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## <u>Cámara Nacional de la Industria del Hierro y del Acero and Canadian Steel Producers Association call for Section</u> 232 Steel and Aluminum Tariffs to be Eliminated during Completion of NAFTA Agreement

The Cámara Nacional de la Industria del Hierro y del Acero (CANACERO) and the Canadian Steel Producers Association (CSPA) today called on the Governments of Mexico, Canada and the United States to address the elimination of all trade restrictions on steel and aluminum between North American trading partners part of the renegotiation of the NAFTA agreement.

"Through fair and open trade within the NAFTA region Canada, the United States and Mexico are all better positioned to compete and succeed in the global economy," said CSPA President Joseph Galimberti. "The NAFTA renegotiation represents an ideal opportunity to eliminate trade barriers on steel and aluminum within the region to fortify key North American supply chains in energy, industrial, building and manufacturing applications."

"A new and modernized NAFTA will bring great benefits to Mexico, Canada and the United States, and afford the trading partners the opportunity to be able to continue the integration of the regional market" said CANACERO President Máximo Vedoya. "A NAFTA with steel and aluminum tariffs substantially counters the specific FTA's main purpose".

CANACERO and the CSPA remain committed to actively defending North American markets from unfairly traded global steel imports. "Steel Producers in Canada, the United States and Mexico have all suffered as the result of unfair trade in steel driven by the problem of global overcapacity," said CANACERO President Máximo Vedoya. "Recent Canadian changes to our trade remedy laws, increased resourcing for the Canadian Border Services Agency to better address unfair trade in steel and the initiation of consultations on a global safeguard action are all steps which demonstrate Canada's commitment to preserving fair trade in steel in the NAFTA region" said CSPA President Joseph Galimberti.

CANACERO and the CSPA both believe that free, open and fair trade in steel and aluminum is a crucial component of a successful NAFTA. We look forward to working with our respective Governments as a renegotiated tri-lateral agreement moves forward to ensure that trade restrictions within the region are responsibly eliminated while unfair trade from outside the NAFTA region is effectively addressed. We appreciate the important work our Governments have done in renegotiating the NAFTA agreement to this point and we anticipate being actively involved as additional work on the agreement moves forward to resolve decisively the Section 232 issue.

Since NAFTA came into force, trade in steel products between NAFTA countries has increased by 117.2 percent, more than doubling. Indeed, today the clear majority of North American steel exports are contained within the region – 97 percent of Canadian steel exports are to the United States and Mexico, 90 percent of U.S. steel exports are to Canada and Mexico, and 76 percent of Mexican steel exports are to Canada and the United States. Combined, 88 percent of all North American steel exports are within the region, making free, open and fair trade within North America critical to the success of NAFTA steel producers and steel consumers.

## About CANACERO:

The Cámara Nacional de la Industria del Hierro y del Acero (CANACERO) is an independent body, officially recognized by the Mexican government, promoting the development of ethical, sustainable, and responsible business practices. CANACERO groups the steel producing and manufacturing companies. Since 1949, CANACERO has been the official advocators of the Mexican steel industry, proposing the design of policies that foster sustainable growth and development of our sector. We serve as advisory and liaison body before the three levels and branches of the government, as well as for domestic and international organizations related with our industry.





As National Standards Body (ONN), we issue the Mexican standards establishing the technical specifications of steel products made in Mexico.

About CSPA:

The Canadian Steel Producers Association (CSPA) is the national voice of Canada's \$15 billion primary steel production industry. Canadian steel producers are integral to the automotive, energy, construction, and other demanding industrial supply chains. CSPA seeks to work with governments and industry partners to advance public policies that enable a globally competitive business environment for its member companies and supply chain stakeholders.

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