107th Congress, 2d Session – – – – – – – – – – – – – House Document 107–185

TO FACILITATE POSITIVE ADJUSTMENT TO COMPETITION FROM IMPORTS OF CERTAIN STEEL PRODUCTS

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

DOCUMENTS DESCRIBING SAFEGUARD ACTION PROCLAIMED ON IMPORTS OF CERTAIN STEEL PRODUCTS, PURSUANT TO SECTION 203(a)(1) OF THE TRADE ACT OF 1974

MARCH 6, 2002.—Message and accompanying papers referred to the Committee on Ways and Means and ordered to be printed

U.S. GOVERNMENT PRINTING OFFICE
99–011 WASHINGTON : 2002

To the Congress of the United States:

In accordance with section 203(b) of the Trade Act of 1974, as amended (the "Act"), I hereby transmit documents to the Congress that describe the safeguard action that I have proclaimed on imports of certain steel products, pursuant to the authority vested in me by section 203(a)(1) of the Act and as President of the United States, and the reasons for taking that action.

GEORGE W. BUSH.

THE WHITE HOUSE, *March 5, 2002.*

TO FACILITATE POSITIVE ADJUSTMENT TO COMPETITION FROM IMPORTS OF CERTAIN STEEL PRODUCTS

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

1. On December 19, 2001, the United States International Trade Commission (ITC) transmitted to the President a report on its investigation under section 202 of the Trade Act of 1974, as amended (the "Trade Act") (19 U.S.C. 2252), with respect to imports of certain steel products.

2. The ITC reached affirmative determinations under section 202(b) of the Trade Act that the following products are being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or threat of serious injury, to the domestic industries producing like or directly competitive articles: (a) certain carbon flatrolled steel, including carbon and alloy steel slabs ("slabs"); plate (including cut-to-length plate and clad plate) ("plate"); hot-rolled steel (including plate in coils) ("hot-rolled steel"); cold-rolled steel (other than grain-oriented electrical steel) ("cold-rolled steel"); and corrosion-resistant and other coated steel ("coated steel") (collectively, "certain flat steel"); (b) carbon and alloy hot-rolled bar and light shapes ("hot-rolled bar"); (c) carbon and alloy cold-finished bar ("cold-finished bar"); (d) carbon and alloy rebar ("rebar"); (e) carbon and alloy welded tubular products (other than oil country tubular goods) ("certain tubular products"); (f) carbon and alloy flanges, fittings, and tool joints ("carbon and alloy fittings"); (g) stainless steel bar and light shapes ("stainless steel bar"); and (h) stainless steel rod. The ITC commissioners were equally divided with respect to the determination required under section 202(b) regarding whether (i) carbon and alloy tin mill products ("tin mill products") and (j) stainless steel wire.

3. The ITC provided detailed definitions of the products included in categories (a) through (j) of paragraph 2, and their corresponding subheadings, under the Harmonized Tariff Schedule of the United States (HTS) in Appendix A to its determination, set out at 66 Fed. Reg. 67304, 67308–67311 (December 28, 2001). By February 4, 2002, the ITC provided additional information in response to a request by the United States Trade Representative (USTR) under section 203(a)(5) of the Trade Act (19 U.S. 2253(a)(5)) (the "supplemental report").

4. Section 330(d)(1) of the Tariff Act of 1930, as amended (19 U.S.C. 1330(d)(1)), provides that, when the ITC is required to determine under section 202(b) of the Trade Act whether increased imports of an article are a substantial cause of serious injury, or the threat thereof, and the commissioners voting are equally di-

vided with respect to such determination, then the determination agreed upon by either group of commissioners may be considered by the President as the determination of the ITC. Having considered the determinations of the commissioners with regard to tin mill products and stainless steel wire, I have decided to consider the determinations of the groups of commissioners voting in the affirmative with regard to each of these products to be the determination of the ITC.

5. Pursuant to section 311(a) of the North American Free Trade Agreement Implementation Act (the "NAFTA Implementation Act") (19 U.S.C. 3371(a)), the ITC made findings as to whether imports from Canada and Mexico, considered individually, account for a substantial share of total imports and contribute importantly to the serious injury, or threat thereof, caused by imports. The ITC made negative findings with respect to imports from Canada of certain flat steel, tin mill products, rebar, stainless steel rod, and stainless wire; and the ITC also made negative findings with respect to imports from Mexico of tin mill products, hot-rolled bar, cold-finished bar, rebar, certain tubular products, stainless steel bar, stainless steel rod, and stainless steel wire. The ITC made affirmative findings with respect to imports from Canada of hot-rolled bar, cold-finished bar, carbon and alloy fittings, and stainless steel bar; and the ITC also made affirmative findings with respect to imports from Mexico of certain flat steel, and carbon and alloy steel fittings. The ITC commissioners were equally divided with respect to imports from Canada of certain tubular products.

6. The ITC commissioners voting in the affirmative under section 202(b) of the Trade Act also transmitted to the President their recommendations made pursuant to section 202(e) of the Trade Act (19 U.S.C. 2252(e)) with respect to the actions that, in their view, would address the serious injury, or threat thereof, to the domestic industries and be most effective in facilitating the efforts of those industries to make a positive adjustment to import competition.

7. Pursuant to section 203 of the Trade Act (19 U.S.C. 2253), and after taking into account the considerations specified in section 203(a)(2) of the Trade Act and the ITC supplemental report, I have determined to implement action of a type described in section 203(a)(3) (a "safeguard measure") with regard to the following steel products:

(a) certain flat steel, consisting of: slabs provided for in the superior text to subheadings 9903.72.30 through 9903.72.48 in the Annex to this proclamation; plate provided for in the superior text to subheadings 9903.72.50 through 9903.72.62 in the Annex to this proclamation; hot-rolled steel provided for in the superior text to subheadings 9903.72.65 through 9903.72.82 in the Annex to this proclamation; cold-rolled steel provided for in the superior text to subheadings 9903.72.85 through 9903.72.04 in the Annex to this proclamation; and coated steel provided for in the superior text to subheadings 9903.73.07 through 9903.73.23 in the Annex to this proclamation;

(b) hot-rolled bar provided for in the superior text to subheadings 9903.73.42 through 9903.73.52 in the Annex to this proclamation;

(c) cold-finished bar provided for in the superior text to subheadings 9903.73.55 through 9903.73.62 in the Annex to this proclamation;

(d) rebar provided for in the superior text to subheadings 9903.73.65 through 9903.73.71 in the Annex to this proclamation;

(e) certain tubular products provided for in the superior text to subheadings 9903.73.74 through 9903.73.86 in the Annex to this proclamation;

(f) carbon and alloy fittings provided for in the superior text to subheadings 9903.73.88 through 9903.73.95 in the Annex to this proclamation;

(g) stainless steel bar provided for in the superior text to subheadings 9903.73.97 through 9903.74.06 in the Annex to this proclamation;

(h) stainless steel rod provided for in the superior text to subheadings 9903.74.08 through 9903.74.16 in the Annex to this proclamation;

(i) tin mill products provided for in the superior text to subheadings 9903.73.26 through 9903.73.39 in the Annex to this proclamation; and

(j) stainless steel wire provided for in the superior text to subheadings 9903.74.18 through 9903.74.24 in the Annex to this proclamation.

The steel products listed in clauses (i) through (ix) of subdivision (b) of U.S. Note 11 to subchapter III of chapter 99 of the HTS ("Note 11") in the Annex of this proclamation were excluded from the determination of the ITC described in paragraph 2, and are excluded from these safeguard measures. I have also determined to exclude from these safeguard measures the steel products listed in the subsequent clauses of subdivision (b) of Note 11 in the Annex to this proclamation.

8. Pursuant to section 312(a) of the NAFTA Implementation Act (19 U.S.C. 3372(a)), I have determined after considering the report and supplemental report of the ITC that imports from each of Canada and Mexico of certain flat steel, tin mill products, hot-rolled bar, cold-finished bar, rebar, certain tubular products, carbon and alloy fittings, stainless steel bar, stainless steel rod, and stainless steel wire, considered individually, do not account for a substantial share of total imports or do not contribute importantly to the serious injury or threat of serious injury found by the ITC. Accordingly, pursuant to section 312(b) of the NAFTA Implementation act (19 U.S.C. 3372(b)), I have excluded certain flat steel, tin mill products, hot-rolled bar, cold-finished bar, rebar, certain tubular products, carbon and alloy fittings, stainless steel bar, stainless steel rod, and stainless steel wire the product of Mexico or Canada from the actions I am taking under section 203 of the Trade Act.

9. Pursuant to section 203 of the Trade Act (19 U.S.C. 2253), the actions I have determined to take shall be safeguard measures in the form of:

(a) a tariff rate quota on imports of slabs described in paragraph 7, imposed for a period of 3 years plus 1 day, with annual increases in the within-quota quantities and annual re-

ductions in the rates of duty applicable to goods entered in excess of those quantities in the second and third years; and

(b) an increase in duties on imports of certain flat steel, other than slabs (including plate, hot-rolled steel, cold-rolled steel and coated steel), hot-rolled bar, cold-finished bar, rebar, certain welded tubular products, carbon and alloy fittings, stainless steel bar, stainless steel rod, tin mill products, and stainless steel wire, as described in paragraph 7, imposed for a period of 3 years plus 1 day, with annual reductions in the rates of duty in the second and third years, as provided in the Annex to this proclamation.

10. The safeguard measures described in paragraph 9 shall not apply to the products listed in clauses following clause (ix) in subdivision (b) of Note 11 in the Annex to this proclamation.

11. These safeguard measures shall apply to imports from all countries, except for products of Canada, Israel, Jordan, and Mexico.

12. These safeguard measures shall not apply to imports of any product described in paragraph 7 of the developing country that is a member of the World Trade Organization (WTO), as long as that country's share of total imports of the product, based on imports during a recent representative period, does not exceed 3 percent, provided that imports that are the product of all such countries with less than 3 percent import share collectively account for not more than 9 percent of total imports of the product. If I determine that a surge in imports of a product described in paragraph 7 of a developing country WTO member undermines the effectiveness of the pertinent safeguard measure, the safeguard measure shall be modified to apply to such product from such country.

13. The in-quota quantity in each year under the tariff rate quota described in paragraph 9 shall be allocated among all countries except those countries the products of which are excluded from such tariff rate quota pursuant to paragraphs 11 and 12.

14. Pursuant to section 203(a)(1)(A) of the Trade Act (19 U.S.C. 2253(a)(1)(A)), I have further determined that these safeguard measures will facilitate efforts by the domestic industry to make a positive adjustment to import competition and provide greater economic and social benefits than costs. If I determine that further action is appropriate and feasible to facilitate efforts by the pertinent domestic industry to make a positive adjustment to import competition and to provide greater economic and social benefits than costs, or if I determine that the conditions under section 204(b)(1) of the Trade Act are met, I shall reduce, modify, or terminate the action established in this proclamation accordingly. In addition, if I determine within 30 days of the date of this proclamation, as a result of consultations between the United states and other WTO members pursuant to Article 12.3 of the WTO Agreement on Safeguards that is necessary to reduce, modify, or terminate a safeguard measure, I shall proclaim the corresponding reduction, modification, or termination of the safeguard measure within 40 days.

15. Section 604 of the Trade Act, as amended (19 U.S.C. 2483), authorizes the President to embody in the HTS the substance of the relevant provisions of that Act, and of other acts affecting import treatment, and actions thereunder, including the removal,

modification, continuance, or imposition of any rate of duty or other import restriction.

NOW, THEREFORE, I, GEORGE W. BUSH, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United states, including but not limited to sections 203 and 604 of the Trade Act, and section 301 of title 3, United States Code, do proclaim that:

(1) In order to establish increases in duty and a tariff rate quota on imports of the certain steel products described in paragraph 7 (other than excluded products), subchapter III of chapter 99 of the HTS is modified as provided in the Annex to this proclamation. Any merchandise subject to a safeguard measure that is admitted into U.S. foreign trade zones on or after March 20, 2002, must be admitted as "privileged foreign status" as defined in 19 CFR 146.41, and will be subject upon entry to any quantitative restrictions or tariffs related to the classification under the applicable HTS subheading.

(2) Such imports of certain steel that are the product of Canada, Israel, Jordan, or Mexico shall be excluded from the safeguard measures established by this proclamation, and such imports shall not be counted toward the tariff rate quota limits that trigger the over-quota rates of duty.

(3) Except as provided in clause (4) below, imports of certain steel that are the product of WTO member developing countries, as provided in subdivision (d)(i) of Note 11 in the Annex to this proclamation, shall be excluded from the safeguard measures established by this proclamation, and such imports shall not be counted toward the tariff rate quota limits that trigger the over-quota rates of duties.

(4) Clause (3) above shall not apply to imports of a product that is the product of a country listed in subdivision (d)(i) of Note 11 in the Annex to this proclamation if subdivision (d)(ii) of such Note indicates that such country's share of total imports of the product exceeds 3 percent, or that imports of the product from all listed countries with less than 3 percent import share collectively account for more than 9 percent of total imports of the product. The USTR is authorized to determine whether a surge in imports of a product that is the product of a country listed in subdivision (d)(i) undermines the effectiveness of the pertinent safeguard measure and, if so, upon publication of a notice in the *Federal Register,* to revise subdivision (d) of Note 11 in the Annex to this proclamation to indicate that such product from such country is not excluded from such safeguard measure.

(5) Within 120 days after the date of this proclamation, the USTR is authorized to further consider any request for exclusion of a particular product submitted in accordance with the procedures set out in 66 Fed. Reg. 54321, 54322–54323 (October 26, 2001) and, upon publication in the *Federal Register* of a notice of his finding that a particular product should be excluded, to modify the HTS provisions created by the Annex to this proclamation to exclude such particular product form the pertinent safeguard measure established by this proclamation.

(6) In March of each year in which any safeguard measure established by this proclamation remains in effect, the USTR is author-

ized, upon publication in the *Federal Register* of a notice of his finding that a particular product should be excluded, to modify the HTS provisions created by the Annex to this proclamation to exclude such particular product from the pertinent safeguard measure established by this proclamation.

(7) Any provision of previous proclamations and Executive Orders that is inconsistent with the actions taken in this proclamation is superseded to the extent of such inconsistency.

(8) The modifications to the HTS made by this proclamation, including the Annex hereto, shall be effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after 12:01 a.m., EST, on March 29, 2002, and shall continue in effect as provided in the Annex to this proclamation, unless such actions are earlier expressly reduced, modified, or terminated. Effective at the close of March 21, 2006, or such other date that is 1 year from the close of the safeguard measures established in this proclamation, the U.S. note and tariff provisions established in the Annex to this proclamation shall be deleted from the HTS.

IN WITNESS WHEREOF, I have hereunto set my hand this fifth day of March, in the year of our Lord two thousand two, and of the Independence of the United States of America the two hundred and twenty-sixth.

GEORGE W. BUSH.

ANNEX

MODIFICATIONS TO THE HARMONIZED TARIFF SCHEDULE OF THE UNITED STATES

Effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after March 20, 2002, subchapter III of chapter 99 of the Harmonized Tariff Schedule of the United States is modified by inserting in numerical sequence the following new U.S. note, subheadings and superior text thereto, with the language inserted in the columns entitled " Heading/Subheading", "Article Description", "Rates of Duty 1-General", "Rates of Duty 1-Special", and "Rates of Duty 2", respectively.

"11. (a) Except as provided in this note, subheadings 9903.72.30 through 9903.74.24, inclusive, and superior text thereto apply to the specified goods entered, or withdrawn from warehouse for consumption, on or after March 20, 2002, from any country other than those expressly exempted herein. The rates of duty in such subheadings either incorporate the duty rates specified for such goods in chapters 72 or 73 of the tariff schedule or are unchanged from the pertinent provisions of such chapters. Whenever a provision covers " goods excluded from the application of relief," that term refers to specific steel products that fall within the applicable superior text to such provision but are enumerated in subdivision (b) or (c) of this note. The application of this note to goods of particular countries shall be determined by the terms of such subheadings and superior text thereto and by the provisions of subdivision (d) of this note. Goods that are--

(i) described in the superior text to subheadings 9903.72.01 through 9903.72.15, inclusive, or the superior text to subheadings 9903.72.20 through 9903.72.25, inclusive;

(ii) flat-rolled products of ball bearing steel (as defined in additional U.S. note 1(h) to chapter 72), provided for in heading 7225 or 7226; and

(iii) tubing of nonalloy steel, coated with zinc, of a diameter not exceeding 114.3 mm, internally coated or lined with a non-electrically insulating coating material, suitable for use as electrical conduit,

shall be excluded from the subheadings enumerated in the first sentence of this paragraph and no such goods shall be permitted entry under such subheadings.

(b) For purposes of this note, the following goods, enumerated with the designation assigned to facilitate the administration of this note, shall be excluded from the application of import relief under one or more subheadings enumerated in the first sentence of subdivision (a) of this note, but the appropriate 8-digit subheading number shall be reported for such goods in addition to the 10-digit statistical reporting number appearing in chapters 1 through 97 which would be applicable but for the provisions of this subchapter.

(i) wire rod products described in note 9(a) through (h) of this subchapter and designated as X-501;

(ii) arctic grade line pipe as defined in note 10 to this subchapter and designated as X-502;

(iii) oil country casing and tubing containing by weight 10.5 percent or more of chromium and designated as X-503;

(iv) certain bars and wire rods of stainless steel having the following specifications and designated as X-504:

(A) "SF20T" containing by weight not more than 0.05 percent of carbon, 2 percent of manganese, 0.05 percent of phosphorus, 0.15 percent of sulfur and 1 percent of silicon; 19 percent or more but not more than 21 percent of chromium; 1.50 percent or more but not more than 2.50 percent of molybdenum; 0.10 percent or more but not more than 0.30 percent of added lead and 0.03 percent or more of added tellurium;

(B) "K-M35FL" containing by weight not more than 0.015 percent of carbon; 0.70 or more but

ANNEX (continued)
2

not more than 1.00 percent of silicon; not more than 0.40 percent of manganese, 0.04 percent of phosphorus, 0.03 percent of sulfur and 0.30 percent of nickel; 12.50 percent or more but not more than 14 percent of chromium; 0.10 percent or more but not more than 0.30 percent of lead and 0.20 percent or more but not more than 0.35 percent of aluminum;

(C) "Kanthal A-1" containing by weight not more than 0.08 percent of carbon, 0.70 percent of silicon and 0.40 percent of manganese; 5.30 percent or more but not more than 6.30 percent of aluminum; and 20.50 percent or more but not more than 23.50 percent of chromium;

(D) "Kanthal AF" containing by weight not more than 0.08 percent of carbon, 0.70 percent of silicon and 0.40 percent of manganese; 20.50 percent or more but not more than 23.50 percent of chromium; and 4.80 percent or more but not more than 5.80 percent of aluminum;

(E) "Kanthal A" containing by weight not more than 0.08 percent of carbon, 0.70 percent of silicon and 0.50 percent of manganese; 20.50 percent or more but not more than 23.50 percent of chromium; and 4.80 percent or more but not more than 5.80 percent of aluminum;

(F) "Kanthal D" containing by weight not more than 0.08 percent of carbon, 0.70 percent of silicon and 0.50 percent of manganese; 20.50 percent or more but not more than 23.50 percent of chromium; and 4.30 percent or more but not more than 5.30 percent of aluminum;

(G) "Kanthal DT" containing by weight not more than 0.08 percent of carbon, 0.70 percent of silicon and 0.50 percent of manganese; 20.50 percent or more but not more than 23.50 percent of chromium; and 4.60 percent or more but not more than 5.60 percent of aluminum;

(H) "Alkrothal 14" containing by weight not more than 0.08 percent of carbon, 0.70 percent of silicon and 0.50 percent of manganese; 14 percent or more but not more than 16 percent of chromium; and 3.80 percent or more but not more than 4.80 percent of aluminum;

(I) "Alkrothal 720" containing by weight not more than 0.08 percent of carbon, 0.70 percent of silicon and 0.70 percent of manganese; 12 percent or more but not more than 14 percent of chromium; and 3.50 percent or more but not more than 4.50 percent of aluminum; or

(J) "Nikrothal 40" containing by weight not more than 0.10 percent of carbon and 1 percent of manganese; 1.60 percent or more but not more than 2.50 percent of silicon; 18 percent or more but not more than 21 percent of chromium; and 34 percent or more but not more than 37 percent of nickel;

(v) semifinished products of alloy or nonalloy steel designated as X-505 (provided for in subheading 7207.19.00, 7207.20.00 or 7224.90.00), of circular cross section, of a diameter of 250 mm or more but not more than 680 mm, of a length not less than 3657 mm, limited to the following grades:

