News story: EU measures in response to US steel and aluminium tariffs

In response to the US' imposition of an <u>increase in tariffs on certain steel</u> and aluminium products the EU is introducing rebalancing measures (also known as countermeasures) on a list of products originating in the US.

On 14 June 2018 EU Member States unanimously supported these countermeasures, which will enter into force on Friday 22 June. The full list of products which will be subject to rebalancing measures can be found on the Commission's website.

The EU's rebalancing plans are a measured and proportionate response which the UK government supports.

Going forward we will continue to work closely with the Commission on the other strands of their response. We will maintain our dialogue with the Commission on the products listed, and we will also continue to seek a constructive, permanent resolution with the US to avoid further escalation that would harm businesses and consumers in both the US and EU.

There are 2 lists of products to which rebalancing measures will be applied:

- Annex I, which sets out the products on which the EU will apply additional tariffs of 10% or 25% from 22 June 2018. This is in response to the US increase in tariffs of 25% on imports of certain steel products.
- Annex II, which sets out the products on which the EU will impose maximum tariffs of 10%, 25%, 35% or 50% from 1 June 2021 or after a successful WTO dispute, whichever is sooner. This is in response to the US increase in tariffs of 10% on imports of certain aluminium products and of 25% on imports of certain other steel products.

The Commission will initially be imposing rebalancing measures on the full list contained in Annex I. However, the US Department of Commerce is currently running a product exclusion process, where US importers can apply for specific products to be excluded from the tariffs. The Commission has said that it will reduce the countermeasures commensurately with any product exclusions.

The rebalancing measures will enter into force on 22 June, but under EU Implementing Regulation 2018/724 (Article 4), goods which have already exported from the US will not be caught by the new duties.

For imports into the UK and for the purpose of these rebalancing rates we consider the point of export to be the completion of export formalities followed by the leaving of the territorial waters of the US. It is that date that we will take into account when considering whether or not to apply the new duties. A proof such as the bill of lading, where the shipping date may

be compared to the date of entry into force of the additional duties must be made available to the customs authorities on request.

We will continue to work closely with the EU Commission to ensure that UK Business interests are firmly represented. DIT, BEIS and HMRC met with UK businesses on 20 June to discuss matters further and will hold a second meeting on 25 June.