

FOR IMMEDIATE RELEASE August 28, 2023 www.bis.doc.gov BUREAU OF INDUSTRY AND SECURITY Office of Congressional and Public Affairs <u>OCPA@bis.doc.gov</u>

**Bureau of Industry and Security Continues to Update Section 232 Exclusions Process** New proposed rule makes additional improvements and requests further public input

WASHINGTON, DC—Today, the U.S. Commerce Department's Bureau of Industry and Security (BIS) published a proposed rule that continues the Department's efforts to improve the exclusion process for steel and aluminum tariffs and obtain public feedback.

The proposed rule published today responds to public comments received since BIS's February 2022 notice, proposes four additional changes to the Section 232 exclusions process, and requests additional public comment on a series of issues. This proposed rule (and subsequent final rule(s) that will follow) will build on the existing five interim final rules (IFRs) issued since 2018, and which remain in effect.

BIS has administered the Section 232 exclusions process since the imposition of duties on imports of aluminum and steel in 2018 following investigations into the national security impacts of imports of <u>aluminum</u> and <u>steel</u> to the United States. Since 2018, BIS has published five IFRs that established and made various revisions to the Section 232 exclusions process.

The rule published today proposes four primary changes intended to create a more transparent, fair, and efficient exclusions process:

- 1. Proposes a more efficient General Approved Exclusions (GAE) process by changing the criteria generally used for determining GAEs by focusing on the substance of objections submitted rather than whether any objection has been submitted or not.
- 2. Introducing a "General Denied Exclusions" (GDE) process to limit further exclusions on products which have consistently been found to be manufactured in the United States. Similar to General Approved Exclusions, GDEs would be identified on the volume and substance of Objections submitted to such products in the 232 Exclusions Process.
- 3. Modifying the existing certification language and introducing new certification requirements for exclusion requests, including by making changes to the Exclusion Request Form so that requestors can demonstrate that they made reasonable efforts to source their product from the United States or from countries which the United States has arrived at a satisfactory alternative means to address U.S. national security concerns, which currently are: Argentina, Australia, Brazil, Canada, the European Union, Japan, Mexico, South Korea, and the United Kingdom.

4. Proposing similar certification language on the objection form to further ensure objectors can supply comparable quality and quantity steel or aluminum and make it "immediately available" to requestors in line with the standards described in the previous Section 232 IFRs.

Additional information on these proposals, as well as information related to BIS's responses to the more than 100 comments received pursuant to the February 2022 request for public comment, are outlined in the text of the rule, which is available online at: <a href="https://www.federalregister.gov/public-inspection/2023-18328/steel-and-aluminum-tariff-exclusions-process">https://www.federalregister.gov/public-inspection/2023-18328/steel-and-aluminum-tariff-exclusions-process</a>. The public may submit comments, identified by docket number BIS-2023-0021 or RIN 0694-AJ27, through the Federal eRulemaking website: <a href="http://www.regulations.gov">http://www.regulations.gov</a>. The 45-day comment period will end on October 12, 2023.

Additional information on the Department's Section 232 Exclusions process, including past regulations and related materials, are available online at: <a href="https://www.commerce.gov/page/section-232-investigations">https://www.commerce.gov/page/section-232-investigations</a>.

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