(A) for products described in industry usage as of carbon steel, goods covered by American Iron and Steel Institute (AISI) specifications 1552, 1022, 1045, 1029 or 1020; and

(B) for products of alloy steel, goods covered by AISI specifications 4140, 4150, 4130 or 4330 or by ASTM specifications A694 or A350;

(vi) flat-rolled corrosion-resistant products described in industry usage as of carbon steel, measuring less than 4.75 mm in composite thickness, clad on both sides with stainless steel in a 20 percent - 60 percent - 20 percent ratio, and designated as X-506;

(vii) flat-rolled products designated as X-507, as provided below:

ANNEX (continued)
3

(A) doctor blades described in industry usage as of carbon steel coil or strip, plated with nickel phosphorus, having a thickness of 0.1524 mm, a width of at least 31.75 mm but not more than 50.80 mm, a core hardness of from 580 to 630 HV, a surface hardness of from 900 to 990 HV, and containing by weight 0.90 percent or more but not more than 1.05 percent of carbon, 0.15 percent or more but not more than 0.35 percent of silicon, 0.30 percent or more but not more than 0.50 percent of manganese, not more than 0.03 percent of phosphorus, not more than 0.006 percent of sulfur, 0.24 percent of other elements and the remainder of iron;

(B) products described in industry usage as of carbon steel, measuring 1.64 mm in thickness and 19.5 mm in width, consisting of carbon steel coil (SAE 1008) with a lining clad with an aluminum alloy containing by weight 10 percent or more but not more than 15 percent of tin, 1 percent or more but not more than 3 percent of lead, 0.7 percent or more but not more than 1.3 percent of copper, 1.8 percent or more but not more than 3.5 percent of silicon, 0.1 percent or more but not more than 0.7 percent of chromium and less than 1 percent of other materials, and meeting the requirements of SAE standard 783 for Bearing and Bushing Alloys;

(C) products described in industry usage as of carbon steel, measuring 0.975 mm in thickness and 8.8 mms in width, consisting of carbon steel coil (SAE 1012) clad with a two-layer lining, the first layer consisting of a copper-lead alloy powder that contains by weight 9 percent or more but not more than 11 percent of tin, 9 percent or more but not more than 11 percent of lead and maximum 1 percent of other materials, and meeting the requirements of SAE standard 792 for Bearing and Bushing Alloys, with the second layer containing by weight 13 percent or more but not more than 17 percent of carbon, 13 percent or more but not more than 17 percent of aromatic polyester, and the remainder (approx. 66-74 percent) of polytetrafluorethylene (PTFE);

(D) products described in industry usage as of carbon steel, measuring 1.02 mm in thickness and 10.7 mm in width, consisting of carbon steel coil (SAE 1008) with a two-layer lining, the first layer consisting of a copper-lead alloy powder that contains by weight 9 percent or more but not more than 11 percent of tin, 9 percent or more but not more than 11 percent of lead and less than 0.35 percent of iron, and meeting the requirements of SAE standard 792 for Bearing and Bushing Alloys, with the second layer containing by weight 45 percent or more but not more than 55 percent of lead, 3 percent or more but not more than 5 percent of molybdenum disulfide, and the remainder (approx. 40-52 percent) of PTFE;

(E) coil or strip described in industry usage as of carbon steel, measuring 1.93 mm or 2.75 mm in thickness, 87.3 mm or 99 mm in width, with a low carbon steel back containing by weight less than 8 percent of carbon, less than 0.4 percent of manganese, less than 0.04 percent of phosphorus and less than 0.05 percent of sulfur, clad with aluminum alloy containing by weight 0.7 percent of copper, 12 percent of tin, 1.7 percent of lead, 0.3 percent of antimony, 2.5 percent of silicon, not more than 1 percent in the aggregate of other elements (including iron), and the remainder of aluminum;

(F) coil or strip described in industry usage as of carbon steel, clad with aluminum, measuring 1.75 mm in thickness, 89 mm or 94 mm in width, with a low carbon steel back containing by weight less than 8 percent of carbon, less than 0.4 percent of manganese, 0.04 percent of phosphorus and less than 0.05 percent of sulfur, clad with aluminum alloy containing by weight 0.7 percent of copper, 12 percent of tin, 1.7 percent of lead, 2.5 percent of silicon, 0.3 percent of antimony, 1 percent in the aggregate of other elements (including iron), and the remainder of aluminum;

(G) corrosion-resistant products described in industry usage as of carbon steel and meeting the following specifications: (1) widths ranging from 10 mm through 100 mm; (2) thicknesses, including coatings, ranging from 0.11 mm through 0.60 mm; and (3) a coating that is from 0.003 mm through 0.005 mm in thickness and that comprises either two evenly applied layers, the first layer consisting by weight of 99 percent zinc, 0.5 percent cobalt and 0.5 percent molybdenum followed by a layer consisting of chromate, or three evenly applied

ANNEX (continued)
4

layers, the first layer consisting by weight of 99 percent zinc, 0.5 percent cobalt, and 0.5 percent molybdenum, followed by a layer consisting of chromate, and finally a layer consisting of silicate;

(H) products described in industry usage as of carbon steel, measuring 1.84 mm in thickness and 43.6 mm or 16.1 mm in width, consisting of carbon steel coil (SAE 1008) clad with an aluminum alloy that contains by weight 20 percent tin, 1 percent copper, 0.3 percent silicon, 0.15 percent nickel and less than 1 percent in the aggregate other materials and meeting the requirements of SAE standard 783 for Bearing and Bushing Alloys;

(I) products described in industry usage as of carbon steel, measuring 0.97 mm in thickness and 20 mm in width, consisting of carbon steel coil (SAE 1008) with a two-layer lining, the first layer consisting of a copper-lead alloy powder that contains by weight 9 percent or more but not more than 11 percent of tin, 9 percent or more but not more than 11 percent of lead, less than 1 percent of zinc and less than 1 percent in the aggregate of other materials and meeting the requirements of SAE standard 792 for Bearing and Bushing Alloys, with the second layer consisting by weight of 45 percent or more but not more than 55 percent of lead, 38 percent or more but not more than 50 percent of PTFE, 3 percent or more but not more than 5 percent of molybdenum disulfide and less than 2 percent in the aggregate of other materials; and

(J) corrosion-resistant products, described in industry usage as of carbon steel, comprising deep-drawing carbon steel strip, roll-clad on both sides with aluminum (AlSi) foils in accordance with St3 LG as to EN 10139/10140, with a chemical composition encompassing a core material of U St 23 (continuous casting) containing by weight less than 0.08 percent of carbon, less than 0.30 percent of manganese, less than 0.20 percent of phosphorus, less than 0.015 percent of sulfur and less than 0.01 percent of aluminum, and the cladding material containing by weight a minimum of 99 percent of aluminum with silicon/copper/iron of less than 1 percent, the foregoing products in strips with thicknesses of 0.07 mm to 4.0 mm (inclusive) and widths of 5 mm to 800 mm (inclusive), with a thickness ratio of aluminum on either side of steel ranging from 3 percent/94 percent/3 percent to 10 percent/80 percent/10 percent;

(viii) flat-rolled products designated as X-508, as provided below:

(A) shadow mask steel, comprising aluminum killed cold-rolled steel coil that is open coil annealed, has an ultra-flat, isotropic surface, having a thickness from 0.025 to 0.0254 mm, inclusive, and a width from 381 to 813 mm, inclusive, and with a carbon content of less than 0.002 percent, by weight;

(B) flapper valve steel, hardened and tempered, surface polished, measuring in thickness less than or equal to 1.0 mm and in width less than or equal to 152.4 mm, containing by weight a carbon content greater than or equal to 0.90 percent and less than or equal to 1.05 percent, a silicon content greater than or equal to 0.15 percent and less than or equal to 0.35 percent, a magnesium content greater than or equal to 0.30 percent and less than or equal to 0.50 percent, a phosphorus content of less than or equal to 0.03 percent and a sulfur content less than or equal to 0.006 percent, the foregoing having a tensile strength greater than or equal to 162 kgf/mm^2 and hardness greater than or equal to 475 Vickers hardness number, having flatness less than 0.2 percent of nominal strip width, completely free from decarburization, spheroidal and fine within 1 percent to 4 percent (area percentage) and undissolved in the uniform tempered martensite, having non-metallic sulfide inclusion with area percentage less than or equal to 0.04 percent and oxide inclusion with area percentage less than or equal to 0.05 percent, having a compressive stress of 10 to 40 Kgf/mm^2; having the following surface roughness specifications: if thickness is less than or equal to 0.209 mm, will have roughness (RZ) less than or equal to 0.5 micrometer; if thickness is greater than 0.209 mm but less than or equal to 0.310 mm, will have roughness (RZ) of less than or equal to 0.6 micrometer; if thickness is greater than 0.310 mm but less than or equal to 0.440 mm, will have roughness (RZ) less than or equal to 0.7 micrometer; if thickness is greater than 0.440

ANNEX (continued)

mm but less than or equal to 0.560 mm, will have roughness (RZ) less than or equal to 0.8 micrometer; if thickness is greater than 0.560 mm, will have roughness (RZ) less than or equal to 1.0 micrometer;

(C) ultra thin gauge steel strip, of a thickness less than or equal to 0.100 mm (+/- 7 percent) and a width of 100 to 600 mm; chemical composition: carbon content less than or equal to 0.07 percent by weight, manganese content greater than or equal to 0.2 but less than or equal to 0.5 percent by weight, phosphorus content less than or equal to 0.05 percent by weight, sulfur content less than or equal to 0.05 percent by weight and aluminum content less than or equal to 0.07 percent by weight; mechanical properties: hardness equals full hard (HV 180 minimum); total elongation less than 3 percent; and tensile strength of 600 to 850 N/mm^2; physical properties: surface finish less than or equal to 0.3 micron; camber (in 2.0 m) less than 3.0 mm; flatness (in 2.0 m) less than or equal to 0.5 mm; edge burr less than 0.01 mm greater than thickness; and coil set (in 1.0 m) less than 75.0 mm;

(D) silicon steel of a thickness of 0.61 mm +/- 0.038 mm and a width from 838 to 1156 mm, inclusive; chemical composition: minimum silicon content of 0.65 percent, by weight, maximum carbon content of 0.004 percent, by weight, maximum manganese content of 0.4 percent, by weight, maximum phosphorus content of 0.09 percent, by weight, maximum sulfur content of 0.009 percent, by weight, maximum aluminum content of 0.4 percent, by weight; mechanical properties: hardness of B 60-75 (aim 65); physical properties: smooth finish (0.76-1.52 microns), gamma crown (in 127 mm) of 0.013 mm, with measurement beginning 6 mm from slit edge; flatness of 20 i-unit maximum; coating of C3a - 0.08a maximum (A2 coating acceptable); camber (in any 3000 mm) of 1.59 mm; coil size inside diameter of 508 mm; magnetic properties: core loss (1.5T/60 Hz) NAAS of 8.4 watts/kg maximum; and permeability (1.5T/60 Hz) NAAS of 1700 gauss/oersted typical 1500 minimum;

(E) aperture mask steel having an ultra-flat surface flatness, of a thickness from 0.025 mm to 0.245 mm and a width from 381 mm to 1000 mm; chemical composition: carbon content of less than 0.01 percent, by weight, nitrogen content greater than or equal to 0.004 and less than or equal to 0.007 percent, by weight, and aluminum content of less than 0.007 percent, by weight;

(F) annealed and temper-rolled cold-rolled continuously cast steel meeting the following characteristics: chemical composition: carbon content of minimum 0.02 and maximum 0.06 percent, by weight; manganese content of minimum 0.20 and maximum 0.40 percent, by weight; maximum phosphorus content of 0.02 percent, by weight; maximum sulfur content of 0.023 (aiming 0.018 maximum) percent, by weight; maximum silicon content of 0.03 percent, by weight; minimum aluminum content of 0.03 percent, by weight and maximum 0.08 (aiming 0.05) percent, by weight; maximum arsenic content of 0.02 percent, by weight; maximum copper content of 0.08 percent, by weight; nitrogen content of minimum 0.003 percent, by weight and maximum 0.008 (aiming 0.005) percent, by weight; non-metallic inclusions: examination with the S.E.M. shall not reveal individual oxides greater than 1 micron and inclusion groups or clusters shall not exceed 5 microns in length: surface treatment as follows: the surface finish shall be free of defects (digs, scratches, pits, gouges, slivers, etc.) and suitable for nickel plating; and surface finish shall be extra bright with roughness (RA) of 0 microns to 0.2 microns with an aim of 0.1 microns;

(G) annealed and temper-rolled cold-rolled continuously cast steel, in coils, which includes a certificate of analysis per cable systems international (CSI) specification 96012 and meets the following characteristics: chemical composition: maximum carbon content of 0.13 percent, by weight; maximum manganese content of 0.60 percent, by weight; maximum phosphorus content of 0.02 percent, by weight; maximum sulfur content of 0.05 percent, by weight; additional properties: theoretical thickness of 0.15 mm,+/- 10 percent of theoretical thickness; width of 787 mm; tensile strength of 310 to 379 MPa; and elongation of a minimum of 15 percent in 50 mm;

ANNEX (continued)
6

(H) continuous cast cold-rolled drawing quality sheet steel, ASTM a-620-97, Type B, or single reduced black plate, ASTM A-625-92, Type D, T-1, ASTM A-625-76 and ASTM A-366-96, T1-T2-T3 commercial bright/luster 7A both sides, RMS 12 maximum, with thickness range of 0.22 to 0.97 mm, width of 584 to 937 mm;

(I) single reduced black plate, meeting ASTM A-625-98 specifications, 0.148 mm thick, with a temper classification of T-2 (49-57 hardness using the Rockwell 30 T scale);

(J) single reduced black plate, meeting ASTM A-625-76 specifications, 0.15 mm thick, MR type matte finish, TH basic tolerance as per A263 trimmed;

(K) single reduced black plate, meeting ASTM A-625-98 specifications, 0.18 mm thick, with a temper classification of T-3 (53-61 hardness using the Rockwell 30 T scale);

(L) cold-rolled black plate bare steel strip, meeting ASTM A-625 specifications and having the following characteristics: thickness: 0.15 mm +/- 0.008 mm; chemical composition: maximum carbon content of 0.13 percent, by weight; maximum manganese content of 0.60 percent, by weight; maximum phosphorus content of 0.02 percent, by weight; maximum sulfur content of 0.05 percent, by weight; mechanical properties: hardness: T2/hr 30t 50-60 aiming; elongation of greater or equal to fifteen percent; and tensile strength aiming for 352 MPa +/- 28 MPa;

(M) cold-rolled black plate bare steel strip, in coils, meeting ASTM A-623, table ii, Type MR specifications, which meet the following characteristics: thickness: 0.15 mm +/-0.013 mm; width of up to and including 254 mm + 9.5 mm/-0; chemical composition: maximum carbon content of 0.13 percent, by weight; maximum manganese content of 0.60 percent, by weight; maximum phosphorus content of 0.04 percent, by weight; maximum sulfur content of 0.05 percent, by weight; mechanical properties: elongation of 15 percent in 50.8 mm, minimum; and tensile strength of 379 MPa maximum;

(N) "blued steel" coil (also know as "steamed blue steel" or "blue oxide") with a thickness and size of 0.30 mm x 0.42 mm and width of 609 mm to 1219 mm, in coil form;

(O) cold-rolled steel sheet, coated with porcelain enameling prior to importation, which meets the following characteristics: nominal thickness: less than or equal to 0.48 mm; width of 889 mm to 1524 mm; chemical composition: maximum carbon content of 0.004 percent, by weight; minimum oxygen content of 0.010 percent, by weight; and minimum boron content of 0.012 percent, by weight;

(P) cold-rolled steel meeting the following characteristics: width: greater than 1676 mm; chemical composition: maximum carbon content of 0.07 percent, by weight; maximum manganese content of 0.67 percent, by weight; maximum phosphorus content of 0.14 percent, by weight; maximum silicon content of 0.03 percent, by weight; physical and mechanical properties: thickness range of 0.800 to 2.000 mm; yield point (MPa) of 265 to 365; minimum tensile strength (MPa) of 440; and minimum elongation of 26 percent;

(Q) band saw steel meeting the following characteristics: thickness less than or equal to 1.31 mm; width less than or equal to 80 mm; chemical composition: carbon content of 1.2 to 1.3 percent, by weight; silicon content of 0.15 to 0.35 percent, by weight; manganese content of 0.20 to 0.35 percent, by weight; phosphorus content less than or equal to 0.03 percent, by weight; sulfur content less than or equal to 0.007 percent, by weight; chromium content of 0.30 to 0.5 percent, by weight; and nickel content less than or equal to 0.25 percent, by weight; other properties: carbide: fully spheroidized having greater than 80 percent of carbides, which are less than or equal to 0.003 mm and uniformly dispersed; surface finish: bright finish free from pits, scratches, rust, cracks, or seams; smooth edges; edge camber (in each 300 mm of length) of less than or equal to 7 mm arc height; and cross bow (per 25.4 mm of width) of 0.015 mm max;

ANNEX (continued)
7

(R) transformation-induced plasticity (TRIP) steel meeting the following characteristics:

(I) Variety 1: chemical composition: carbon content of 0.09 to 0.13 percent, by weight; silicon content of 1.0 to 2.1 percent, by weight; manganese content of 0.90 to 1.7 percent, by weight; physical and mechanical properties: thickness range of 1.000 to 2.300 mm (inclusive); yield point (MPa) of 320 to 480; minimum tensile strength (MPa) of 590; minimum elongation of 24 percent if 1.000 to 1.199 mm thickness range; minimum elongation of 25 percent if 1.200 to 1.599 mm thickness range; minimum elongation of 26 percent if 1.600 to 1.999 mm thickness range; and minimum elongation of 27 percent if 2.000 to 2.300 mm thickness range;

(II) Variety 2: chemical composition: carbon content of 0.12 to 0.16 percent, by weight; silicon content of 1.5 to 2.1 percent, by weight; manganese content of 1.1 to 1.9 percent, by weight; physical and mechanical properties: thickness range of 1.000 to 2.300 mm (inclusive); yield point (MPa) of 340 to 520; minimum tensile strength (MPa) of 690; minimum elongation of 21 percent if 1.000 to 1.199 mm thickness range; minimum elongation of 22 percent if 1.200 to 1.599 mm thickness range; minimum elongation of 23 percent if 1.600 to 1.999 mm thickness range; and minimum elongation of 24 percent if 2.000 to 2.300 mm thickness range; or

(III) Variety 3: chemical composition: carbon content of 0.13 to 0.21 percent, by weight; silicon content of 1.3 to 2.0 percent, by weight; manganese content of 1.5 to 2.0 percent, by weight; physical and mechanical properties: thickness range of 1.200 to 2.300 mm (inclusive); yield point (MPa) of 370 to 570; minimum tensile strength (MPa) of 780; minimum elongation of 18 percent if 1.200 to 1.599 mm thickness range; minimum elongation of 19 percent if 1.600 to 1.999 mm thickness range; and minimum elongation of 20 percent if 2.000 to 2.300 mm thickness range;

(S) cold-rolled steel meeting the following characteristics:

(I) Variety 1: chemical composition: maximum carbon content of 0.10 percent, by weight; maximum manganese content of 0.40 percent, by weight; maximum phosphorus content of 0.10 percent, by weight; copper content of 0.15 to 0.35 percent, by weight; physical and mechanical properties: thickness range of 0.600 to 0.800 mm; yield point (MPa) of 185 to 285; minimum tensile strength (MPa) of 340; and minimum elongation of 31 percent (ASTM standard 31 percent equals JIS standard 35 percent);

(II) Variety 2: chemical composition: maximum carbon content of 0.05 percent, by weight; maximum manganese content of 0.40 percent, by weight; maximum phosphorus content of 0.08 percent, by weight; copper content of 0.15 to 0.35 percent, by weight; physical and mechanical properties: thickness range of 0.800 to 1.000 mm; yield point (MPa) of 145 to 245; minimum tensile strength (MPa) of 295; and minimum elongation of 31 percent (ASTM standard 31 percent equals JIS standard 35 percent); or

(III) Variety 3: chemical composition: maximum carbon content of 0.01 percent, by weight; maximum silicon content of 0.05 percent, by weight; maximum manganese content of 0.40 percent, by weight; maximum phosphorus content of 0.10 percent, by weight; maximum sulfur content of 0.023 percent, by weight; copper content of 0.15 to 0.35 percent, by weight; maximum nickel content of 0.35 percent, by weight; maximum aluminum content of 0.10 percent, by weight; maximum niobium content of 0.10 percent, by weight; maximum titanium content of 0.10 percent, by weight; maximum vanadium content of 0.10 percent, by weight; maximum boron content of 0.10 percent, by weight; maximum molybdenum content of 0.30 percent, by weight; physical and mechanical properties: thickness of 0.7 mm; and elongation of greater than or equal to 35 percent; or

