 16, 2020, shall
be subject upon entry for consumption on or after such time and date
to the 10 percent ad valorem rate of duty imposed by Proclamation 9704,
as amended. Any imports of non-alloyed unwrought aluminum articles from
Canada provided for in subheading 7601.10, except any articles that are
eligible for admission under “domestic status” as defined in 19 CFR 146.43,
that are admitted into a United States foreign trade zone on or after 12:01
a.m. eastern daylight time on August 16, 2020, shall be admitted only
as “privileged foreign status” as defined in 19 CFR 146.41, and shall be
subject upon entry for consumption on or after such time and date to
the 10 percent ad valorem rate of duty imposed by Proclamation 9704,
as amended.

(6) Non-alloyed unwrought aluminum articles provided for in subheading
7601.10 shall not be subject upon entry for consumption to the duty estab-
lished in clause 2 of Proclamation 9704, as amended, merely by reason
of manufacture in a U.S. foreign trade zone. However, non-alloyed unwrought
aluminum articles provided for in subheading 7601.10 admitted to a U.S.
foreign trade zone in “privileged foreign status” pursuant to clause 5 of
this proclamation, shall retain that status consistent with 19 CFR 146.41(e).

(7) No drawback shall be available with respect to the duties imposed
pursuant to this proclamation.

(8) 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 sixth day of August, in the year of our Lord two thousand twenty, and of the Independence of the United States of America the two hundred and forty-fifth.
ANNEX

TO MODIFY 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 [X], subchapter III of chapter 99 of the Harmonized Tariff Schedule of the United States is modified:

1. by inserting the following new heading 9903.85.21 in numerical sequence with the material in these 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:

<table>
<thead>
<tr>
<th>Heading/Subheading</th>
<th>Article Description</th>
<th>Rates of Duty</th>
</tr>
</thead>
<tbody>
<tr>
<td>“9903.85.21”</td>
<td>Aluminum products of Canada enumerated in U.S. note 19(a)(iv) to this subchapter . . . . . .</td>
<td>The duty provided in the applicable subheading + 10%</td>
</tr>
</tbody>
</table>

2. by inserting the following new subdivision in U.S. note 19(a) to subchapter III of chapter 99 in numerical sequence:

“(iv) Heading 9903.85.21 provides the ordinary customs duty treatment of certain aluminum products enumerated herein that are the product of Canada. The certain aluminum products are unwrought aluminum, non-alloyed, provided for in subheading 7601.10. For any such products 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 heading 9903.85.21 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 provisions and applicable CBP regulations, except that duties under subheading 9802.00.60 shall be assessed based upon the full value of the imported article. No claim for entry or for any duty exemption or reduction shall be allowed for the aluminum products enumerated in this paragraph under a provision of chapter 99 that may set forth a lower rate of duty or provide duty-free treatment,
taking into account information supplied by CBP, but any additional duty prescribed in any provision of this subchapter or subchapter IV of chapter 99 shall be imposed in addition to the duty in heading 9903.85.21.”;

3. by amending the first sentence of U.S. note 19(a) by deleting, “enumerated in subdivision (b) of this note or described in subdivision (a)(iii) of this note” and inserting, “described in subdivision (a)(iii) or (a)(iv) or enumerated in subdivision (b) of this note” in lieu thereof;

4. by amending the first sentence of U.S. note 19(c) to subchapter III by deleting “and 9903.85.03” and inserting “, 9903.85.03, and 9903.85.21” in lieu thereof and by inserting “, subdivision (a)(iv),” after “by subdivision (a)(iii)”;

5. by amending the first sentence of U.S. note 19(d) to subchapter III by inserting “or heading 9903.85.21” after “heading 9903.85.01”; and

6. by amending the Article Description of heading 9903.85.01 to insert, “or heading 9903.85.21” after “Except for products described in heading 9903.85.03”.

[FR Doc. 2020–17977
Filed 8–13–20; 11:15 a.m.]
Billing code 7020–02–C