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USW Supports Interim Arrangement with EU on Section 232

(Pittsburgh) – United Steelworkers (USW) International President Tom Conway issued the following statement today in response to the announcement that the United States and European Union had reached an interim arrangement on Section 232 steel and aluminum relief measures:

“Steel and aluminum are the backbone of our nation’s defense and critical infrastructure, but for too long, global overcapacity and targeted predatory practices have undermined domestic production and employment.

“That’s why the USW backed the Section 232 relief measures the Department of Commerce initiated years ago and why our union now supports the interim arrangement between the United States and the European Union.

“This new arrangement, which will maintain but modify Section 232 measures on steel and aluminum from the EU, will create a framework that will ensure U.S. domestic industries remain competitive and able to meet our security and infrastructure needs.

“It will also provide a much-needed opportunity to address the non-market predatory practices of China and other countries that have distorted global markets, while also spurring a dialogue over climate concerns stemming from countries whose industries are far more carbon intensive than those in the United States and the EU.

“Under this arrangement, the United States will allow a basic overall level of steel imports, which will measure less than those that came from the EU in 2017 and 2018. Above this level, imports will be subject to a 25 percent tariff. The deal creates certainty both for domestic producers of steel and users who are unable to find domestic supplies.

“Through this arrangement, the Biden administration also closed a gaping loophole through which steel imports that are often carbon intensive and from countries still subject to the original 232 measures reach the United States.

“Right now, semi-finished steel items like slabs and other products from China, Russia, Ukraine and elsewhere are shipped into the EU, subjected to limited transformation and then qualified as being of EU origin.

“Under the interim arrangement, steel imports from the EU must entirely be produced in the European Union, commonly known as ‘melted-and-poured.’ This will help ensure European and U.S. steelworkers are not losing jobs to countries outside this agreement.

“In aluminum, the Biden administration reached a parallel arrangement with the EU that ensures the U.S. has the capacity to meet its critical needs and allows for limited amounts of downstream products.

“As we look to the future of our industries and jobs, it will be vital to rein in global overcapacity, stemming largely from Chinese Communist Party’s state-led trade practices. Engaging with our allies is a necessary step in this process, and this arrangement offers a path forward toward working together to address this larger concern.

“Combatting climate change will also require coordinating with our partners. Both the U.S. and European industries have demonstrated a commitment to reducing the carbon intensity of their products, and working together will ultimately provide results for workers and our environment.

“We appreciate Secretary of Commerce Gina Raimondo and United States Trade Representative Katherine Tai and their respective staffs’ active consultation with the USW and domestic industry during the negotiating process.

“Any trade agreement requires constant attention to implementation, monitoring and enforcement, and we applaud the administration’s efforts to actively work toward a long-term solution. We know that they will continue to be real partners in ensuring that this arrangement and all our trade agreements prioritize our nation’s safety and our members’ jobs.

“This arrangement shows President Biden’s strong commitment to the Steelworkers and American workers.”

The USW represents 850,000 workers employed in metals, mining, pulp and paper, rubber, chemicals, glass, auto supply and the energy-producing industries, along with a growing number of workers in health care, public sector, higher education, tech and service occupations.

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