ANNEX (continued)
8

(T) porcelain enameling sheet, drawing quality, in coils, 0.36 mm in thickness, +0.002, -0.000, meeting ASTM A-424-96 type 1 specifications, and suitable for two coats;

(ix) tin-mill flat-rolled products designated as X-509, as described below:

(A) single reduced electrolytically chromium coated steel with a thickness 0.238 mm (±10%) or 0.251 mm (±10%) or 0.255 mm (±10%) with 770 mm (minimum width) (-0/+1.588 mm) by 900 mm (maximum length if sheared) sheet size; with type MR or higher (per ASTM) A623 steel chemistry; batch annealed at T 21/2 anneal temper, with a yield strength of 214 to 290 MPa; with a tensile strength of 296 to 400 MPa; with a chrome coating restricted to 32 to 150 mg/m^2 with a chrome oxide coating restricted to 6 to 25 mg/m^2 with a modified 7B ground roll finish or blasted roll finish; with roughness average (Ra) 0.10 to 0.35 micrometers, measured with a stylus instrument with a stylus radius of 2 to 5 microns, a trace length of 5.6 mm, and a cut-off of 0.8 mm, and the measurement traces shall be made perpendicular to the rolling direction; with an oil level of 0.17 to 0.37 grams/base box as type BSO, or 2.5 to 5.5 mg/m^2 as type DOS, or 3.5 to 6.5 mg/m^2 as type ATBC; with electrical conductivity of static probe voltage drop of 0.46 volts drop maximum, and with electrical conductivity degradation to 0.70 volts drop maximum after stoving (heating to 204 °C for 100 minutes followed by a cool to room temperature);

(B) single reduced electrolytically chromium- or tin-coated steel in the gauges of 0.102 mm nominal, 0.114 mm nominal, 0.127 mm nominal, 0.155 mm nominal, 0.168 mm nominal, and 0.183 mm nominal, regardless of width, temper, finish, coating or other properties;

(C) single reduced electrolytically chromium coated steel in the gauge of 0.61 mm, with widths of 686 mm or 800 mm, and with T-1 temper properties;

(D) single reduced electrolytically chromium coated steel, with a chemical composition by weight of not more than 0.005 percent of carbon, 0.030 percent of silicon, 0.25 percent of manganese, 0.025 percent of phosphorus, 0.025 percent of sulfur and 0.070 percent of aluminum, and the remainder iron, with a metallic chromium layer of 70-130 mg/m^2, with a chromium oxide layer of 5-30 mg/m^2, with a tensile strength of 260-440 N/mm^2; with an elongation of 28-48 percent, with a hardness (HR-30T) of 40-58, with a surface roughness of 0.5-1.5 microns Ra, with magnetic properties of B_m (kG) 10.0 minimum, B_r (KG) 8.0 minimum, Hc (Oe) 2.5-3.8, and μ1400 minimum, as measured with a Riken Denshi DC magnetic characteristic measuring machine, Model BHU-60;

(E) electrolytically chromium coated steel having ultra flat shape known as oil can steel, maximum depth of 2.0 mm and edge wave maximum of 2.0 mm and no wave to penetrate more than 51.0 mm from the strip edge and coilset or curling requirements of average maximum of 2.0 mm (based on six readings, three across each cut edge of a 61 cm long sample with no single reading exceeding 3.2 mm and no more than two readings at 3.2 mm) and (for product having a thickness of 0.239 mm only, crossbuckle maximums of 0.0025 mm average having no reading above 0.127 mm), with a camber maximum of 6.3 mm per 6.1 m, capable of being bent 120 degrees on a 0.05 mm radius without cracking, with a chromium coating weight of metallic chromium at 100 mg/m^2 and chromium oxide of 10 mg/m^2, containing by weight 0.13 percent maximum carbon, 0.60 percent maximum manganese, 0.15 percent maximum silicon, 0.20 percent maximum copper, 0.04 percent maximum phosphorus, 0.05 percent maximum sulfur, and 0.20 percent maximum aluminum, with a surface finish of Stone Finish 7C, with a DOS-A oil at an aim level of 2 mg/m^2, with not more than 15 inclusions/foreign matter in 15 feet (4.6 m) (with inclusions not to exceed 0.8 mm in width and 1.2 mm in length), with thickness/temper combinations of either 0.168 mm double reduced CADR8 temper in widths of 635.0 mm, 685.8 mm, 698.5 mm, 711.2 mm, 717.6 mm, 723.9 mm, 749.3 mm, 755.7 mm, 768.4 mm, 787.4 mm, 831.9 mm, 857.3 mm, 908.1 mm, 920.8 mm, 990.6 mm or 1092.2 mm, or 0.239 mm single reduced CAT4 temper in widths of 635.0 mm, 685.8 mm, 711.2 mm, 762.0 mm, 838.2 mm, 857.3 mm, 908.1 mm, 920.8 mm or 1092.2 mm, with width tolerance of -/+3.2 mm, with a thickness tolerance of -/+0.013 mm, with a maximum coil weight of 9071.0 kg, with a

ANNEX (continued)
9

minimum coil weight of 8164.8 kg with a coil inside diameter of 40.64 cm with a steel core, with a coil maximum outside diameter of 151.13 cm, with a maximum of one weld (identified with a paper flag) per coil, with a surface free of scratches, holes and rust;

(x) Versa-bars, the foregoing which are semi-finished products of continuous cast gray or ductile iron, of square or rectangular cross section, containing, by weight, carbon of between 2.9 and 3.7 percent, silicon of between 1.6 and 2.7 percent, and manganese of between 0.5 and 0.8 percent (provided for in subheading 7207.20.00), the foregoing designated as X-137;

(xi) products known as "Superplast SP 300," the foregoing which are plates, pre-forged and rolled blocks or forged extra-heavy section blocks, with thickness of 152 and 1270 mm, inclusive, widths of 1990 mm, and lengths of 3048 to 3810 mm, inclusive; containing, by weight, carbon of between 0.235 and 0.265 percent, chromium of between 1.20 and 1.40 percent, manganese of between 1.20 and 1.40 percent, nickel of 0.30 percent maximum, molybdenum of between 0.35 and 0.45 percent, silicon of between 0.05 and 0.15 percent, boron of between 0.002 and 0.004 percent, sulphur of between 0.015 and 0.020 percent; exhibiting oxygen of 20 ppm (parts per million) and hydrogen of 2 ppm; if measuring between 152 and 203 mm displaying through hardness of 269 to 320 Brinnell, with a maximum dispersion of 15 bhn throughout; if measuring 203 and 1270 mm having through hardness of 290 to 320 Brinnell, with a maximum dispersion of 30 bhn throughout; all such products conforming to ultrasonic testing requirements of American Society of Testing and Materials (ASTM) A578-S9, with a 2mm flat bottom hole, and homogenous product (free of hardspots) cleanliness guaranteed per ASTM 345 method A, worst field ratings A: 1.5 maximum, B: 1.5 maximum, C: 1.0 maximum, D: 1.5 maximum, all the foregoing designated as X-083;

(xii) products known as "NAK 55," the foregoing which are double-melted hot-rolled plastic mold steel products containing, by weight, carbon of 0.15 percent, manganese of 1.50 percent, sulfur of 0.10 percent, copper of 1.00 percent, silicon of 0.30 percent, molybdenum of 0.30 percent, nickel of 3.00 percent, and aluminum of 1.00 percent; displaying the following mechanical properties: hardness of HRc 40, yield strength (0.2 percent offset, 41 HRc) of 1010 MPa, tensile strength of 1255 MPa, reduction of 39.8 percent; elongation (in 50 mm) of 15.6 percent; modulus of elasticity at room temperature of 30.0 x 10^6 psi; with Charpy-notch impact strength longitudinal 9.8 J and transverse of 7.6 J; displaying the following physical properties: coefficient of thermal expansion from 20 °C to 100 °C of 11.3 x 10^{-6} °C^{-1}, from 20 °C to 200 °C of 12.6 x 10^{-6} °C^{-1} and from 20 °C to 300 °C of 13.5 x 10^{-6} °C^{-1}; coefficient of thermal conductivity J/smK at 93 °C = 41.4 or at 204 °C = 42.2; having magnetic properties of maximum magnetic permeability of 380, saturated magnetism of 16,350 Gauss and residual magnetism of 8,500 Gauss, all the foregoing designated as X-134;

(xiii) flat-rolled ripper shank alloy steel, having rounded corners with radii of at least 6 mm but not more than 25 mm; of SAE 41B30 modified chemistry containing manganese of at least 1.00 percent but not more than 1.30 percent by weight, and containing chromium of at least 0.40 percent but not more than 0.65 percent by weight; with a thickness of at least 72 mm but not more than 77 mm and a width of at least 327 mm but not more than 337 mm, or with a thickness of at least 86.5 mm but not more than 91.5 mm and a width of at least 352 mm but not more than 362 mm, or with a thickness of at least 86.5 mm but not more than 91.5 mm and a width of at least 377 mm but not more than 387 mm, or with a thickness of at least 96.5 mm but not more than 101.5 mm and a width of at least 395 mm but not more than 405 mm, or with a thickness of at least 106.5 mm but not more than 111.5 mm and a width of at least 444.5m m but not more than 455.5 mm, the foregoing products designated as X-115 or X-148;

(xiv) flat-rolled steel products, hot-rolled, designated as X-100, the foregoing manufactured to API Grade X-52 or higher, supplied in widths greater than 3810 mm;

(xv) 13 percent manganese austenitic sheet, not further worked than hot rolled, containing, by weight, carbon of between 0.80 and 0.90 percent, silicon of between 0.10 and 0.45 percent, manganese of between 12.00 and 14.00 percent, phosphorus of 0.035 percent maximum, sulfur of 0.040 percent maximum, chromium of 0.50 percent maximum, molybdenum of 0.15 percent maximum, and nickel of 0.40 percent, the foregoing designated as X-032;

ANNEX (continued)
10

(xvi) hot-rolled products designated as X-046, as described below:

(A) products known as "Domex 110," not further processed than hot rolled, in thicknesses of between 4.55 and 11.1 mm, inclusive, and widths of between 889 and 1600 mm, inclusive, containing, by weight, carbon of 0.12 percent maximum, silicon of 0.60 percent maximum, manganese of 2.0 percent maximum, phosphorus of 0.025 percent maximum, sulphur of 0.010 percent maximum, aluminum of at least 0.015 percent, columbium of 0.09 percent maximum and titanium of 0.20 percent maximum; exhibiting yield strength of 758 MPa, tensile strength of 813 MPa, elongation of 15 percent, bendability of 1.6 to 1.8xt, and impact toughness of 27 J at -40° C (provided for in subheading 7208.36.00, 7208.37.00, 7208.38.00, 7208.39.00, 7225.30.30 or 7225.30.70), the foregoing also designated as X-108; or

(B) products known as "Domex Wear," not further processed than hot rolled, in thicknesses of between 3.00 and 6.35 mm, inclusive, and widths of between 889 and 1600 mm, inclusive; containing, by weight, carbon of 0.17 percent typical value (TV), silicon of 0.30 percent TV, manganese of 1.8 percent TV, phosphorus of 0.01 percent TV, sulphur of 0.010 percent maximum, chromium of 0.3 percent TV, molybdenum of 0.10 percent TV, aluminum of 0.04 percent TV and titanium of 0.16 percent TV; exhibiting yield strength of 793 MPa, tensile strength of 931 MPa, elongation of 15 percent, bendability of 2xt and impact toughness of 27 J at -40° C (provided for in subheading 7208.36.00, 7208.37.00, 7208.38.00, 7208.39.00, 7225.30.30 or 7225.30.70), the foregoing also designated as X-108;

(xvii) hot-rolled transformation-induced plasticity (TRIP) steel designated as X-061, as described below:

(A) TRIP steel, Variety 1, not further worked than hot-rolled, with the following chemical composition, by weight: carbon, up to 0.21 percent; silicon, up to 2.2 percent; manganese, up to 1.8 percent; phosphorus, up to 0.025 percent; sulfur, up to 0.01 percent; physical and mechanical properties: thickness from 1.4 to 6.0 mm (inclusive); minimum yield point (MPa) of 390; minimum tensile strength (MPa) of 590; minimum elongation of 25 percent if 1400 mm to 1999 mm thickness range; minimum elongation of 26 percent if 2000 mm to 2499 mm thickness range; minimum elongation of 27 percent if 2500 mm to 3249 mm thickness range; minimum elongation of 28 percent if 3250 mm to 3999 mm thickness range; or minimum elongation of 28 percent if 4000 mm to 6000 mm thickness range;

(B) TRIP steel, Variety 2, not further worked than hot-rolled, with the following chemical composition, by weight: carbon, up to 0.23 percent, silicon, up to 2.2 percent, manganese, up to 2.0 percent; phosphorus, up to 0.025 percent; sulfur, up to 0.01 percent; physical and mechanical properties: thickness range from 1.4 to 6.0 mm (inclusive); minimum yield point (MPa) of 440; minimum tensile strength (MPa) of 690; minimum elongation of 22 percent if 1400 mm to 1999 mm thickness range; minimum elongation of 23 percent if 2000 mm to 2499 mm thickness range; minimum elongation of 24 percent if 2500 mm to 3249 mm thickness range; minimum elongation of 25 percent if 3250 mm to 3999 mm thickness range; or minimum elongation of 26 percent if 4000 mm to 6000 mm thickness range;

(C) TRIP steel, Variety 3, not further worked than hot-rolled, with the following chemical composition, by weight: carbon, up to 0.25 percent; silicon, up to 2.2 percent; manganese, up to 2.2 percent; phosphorus, up to 0.025 percent; sulfur, up to 0.01 percent; physical and mechanical properties: thickness range from 1.4 to 6.0 mm (inclusive); minimum yield point (MPa) of 490; minimum tensile strength (MPa) of 780; minimum elongation of 20 percent if 1400 mm to 1999 mm thickness range; minimum elongation of 21 percent if 2000 mm to 2499 mm thickness range; minimum elongation of 22 percent if 2500 mm to 3249 mm thickness range; minimum elongation of 23 percent if 3250 mm to 3999 mm thickness range; or minimum elongation of 24 percent if 4000 mm to 6000 mm thickness range; or

ANNEX (continued)
11

(D) hot-rolled, flat-rolled, dual-phase steel product, phase-hardened, primarily with a ferritic-martensitic microstructure, containing, by weight, from 0.9 percent to 1.5 percent silicon; further characterized, for thicknesses greater than or equal to 2 mm, either by a tensile strength of from 540 N/mm^2 to 640 N/mm^2 with an elongation percentage of greater than or equal to 26 percent, or by a tensile strength of from 590 N/mm^2 to 690 N/mm^2 with an elongation percentage of greater than or equal to 23 percent, the foregoing also designated as X-011;

(xviii) hot-rolled dual phase low silicon steel, the foregoing which is a phase-hardened ferritic-martensitic steel containing, by weight, silicon of up to 0.25 percent, phosphorus of up to 0.05 percent and sulfur of 0.03 percent, and has a tensile strength of between 580 and 670 MPa, yield strength of between 300 and 470 MPa, and elongation of greater than, or equal to, 24 percent, the foregoing designated as X-075;

(xix) hot-rolled products designated as X-108, as described below:

(A) products known as "Domex Defend 250," not further processed than hot rolled, in thicknesses of between 3.00 and 6.00 mm, inclusive, and widths of between 889 mm and 1245 mm, inclusive; containing, by weight, carbon of 0.12 percent typical value (TV), silicon of 0.40 percent TV, manganese of 2.0 percent TV, phosphorus of 0.025 percent TV, sulphur of 0.010 percent TV, aluminum of 0.015 percent TV, with micro-alloying elements of niobium, vanadium, titanium and molybdenum; exhibiting a hardness rating of 250 Hv (provided for in subheading 7208.36.00, 7208.37.00, 7208.38.00, 7208.39.00, 7225.30.30 or 7225.30.70);

(B) products known as "Domex Defend 300," not further processed than hot rolled, in thicknesses of between 3.00 and 6.00 mm, inclusive, and widths of between 889 mm and 1245 mm, inclusive; containing, by weight, carbon of 0.17 percent TV, silicon of 0.30 percent TV, manganese of 1.8 percent TV, phosphorus of 0.025 percent TV, sulphur of 0.010 percent TV, aluminum of 0.015 percent TV, with micro-alloying elements of chromium, molybdenum, and titanium; exhibiting a hardness rating of 300 Hv (provided for in subheadings 7208.36.00, 7208.37.00, 7208.38.00, 7208.39.00, 7225.30.30 or 7225.30.70); or

(C) products known as "Domex Defend 500," not further processed than hot-rolled, in thicknesses of between 2.00 and 6.00 mm, inclusive, and widths of between 889 mm and 1245 mm, inclusive; containing, by weight, carbon of 0.29 percent TV, silicon of 0.30 percent TV, manganese of 1.3 percent TV, phosphorus of 0.035 percent TV, sulphur of 0.025 percent TV, with micro-alloying elements of chromium, niobium, molybdenum, and boron; exhibiting a hardness rating of 500 Hv (provided for in subheading 7208.36.00, 7208.37.00, 7208.38.00, 7208.39.00, 7225.30.30 or 7225.30.70);

(xx) flat-rolled products of other alloy steel, not further processed than hot rolled, of the grade known as "ALFORM" or "ALFORM 890/900," of a thickness of less than 4.75 mm, whether in coils or in cut-to-length form (provided for in subheading 7225.30.70 or 7225.40.70), the foregoing designated as X-116;

(xxi) hot-rolled products designated as X-122, as described below:

(A) hot-rolled complex phase steel with mainly fine grained ferritic-bainitic-martensitic microstructure characterized by either a tensile strength over 800 MPa and elongation percentage over 10% for thicknesses up to 5.0 mm; a tensile strength over 880 MPa and an elongation percentage over 10% for thicknesses up to 4.0 mm; or a tensile strength over 950 MPa and an elongation percentage over 10% for thicknesses up to 4.0 mm;

(B) hot-rolled martensitic phase steel with mainly martensitic microstructure characterized by either (I) a tensile strength over 1000 MPa and elongation percentage over 5 percent for thicknesses up to 3.5 mm, or (II) a tensile strength over 1200 MPa and an elongation percentage over 5 percent for thicknesses up to 4.0 mm; or

ANNEX (continued)
12

(C) hot-rolled TRIP steel with mainly ferritic-bainitic matrix with dispersed residual austenite islands with the following properties: tensile strength over 700 MPa and an elongation percentage over 25 percent for thickness between 1.6 and 5.0 mm;

(xxii) plastic mold steel products designated as X-134, as described below:

(A) products known as "NAK 80," which is a plastic mold steel used for applications such as clear lens molds and extremely critical diamond finish applications, with the following chemical composition (nominal, by weight): carbon 0.15 percent, manganese 1.50 percent, molybdenum 0.30 percent, copper 1.00 percent, silicon 0.30 percent, nickel 3.00 percent, aluminum 1.00 percent; mechanical properties: HRc 40; tensile strength, 1264 MPa; reduction 41.9 percent; yield strength (0.2 percent offset, 41 HRc) 1018 MPa; elongation in 50 mm (longitudinal) 16.1 percent; modulus of elasticity (room temp.) 200 GPa.; Charpy V-Notch impact strength (toughness): longitudinal 11.0 J.; transverse 11.5 J.; hardness 40 HRc; physical properties: coefficient of thermal expansion (10^{-6}/K), 20°C to 100°C = 11.3, 20°C to 200°C = 12.6, 20°C to 300°C = 13.5: coefficient of thermal conductivity (J/s·m·K) at 93°C = 41.4, at 204 °C = 42.2; magnetic properties: maximum magnetic permeability 380, saturated magnetism (gauss) 16,360, residual magnetism (gauss) 8,500, and coercive force (Oersted) 14.0; double melted, first in an electric furnace then a vacuum arc re-melt furnace, hot-rolled or forged to shape and age hardened to HRc 40; produced through a super clean, vacuum-arc remelt manufacturing process;

(B) products known as "PX5," which is a plastic mold steel used in all types of plastic molding and design, and is superior to AISI grade P20-type steels in terms of machining, stability, and welding; with the following chemical composition (nominal, by weight): carbon 0.20 percent, manganese 1.90 percent, sulfur 0.035 percent, molybdenum 0.45 percent, copper 0.10 percent, silicon 0.10 percent, phosphorus 0.010 percent, nickel 0.20 percent, aluminum 0.030 percent, chromium 2.10 percent; mechanical properties: HRc 30 - 33; tensile strength, 1034 MPa; reduction 48 percent; yield strength 917 MPa; elongation in 50 mm (longitudinal) 20 percent; physical properties: coefficient of thermal expansion (10^{-6}/K), 20°C to 100°C = 11.9, 20°C to 200°C = 12.8, 20°C to 300°C = 13.1, 20°C to 400°C = 13.5, 20°C to 600°C = 14.0; coefficient of thermal conductivity (J/s·mK) at 20°C = 42.5, at100 °C = 42.4, at 200°C = 42.1, at300 °C = 39.2, at 400°C = 38.8. PX5 is produced by electric furnace melting, ladle degassed and refined; proprietary forging, rolling and heat-treating practices are utilized to produce an exceptionally fine-grained, stable, tough and easy to machine and weld mold steel;

