

US Trading Partners Respond to Section 232 Tariff Actions

From the [Law Firm of White and Case](#)

On May 31, 2018 the Trump administration announced that it will no longer exempt steel and aluminum imports from Canada, Mexico, and the European Union (EU) from the tariffs the United States imposed on such products earlier this year, pursuant to Section 232 of the Trade Expansion Act of 1962.

The Trump administration's Section 232 decision elicited an instant response from these close US allies and trading partners. The precise nature of the Canadian, Mexican and European responses vary, but all involve retaliation against American exports in the form of new tariffs. The retaliation joins similar action (or threats of action) by other US trading partners that had not been exempt from the Section 232 tariffs. All current retaliatory measures are summarized in the following chart, which is based on official World Trade Organization (WTO) filings, government statements and published reports.

Most of these tariffs have not yet been implemented and will not immediately take effect due to both domestic legal procedures and applicable WTO rules. Nevertheless, if each of the aforementioned eight WTO Members carries out its current retaliation threats against the United States, the total annual value of affected US exports and tariffs would reach approximately \$39.4 billion and 6.8 billion, respectively. It also remains to be seen whether other WTO Members join this group, thus further affecting US export interests and the global trading system.

Country	Tariff Rates	Products Targeted	Annual US Export Value (Millions USD)	Annual Tariff Value (Millions USD)	Effective Date	Source
China	15% - 25%	See Notification	\$2,750.00	\$611.45	In effect as of 2-Apr-18	WTO Article 12.5 Notification
EU (Annex 1)	25%	See Notification	\$3,200.00	\$700.00	20-Jun-18	WTO Article 12.5 Notification Press Release
EU (Annex 2)	10% - 50%	See Notification	\$3,800.00	\$800.00	23-Mar-21	WTO Article 12.5 Notification Press Release
India	5% - 100%	See Notification	\$10,006.00	\$800.10	21-Jun-18	WTO Article 12.5 Notification
Japan	N/A	N/A	\$1,910.51	\$439.94	18-Jun-18	WTO Article 12.5 Notification
Turkey	5% - 40%	See Notification	\$1,784.74	\$266.54	21-Jun-18	WTO Article 12.5 Notification
Russia	N/A	N/A	\$3,158.10	\$537.60	18-Jun-18	WTO Article 12.5 Notification
Canada	10% - 25%	See Notice	\$12,789.35	\$1,966.32*	1-Jul-18	Official Notice of Intent
Mexico	N/A	See Official Announcement	N/A	\$646.12*	N/A	Official Announcement
TOTAL			\$39,398.70	\$6,768.07		

*Estimate based on the government's stated intention to implement tariffs equal to the Section 232 tariffs imposed by the United States, *i.e.*, 25% and 10% tariffs on U.S. imports of steel and aluminum, respectively, from the country at issue in 2017.