

# Steel and Aluminium: UK announcement

The United Kingdom ('UK') notes the announced partial removal of U.S. Section 232 tariffs on steel and aluminium, and full removal of Section 232 tariffs on derivative articles. While this is a step in the right direction, the UK continues to consider these tariffs incompatible with World Trade Organization rules.

Further to the U.S. partial removal of Section 232 tariffs on UK exports, the UK will suspend the additional tariffs imposed on U.S. goods in response to the Section 232 action. The UK will keep the suspension under review in light of new developments, for instance developments that could deteriorate the situation for UK exports subject to the U.S. Section 232 steel and aluminium measures\*.

The UK recalls that, on 30 June 2021, it extended its steel safeguard measure. The UK will continue to defend its domestic steel industry and will, if it considers appropriate, continue to apply its steel safeguard measure including during any period subsequent to the expiry of the current safeguard measure if necessary to prevent or remedy serious injury.

The UK reiterates its commitment to the continued robust application of trade remedy measures where necessary to prevent and remove injury caused by unfair trading practices or serious injury due to unforeseen surges of imports as a result of global excess capacity or otherwise. To that end, the UK has established a robust and efficient trade remedies system that is in line with international best practice and consistent with World Trade Organization rules.

Where ownership or control of a UK steel producing company changes following 22 March 2022, the UK will review foreign acquisitions in line with its domestic law and policy, as appropriate, and in particular it will consider exercising its powers under the National Security and Investment Act 2021.

Furthermore, all UK-based steel producing companies, regardless of ownership, are subject to all relevant aspects of UK law. This includes:

- i. Competition law;
  - ii. Subsidy control law;
  - iii. Immigration law;
  - iv. Employment law;
  - v. Health and safety at work law;
  - vi. Corporate governance law.
-

\*UK steel exports currently subject to the U.S. 232 steel measures, as well as the U.S. 232 steel-derivatives measures as identified in i) [U.S. presidential Proclamation 9705 of March 8, 2018](#); ii) [U.S. presidential Proclamation 9704 of March 8, 2018](#); iii) [U.S. presidential “Proclamation 9980 of January 24, 2020”](#).

---

## [UK and US resolve steel and aluminium tariffs issue](#)

International Trade Secretary Anne-Marie Trevelyan has today secured a resolution with the US to end the ongoing issue around steel and aluminium tariffs.

Following two months of talks, the Trade Secretary met with Commerce Secretary Raimondo in Washington DC this evening and the US announced an expansive removal of section 232 tariffs\*, re-opening tariff free access for UK steel and aluminium exporters to the US.

The announcement is good news for the steel and aluminium sectors, which support the jobs of over 80,000 people across the UK. The changes will take effect on 1 June 2022.

In response the UK will suspend rebalancing measures on US products including whiskey, blue jeans and motorcycles.

Both sides have also agreed to work closely to address the wider issue of global steel excess capacity and market-distorting practices.

Today’s announcement will benefit businesses on both sides of the Atlantic and clears the way for us to focus on the next steps for the UK-US trade relationship.

### **International Trade Secretary Anne-Marie Trevelyan said:**

Today’s announcement is good news for our steel and aluminium industries who have been unfairly hit by these tariffs, and the 80,000 people employed across the sector. It means our manufacturers can now enjoy a high level of tariff-free access to the US market once again.

We have been clear from the start that we would only accept a solution that works for the UK and is in the best interests of both our steel and aluminium industries and this bespoke agreement does just that.

Hopefully we can now move forward and focus on deepening our thriving trading relationship with the US.

**Director General, UK Steel Gareth Stace said:**

I would like to congratulate the Government on behalf of the entire steel sector for its success in these hard-fought negotiations which have resulted in a hugely positive outcome for UK steelmakers. This deal is the culmination of months of dedicated work from Anne-Marie Trevelyan and her department, removing long-standing export barriers and opening up access to the important and high-value US steel market.

The benefits of this deal will be felt by steel companies and their employees right across the UK and is immensely welcome.

**Miles Beale, Chief Executive of The Wine and Spirit Trade Association, said:**

Today's announcement that the rebalancing measures on US whiskies are to be lifted is very welcome news. The end of these tariffs will provide great encouragement to UK spirits importers, and a significant boost to the UK hospitality industry as it recovers from lockdown.

British drinkers will once again have a wider selection of world-class whiskies to choose from and lifting tariffs will encourage greater investment in the UK spirits industry by the US. Whiskey drinkers on both sides of the Atlantic will raise a glass to today's announcement.

**Allan Bell, British Steel's Chief Commercial and Procurement Officer, said:**

British Steel has a long-standing history of supplying quality steel into the US, and we welcome this agreement and the opportunities it will bring.