(C) products known as "CX1," which is is a proprietary cold work die steel that is supplied heat treated to hardness of HRc 50, and can also be machined at this hardness, with the following chemical composition (nominal, by weight): carbon 0.80 percent, manganese 1.30 percent, chromium 1.00 percent, molybdenum 0.80 percent; mechanical properties (as supplied): HRc 50; tensile strength 1786 MPa; yield strength 1641 MPa; elongation 8 percent; reduction in area 19 percent; physical properties: coefficient of linear thermal expansion (10^{-6}/K): 20°C to 200 °C = 12.9; 20 °C to 425 °C = 13.9; coefficient of thermal conductivity (J/s·m·K) at 20 ° C = 30.7; density: 7.71 (Mg/m^3); produced by electric furnace melting, ladle degassing and refining; proprietary forging, rolling and heat-treating practices utilized to produce an exceptionally fine-grained, stable, tough and easy to machine and weld die steel; or

(D) products known as "Super NAK" ("NAK HH"), which is a plastic mold steel that provides a unique combination of high hardness and ability to machine-work the steel; with the following chemical composition (nominal, by weight): carbon 0.11 percent, manganese 1.4 percent, copper 1.0 percent, chromium 1.6 percent, aluminum 1.0 percent, silicon 0.30 percent, sulfur - 0.35 percent, nickel 3.0 percent, molybdenum 0.3 percent; physical properties: HRc 45; tensile strength 1385 MPa longitudinal, 1359 MPa transverse; yield strength 1031 MPa longitudinal, 1009 transverse, elongation 11 percent longitudinal, 4

ANNEX (continued)
13

percent transverse, reduction of area 22 percent longitudinal, 6 percent transverse; density of 7.78 Mg/m^3; produced in an electric furnace then vacuum arc re-melt furnace; hot-rolled or forged to shape; age hardened to HRc 45-48;

(xxiii) hot-rolled products designated as X-142, known as "SCM 415," with the following chemical composition: carbon, 0.13 - 0.18 percent; silicon, 0.15 - 0.35 percent; manganese, 0.60 - 0.85 percent; phosphorus, equal to or less than 0.03 percent; sulfur, equal to or less than 0.03 percent; chromium, 0.90 - 1.20 percent; molybdenum, 0.15 - 0.30 percent; hardness: HRB of 87; tensile strength of 500 N/mm^2; elongation of 30 percent; yield ratio of 80 percent; thickness: 2.6 - 4.0 mm; width: 1066 mm - 1321mm; edge: square cut edge free of burrs, rice marks, protrusions or damage;

(xxiv) flat-rolled products (provided for in subheadings 7208.25.30 through 7208.25.60), designated as X-139 or X-087, weighing more than 17.8 kg per mm of width, having a camber tolerance of not more than 25.4 mm per 914.40 cm, a width tolerance of not more than 12.70 mm, and

(A) in thicknesses ranging from 2.03 to 4.57 mm and having a gauge tolerance of +/- 0.05 mm, in widths from 756 to 1410 mm, or

(B) in thicknesses ranging from 2.31 to 4.57 mm and having a gauge tolerance of +/- 2 percent, in widths from 775 to 1373 mm, and having a carbon content of 0.001-0.004, or

(C) in thickness ranging from 2.03 to 2.92 mm and having a gauge tolerance of +/- 0.05 mm, in widths from 760 to 968 mm,

all the foregoing certified by the importer of record to be used for rerolling, and in an aggregate annual quantity not to exceed 750,000 metric tons;

(xxv) blue finish band saw steel meeting the following characteristics: thickness less than or equal to 1.31 mm; width less than or equal to 80 mm; chemical composition: carbon content of 1.2 to 1.3 percent, by weight; silicon content of 0.15 to 0.35 percent, by weight; manganese content of 0.20 to 0.35 percent, by weight; phosphorus content less than or equal to 0.03 percent, by weight; sulphur content less than or equal to 0.007 percent, by weight; chromium content of 0.30 to 0.5 percent, by weight; and nickel content less than or equal to 0.25 percent, by weight; with the following other properties: carbides fully spheroidized, having greater than 80 percent of carbides, which are less than or equal to 0.003 mm and uniformly dispersed; surface finish is blue finish free from pits, scratches, rust, cracks, or seams; smooth edges; edge camber (in each 300 mm of length) of less than or equal to 7 mm arc height; and cross bow (per mm of width) of 0.015 mm maximum, the foregoing designated as X-010;

(xxvi) cold-rolled products designated as X-015, as described below:

(A) uncoated flat products, less than 4.75 mm in thickness, not further worked than cold-rolled, comprising either–

(I) products known as "Grade C80M" in widths less than 300 mm and thickness greater than 0.25 mm; containing, by weight, 0.70 percent carbon, 0.30 percent silicon, and 0.30 percent manganese and also containing, by weight, 0.03 percent phosphorus, 0.02 percent sulfur, 0.35 percent chromium, 0.10 percent copper, 0.20 percent nickel, 0.02 percent aluminum, 0.001 percent oxide, 0.003 percent titanium and 0.01 percent tin;

(II) products known as "Grade16MnCr5M2" described in industry usage as of carbon steel, produced in widths less than 300mm and thickness greater than 0.25 mm containing, by weight, 0.11 percent carbon, 0.20 percent silicon, and 0.85 percent manganese and also containing, by weight, 0.025 percent phosphorus and 0.01 percent sulfur with the combination of phosphorous and sulphur not to exceed 0.03 percent, 0.95 percent chromium, 0.15 percent copper, 0.15 percent nickel and 0.08 percent aluminum; or

ANNEX (continued)
14

(B) bonderized (phosphate coated) cold-rolled, flat-rolled products, less than 4.75 mm in thickness, comprising--

(I) products known as "Grade C15M," which are bonderized flat-rolled products described in industry usage as of carbon steel, produced in widths of less than 300 mm and thickness greater than 0.25 mm; containing, by weight, 0.16 percent carbon, 0.20 percent silicon, 0.40 percent manganese, 0.25 percent phosphorus, 0.20 percent sulfur, 0.30 percent chromium, 0.30 percent copper, 0.45 percent nickel and 0.15 percent aluminum;

(II) products known as "Grade MRST443," which are bonderized flat-rolled products described in industry usage as of carbon steel, produced in widths less than 300 mm and thickness greater than 0.25 mm; containing, by weight, 0.10 percent carbon, 0.10 percent silicon, 0.80 percent manganese, 0.04 percent phosphorus, 0.03 percent sulfur, 0.007 percent nitrogen and 0.18 percent aluminum;

(III) products known as "Grade 16MnCr5M," which are bonderized flat-rolled products described in industry usage as of carbon steel, produced in widths less than 300 mm and thickness greater than 0.25 mm; containing, by weight, 0.13 percent carbon, 0.20 percent silicon, 1.25 percent manganese, 0.02 percent phosphorus, 0.01 percent sulfur, with the combination of phosphorus and sulphur not to exceed 0.03 percent and also containing, by weight, 1.2 percent chromium, 0.12 percent copper, 0.15 percent nickel, 0.008 percent nitrogen, and 0.15 percent aluminum; or

(IV) products known as "Grade C16M," which are bonderized flat-rolled product described in industry usage as of carbon steel, produced in widths less than 300 mm and thickness greater than 0.25 mm; containing, by weight, 0.20 percent carbon, 0.15 percent silicon, 1.25 percent manganese, 0.025 percent phosphorus, 0.015 percent sulfur, with the combination of phosphorus and sulphur not to exceed 0.03 percent and also containing, by weight, 0.90 percent chromium, 0.15 percent copper, 0.15 percent nickel, 0.009 percent nitrogen and 0.08 percent aluminum;

(xxvii) products designated as X-036, as described below:

(A) certain full-hard cold-rolled continuously cast steel (including tin mill black plate), which meets the following characteristics (ASTM 625-76 D <Modified>); chemical composition (in percent by weight): carbon 0.02 - 0.06, silicon 0.03; manganese 0.20 - 0.40; phosphorus 0.02; sulfur 0.023 (aim 0.018); aluminum 0.03 - 0.08 (aim 0.050); nitrogen 0.003 - 0.008 (aim 0.005); thickness tolerance +/- 5 percent guaranteed from 31.7 mm from width edge, width tolerance -0/+6.98 mm; flatness deviation: 20 'I' units; transverse curvature: 3.17 mm; hardness (HR30T): 53 +/-5; inclusion level: SEM shall not reveal oxides greater than 1 micron and inclusion groups or clusters shall not exceed 5 micron in length; applicable gauge and widths: 0.2081 mm nominal x 862.94 mm, 0.2284 mm nominal x 829.95 mm, 0.2589 mm nominal x 824.87 mm, 0.3096mm nominal x 872.46 mm or 0.3096 mm nominal x 913.71 mm;

(B) certain flat products for battery cell flat products (JIS 3141 - modified), which are continuous annealed cold-rolled continuously cast steel (including tin mill black plate), which meets the following characteristics: chemical composition (in percent by weight): carbon 0.08, silicon 0.03, manganese 0.45, phosphorus 0.02, sulfur 0.02, aluminum 0.08, arsenic 0.02, copper 0.05, nitrogen 0.004, chromium 0.05, nickel 0.05 and molybdenum 0.01; thickness tolerance: +/- 5 percent, guaranteed from 31.7 mm from width edge; width tolerance: -0/+ 6.9 mm; flatness deviation: 10 'I' units; transverse curvature: 2.99 mm; hardness (HR15T): 76-82; tensile strength: 345-414 N/mm^2; yield strength 241-310 N/mm^2; elongation: 25%; grain size (ASTM) 9-11, Delta r value less than +/- 0.2; surface roughness (RA- microns): 0.25- 0.51; nonmetallic inclusions: 0.20 pcs./ m^2 as measured by IDD (Internal Defect Detector) instrument designed by Toyo Kohan;

ANNEX (continued)
15

(xxviii) flat-rolled products designated as X-054, as described below:

(A) products known as "G-type material," which are aluminum killed cold-rolled steel in coils that have increased tensile strength of 800 to 1200 N/mm^2, ultra-flat, and which meet the following characteristics: thickness 0.025 mm to 0.254 mm, width 380 mm to 888 mm; chemical composition : carbon content less than 0.01 percent by weight, nitrogen content in the range 0.01 - 0.017 percent by weight, and manganese content in the range 0.6 - 0.85 percent by weight; or

(B) products known as "Invar," which are certain aperture mask iron-nickel low thermal expansion Invar-type alloy products used exclusively for manufacturing shadow/aperture masks, which has an ultra-flat surface and which meets the following characteristics: thickness: 0.025 mm to 0.254 mm, width: 380 mm to 888 mm, chemical composition nickel content in the range 30.0 - 37.0 percent, by weight, cobalt content up to 5.0 percent, by weight, and sulfur content not more than 0.0030 percent, by weight; having thermal expansion coefficient not more than 1.5 x 10^{-6}°C;

(xxix) cold-rolled products known as "SPC 120," in coils, having a thickness of 1.6 mm and a width of 1040 mm, having a tensile strength of 827 MPa or more (provided for in subheading 7209.16.00), the foregoing designated as X-065;

(xxx) texture rolled carbon steel flat-rolled product (TRC), not further worked than cold rolled, designated as X-205, the foregoing with a carbon content of 0.70 percent to 0.95 percent, roll-hardened to a minimum tensile strength of 1700 N/mm^2, with a thickness of 0.10 mm to 1.80 mm and a width of 200 mm or less; tensile strength varies depending on the thickness of the product: 2300 - 2500 N/mm^2 for thickness ranging from 0.10 mm to 0.18 mm; 2250-2470 N/mm^2 for thickness ranging from 0.19 mm to 0.25 mm; 1900 - 2400 N/mm^2 for thickness ranging from 0.26 mm to 0.79 mm; and 1750 - 2250 N/mm^2 for thickness ranging from 0.80 mm to 2.00 mm; meeting the specific tensile/pressure requirements or Federal Motor Vehicle Safety Standard 209; having microscopic inclusion level to DIN 50602 Rev. 9/85, section 1: SS max 3, OA, OS max 1, OG max 2; produced with OG being less than 27 microns; with chemical analysis: carbon 0.65 - 0.95 percent, silicon 0.30 percent maximum, manganese 0.55 percent maximum, phosphorus 0.02 percent maximum, sulfur 0.008 percent maximum, chromium 0.15 percent maximum and copper 0.12 percent; with a surface finish that is bright, free of roll marks, scratches, notches and cracks; longitude surface lines maximum 0.003 mm (RT - measurement method) for thickness of less than 0.66 mm and 0.005 mm for thickness over 0.60 mm.; free of complete decarburization;

(xxxi) high-nickel alloy, flat-rolled product, not further worked than cold-rolled, 4.75 mm or greater in thickness, designated as X-083, containing, by weight, at least 14 percent nickel or 25 percent cobalt with or without other elements; controlled expansion alloys are composed according to specifications ASTM F15, ASTM F30, ASTM B753, and ASTM F1684; magnetic alloys composed according to specifications ASTM B753 or ASTM A801;

(xxxii) products designated as X-142, as described below:

(A) non-oriented, high silicon, magnetic steel flat-rolled product, with the following characteristics: thickness 0.05-0.20 mm; width 20-600 mm; chemical composition (by weight in percent): carbon (maximum 0.010), manganese (maximum 0.15), phosphorus (maximum 0.015), sulfur (maximum 0.005), silicon (minimum 5.0, max 7.0), aluminum (maximum 0.004); mechanical properties: hardness of 380-420 μ HV (micro vickers); magnetic properties: magnetostriction (< 1.0 x 10^{-6} (λ 10/400 magnetostriction at 400 Hz, 1T(=10 kG));

(B) cold-rolled carbon steel coils meeting the requirements of one or more of the products listed below (imported under subheading 7209.16.00, 7209.18.15 or 7209.18.25):

(I) product 1: thickness 0.6 mm - less than 0.8 mm; minimum tensile strength 780 N/mm^2; yield strength 420 - 645 N/mm^2; elongation 14 percent - 25 percent; chemical composition: carbon maximum 0.10 percent by weight; silicon maximum

ANNEX (continued)
16

0.80 percent by weight, manganese maximum 1.80 percent by weight, phosphorus maximum 0.015 percent by weight, silicon maximum 0.010 percent by weight;

(II) product 2: thickness 0.8 mm - less than 1.0 mm; minimum tensile strength 780 N/mm^2; yield strength 410 N/mm^2 - 635 N/mm^2; elongation 15 - 26 percent; chemical composition: carbon maximum 0.10 percent by weight, silicon maximum 0.80 percent by weight, manganese maximum 1.80 percent by weight, phosphorus maximum 0.015 percent by weight, silicon maximum 0.010 percent by weight;

(III) product 3: thickness 1.0 mm - less than 1.2 mm; minimum tensile strength 780 N/mm^2; yield strength 400 - 625 N/mm^2; elongation 16- 27 percent; chemical composition: carbon maximum 0.10 percent by weight, silicon maximum 0.80 percent by weight, manganese maximum 1.80 percent by weight, phosphorus maximum 0.015 percent by weight, silicon maximum 0.010 percent by weight;

(IV) product 4: thickness 1.2 mm - less than 1.6 mm; minimum tensile strength 780 N/mm^2; yield strength 400 - 625 N/mm^2; elongation 15 - 28 percent; chemical composition: carbon maximum 0.10 percent by weight, silicon maximum 0.80 percent by weight, manganese maximum 1.80 percent by weight, phosphorus maximum 0.015 percent by weight, silicon maximum 0.010 percent by weight;

(V) product 5: thickness 1.6 mm - 2.3 mm; minimum tensile strength 780 N/mm^2; yield strength 400 - 625 N/mm^2; elongation minimum 18 percent; chemical composition: carbon maximum 0.10 percent by weight, silicon maximum 0.80 percent by weight, manganese maximum 1.80 percent by weight, phosphorus maximum 0.015 percent by weight, silicon maximum 0.010 percent by weight.

(VI) product 6: thickness 0.8 mm - less than 1.0 mm; minimum tensile strength 1180 N/mm^2; yield strength 835 - 1225 N/mm^2; elongation 5 - 10 percent; chemical composition: carbon maximum 0.15 percent by weight; silicon maximum 0.80 percent by weight; manganese maximum 2.00 percent by weight; phosphorus maximum 0.010 percent by weight; silicon maximum 0.010 percent by weight;

(VII) product 7: thickness 1.0 mm - less than 1.2 mm; minimum tensile strength 1180 N/mm^2; yield strength 825 - 1215 N/mm^2; elongation 6 - 17 percent; chemical composition: carbon maximum 0.15 percent by weight; silicon maximum 0.80 percent by weight; manganese maximum 2.00 percent by weight; phosphorus maximum 0.010 percent by weight; silicon maximum 0.010 percent by weight;

(VIII) product 8: thickness 1.2 mm - less than 1.6 mm; minimum tensile strength 1180 N/mm^2; yield strength 825 - 1215 N/mm^2; elongation 7 - 18 percent; chemical composition: carbon maximum 0.15 percent by weight; silicon maximum 0.80 percent by weight; manganese maximum 2.00 percent by weight; phosphorus maximum 0.010 percent by weight; silicon maximum 0.010 percent by weight;

(IX) product 9: thickness 1.6 mm - 2.3 mm; minimum tensile strength 1180 N/mm^2; yield strength 825 - 1215 N/mm^2; elongation minimum 8 percent; chemical composition: carbon maximum 0.15 percent by weight; silicon maximum 0.80 percent by weight;; manganese maximum 2.00 percent by weight; phosphorus maximum 0.010 percent by weight; silicon maximum 0.010 percent by weight;

(X) product 10: thickness 1.0 mm - less than 1.2 mm; minimum tensile strength 1270 N/mm^2; yield strength 980 - 1270 N/mm^2; elongation 6- 17 percent; chemical composition: carbon maximum 0.15 percent by weight; silicon maximum 0.80 percent by weight; manganese maximum 2.00 percent by weight; phosphorus maximum 0.010 percent by weight; silicon maximum 0.010 percent by weight;

(XI) product 11: thickness 1.2 mm - less than 1.6 mm; minimum tensile strength 1270

ANNEX (continued)
17

N/mm^2; yield strength 980 - 1270 N/mm^2; elongation 6 - 17 percent; chemical composition: carbon maximum 0.15 percent by weight; silicon maximum 0.80 percent by weight; manganese maximum 2.00 percent by weight; phosphorus maximum 0.010 percent by weight; silicon maximum 0.010 percent by weight;

(XII) product 12: thickness 1.6 mm - 2.3 mm; minimum tensile strength 1270 N/mm^2; yield strength 980 - 1270 N/mm^2; elongation minimum 6%; chemical composition: carbon maximum 0.15 percent by weight; silicon maximum 0.80 percent by weight; manganese maximum 2.00 percent by weight; phosphorus maximum 0.010 percent by weight; silicon maximum 0.010 percent by weight;

(XIII) product 13: thickness 1.0 mm - less than 1.2 mm; minimum tensile strength 1470 N/mm^2; yield strength 1040 - 1500 N/mm^2; elongation 3 - 15 percent; chemical composition: carbon maximum 0.21 percent by weight; silicon maximum 0.60 percent by weight; manganese maximum 2.00 percent by weight; phosphorus maximum 0.010 percent by weight; silicon maximum 0.010 percent by weight;

(XIV) product 14: thickness 1.2 mm - less than 1.6 mm; minimum tensile strength 1470 N/mm^2; yield strength 1040 - 1500 N/mm^2; elongation 3 - 15 percent; chemical composition: carbon maximum 0.21 percent by weight; silicon maximum 0.60 percent by weight; manganese maximum 2.00 percent by weight; phosphorus: maximum 0.010 percent by weight; silicon maximum 0.010 percent by weight; or

(XV) product 15: thickness 1.6 mm - 2.3 mm; minimum tensile strength 1470 N/mm^2; yield strength 1040 - 1500 N/mm^2; elongation minimum 3 percent; chemical composition: carbon maximum 0.21 percent by weight; silicon maximum 0.60 percent by weight; manganese maximum 2.00 percent by weight; phosphorus maximum 0.010 percent by weight; silicon maximum 0.010 percent by weight; or

(C) cold-rolled steel for porcelain enameling, the foregoing being continuous annealed cold-reduced steel with a nominal thickness of not more than 0.048 mm and widths from 76.2 mm to 152.4 mm, having a chemical composition, by weight, of not more than 0.004 percent carbon, nor more than 0.010 percent aluminum, 0.006 percent or more of nitrogen, 0.012 percent or more of boron, not more than 0.005 percent silicon, and 0.010 percent or more of oxygen; having no intentional addition of and less than 0.002 percent by weight of titanium, no intentional addition of and less than 0.002 percent by weight of vanadium, no intentional addition of and less than 0.002 percent by weight of niobium, and no intentional addition of and less than 0.002 percent by weight of antimony; having a yield strength of from 179.3 MPa to 344.7 MPa, a tensile strength of from 303.7 MPa to 413.7 MPa, a percent of elongation of from 28 percent to 46 percent on a standard ASTM sample with a 5.08 mm gauge length; for Fishscale resistance: hydrogen traps provided; with a product shape of flat after enameling, with flat defined as less than or equal to 1 1 unit with no coil set;

(xxxiii) cold-rolled flat rolled products designated as X-155 and X-057, with specification SAE 1095; surface finish: Brite No. 2; Rockwell hardness: RC 21 - RC 30; decarburization: .0127 mm maximum; thickness tolerance of 5.964 mm and gauge tolerance of +/- 0.0127 mm, thickness tolerance of 0.431 mm and gauge tolerance of +/- 0.0127 mm or thickness tolerance of 0.888 mm and gauge tolerance of +/- 0.025 mm;

(xxxiv) cold-rolled products designated as X-187, as described below:

(A) flat-rolled product, not further worked than cold rolled, known as "C 125 pin point," with carbon content, by weight, of approximately 1.25 percent with a pin point carbide structure that means a very high number of carbide in the material structure; thickness between 0.6mm to 0.9mm and a width between 200mm and 400mm; not hardened and tempered, but only cold-rolled;

ANNEX (continued)
18

(B) cold-rolled product known as "SORBITEX," flat-rolled, which is a special texture rolled, high carbon spring steel product with a special aligned grain structure, provided for in subheading 7226.92.80; thickness: 0.0990mm - 1.5228mm; width: 2.9959mm - 199.75mm; chemical composition: carbon 0.76 - 0.96 percent by weight, silicon 0.10 - 0.35 percent by weight, manganese 0.30 - 0.60 percent by weight, phosphorus less than 0.025 percent by weight, sulfur less than 0.020 percent by weight, aluminum less than 0.060 percent by weight, chromium less than 0.30 percent by weight, nickel less than 0.20 percent by weight, copper 0.20 percent by weight; tensile strength 1,689 MPa to 2,516 MPa;

(C) cold-rolled product known as feeler gauge carbon strip (H & T), hardened and tempered, provided for in subheading 7211.90.00, grades Eberle 18, 18C (SAE 1095 modified alloyed steel), thickness range 0.025 mm - 1.142 mm, thickness tolerances T2 - T4 international standard, maximum width 12.63 mm, polished surface, tensile strength 1,696 MPa - 2,096 MPa, edges deburred or rounded;

(D) cold-rolled product known as carbon reed steel, hardened and tempered, Eberle 18, 18C (SAE 1095 modified alloyed steel), thickness range 0.0203 mm - 1.015 mm, width range 93.36mm - 11.98 mm, with narrow tolerances +/- 0.03985 mm - 0.05990 mm, tensile strength 1599 MPa - 2199 MPa, bright polished surface Rmax 1.5 - 3.0 micrometers, high precision straightness maximum deviation 0.56mm/m, flatness deviation 0.1 - 0.3 percent of the width, deburred or extra smooth rounded edges;

(E) blank band steel for motor controls, with a thickness exceeding 0.25mm, in the dimension 39.8mm by 3.05mm (121.3 mm^2) and 44.9 by 2.53 (114 mm^2); several individual rings are welded together and are delivered as a continuous, oscillating band on a spool; or

(F) trimetallic product composed of stainless steel flat-rolled product beam welded to two other non-iron based flat-rolled products; width maximum 51 mm, thickness 0.203 mm - 0.51 mm, high precision straightness and flatness, edges machined;

(xxxv) corrosion resistant nickel plated battery cell flat-rolled products, designated X-109, as described below:

(A) nickel-graphite plated, diffusion annealed, tin-nickel plated carbon products, with a natural composition mixture of nickel and graphite electrolytically plated to the top side of diffusion annealed tin-nickel plated carbon steel strip with a cold rolled or tin mill black plate base metal conforming to chemical requirements based on AISI 1006; having both sides of the cold rolled substrate electrolytically plated with natural nickel, with the top side of the nickel plated strip electrolytically plated with tin and then annealed to create a diffusion between the nickel and tin layers in which a nickel-tin alloy is created, and an additional layer of mixture of natural nickel and graphite then electrolytically plated on the top side of the strip of the nickel-tin alloy; having a coating thickness: top side: nickel-graphite, tin-nickel layer = 1.0 micrometers; tin layer only = 0.05 micrometers, nickel-graphite layer only > 0.2 micrometers, and bottom side: nickel layer = 1.0 micrometers;

(B) nickel-graphite, diffusion annealed, nickel plated carbon products, having a natural composition mixture of nickel and graphite electrolytically plated to the top side of diffusion annealed nickel plated steel strip with a cold rolled or tin mill black plate base metal conforming to chemical requirements based on AISI 1006; with both sides of the cold rolled base metal initially electrolytically plated with natural nickel, and the material then annealed to create a diffusion between the nickel and the iron substrate; with an additional layer of natural nickel-graphite then electrolytically plated on the top side of the strip of the nickel plated steel strip; with the nickel-graphite, nickel plated material sufficiently ductile and adherent to the substrate to permit forming without cracking, flaking, peeling, or any other evidence of separation; having a coating thickness: top side: nickel-graphite, tin-nickel layer = 1.0 micrometers; nickel-graphite layer = 0.5 micrometers; bottom side: nickel layer = 1.0 micrometers;

ANNEX (continued)
19

(C) diffusion annealed nickel-graphite plated products, which are cold-rolled or tin mill black plate base metal conforming to the chemical requirements based on AISI 1006; having the bottom side of the base metal first electrolytically plated with natural nickel, and the top side of the strip then plated with a nickel-graphite composition; with the strip then annealed to create a diffusion of the nickel-graphite and the iron substrate on the bottom side; with the nickel-graphite and nickel plated material sufficiently ductile and adherent to the substrate to permit forming without cracking, flaking, peeling, or any other evidence of separation; having coating thickness: top side: nickel-graphite layer = 1.0 micrometers; bottom side: nickel layer = 1.0 micrometers;

(D) nickel-phosphorous plated diffusion annealed nickel plated carbon product, having a natural composition mixture of nickel and phosphorus electrolytically plated to the top side of a diffusion annealed nickel plated steel strip with a cold rolled or tin mill black plate base metal conforming to the chemical requirements based on AISI 1006; with both sides of the base metal initially electrolytically plated with natural nickel, and the material then annealed to create a diffusion of the nickel and iron substrate; another layer of the natural nickel-phosphorous then electrolytically plated on the top side of the nickel plated steel strip; with the nickel-phosphorous, nickel plated material sufficiently ductile and adherent to the substrate to permit forming without cracking, flaking, peeling, or any other evidence of separation; having a coating thickness: top side: nickel-phosphorous, nickel layer = 1.0 micrometers; nickel-phosphorous layer = 0.1 micrometers; bottom side: nickel layer = 1.0 micrometers; or

(E) diffusion annealed, tin-nickel plated products, electrolytically plated with natural nickle to the top side of a diffusion annealed tin-nickel plated cold rolled or tin mill black plate base metal conforming to the chemical requirements based on AISI 1006; with both sides of the cold rolled strip initially electrolytically plated with natural nickel, with the top side of the nickel plated strip electrolytically plated with tin and then annealed to create a diffusion between the nickel and tin layers in which a nickel-tin alloy is created, and an additional layer of natural nickel then electrolytically plated on the top side of the strip of the nickel-tin alloy; sufficiently ductile and adherent to the substrate to permit forming without cracking, flaking, peeling or any other evidence of separation; having coating thickness: top side: nickel-tin-nickel combination layer = 1.0 micron meters; tin layer only = 0.05 micrometers; bottom side: nickel layer = 1.0 micrometers; the foregoing designated as X-109;

(xxxvi) flat-rolled products (provided for in subheading 7210.49.00), designated as X-061 or X-065, other than of high-strength steel, known as "ASE Iron Flash" and either–

(A) having a base layer of zinc-based zinc-iron alloy applied by hot-dipping and a surface layer of iron-zinc alloy applied by electrolytic process, the weight of the coating and plating not over 40 percent by weight of zinc; or

(B) two- layer-coated corrosion-resistant steel with coating composed of (1) a base coating layer of zinc-based zinc-iron alloy by hot-dip galvanizing process, and (2) a surface coating layer of iron-zinc alloy by electro-galvanizing process, having an effective amount of zinc up to 40 percent by weight, the foregoing designated as X-065;

(xxxvii) products designated as X-075, known as alloy aluminized steel sheet, in coils, 0.58 mm minimum by 1214.44 mm by coil, ASTM A463, type 1, DZ, T1-25 coating, latest addition extra smooth, non-chromated, tension leveled, temper rolled, reduction to be 1.25 percent or more tension leveled; flatness to be 3.18 mm maximum deviation in 0.76 m electrostatic oiling; 75 MG each side maximum, no "sag" or "header" lines, no surface defects, 508 - 609.6 mm coil ID; 9071.85 kg maximum coil weights, must enamel without " blisters" or visible surface defects (provided for in subheading 7225.99.00);

(xxxviii) corrosion resistant products designated as X-104, as described below:

(A) flat-rolled products (provided for in subheading 7212.60.00), clad on each surface with aluminum which measures less than 10 percent of the total thickness of the material;

ANNEX (continued)
20

(B) flat-rolled products (provided for in subheading 7225.99.00), containing less than 24 percent by weight of nickel, having a thickness over 0.27 mm but not over 0.33 mm, coated with aluminum, also designated as X-067; and

(C) flat-rolled products (provided for in subheading 7212.60.00), in coils, of a thickness from 1.10 mm to 4.90 mm, inclusive; of a width from 76 mm to 250 mm, inclusive; and of the following specified content by weight: carbon under 0.10 percent, manganese under 0.40 percent, phosphorus under 0.04 percent, sulfur under 0.05 percent and silicon under 0.05 percent; the forgoing clad with aluminum having the following specified content by weight: copper under 2.51 percent, tin under 15.10 percent, lead under 2.0 percent, antimony under 0.50 percent, silicon under 3.0 percent and other materials less than 1.25 percent; and also designated as X-107;

(xxxix) heat shrinkable (HS) band products designated as X-142, as described below:

(A) products known as "21 RS" (suitable for use in 20" CRTs) or "38 RS" (suitable for use in 36" CRTs), the foregoing which are electrogalvanized steel sheet and coil with the following specifications: tensile strength 45-49 kg/mm^2; yield point 33-37 kg/mm^2, magnetic properties 450μ or more, coating weights of zinc 7 g/m^2 minimum and chromium 20-60 mg/m^2, thickness tolerance ± 5% and chemical composition (in percentage by weight) carbon 0.07 maximum, silicon 2.0 maximum, manganese 2.0 maximum, phosphorus 0.15 maximum and sulfur 0.02 maximum;

(B) product known as "42 RS" (suitable for use in 40" CRTs), the foregoing which is electrogalvanized steel sheet and coil with the following specifications: tensile strength 45-49 kg/mm^2, yield point 33-37 kg/mm^2, magnetic properties 450μ or more, coating weights of zinc 17 g/m^2 minimum, special chromate treatment with a thickness of film 0.2-0.8μm, thickness tolerance ± 5 percent, with chemical composition (in percentage by weight) carbon 0.07 maximum, silicon 2.0 maximum, manganese 2.0 maximum, phosphorus 0.15 maximum and sulfur 0.02 maximum and with zinc-nickel alloy electroplating;

(C) products known as "34 RS" (suitable for use in 32" CRTs), the foregoing which are high strength electrolytic zinc coated silicon steel sheets and strips with the following specifications: thickness 1.20 mm, thickness tolerance ± 60 μm, width tolerance -0/+7 mm, tensile strength 41-45 kg/mm^2, yield point 26-30 kg/mm^2, magnetic properties of permeability, thickness of 1.20 mm with specifications of μ=800, with zinc-nickel alloy electroplating, coating weights of zinc 17-24 g/m^2 and chromium 40-70 mg/m^2, chemical treatment 0.5-1.1 g/m^2, maximum deviation from horizontal flat surface of 5 mm maximum; with the camber of mother coils not larger than 2 mm per 2000 mm in length; with chemical composition (in percentage by weight) of carbon 0.005 maximum, silicon 1.0-1.6, manganese 0.6 maximum, phosphorus 0.13 maximum and sulfur 0.03 maximum;

(D) products known as "29 RS" (suitable for use in 27" CRTs), the foregoing which are high strength electrolytic zinc coated silicon steel sheets and strips with the following specifications: thickness 1.0 mm, thickness tolerance ± 50 μ, width tolerance -0/+7 mm, tensile strength 45-49 kg/mm^2, yield point 32-36 kg/mm^2, magnetic properties of permeability thickness of 1.0 mm, with specification of μ=500, zinc-nickel alloy electroplating, coating weights of zinc 17-24 g/m^2 and chromium 45-75 mg/m^2, maximum deviation from horizon flat surface of 5 mm maximum, with the camber of mother coils not larger than 2 mm per 2000 mm in length, with chemical composition (in percent by weight) carbon 0.005 maximum, silicon 1.0-1.6, manganese 0.6 maximum, phosphorus 0.15 maximum and sulfur 0.03 maximum;

(E) products suitable for use in 32V PF and 36V PF picture tubes, the foregoing which are electrolytic zinc-nickel coated steel known as "NKCA440E" with a chemical composition (in percent by weight) of carbon less than 0.010%, manganese less than 0.6%, phosphorus less than 0.15%, sulfur less than 0.03%, silicon 1.0-1.6% and iron the remainder, with a

ANNEX (continued)
21

thickness of 1.20 mm, thickness tolerance ± 0.09 mm, width tolerance ± 0.2mm, tensile strength 45.9 - 64.2 kg/mm^2, yield point 31.6-36.7 kg/mm^2, permeability 450 - 630 (at the magnetic force of 0.35 Oe, according to JIS C 2550), with coating weight of 20 g/mm^2 (minimum 17 g/mm^2, maximum 26 g/mm^2; approx. thickness 3 µm); or

(F) electrogalvanized flat-rolled products (provided for in subheadings 7225.91.00 or 7226.93.00), annealed, containing from 0.0020 percent to 0.0035 percent by weight of boron, from 0.03 percent to 0.6 percent carbon, having a Rockwell hardness from 45 to 60 and a thickness over 0.312 mm but not over 0.38 mm;

(xl) corrosion-resistant products designated as X-176, as described below:

(A) electrogalvanized flat-rolled products, whether or not including chromate or a chromate-free coating, with the following specifications: tensile strength 45 - 49 kg/mm^2, yield point 33 - 37 kg/mm^2, magnetic properties 450µ or more, zinc-nickel alloy electroplating, coating weights of zinc 17 g/m^2 minimum and if applicable chromium 20 - 60 mg/m^2 and thickness tolerance +/- 5 percent; having the following chemical composition (in percent by weight): carbon 0.07 maximum, silicon 2.0 maximum, manganese 2.0 maximum, phosphorus 0.15 maximum and sulfur 0.02 maximum;

(B) electrogalvanized flat-rolled products, whether or not including chromate or a chromate-free coating, with the following specifications: tensile strength 45 - 49 kg/mm^2, yield point 33 - 37 kg/mm^2, magnetic properties 450µ or more, zinc-nickel alloy electroplating, coating weights of zinc 17 g/m^2 minimum and if applicable special chromate treatment with a thickness of film of 0.2 - 0.8 µm and thickness tolerance +/- 5 percent; having the following chemical composition (in percent by weight): carbon 0.07 maximum, silicon 2.0 maximum, manganese 2.0 maximum, phosphorus 0.15 maximum and sulfur 0.02 maximum;

(C) high strength electrolytic zinc-coated silicon steel flat-rolled products, whether or not including a chromate or chromate-free coating, with the following specifications: thickness 1.20 mm, thickness tolerance +/-60 µm, width tolerance -0/+7 mm, tensile strength 41 - 45 kg/mm^2, yield point 26 - 30 kg/mm^2; magnetic properties of permeability: thickness of 1.20 mm with specification of µ = 800; zinc-nickel alloy electroplating, coating weights of zinc 17 - 24 g/m^2 minimum and if applicable chromium 40 - 70 mg/m^2; chemical treatment of 0.5 - 1.1 g/m^2, maximum deviation from horizontal flat surface of 5 mm or more; with the camber of mother coils not larger than 2 mm per 2000 mm in length; having the following chemical composition (in percent by weight): carbon 0.005 maximum, silicon 1.0 - 1.6, manganese 0.6 maximum, phosphorus 0.13 maximum and sulfur 0.03 maximum; or

(D) high strength electrolytic zinc-coated silicon steel flat-rolled products, whether or not including a chromate or chromate-free coating, with the following specifications: thickness 1.0 mm, thickness tolerance +/-50 µ, width tolerance -0/+7 mm, tensile strength 45 - 49 kg/mm^2, yield point 32 - 36 kg/mm^2; magnetic properties of permeability: thickness of 1.00 mm with specification of µ = 500; zinc-nickel alloy electroplating, coating weights of zinc 17 - 24 g/m^2 minimum and if applicable chromium 45 - 75 mg/m^2;, maximum deviation from horizontal flat surface of 5 mm maximum; with the camber of mother coils not larger than 2 mm per 2000 mm in length; having the following chemical composition (in percent by weight): carbon 0.005 maximum, silicon 1.0 - 1.6, manganese 0.6 maximum, phosphorus 0.15 maximum and sulfur 0.03 maximum;

(xli) electrolytically tin-coated steel products, having differential coating with 22.4 g/m^2 box equivalent on the heavy side, with varied coating equivalents on the lighter side (as described below), with a continuous cast steel chemistry of type MR, with a surface finish of type 7B or 7C, with a surface passivation of 5.38 mg/m^2 of chromium applied as a cathodic dichromate treatment, with ultra flat scroll cut sheet form, with CAT 5 temper with 22.4/2.24 g/m^2 coating, with a lithograph logo printed in a uniform pattern on the 2.24 g/m^2 coating side with a clear protective coat, with both sides waxed to a level of 108-144 mg/m^2 , with ordered dimension combinations of (1) 0.208 mm thickness and 887.4 mm by 806.4 mm scroll cut dimensions; or (2) 0.208 mm thickness and 868.4

ANNEX (continued)
22

mm by 738.5 mm scroll cut dimensions; or (3) 0.300 mm thickness and 776.3 mm by 866.8 mm scroll cut dimension, all the foregoing designated as X-039, X-061 or X-075;

(xlii) tin mill products for battery containers, tin and nickel plated on a cold rolled or tin mill black plate base metal conforming to chemical requirements based on AISI 1006; having both sides of the cold rolled substrate electrolytically plated with natural nickel; then annealed to create a diffusion of the nickel and iron substrate; then an additional layer of natural tin electrolytically plated on the top side; and again annealed to create a diffusion of the tin and nickel alloys; with the tin-nickel, nickel plated material sufficiently ductile and adherent to the substrate to permit forming without cracking, flaking, peeling, or any other evidence of separation; having a coating thickness: top side: nickel-tin layer together measuring 1 micrometer; tin layer alone measuring 0.05 micrometer; bottom side: nickel layer measuring 1.0 micrometer; the foregoing designated as X-109;

(xliii) steel products coated with a metallic chromium layer between 100 - 200 mg/m^2 and a chromium oxide layer between 5 - 30 mg/m^2, with a chemical composition, by weight, of 0.05 percent maximum carbon, 0.03 percent maximum silicon, 0.60 percent maximum manganese, 0.02 percent maximum phosphorus, and 0.02 percent maximum sulfur; if a product known as "42RSN" having a magnetic flux density ("Br") of 10 KG minimum and a coercive force ("Hc") of 3.8 Oe maximum, the foregoing designated X-142;

(xliv) tin mill products designated as X-160 or X-128, as described below:

(A) products provided for in subheading 7326.90.85, with the following characteristics: ASTM A 657/623, T3 (temper), Base Weight 80, tin free steel, PC023 DRCAN Protact External Coat: Pet 20G, St/Internal Coat; Pet 20C, ST, RP, MR (Steel type), CA (continuous anneal), Light Stone Finish; or