We'll work with UK Government to provide any necessary information and look forward to further strengthening relations with our US customers to deliver the products they require.

---

# U.S.-UK Joint Statement on steel and aluminum

Given the joint desire of the United States and the United Kingdom to address non-market excess capacity so as to preserve their critical steel and aluminum industries, the United States and the UK will implement the following arrangement:

## **Ongoing cooperation**

- a. **Customs Cooperation:** Both sides agree to expand U.S./UK coordination involving customs matters. The United States and the UK will also share publicly available information and best practices, as appropriate, on topics including how detection of fraud, evasion and circumvention of duties is approached. Officials may also coordinate industry engagement with relevant sectors to hear their views and share observations and concerns. Customs cooperation may take the form of mutual administrative assistance in accordance with the U.S.-UK Agreement on customs cooperation and mutual assistance in customs matters.
- b. **Trade Remedy Cooperation:** The United States and the UK agree to share publicly available information on trade remedies and best practices, including on possible self-initiation of trade enforcement actions.
- c. **Monitoring:** The United States and the UK will monitor steel and aluminum trade between them.
- d. **Cooperation on Non-Market Excess Capacity and Carbon Intensity:** While the United States and the UK have measures and protections in place to address issues relating to unfairly traded imports and surges in imports of products, and to ensure domestic industries operate in market-oriented conditions, both countries recognize that these actions alone are insufficient to address the global market distortions caused by carbon intensive non-market excess capacity. In order to establish more market-oriented conditions for steel and aluminum industries, the United States and the UK will continue to take effective and appropriate domestic measures, such as antidumping, countervailing duty, and safeguard measures or other measures. The UK and the United States may share publicly available import data with respect to steel including from third-country markets and will consult each other regarding import surges to enable each country to take appropriate steps to address non-market excess capacity effectively and in a timely manner.

The UK and the United States will confer on non-market excess capacity and on the situation in global steel and aluminum markets, including market trends and price differences between markets, domestic industry's conditions, and analysis on import and export data, including as to third-country markets. The United States and the UK will also confer, upon request of either

government, on market-distorting influence or ownership in their respective steel and aluminum industries. The United States and the UK agree to regularly meet to consult with a view to considering additional actions in order to contribute to adjustments and solutions to address non-market excess capacity in the global steel and aluminum sectors.

The UK and the United States will confer on entering into discussions on global steel and aluminum arrangements to address both non-market excess capacity as well as the carbon intensity of the steel and aluminum industries. To facilitate these discussions and seek shared understandings, the UK and the United States will (1) share publicly available data and analysis on non-market excess capacity and its effects on their respective steel and aluminum industries and (2) confer on methodologies for calculating steel and aluminum carbon-intensity and will to the extent feasible share relevant data, including relating to emissions in the steel and aluminum sectors.

e. Review: The United States and the UK agree to review the operation of this arrangement, and ongoing cooperation, on an annual basis, including in light of changes in the global steel and aluminum markets, U.S. demand, and imports.

U.S. Entry Requirements, UK Annual Strategic Audit and UK Procedures:

a. Steel from any UK steel production facility will be admitted into the United States at the in-quota rate under the applicable tariff rate quota (TRQ) for UK steel (until such time as that quota is exhausted) provided it is "melted and poured" in the UK and imported into the United States from the UK or the EU, as per the provisions in the U.S. Statement of March 22, 2022, paragraphs 3.a and 3.b in the section titled "Steel Tariff-Rate Quota".

b. The United States and UK are committed to ensuring that steel exports from the UK to the United States under the applicable TRQ for steel are not supported by market distorting practices. To this end, the UK will provide to the United States, in the case of any known UK steel producer that is owned or controlled by a company registered in China or a Chinese entity, and which exports steel to the United States under the applicable TRQ for UK steel, an attestation. The attestation will be based on an annual strategic audit conducted by an independent third party, to the effect that there is no evidence of market distorting practices by that producer in the UK that would materially contribute to non-market excess capacity of steel. The audit will include an assessment of the steel producer's and its (if any) UK parent company's financial records including any subsidy provided by any Government controlled or directed entity in China, and any other relevant records to allow the auditor to evaluate whether there are any market distorting practices in the UK by that producer that would materially contribute to non-market excess capacity of steel. The results of such audit will be made available to the United States upon completion. The United States will protect any audit properly identified as containing proprietary information from public disclosure to the extent permitted by U.S. law.

c. Steel from any UK steel producer that is owned or controlled by a company

registered in China or a Chinese entity will be eligible for entry at the in-quota rate for 6 months from June 1, 2022 within which the UK will provide the first annual attestation. If the attestation is not provided by December 1, 2022 and then annually on December 1 thereafter, the United States reserves the right to temporarily deny access for the UK steel producer to the in-quota rate for the applicable TRQ. Where at any time access has been denied, and where the UK submits an attestation, the United States will restore the access of the affected producer to the in-quota rate within 8 weeks. Where a UK steel producer has been denied access to the in-quota rate for the applicable TRQ, the U.S. 232 exclusion process referred to in paragraph 4 of the U.S. Statement of March 22, 2022 on Steel Tariff-Rate Quota remains available to that producer.