(B) products provided for in subheading 7326.90.85, with the following specifications: laminated -15 microns PET colorless I/S & O/S, or laminated - 15 microns PET colorless I/S and 25 microns PET white O/S: ECCS (tin coating), CA (temper), 5C (surface finish), T5 (temper), MR, ordered width of 855.7 mm; or, ECCS, CA, 5C, T5, MR (ordered width of 846.1 mm; or, ECCS, CA, 5C, T5, MR (ordered widths of 896.9 mm and 900.1 mm);

(xlv) hot-rolled bar (provided for in subheading 7228.30.80), containing by weight 0.80 percent or more but not more than 0.90 percent of carbon, 0.10 percent or more but not more than 0.45 percent of silicon, 12 percent or more but not more than 14 percent of manganese, not more than 0.035 percent of phosphorus, not more than 0.040 percent sulfur, not more than 0.5 percent of chromium, not more than 0.15 percent of molybdenum, and not more than 0.40 percent of nickel and designated as X-032;

(xlvi) products designated as X-045, as described below:

(A) hot rolled profiles known as "T-bulb flanges," of trapezoidal cross-section; with rounded edges of 5 mm radius, with dimensions of the parallel sides of 90 mm to 250 mm, inclusive, and of 20 mm to 30 mm, inclusive; with a thickness of 25 mm or more but not more than 45 mm; certified and die stamped with the mark of a national shipbuilding classification society;

(B) specialized welded steel products known as "shipbuilding T-bulb profiles," engineered with life-cycle attributes to impede corrosion and yield superior strength to weight with reduced surface area while extending the lowest K-factor (fatigue) rating of any current symmetrical shipbuilding profile; with standard web heights of 350 to 1,000 mm and in web thicknesses of 11 to 16 mm; or

(C) specialized steel products known as "shipbuilding L-profiles," engineered with life-cycle attributes to impede corrosion while yielding superior strength to weight with reduced surface area; in sizes of 200 x 90 x 9 x 12 mm to 400 x 120 x 11.5 x 23 mm;

ANNEX (continued)
23

(xlvii) wire rod products known as "DSUS 70DH wire rod" and designated as X-177, the foregoing of stainless steel, having the following chemical composition (in percent by weight) carbon 0.60 - 0.70; silicon maximum 0.35; manganese 0.60 - 0.80; phosphorus maximum 0.30; sulfur maximum 0.010; chromium 12.50 - 13.50; with a delivered hardness of HRB 99 maximum and hardness after heat treatment of HRC minimum 58 (quenching 1050 °C for 20 - 30 minutes AC, sub-zero -73 °C for 1 HR, tempering 180 °C for 1 Hr AC);

(xlviii) welded pipes and tubes designated as X-066, X-069, X-079, X-071, X-102, X-139 or X-182, as described below:

(A) products having an outside diameter measuring 457.2 mm or more but not more than 558.8 mm, with a wall thickness measuring 19.05 mm or more, regardless of grade;

(B) products having an outside diameter measuring 609.6 mm or more but less than 914.4 mm, the foregoing with a wall thickness measuring over 22.3 mm in grades A, B and X42; a wall thickness measuring over 19.05 mm in grades X52 through X5; or a wall thickness measuring over 17.48 mm in grade X60 or higher;

(C) products having an outside diameter measuring 762 mm or more but less than 914.4 mm, the foregoing with a wall thickness measuring over 31.75 mm in grades A, B and X42; a wall thickness measuring over 25.4 mm in grades X52 through X56; or a wall thickness measuring over 22.3 mm in grades X60 or higher;

(D) products having an outside diameter measuring 914.4 mm or more but less than 1066.8 mm, the foregoing with a wall thickness measuring over 34.93 mm in grades A, B and X42; a wall thickness measuring over 31.75 mm in grades X52 through X56; or a wall thickness measuring over 28.58 mm in grades X60 or greater;

(E) products having an outside diameter measuring1066.8 mm or more but less than 1625.6 mm, the foregoing with a wall thickness measuring over 38.1 mm in grades A, B and X42; a wall thickness measuring over 34.93 mm in grades X52 through X56; or a wall thickness measuring over 31.75 mm in grades X60 or higher;

(F) products having an outside diameter measuring 1219.2 to 1320.8 mm, inclusive, with a wall thickness measuring 20.57 mm or more in grades X-80 or higher; or

(G) products having an outside diameter measuring 1219.2 to 1320.8 mm, inclusive, with a wall thickness of 13.72 mm or more in grades X-100 or higher; or

(xlix) welded pipe and tube products designated as X-132, which are DOM tubing for electric submersible oil pump motors; with outside diameters of 95.25 mm to 171.83 mm, inclusive; having the following chemical composition (in percent by weight): carbon maximum 0.15; silicon 0.25 - 1.00, inclusive; manganese 0.30 - 0.60, inclusive; phosphorus maximum 0.030; sulfur maximum 0.030; chromium 8.00 - 10.00, inclusive; molybdenum 0.90 - 1.10, inclusive.

(c) Goods may also be excluded from the application of relief if they are covered by a determination by the United States Trade Representative (USTR) published in the Federal Register by not later than July 3, 2002, or in March of any subsequent year in which this note remains in effect, that such goods should be exempt from the application of any rate of duty or tariff-rate quota otherwise imposed on goods described in the applicable superior text. Such a determination by the USTR under this subdivision may exempt specific additional steel products when entered from all countries or when entered from enumerated countries only, or may modify the product descriptions in subdivision (b) of this note. The USTR is authorized to modify or terminate any such determination during the effective period of the subheadings specified in the first sentence of subdivision (a) of this note and to specify, subsequent to the effective date specified in this note, that such steel products will be considered "goods excluded from the application of relief" upon publication by the USTR of a notice in the Federal Register. Such "goods excluded from the application of relief" shall not be counted toward any tariff-rate quota quantities specified for any quota period.

(d) (i) For the purposes of this note and the application of subheadings 9903.72.30 through 9903.74.24,

inclusive, except as otherwise provided in subdivision (d)(ii), the following developing countries that are members of the World Trade Organization shall not be subject to the rates of duty and tariff-rate quotas provided for therein:

Albania, Angola, Antigua and Barbuda, Argentina, Bahrain, Bangladesh, Barbados, Belize, Benin, Bolivia, Botswana, Brazil, Bulgaria, Burkina Faso, Burundi, Cameroon, Central African Republic, Chad, Chile, Colombia, Congo (Brazzaville), Congo (Kinshasa), Costa Rica, Cote d'Ivoire, Croatia, Czech Republic, Djibouti, Dominica, Dominican Republic, Ecuador, Egypt, El Salvador, Estonia, Fiji, Gabon, the Gambia, Georgia, Ghana, Grenada, Guatemala, Guinea, Guinea Bissau, Guyana, Haiti, Honduras, Hungary, India, Indonesia, Jamaica, Jordan, Kenya, Kyrgyzstan, Latvia, Lesotho, Lithuania, Madagascar, Malawi, Mali, Mauritania, Mauritius, Moldova, Mongolia, Morocco, Mozambique, Namibia, Niger, Nigeria, Oman, Pakistan, Panama, Papua New Guinea, Paraguay, Peru, Philippines, Poland, Romania, Rwanda, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Senegal, Sierra Leone, Slovakia, Solomon Islands, South Africa, Sri Lanka, Suriname, Swaziland, Tanzania, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Uganda, Uruguay, Venezuela, Zambia and Zimbabwe.

(ii) The following limitations shall apply to the enumeration in subdivision (d)(i):

(A) The exclusion provided for in subdivision (d)(i) of this note for Brazil shall not apply with respect to the application of subheadings 9903.72.30 through 9903.73.39, inclusive.

(B) The exclusion provided for in subdivision (d)(i) of this note for Moldova, Turkey and Venezuela shall not apply with respect to the application of subheadings 9903.73.65 through 9903.73.71, inclusive.

(C) The exclusion provided for in subdivision (d)(i) of this note for Thailand shall not apply with respect to the application of subheadings 9903.73.74 through 9903.73.86, inclusive.

(D) The exclusion provided for in subdivision (d)(i) of this note for India and Romania shall not apply with respect to the application of subheadings 9903.73.88 through 9903.73.95, inclusive.

(iii) The United States Trade Representative is authorized to modify the provisions of subdivision (d)(i) and (d)(ii) upon publication of a notice in the Federal Register and may at any time provide that the exclusion provided for a country enumerated in subdivision (d)(i) shall not apply with respect to any subheading enumerated in the first sentence of subdivision (a) of this note.

ANNEX (continued)
25

	: Semi-finished products of steel (other than stainless steel or			
	: tool steel), of rectangular cross section, having a width			
	: measuring two or more times the thickness (provided for in			
	: subheading 7207.12.00, 7207.20.00 or 7224.90.00), other			
	: than products of Canada, Israel, Jordan and Mexico and			
	: products of countries exempted by U.S. note 11(d) to this			
	: subchapter (except products of Brazil):			
	: Goods excluded from the application of relief under			
	: U.S. note 11(b) to this subchapter:			
9903.72.30	: Enumerated in U.S. note 11(b)(v) to			
	: this subchapter and designated as X-505	: No change	: No change	: No change
9903.72.31	: Enumerated in U.S. note 11(b)(x) to this			
	: subchapter and designated as X-137	: No change	: No change	: No change
9903.72.34	: Goods excluded from the application of relief under			
	: U.S. note 11(c) to this subchapter	: No change	: No change	: No change
	: Other:			
	: If entered during the period from March 20, 2002,			
	: through March 19, 2003, inclusive:			
9903.72.38	: In aggregate quantities of goods the			
	: product of a foreign country specified			
	: below, after which no such goods the			
	: product of such country may be entered			
	: during the remainder of such period:			
	: Australia.....354,652,505 kg			
	: Brazil.....2,539,566,320 kg			
	: European Union..149,460,535 kg			
	: Japan.....176,781,635 kg			
	: Russia.....1,219,781,062 kg			
	: Ukraine.....135,535,669 kg			
	: All other.....323,021,274 kg	: No change	: No change	: No change
9903.72.40	: Other	: The rate pro-	:The rate pro-	: The rate pro-
	:	: vided in ch. 72	:vided in ch. 72	: vided in ch.
	:	: + 30%	: + 30%	: 72 + 30%
	: If entered during the period from March 20, 2003,			
	: through March 19, 2004, inclusive:			
9903.72.42	: In aggregate quantities of goods the			
	: product of a foreign country specified			
	: below, after which no such goods the			
	: product of such country may be entered			
	: during the remainder of such period:			
	: Australia.....387,490,700 kg			
	: Brazil.....2,774,711,350 kg			
	: European Union...163,299,474			
	: Japan.....193,150,304 kg			
	: Russia.....1,332,723,752 kg			
	: Ukraine.....148,085,268 kg			
	: All other.....352,930,651 kg	: No change	: No change	: No change

ANNEX (continued)
26

	[Semifinished...:]			
	[Other:]			
	[If...:]			
9903.72.44	Other	The rate provided in ch. 72 + 24%	The rate provided in ch. 72 + 24%	The rate provided in ch. 72 + 24%
	If entered during the period from March 20, 2004, through March 20, 2005, inclusive:			
9903.72.46	In aggregate quantities of goods the product of a foreign country specified below, after which no such goods the product of such country may be entered during the remainder of such period:			
	Australia.....420,328,895 kg			
	Brazil.....3,009,856,379 kg			
	European Union...177,138,412 kg			
	Japan.....209,518,974 kg			
	Russia..... 1,445,666,443 kg			
	Ukraine.....160,634,867 kg			
	All other.....382,640,028 kg	No change	No change	No change
9903.72.48	Other	The rate provided in ch. 72 + 18%	The rate provided in ch. 72 + 18%	The rate provided in ch. 72 + 18%
	Flat-rolled products of steel (other than stainless steel or tool steel) which are either (i) not cold-rolled, of a thickness of 4.75 mm or more, not in coils and not plated or coated, or (ii) clad but not plated or coated (all the foregoing provided for in subheading 7208.40.30, 7208.51.00, 7208.52.00, 7208.90.00, 7210.90.10, 7211.13.00, 7211.14.00, 7225.40.30, 7225.50.60 or 7226.91.50), other than products of Canada, Israel, Jordan and Mexico and products of countries exempted by U.S. note 11(d) to this subchapter (except products of Brazil):			
	Goods excluded from the application of relief under U.S. note 11(b) to this subchapter:			
9903.72.50	Enumerated in U.S. note 11(b)(xi) to this subchapter and designated as X-083	No change	No change	No change
9903.72.51	Enumerated in U.S. note 11(b)(xii) or (xxii) to this subchapter and designated as X-134	No change	No change	No change
9903.72.52	Enumerated in U.S. note 11(b)(xiii) to this subchapter and designated as X-115 or X-148	No change	No change	No change
9903.72.53	Enumerated in U.S. note 11(b)(xiv) to this subchapter and designated as X-100	No change	No change	No change
9903.72.57	Goods excluded from the application of relief under U.S. note 11(c) to this subchapter	No change	No change	No change
	Other:			
9903.72.60	If entered during the period from March 20, 2002, through March 19, 2003, inclusive	The rate provided in ch. 72 + 30%	The rate provided in ch. 72 + 30%	The rate provided in ch. 72 + 30%
9903.72.61	If entered during the period from March 20, 2003, through March 19, 2004, inclusive	The rate provided in ch. 72 + 24%	The rate provided in ch. 72 + 24%	The rate provided in ch. 72 + 24%
	[Flat-rolled...:]			

ANNEX (continued)
27

	[Other:]			
9903.72.62	If entered during the period from March 20, 2004, through March 20, 2005, inclusive	The rate provided in ch. 72 + 18%	The rate provided in ch. 72 + 18%	The rate provided in ch. 72 + 18%
	Flat-rolled products of steel (other than stainless steel or tool steel) not further worked than hot rolled, the foregoing either (i) in coils or (ii) not in coils and of a thickness of less than 4.75 mm (provided for in subheading 7208.10.15, 7208.10.30, 7208.10.60, 7208.25.30, 7208.26.00, 7208.27.00, 7208.36.00, 7208.37.00, 7208.38.00, 7208.39.00, 7208.40.60, 7208.53.00, 7208.54.00, 7211.14.00, 7211.19.15, 7211.19.20, 7211.19.30, 7211.19.45, 7211.19.60, 7211.19.75, 7225.30.30, 7225.30.70, 7225.40.70, 7226.91.70 or 7226.91.80), other than products of Canada, Israel, Jordan and Mexico and products of countries exempted by U.S. note 11(d) to this subchapter (except products of Brazil):			
	Goods excluded from the application of relief under U.S. note 11(b) to this subchapter:			
9903.72.65	Enumerated in U.S. note 11(b)(xv) to this subchapter and designated as X-032	No change	No change	No change
9903.72.66	Enumerated in U.S. note 11(b)(xvi) to this subchapter and designated as X-046	No change	No change	No change
9903.72.67	Enumerated in U.S. note 11(b)(xvii) to this subchapter and designated as X-061	No change	No change	No change
9903.72.68	Enumerated in U.S. note 11(b)(xviii) to this subchapter and designated as X-075	No change	No change	No change
9903.72.69	Enumerated in U.S. note 11(b)(xix) to this subchapter and designated as X-108	No change	No change	No change
9903.72.70	Enumerated in U.S. note 11(b)(xx) to this subchapter and designated as X-116	No change	No change	No change
9903.72.71	Enumerated in U.S. note 11(b)(xxi) to this subchapter and designated as X-122	No change	No change	No change
9903.72.72	Enumerated in U.S. note 11(b)(xxii) to this subchapter and designated as X-134	No change	No change	No change
9903.72.73	Enumerated in U.S. note 11(b)(xxiii) to this subchapter and designated as X-142	No change	No change	No change
9903.72.74	Enumerated in U.S. note 11(b)(xxiv) to this subchapter and designated as X-139 or X-087	No change	No change	No change
9903.72.78	Goods excluded from the application of relief under U.S. note 11(c) to this subchapter	No change	No change	No change

ANNEX (continued)
28

	[Flat-rolled...(con..):]			
	Other:			
9903.72.80	If entered during the period from March 20, 2002, through March 19, 2003, inclusive	The rate provided in ch. 72 + 30%	The rate provided in ch. 72 + 30%	The rate provided in ch. 72 + 30%
9903.72.81	If entered during the period from March 20, 2003, through March 19, 2004, inclusive	The rate provided in ch. 72 + 24%	The rate provided in ch. 72 + 24%	The rate provided in ch. 72 + 24%
9903.72.82	If entered during the period from March 20, 2004, through March 20, 2005, inclusive	The rate provided in ch. 72 + 18%	The rate provided in ch. 72 + 18%	The rate provided in ch. 72 + 18%
	Flat-rolled products of steel (other than stainless steel, tool steel or grain-oriented electrical steel), cold-rolled, not clad, plated or coated, whether or not in coils, if in coils of a thickness of less than 4.75 mm (provided for in subheading 7209.15.00, 7209.16.00, 7209.17.00, 7209.18.15, 7209.18.25, 7209.18.60, 7209.25.00, 7209.26.00, 7209.27.00, 7209.28.00, 7209.90.00, 7211.23.15, 7211.23.20, 7211.23.30, 7211.23.45, 7211.23.60, 7211.29.20, 7211.29.45, 7211.29.60, 7211.90.00, 7225.19.00, 7225.50.70, 7225.50.80, 7226.19.10, 7226.19.90, 7226.92.50, 7226.92.70 or 7226.92.80), other than products of Canada, Israel, Jordan and Mexico and products of countries exempted by U.S. note 11(d) to this subchapter (except products of Brazil):			
	Goods excluded from the application of relief under U.S. note 11(b) to this subchapter:			
9903.72.85	Enumerated in U.S. note 11(b)(viii) to this subchapter and designated as X-508	No change	No change	No change
9903.72.86	Enumerated in U.S. note 11(b)(xxv) to this subchapter and designated as X-010	No change	No change	No change
9903.72.87	Enumerated in U.S. note 11(b)(xxvi) to this subchapter and designated as X-015	No change	No change	No change
9903.72.88	Enumerated in U.S. note 11(b)(xxvii) to this subchapter and designated as X-036	No change	No change	No change
9903.72.89	Enumerated in U.S. note 11(b)(xxviii) to this subchapter and designated as X-054	No change	No change	No change
9903.72.90	Enumerated in U.S. note 11(b)(xxix) to this subchapter and designated as X-065	No change	No change	No change
9903.72.92	Enumerated in U.S. note 11(b)(xxx) to this subchapter and designated as X-205	No change	No change	No change
9903.72.93	Enumerated in U.S. note 11(b)(xxxi) to this subchapter and designated as X-083	No change	No change	No change
9903.72.94	Enumerated in U.S. note 11(b)(xxxii) to this subchapter and designated as X-142	No change	No change	No change
	[Flat-rolled...(con.):]			

ANNEX (continued)
29

	[Goods...(con.):]			
9903.72.95	Enumerated in U.S. note 11(b)(xxxiii) to this subchapter and designated as X-057 or X-155	No change	No change	No change
9903.72.96	Enumerated in U.S. note 11(b)(xxxiv) to this subchapter and designated as X-187	No change	No change	No change
9903.73.00	Goods excluded from the application of relief under U.S. note 11(c) to this subchapter	No change	No change	No change
	Other:			
9903.73.02	If entered during the period from March 20, 2002, through March 19, 2003, inclusive	The rate provided in ch. 72 + 30%	The rate provided in ch. 72 + 30%	The rate provided in ch. 72 + 30%
9903.73.03	If entered during the period from March 20, 2003, through March 19, 2004, inclusive	The rate provided in ch. 72 + 24%	The rate provided in ch. 72 + 24%	The rate provided in ch. 72 + 24%
9903.73.04	If entered during the period from March 20, 2004, through March 20, 2005, inclusive	The rate provided in ch. 72 + 18%	The rate provided in ch. 72 + 18%	The rate provided in ch. 72 + 18%
	Flat-rolled products of steel (other than stainless steel or tool steel), plated or coated, the foregoing other than products that are (i) clad, (ii) coated with tin and (iii) coated or plated with chromium oxides or chromium and chromium oxides (provided for in subheading 7210.20.00, 7210.30.00, 7210.41.00, 7210.49.00, 7210.61.00, 7210.69.00, 7210.70.30, 7210.70.60, 7210.90.60, 7210.90.90, 7212.20.00, 7212.30.10, 7212.30.30, 7212.30.50, 7212.40.10, 7212.40.50, 7212.50.00, 7212.60.00, 7225.91.00, 7225.92.00, 7226.93.00, 7226.94.00 or 7226.99.00), other than products of Canada, Israel, Jordan and Mexico and products of countries exempted by U.S. note 11(d) to this subchapter (except products of Brazil):			
	Goods excluded from the application of relief under U.S. note 11(b) to this subchapter:			
9903.73.07	Enumerated in U.S. note 11(b)(vi) to this subchapter and designated as X-506	No change	No change	No change
9903.73.08	Enumerated in U.S. note 11(b)(vii) and designated as X-507	No change	No change	No change
9903.73.09	Enumerated in U.S. note 11(b)(xxxv) to this subchapter and designated as X-109	No change	No change	No change
9903.73.10	Enumerated in U.S. note 11(b)(xxxvi) to this subchapter and designated as X-061 or X-065	No change	No change	No change
9903.73.11	Enumerated in U.S. note 11(b)(xxxvii) to this subchapter and designated as X-075	No change	No change	No change
9903.73.12	Enumerated in U.S. note 11(b)(xxxviii) to this subchapter and designated as X-104, X-067 or X-107	No change	No change	No change
	[Flat-rolled...(con.):]			
	[Goods...(con.):]			

ANNEX (continued)
30

9903.73.13	Enumerated in U.S. note 11(b)(xxxix) to this subchapter and designated as X-142	No change	No change	No change
9903.73.14	Enumerated in U.S. note 11(b)(xl) to this subchapter and designated as X-176	No change	No change	No change
9903.73.18	Goods excluded from the application of relief under U.S. note 11(c) to this subchapter	No change	No change	No change
	Other:			
9903.73.21	If entered during the period from March 20, 2002, through March 19, 2003, inclusive	The rate provided in ch. 72 + 30%	The rate provided in ch. 72 + 30%	The rate provided in ch. 72 + 30%
9903.73.22	If entered during the period from March 20, 2003, through March 19, 2004, inclusive	The rate provided in ch. 72 + 24%	The rate provided in ch. 72 + 24%	The rate provided in ch. 72 + 24%
9903.73.23	If entered during the period from March 20, 2004, through March 20, 2005, inclusive	The rate provided in ch. 72 + 18%	The rate provided in ch. 72 + 18%	The rate provided in ch. 72 + 18%
	Flat-rolled products of steel (other than stainless steel or tool steel), the foregoing which are either (i) plated or coated with tin, or (ii) plated or coated with chromium oxides or with chromium and chromium oxides (provided for in subheading 7210.11.00, 7210.12.00, 7210.50.00 or 7212.10.00), other than products of Canada, Israel, Jordan and Mexico and products of countries exempted by U.S. note 11(d) to this subchapter (except products of Brazil):			
	Goods excluded from the application of relief under U.S. note 11(b) to this subchapter:			
9903.73.26	Enumerated in U.S. note 11(b)(ix) and designated as X-509	No change	No change	No change
9903.73.27	Enumerated in U.S. note 11(b)(xli) to this subchapter and designated as X-039, X-061 or X-075	No change	No change	No change
9903.73.28	Enumerated in U.S. note 11(b)(xlii) to this subchapter and designated as X-109	No change	No change	No change
9903.73.29	Enumerated in U.S. note 11(b)(xliii) to this subchapter and designated as X-142	No change	No change	No change
9903.73.30	Enumerated in U.S. note 11(b)(xliv) to this subchapter and designated as X-160 or X-128	No change	No change	No change
9903.73.35	Goods excluded from the application of relief under U.S. note 11(c) to this subchapter	No change	No change	No change

ANNEX (continued)
31

	[Flat-rolled...(con.):]			
	Other:			
9903.73.37	If entered during the period from March 20, 2002, through March 19, 2003, inclusive	The rate provided in ch. 72 + 30%	The rate provided in ch. 72 + 30%	The rate provided in ch. 72 + 30%
9903.73.38	If entered during the period from March 20, 2003, through March 19, 2004, inclusive	The rate provided in ch. 72 + 24%	The rate provided in ch. 72 + 24%	The rate provided in ch. 72 + 24%
9903.73.39	If entered during the period from March 20, 2004, through March 20, 2005, inclusive	The rate provided in ch. 72 + 18%	The rate provided in ch. 72 + 18%	The rate provided in ch. 72 + 18%
	Bars, rods and light shapes of steel (other than stainless or tool steel) (provided for in subheading 7213.20.00, 7213.99.00, 7214.10.00, 7214.30.00, 7214.91.00, 7214.99.00, 7215.90.10, 7215.90.50, 7216.10.00, 7216.21.00, 7216.22.00, 7216.50.00, 7216.61.00, 7216.69.00, 7216.91.00, 7216.99.00, 7227.20.00, 7227.90.10, 7227.90.20, 7227.90.60, 7228.20.10, 7228.30.20, 7228.30.80, 7228.40.00, 7228.60.10, 7228.60.60, 7228.70.30, 7228.70.60 or 7228.80.00), the foregoing except (i) concrete reinforcing bars and rods; (ii) hot-rolled bars and rods of nonalloy steel (other than free-cutting steel), not cold-formed, in irregularly wound coils and with a diameter of less than 19 mm; (iii) cold-formed bars and rods; and (iv) sections not further worked than hot-rolled, hot-drawn or extruded, with a height of 80 mm or more; and other than products of Canada, Israel, Jordan and Mexico and products of countries exempted by U.S. note 11(d) to this subchapter:			
	Goods excluded from the application of relief under U.S. note 11(b) to this subchapter:			
9903.73.42	Enumerated in U.S. note 11(b)(i) and designated as X-501	No change	No change	No change
9903.73.43	Enumerated in U.S. note 11(b)(xlv) to this subchapter and designated as X-032	No change	No change	No change
9903.73.44	Enumerated in U.S. note 11(b)(xlvi) to this subchapter and designated as X-045	No change	No change	No change
9903.73.48	Goods excluded from the application of relief under U.S. note 11(c) to this subchapter	No change	No change	No change
	Other:			
9903.73.50	If entered during the period from March 20, 2002, through March 19, 2003, inclusive	The rate provided in ch. 72 + 30%	The rate provided in ch. 72 + 30%	The rate provided in ch. 72 + 30%
9903.73.51	If entered during the period from March 20, 2003, through March 19, 2004, inclusive	The rate provided in ch. 72 + 24%	The rate provided in ch. 72 + 24%	The rate provided in ch. 72 + 24%
9903.73.52	If entered during the period from March 20, 2004, through March 20, 2005, inclusive	The rate provided in ch. 72 + 18%	The rate provided in ch. 72 + 18%	The rate provided in ch. 72 + 18%
	Cold-formed bars and rods of steel (other than stainless steel			

ANNEX (continued)
32

	: or tool steel) (provided for in subheading 7215.10.00, 7215.50.00, 7215.90.30, 7228.20.50, 7228.50.10, 7228.50.50 or 7228.60.80), other than products of Canada, Israel, Jordan and Mexico and products of countries exempted in U.S. note 11(d) to this subchapter:	:	:	:
9903.73.55	: Goods excluded from the application of relief under U.S. note 11(c) to this subchapter	: No change	: No change	: No change
	: Other:	:	:	:
9903.73.60	: If entered during the period from March 20, 2002, through March 19, 2003, inclusive	: The rate provided in ch. 72 + 30%	: The rate provided in ch. 72 + 30%	: The rate provided in ch. 72 + 30%
9903.73.61	: If entered during the period from March 20, 2003, through March 19, 2004, inclusive	: The rate provided in ch. 72 + 24%	: The rate provided in ch. 72 + 24%	: The rate provided in ch. 72 + 24%
9903.73.62	: If entered during the period from March 20, 2004, through March 20, 2005, inclusive	: The rate provided in ch. 72 + 18%	: The rate provided in ch. 72 + 18%	: The rate provided in ch. 72 + 18%
	: Concrete reinforcing bars and rods of nonalloy steel (provided for in subheading 7213.10.00 or 7214.20.00), other than products of Canada, Israel, Jordan and Mexico and products of countries exempted by U.S. note 11(d) to this subchapter (except products of Moldova, Turkey and Venezuela):	:	:	:
9903.73.65	: Goods excluded from the application of relief under U.S. note 11(c) to this subchapter	: No change	: No change	: No change
	: Other:	:	:	:
9903.73.69	: If entered during the period from March 20, 2002, through March 19, 2003, inclusive	: The rate provided in ch. 72 + 15%	: The rate provided in ch. 72 + 15%	: The rate provided in ch. 72 + 15%
9903.73.70	: If entered during the period from March 20, 2003, through March 19, 2004, inclusive	: The rate provided in ch. 72 + 12%	: The rate provided in ch. 72 + 12%	: The rate provided in ch. 72 + 12%
9903.73.71	: If entered during the period from March 20, 2004, through March 20, 2005, inclusive	: The rate provided in ch. 72 + 9%	: The rate provided in ch. 72 + 9%	: The rate provided in ch. 72 + 9%

ANNEX (continued)
33

	Welded, riveted or similarly closed tubes, pipes and hollow profiles, the foregoing of steel, not of a kind used in drilling for oil or gas (provided for in subheading 7305.11.10, 7305.11.50, 7305.12.10, 7305.12.50, 7305.19.10, 7305.19.50, 7305.31.20, 7305.31.40, 7305.31.60, 7305.39.10, 7305.39.50, 7305.90.10, 7305.90.50, 7306.30.10, 7306.30.50, 7306.50.10, 7306.50.30, 7306.50.50, 7306.60.10, 7306.60.30, 7306.60.50, 7306.60.70, 7306.90.10 or 7306.90.50), other than products of Canada, Israel, Jordan and Mexico and products of countries exempted by U.S. note 11(d) to this subchapter (except products of Thailand):			
	Goods excluded from the application of relief under U.S. note 11(b) to this subchapter:			
9903.73.74	Enumerated in U.S. note 11(b)(ii) to this subchapter and designated as X-502	No change	No change	No change
9903.73.75	Enumerated in U.S. note 11(b)(iii) to this subchapter and designated as X-503	No change	No change	No change
9903.73.76	Enumerated in U.S. note 11(b)(ix) and designated as X-509	No change	No change	No change
9903.73.77	Enumerated in U.S. note 11(b)(xlvii) to this subchapter and designated as X-066, X-069, X-071, X-079, X-102, X-139 or X-182	No change	No change	No change
9903.73.78	Enumerated in U.S. note 11(b)(li) to this subchapter and designated as X-132	No change	No change	No change
9903.73.82	Goods excluded from the application of relief under U.S. note 11(c) to this subchapter	No change	No change	No change
	Other:			
9903.73.84	If entered during the period from March 20, 2002, through March 19, 2003, inclusive	The rate provided in ch. 73 + 15%	The rate provided in ch. 73 + 15%	The rate provided in ch. 73 + 15%
9903.73.85	If entered during the period from March 20, 2003, through March 19, 2004, inclusive	The rate provided in ch. 73 + 12%	The rate provided in ch. 73 + 12%	The rate provided in ch. 73 + 12%
9903.73.86	If entered during the period from March 20, 2004, through March 20, 2005, inclusive	The rate provided in ch. 73 + 9%	The rate provided in ch. 73 + 9%	The rate provided in ch. 73 + 9%

ANNEX (continued)
34

	Tube and pipe fittings of iron or steel, other than fittings not machined, not tooled and not otherwise processed after forging (all the foregoing provided for in subheading 7307.91.50, 7307.92.30, 7307.92.90, 7307.93.30, 7307.93.60, 7307.93.90 or 7307.99.50), other than products of Canada, Israel, Jordan and Mexico and products of countries exempted by U.S. note 11(d) to this subchapter (except products of India and Romania):			
9903.73.88	Goods excluded from the application of relief under U.S. note 11(c) to this subchapter	No change	No change	No change
	Other:			
9903.73.93	If entered during the period from March 20, 2002, through March 19, 2003, inclusive	The rate provided in ch. 73 + 13%	The rate provided in ch. 73 + 13%	The rate provided in ch. 73 + 13%
9903.73.94	If entered during the period from March 20, 2003, through March 19, 2004, inclusive	The rate provided in ch. 73 + 10%	The rate provided in ch. 73 + 10%	The rate provided in ch. 73 + 10%
9903.73.95	If entered during the period from March 20, 2004, through March 20, 2005, inclusive	The rate provided in ch. 73 + 7%	The rate provided in ch. 73 + 7%	The rate provided in ch. 73 + 7%
	Bars and rods of stainless steel, hot-rolled, in irregularly wound coils, of circular cross section, with a diameter of 19 mm or more; bars and rods of stainless steel, not in irregularly wound coils; angles, shapes and sections of stainless steel (all the foregoing provided for in subheading 7221.00.00, 7222.11.00, 7222.19.00, 7222.20.00, 7222.30.00, 7222.40.30 or 7222.40.60), other than products of Canada, Israel, Jordan and Mexico and products of countries exempted by U.S. note 11(d) to this subchapter:			
	Goods excluded from the application of relief under U.S. note 11(b) to this subchapter:			
9903.73.97	Enumerated in U.S. note 11(b)(iv) to this subchapter and designated as X-504	No change	No change	No change
9903.73.98	Enumerated in U.S. note 11(b)(xlvii) to this subchapter and designated as X-177	No change	No change	No change
9903.74.01	Goods excluded from the application of relief under U.S. note 11(c) to this subchapter	No change	No change	No change
	Other:			
9903.74.04	If entered during the period from March 20, 2002, through March 19, 2003, inclusive	The rate provided in ch. 72 + 15%	The rate provided in ch. 72 + 15%	The rate provided in ch. 72 + 15%

ANNEX (continued)
35

	:[Bars...:]	:	:	:
	: [Other:]	:	:	:
9903.74.05	: If entered during the period from March 20, 2003,	:	:	:
	: through March 19, 2004, inclusive.....	: The rate pro-	: The rate pro-	: The rate pro-
	:	: vided in ch. 72	: vided in ch. 72	: vided in ch.
	:	: + 12%	: + 12%	: 72 + 12%
9903.74.06	: If entered during the period from March 20, 2004,	:	:	:
	: through March 20, 2005, inclusive.....	: The rate pro-	: The rate pro-	: The rate pro-
	:	: vided in ch. 72	: vided in ch. 72	: vided in ch.
	:	: + 9%	: + 9%	: 72 + 9%
	: Bars and rods of stainless steel, hot-rolled, in irregularly	:	:	:
	: wound coils, other than such products of circular cross	:	:	:
	: section and having a diameter of less than 19 mm (provided	:	:	:
	: for in heading 7221.00.00), other than products of Canada,	:	:	:
	: Israel, Jordan and Mexico and products of countries	:	:	:
	: exempted by U.S. note 11(d) to this subchapter:	:	:	:
9903.74.08	: Goods excluded from the application of relief by U.S.	:	:	:
	: note 11(b)(iv) to this subchapter, designated as X-504...	: No change	: No change	: No change
	:	:	:	:
9903.74.12	: Goods excluded from the application of relief under	:	:	:
	: U.S. note 11(c) to this subchapter.....	: No change	: No change	: No change
	:	:	:	:
	: Other:	:	:	:
9903.74.14	: If entered during the period from March 20, 2002,	:	:	:
	: through March 19, 2003, inclusive.....	: The rate pro-	: The rate pro-	: The rate pro-
	:	: vided in ch. 72	: vided in ch. 72	: vided in ch.
	:	: + 15%	: + 15%	: 72 + 15%
9903.74.15	: If entered during the period from March 20, 2003,	:	:	:
	: through March 19, 2004, inclusive.....	: The rate pro-	: The rate pro-	: The rate pro-
	:	: vided in ch. 72	: vided in ch. 72	: vided in ch.
	:	: + 12%	: + 12%	: 72 + 12%
9903.74.16	: If entered during the period from March 20, 2004,	:	:	:
	: through March 20, 2005, inclusive.....	: The rate pro-	: The rate pro-	: The rate pro-
	:	: vided in ch. 72	: vided in ch. 72	: vided in ch.
	:	: + 9%	: + 9%	: 72 + 9%
	: Wire of stainless steel, cold-formed, in coils, of any uniform	:	:	:
	: solid cross-section along the entire length (provided for in	:	:	:
	: subheading 7223.00.10, 7223.00.50 or 7223.00.90), other	:	:	:
	: than products of Canada, Israel, Jordan and Mexico and	:	:	:
	: products of countries exempted by U.S. note 11(d) to this	:	:	:
	: subchapter:	:	:	:
9903.74.18	: Goods excluded from the application of relief under	:	:	:
	: U.S. note 11(c) to this subchapter.....	: No change	: No change	: No change
	:	:	:	:
	: Other:	:	:	:
9903.74.22	: If entered during the period from March 20, 2002,	:	:	:
	: through March 19, 2003, inclusive.....	: The rate pro-	: The rate pro-	: The rate pro-
	:	: vided in ch. 72	: vided in ch. 72	: vided in ch.
	:	: + 8%	: + 8%	: 72 + 8%
9903.74.23	: If entered during the period from March 20, 2003,	:	:	:
	: through March 19, 2004, inclusive.....	: The rate pro-	: The rate pro-	: The rate pro-
	:	: vided in ch. 72	: vided in ch. 72	: vided in ch.
	:	: + 7%	: + 7%	: 72 + 7%
9903.74.24	: If entered during the period from March 20, 2004,	:	:	:
	: through March 20, 2005, inclusive.....	: The rate pro-	: The rate pro-	: The rate pro-
	:	: vided in ch. 72	: vided in ch. 72	: vided in ch.
	:	: + 6%	: + 6%	: 72 + 6%"

REPORT SUBMITTED TO THE UNITED STATES CONGRESS

PURSUANT TO SECTION 203(B)(1) OF THE TRADE ACT OF 1974, AS AMENDED

INTRODUCTION

Free trade is a cornerstone of President George W. Bush's agenda to help generate jobs for American workers, open markets to American products and services, and spur economic growth. While free trade is an engine of economic growth, sometimes changes in global economic conditions and large increases in imports can have dramatic consequences on industries, and this has been the case with America's steel industry.

Foreign steel producers, often nurtured by government subsidies that have allowed them to build huge amounts of excess capacity, have flooded the U.S. market with imports. The Asian financial crisis further compounded distortions in global steel markets and precipitated a massive surge of imports. This combination of factors seriously affected U.S. steel producers, workers and communities.

Since 1998, firms accounting for thirty percent of U.S. steel-making capacity have filed for bankruptcy. Domestic steel prices in the last quarter of 2001 were at their lowest levels in 20 years, and a number of integrated and mini-mill producers posted significant fourth-quarter financial losses last year.

World Trade Organization (WTO) rules recognize that sudden and large increases of imports can overwhelm even the most competitive domestic industries, and that countries may need to take temporary actions to provide relief. Last June President Bush asked the International Trade Commission (ITC) to investigate the effects of imports on America's steel industry and its workers. The ITC found that imports were a substantial cause of serious injury to the U.S. steel industry.

PRESIDENTIAL ACTION

President Bush has decided to impose temporary safeguard measures on key steel products to provide appropriate relief to those parts of the U.S. steel industry that have been most damaged by import surges. This relief is being provided in response to the injury findings of the ITC and is consistent with the President's free trade agenda and his commitment to enforcing U.S. trade laws to help maintain the competitiveness of the U.S. economy.

America's steel industry has long been a key component of the U.S. economy, and the relief that the President is announcing today will give the U.S. steel industry the breathing space it needs to restructure and adjust. The President has taken care to craft this relief to minimize the impact on steel consumers.

These types of temporary safeguard measures are expressly allowed by WTO rules -- in fact, international trade rules have provided such relief for more than 50 years. Many of our major trading partners -- including the European Union, Japan, Korea, Brazil, and India -- have imposed safeguard measures covering a wide range of products.

This relief does not end the Section 201 process. The President will impose an import licensing system to allow the U.S. government to obtain more timely information about changes in steel trade trends for products covered by this action. The President will monitor the extent to which other nations are eliminating global excess steel capacity. The President will also monitor economic conditions and the state of the U.S. steel industry to ensure that the industry is taking steps to restructure and increase its competitiveness. The President retains the right to modify or terminate the safeguard measures as appropriate.

The relief is intended to last for three years. Consistent with America's free trade obligations and WTO rules, the Administration is excluding our free trade agreement partners. In addition, consistent with WTO rules, we are excluding developing countries that ship relatively small quantities of imports.

This relief represents just the latest in a series of actions President Bush has taken to help the U.S. steel industry in its efforts to meet the challenges of the global marketplace. Last June the President announced a comprehensive, three-pronged plan to reduce global excess steel-making capacity; to eliminate subsidies and market distorting practices globally; and to request the initiation of a Section 201 investigation.