---

## **P&O Ferries: staff redundancies**

Business Secretary Kwasi Kwarteng and Labour Markets Minister Paul Scully wrote to the CEO of P&O Ferries on 18 March 2022 requesting details of the circumstances by which staff were made redundant on 17 March so that government can establish whether any employment or redundancy laws have been broken.

Peter Hebblethwaite, CEO of P&O Ferries, responded by letter on 22 March.

Dean Beale, CEO Insolvency Service, wrote to the Business Secretary on 1 April about their investigation into the redundancies.

---

## **We all stand with Ukraine: article by the British, US, Canadian and EU diplomatic missions in Barbados and the Eastern Caribbean**

Article by the British, US, Canadian and EU diplomatic missions in Barbados and the Eastern Caribbean:

People across the globe have been shocked and moved by the harrowing scenes from Ukraine. Whole cities are being destroyed by Russian missiles, with hospitals, apartment buildings and railway stations reduced to rubble. Thousands have been killed, including many children. Three million people –

equivalent to the entire population of Jamaica – have fled their homeland, uncertain if they will ever return. Of these, more than 1.5 million are children.

According to UNICEF, since the start of the war, 75,000 children per day have become refugees – that's one child almost every single second. What was once a peaceful, free and democratic country has been subjected to fear, destruction and death.

Russia's assault on Ukraine is an unprovoked, premeditated and barbaric attack against a sovereign state. And yet Vladimir Putin has shamelessly sought to justify the horror he has unleashed. He claims he is protecting ethnic Russians from an imagined genocide. He claims he is responding to NATO provocation. He claims that Ukraine is not a real country. The truth is that Putin is lying to his people and he is lying to the world.

But the world has seen through Putin's lies. Earlier this month 141 of the 193 United Nations (UN) Member States voted in favour of a UN resolution deploring the Russian invasion (only five countries voted against the resolution – Russia, North Korea, Belarus, Eritrea and Syria) and demanding that Russia "immediately, completely and unconditionally withdraw all of its military forces from Ukraine.

Caribbean states have been at the forefront of international action, with all fifteen CARICOM countries backing the UN resolution. CARICOM issued its own, clear statement against the "violation of the territorial integrity and sovereignty of Ukraine". Caribbean leaders condemned Russia's assault on multilateralism, upon which the independence of small states rests.

The strength of Caribbean leadership on this issue has surprised some people. Many have asked why their governments have taken such a strong stance. Why get involved in someone else's fight? What has a war five thousand miles away got to do with people here?

The fact is that this needless invasion has a direct impact on us all. Putin's actions are sending economic shockwaves around the world, driving up food and fuel prices and increasing the cost of living. We are already feeling those effects here.

More than this, however, Putin's war of choice is a direct attack on the principles of sovereignty and self-determination. These can seem like abstract ideas but they matter to us all. As a sovereign state Ukraine has a right to determine its own future – to choose its own allies, secure its own borders, and to trade and deal with whomever it wants. This is the same sovereignty that the countries of the Caribbean rightly cherish; the same principles of self-determination on which all our countries are built. In trampling Ukraine's sovereignty, Russia's bullying aggression is threatening all of our freedoms. The implications for all of us are profound.

And so it has been vitally important that the countries of the Caribbean speak so clearly on this issue, and from a position of such clear moral authority. Once again – just as we saw in the COP26 climate talks last year –

the voice of the Caribbean is being heard loud and clear on the world stage. Our governments – in London, Ottawa, Washington, and the twenty-seven Member States of the European Union – have been proud to stand with you on this, together with such a large coalition of countries across every continent.

Our dispute is not with the Russian people, but with Putin and his government and their proxies, including a well-established and insidious propaganda machinery. His flagrant violation of international law, and the barbaric suffering they are inflicting on the people of Ukraine, must not succeed. 141 countries have made that clear.

The people of Ukraine stand firm for the core values every democracy is built upon and take heart from knowing that the world stands with them. This struggle is not theirs alone. In defending Ukraine and her people, we defend ourselves, our freedoms and the right to self-determination, which we cherish. The aggressors must not win.

We are confident in Ukrainian President Zelenskyy's prediction: "Life will win over death, and the light will win over darkness."

We must all #StandWithUkraine.