RELIEF COMPONENTS

Products

Consistent with U.S. international trade obligations, the Administration is announcing temporary safeguard measures on key steel products. As required by U.S. law and international trade rules, the level of relief is reduced periodically throughout the duration of the measure:

- **Flat Products**: A tariff of 30% will be imposed on imports of plate, hot-rolled sheet, cold-rolled sheet, and coated sheet. This remedy provides substantial relief for the sector of the industry that has been hardest hit by imports and which is the anchor for many struggling U.S. companies. This tariff is higher than the 20% tariff recommended by the plurality of ITC commissioners. The higher tariff enhances the ability of U.S. producers to adjust to import competition without placing an undue burden on U.S. steel consumers or on the country as a whole.

- **Tin Mill Products**: A tariff of 30% will be imposed on imports of tin mill products. The ITC commissioners were evenly divided as to whether imports were a substantial cause of serious injury to the domestic industry. As permitted by the statute, the President has decided to treat the commissioners' findings as an affirmative determination, and has therefore decided that relief is appropriate. A tariff of 30% is appropriate for the same reasons that such a tariff is appropriate for other flat products.

- **Hot-Rolled Bar and Cold-Finished Bar**: A tariff of 30% will be imposed on imports of hot-rolled bar and cold-finished bar. This tariff is higher than the 20% tariff recommended by the plurality of ITC commissioners. The higher tariff enhances the ability of U.S. producers to adjust to import competition without placing an undue burden on U.S. steel consumers or on the country as a whole.

- **Rebar**: A tariff of 15% will be imposed on imports of rebar. This tariff is higher than the 10% tariff recommended by the plurality of ITC commissioners. The higher tariff enhances the ability of U.S. producers to adjust to import competition without placing an undue burden on U.S. steel consumers or on the country as a whole.

- **Certain Tubular Products**: A tariff of 15% will be imposed on imports of certain welded tubular products. This tariff will provide a higher level of relief than the tariff-rate quota recommended by a majority of ITC commissioners.

- **Carbon and Alloy Fittings and Flanges**: A tariff of 13% will be imposed on imports of carbon and alloy fittings and flanges. This tariff is equal to the tariff recommended by the majority of ITC commissioners. This tariff is sufficient to facilitate industry restructuring without unduly burdening U.S. steel consumers or the country as a whole.

- **Stainless Steel Bar**: A tariff of 15% will be imposed on imports of stainless steel bar. This tariff is equal to the tariff recommended

by the plurality of ITC commissioners. This tariff is sufficient to facilitate industry restructuring without unduly burdening U.S. steel consumers or the country as a whole.

- **Stainless Steel Rod**: A tariff of 15% will be imposed on imports of stainless steel rod. This tariff is lower than the tariff recommended by the three commissioner plurality. Given the conditions prevailing in the domestic stainless steel market, this tariff is sufficient to facilitate industry restructuring without unduly burdening U.S. steel consumers or the country as a whole.

- **Stainless Steel Wire**: A tariff of 8% will be imposed on imports of stainless steel wire. The commissioners were evenly divided as to whether imports were a substantial cause of serious injury to the domestic industry. As permitted by the statute, the President has decided to treat the commissioners' findings as an affirmative determination, and has therefore decided that relief is appropriate. This tariff is sufficient to facilitate industry restructuring without unduly burdening U.S. steel consumers or the country as a whole.

- **Slab**: Imports of slab will be subject to a tariff rate quota (TRQ). The in-quota volume will be set at 5.4 million short tons. The out-of-quota tariff will be 30%. A majority of ITC commissioners recommended a tariff-rate quota on slab, with an in-quota volume roughly equivalent to imports in 2000 and an out-of-quota tariff of 20%. Slab is an input for a key segment of the domestic industry. Given market circumstances, including the level of current demand, the TRQ announced today is sufficient to ensure continued access to slab without undermining the relief applied to other flat products.

Other Provisions

FTA partners. For those products where the ITC recommended the inclusion of a NAFTA partner, or reached a tie decision on whether NAFTA imports should be excluded, the Administration asked for supplemental information on whether imports from countries besides Canada and Mexico were by themselves a substantial cause of serious injury to the domestic industry or threat thereof. The ITC found in each case that they were. Based on these findings and the specific factors enumerated in the statute, and consistent with the obligations of the United States under its free trade agreements and the WTO, the President has determined that our FTA partners should be excluded from the relief on all products.

Imports from developing countries. Consistent with WTO rules, the Administration will exclude from the relief imports from developing countries that exported only small amounts of steel to the United States and that are WTO members.

Import licensing and surge protection. The President will impose an import licensing system to allow the U.S. government to obtain more timely information about changes in steel trade trends for products covered by the relief. The President will closely monitor imports to ensure that the purpose of the 201 remedy is not undermined, and retains the discretion to impose safeguard measures on products from excluded countries should imports of such products surge during the duration of the relief. This system will also help guard against transshipment.

Duration. The safeguard measures will remain in place for three years, rather than the four years recommended by the ITC. In light of the strength of the relief imposed, the President has determined that a remedy of three years is appropriate.

Product exclusions. The President retains the discretion to consider requests for product exclusions within 120 days after the date of the Proclamation and will consider requests for product exclusions each year thereafter. This will help ensure that U.S. consumers have access to needed products.

Trade remedy laws. The Administration will continue to enforce vigorously our anti-dumping, countervailing duty and other trade remedy laws.

THE PRESIDENT'S COMPREHENSIVE AGENDA TO HELP THE STEEL INDUSTRY MEET THE CHALLENGES OF THE GLOBAL MARKETPLACE

Last June the President announced a comprehensive, three-pronged plan to:

- **Reduce global excess steel-making capacity;**
- **Eliminate subsidies and market-distorting practices globally; and**
- **Initiate an investigation by the ITC (a Section 201 investigation) into the injury to the domestic steel industry caused by increased imports.**

Reducing global excess steel-making capacity. During ground-breaking multilateral discussions on steel in the Organisation for Economic Co-Operation and Development (OECD), the United States brought together

the major steel-producing countries of the world for a series of high-level meetings aimed at reducing inefficient excess capacity in the global steel industry. The nearly 40 countries participating in this process -- including the European Union, Korea, Japan, China, Russia, Ukraine, Mexico, Brazil, and the United States -- recognized that excess steel capacity is perhaps the central underlying problem plaguing the global steel industry today. Most importantly, the countries have:

- Committed to work to facilitate the market-based reduction of excess capacity;
- Identified 117 million tons of cuts in global excess capacity, which represents nearly half of the estimated excess capacity;
- Agreed to establish mechanisms for reviewing current and future reductions; and
- Urged multilateral lending institutions to take account of the current situation regarding excess global steel capacity when considering any loans that might expand such capacity.

Eliminating subsidies and market-distorting practices globally. Many governments have long believed the development of a domestic steel industry is the cornerstone of industrial development, and most countries' steel industries have benefited from direct or indirect subsidies and other assistance. Longstanding and far-reaching government intervention by other nations in the steel market has subsidized capacity expansion, and distorted competition to such an extent that the international market no longer works as it should. Eliminating these foreign market-distorting practices is perhaps the single most important step in addressing the long-term problems of America's steel industry. Consequently the U.S. has launched international talks with nearly 40 major steel-producing countries aimed at eliminating subsidies and developing greater disciplines on market-distorting practices in the global steel industry. Meeting under the auspices of the OECD, countries have agreed to work toward:

- Halting further subsidies aimed at expanding steel production while talks proceed to establish additional disciplines;
- Developing an inventory of subsidies and other market-distorting practices in steel trade;
- Examining existing multilateral disciplines on subsidies and other market-distorting practices; and

- Determining what additional disciplines are needed that might be the subject of trade negotiations in the recently launched Doha Development Agenda in the WTO.

Initiating a Section 201 investigation. The President chose in June to initiate a Section 201 action to determine whether steel was being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or threat thereof, to the domestic steel industry.

HELPING WORKERS & COMMUNITIES

Meeting the challenges and opportunities of the global steel marketplace will also require adjustment and restructuring of the American steel industry, to ensure its long-term competitiveness.

Restructuring will impact workers and the communities in which they live and we must help hard-working Americans adapt to changing economic circumstances. The President has proposed a major expansion of the National Emergency Grants program to assist workers affected by restructuring with effective job training and assistance. The President has also proposed direct assistance with health insurance costs that will be available to workers and retirees who lose their employer-provided coverage. And the President supports coordinated assistance for communities and a strengthened and expanded trade adjustment assistance program. America's workers are the most highly skilled in the world, and with effective training and adjustment assistance we will help them find better, higher paying jobs to support their families and boost our economy.

-end-

THE WHITE HOUSE

WASHINGTON

March 5, 2002

MEMORANDUM FOR THE SECRETARY OF THE TREASURY
THE SECRETARY OF COMMERCE
UNITED STATES TRADE REPRESENTATIVE

SUBJECT: Action Under Section 203 of the Trade Act of 1974 Concerning Certain Steel Products

On December 19, 2001, the United States International Trade Commission (ITC) submitted a report to me that contained determinations pursuant to section 202 of the Trade Act of 1974, as amended (the "Trade Act"), that (a) certain carbon flat rolled steel, including carbon and alloy steel slabs, plate (including cut-to-length plate and clad plate), hot-rolled steel (including plate in coils), cold-rolled steel (other than grain-oriented electrical steel), and corrosion-resistant and other coated steel (collectively, "certain flat steel"); (b) carbon and alloy hot-rolled bar and light shapes ("hot-rolled bar"); (c) carbon and alloy cold-finished bar ("cold-finished bar"); (d) carbon and alloy rebar ("rebar"); (e) carbon and alloy welded tubular products (other than oil country tubular goods) ("certain tubular products"); (f) carbon and alloy flanges, fittings, and tool joints ("carbon and alloy fittings"); (g) stainless steel bar and light shapes ("stainless steel bar"); and (h) stainless steel rod are being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industries producing like or directly competitive articles. The ITC commissioners were equally divided with respect to the determination required under section 202(b) regarding whether (i) carbon and alloy tin mill products ("tin mill products"); (j) stainless steel wire; (k) tool steel, all forms; and (l) stainless steel flanges and fittings ("stainless steel fittings") are being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or threat of serious injury, to the domestic industries producing like or directly competitive articles. The ITC provided detailed definitions of the products included in categories (a) through (l) and their corresponding subheadings under the Harmonized Tariff Schedule of the United States (HTS) in Appendix A to its determination, set out at 66 *Fed. Reg.* 67304, 67308-67311 (December 28, 2001).

The report of the ITC also contained findings pursuant to section 311(a) of the North American Free Trade Agreement Implementation Act (the "NAFTA Implementation Act") as to whether imports from Canada and Mexico, considered individually, account for a substantial share of total imports and contribute importantly to the serious injury, or threat thereof, caused by imports. The ITC made negative findings with respect to imports from Canada of certain flat steel, tin mill products, rebar, stainless steel rod, and stainless steel wire; and also made negative findings with respect to imports from Mexico of tin mill products, hot-rolled bar, cold-finished bar, rebar, certain tubular products, stainless steel bar, stainless steel rod, and stainless steel wire. The ITC made affirmative findings with respect to imports from Canada of hot-rolled bar, cold-finished bar, carbon and alloy fittings, and stainless steel bar; and also made affirmative findings with respect to imports from Mexico of certain flat steel, and carbon and alloy steel fittings. The ITC commissioners were equally divided with respect to imports from Canada of certain tubular products. By February 4, 2002, the ITC provided additional information in response to a request under section 203(a)(5) of the Trade Act ("supplemental report") made by the United States Trade Representative (the "USTR") on January 3, 2002.

Having considered the determinations of both groups of commissioners with regard to tin mill products, tool steel, stainless steel wire, and stainless steel fittings, I have determined, pursuant to section 330(d)(1) of the Tariff Act of 1930, as amended, to consider the determinations of the groups of commissioners voting in the affirmative with regard to tin mill products and stainless steel wire to be the determination of the ITC, and the determinations of the groups of commissioners voting in the negative with regard to tool steel and stainless steel fittings to be the determination of the ITC.

By Proclamation signed today (the "Proclamation") and after considering all relevant aspects of the investigation, including the factors set forth in section 203(a)(2) of the Trade Act and the supplemental report, I have implemented actions of a type described in section 203(a)(3). I have determined that the most appropriate actions are safeguard measures in the form of an increase in duties on imports of certain flat steel, other than slabs (including plate, hot-rolled steel, cold-rolled steel, and coated steel), hot-rolled bar, cold-finished bar, rebar, certain welded tubular products, carbon and alloy fittings, stainless steel bar, stainless steel rod, tin mill products, and stainless steel wire, as defined in paragraph 7 of the Proclamation, and in the form of a tariff rate quota (TRQ) on imports of slabs, with an increase in currently scheduled rates of duties for imports over the TRQ limits. I have implemented these safeguard measures for a period of 3 years plus 1 day.

Specifically, I have established the following safeguard measures:

(a) certain flat steel: with regard to slabs, a TRQ of 4.90 million metric tons in the first year of the measure, 5.35 million metric tons in the second year, and 5.81 million metric tons in the third year, with no increase in duties for imports below the within-quota level and an increase in duties of 30% *ad valorem* for imports above the within-quota level in the first year of the measure, 24% in the second year, and 18% in the third year; and with regard to certain flat steel, other than slab (including plate, hot-rolled steel, cold-rolled steel and coated steel), an increase in duties of 30% *ad valorem* in the first year, 24% in the second year, and 18% in the third year;

(b) hot-rolled bar: an increase in duties of 30% *ad valorem* in the first year of the measure, 24% in the second year, and 18% in the third year;

(c) cold-finished bar: a increase in duties of 30% *ad valorem* in the first year of the measure, 24% in the second year, and 18% in the third year;

(d) rebar: an increase in duties of 15% *ad valorem* in the first year of the measure, 12% in the second year, and 9% in the third year;

(e) certain welded tubular products: an increase in duties of 15% *ad valorem* in the first year of the measure, 12% in the second year, and 9% in the third year;

(f) carbon and alloy fittings: an increase in duties of 13% *ad valorem* in the first year of the measure, 10% in the second year, and 7% in the third year;

(g) stainless steel bar: an increase in duties of 15% *ad valorem* in the first year of the measure, 12% in the second year, and 9% in the third year;

(h) stainless steel rod: an increase in duties of 15% *ad valorem* in the first year of the measure, 12% in the second year, and 9% in the third year;

(i) tin mill products: an increase in duties of 30% *ad valorem* in the first year of the measure, 24% in the second year, and 18% in the third year; and

(j) stainless steel wire: an increase in duties of 8% *ad valorem* in the first year of the measure, 7% in the second year, and 6% in the third year.

Pursuant to section 312(a) of the NAFTA Implementation Act, after consideration of the report and supplemental reports of the ITC, I further determine that imports of certain flat steel, hot-rolled bar, cold-finished bar, rebar, certain tubular products, carbon and alloy fittings, stainless steel bar, stainless steel rod, tin mill products, and stainless steel wire that are products of Canada and Mexico either do not account for a substantial share of total imports of these products, or are not contributing importantly to serious injury or the threat of serious injury. Therefore, pursuant to section 312(b) of the NAFTA Implementation Act, the safeguard measure will not apply to imports of certain flat steel, hot-rolled bar, cold-finished bar, rebar, certain tubular products, carbon and alloy fittings, stainless steel bar, stainless steel rod, tin mill products, and stainless steel wire that are the product of Canada or Mexico. Similarly, the safeguard measures will not apply to imports of these products that are the product of Israel or Jordan.

The safeguard measures also will not apply to imports of certain flat steel, tin mill products, hot-rolled bar, cold-finished bar, rebar, certain tubular products, carbon and alloy fittings, stainless steel bar, stainless steel rod, or stainless steel wire that are the product of a developing country that is a member of the World Trade Organization (WTO), as long as that country's share of imports into the United States of the product, based on a recent representative period, does not exceed 3 percent, provided that all such developing country WTO members collectively account for not more than 9 percent of total imports of that product. For purposes of the safeguard measures established under the Proclamation, I determine that the beneficiary countries under the Generalized System of Preferences are developing countries. Subdivision (d)(i) of U.S. Note 11 to subchapter III of chapter 99 of the Harmonized Tariff Schedule of the United States (Note 11) in the Annex to the Proclamation identifies those developing countries that are WTO members, and subdivision (d)(ii) identifies the products of such countries to which the safeguard measures shall not apply.

I instruct the USTR to review data on imports of products listed in paragraph 7 of the Proclamation from countries listed in subdivision (d)(i) of Note 11 on a quarterly basis. If imports of such a product from such a country increase by a material amount, I instruct the USTR to initiate consultations with the country regarding the circumstances under which the increase occurred and whether the country plans to take action to reduce imports to historical levels. If, on the basis of

the information exchanged during consultations, data on imports, domestic steel demand, growth in the U.S. economy, shifts in other countries' trade patterns, and any other relevant factors, the USTR determines that the increase in imports of such product from such country undermines the effectiveness of the pertinent safeguard measure, he is authorized, upon publication of a notice of such determination in the Federal Register, to modify subdivision (d)(ii) of Note 11 in the Annex to the Proclamation to include such product from such country. I also authorize the USTR, upon publication of a notice in the Federal Register, to change the list of developing countries to which the safeguard measures do not apply.

The steel products listed in clauses (i) through (ix) of subdivision (b) of Note 11 in the Annex to the Proclamation were excluded from the determinations of the ITC described in paragraph 2 of that Proclamation, and are excluded from these safeguard measures. I have also determined to exclude from these safeguard measures the steel products listed in the subsequent clauses of subdivision (b) of Note 11 in the Annex to the Proclamation. The Trade Policy Staff Committee (TPSC) is currently evaluating requests, submitted in response to 66 *Fed. Reg.* 54321, 54322-54323 (October 26, 2001), that particular products be excluded from any safeguard measure with regard to certain steel products. I instruct the USTR to determine whether these particular products should be excluded and, if so, within 120 days of the date of the Proclamation, to publish in the Federal Register a notice to modify subchapter III of chapter 99 to exclude them from the safeguard measures. In making this determination, the USTR shall consider any advice rendered by the TPSC.

Similarly, I instruct the USTR, after receiving advice from the TPSC, to determine whether any particular products should be added to the list of those excluded from the safeguard measures and, if so, to publish a notice in the Federal Register in March of any year in which he receives such a recommendation to modify subchapter III of chapter 99 to exclude such particular products from the measures. I further instruct the USTR, no later than 90 days from today, to publish in the Federal Register a notice of the procedures by which interested persons may request the TPSC to recommend whether to exclude a particular product.

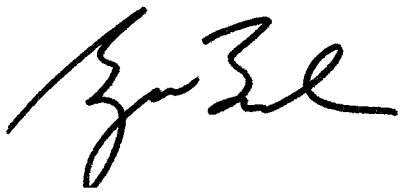
I also instruct the USTR, prior to the effective date of the safeguard measures established in the Proclamation, to conduct consultations under Article 12.3 of the Agreement on Safeguards

with any WTO member having a substantial interest as an exporter of a product subject to such safeguard measures, provided that the WTO member requests such consultations in a timely fashion. I instruct the USTR to report to me on the results of such consultations. I instruct the Secretary of the Treasury, pursuant to section 505(a) of the Tariff Act of 1930 (19 U.S.C. 1505(a)), to prescribe by regulation a date no later than 45 days after today at which estimated duties for merchandise entered, or withdrawn from warehouse for consumption, on or after 12:01 a.m., EST, March 20, 2002, and up to the 30th day after today, shall be deposited.

I instruct the Secretary of the Treasury and the Secretary of Commerce to establish a system of import licensing to facilitate the monitoring of imports of certain steel products. Pursuant to the authority granted me by section 203(g) of the Trade Act to provide for the efficient and fair administration of all actions taken for the purpose of providing import relief under section 203, I further instruct the Secretary of Commerce, within 120 days of the effective date of the safeguard measures established by the Proclamation, to publish regulations in the Federal Register establishing such a system of import licensing.

I have determined that the safeguard measures will facilitate efforts by the domestic industries to make a positive adjustment to import competition and will provide greater economic and social benefits than costs. If I determine that further action is appropriate and feasible to facilitate efforts by the pertinent domestic industry to make a positive adjustment to import competition and to provide greater economic and social benefits than costs, or if I determine that the conditions under section 204(b)(1) of the Trade Act are met, I shall reduce, modify, or terminate the safeguard measures. In making this determination, I shall consider the pertinent factors set out in section 203(a)(2) of the Trade Act and, in particular, changes in capital and labor productivity in the domestic industries; actual and planned permanent closures of inefficient steel production facilities in the United States and in other countries; consolidation of United States steel producers; capital expenditures in the domestic industries; prices for certain steel products in the United States; and the overall effect that maintaining the measure will have on consuming industries, workers, and the United States economy as a whole.

The United States Trade Representative is authorized and directed to publish this memorandum in the Federal Register.



O