



**SECTION 232 DUTIES  
ON CANADIAN AND MEXICAN  
STEEL & ALUMINUM TO BE REMOVED**

**CANADA AND MEXICO ALSO AGREE TO REMOVE THEIR RETALIATORY DUTIES**

Last Friday, the United States and Canada [announced](#) that an agreement has been reached to remove the 25% "Section 232" duties on Canadian origin steel and 10% "Section 232" duties on Canadian origin aluminum. As part of the agreement, Canada also agreed to eliminate the [retaliatory duties](#) it had been charging on U.S. origin steel and aluminum, as well as on other non-steel/aluminum products. The removal of the duties is to take place within two days (by Monday, May 20, 2019).

Canada and the United States also agreed to drop litigation at the World Trade Organization related to the steel and aluminum tariffs and to take steps to prevent aluminum and steel from being dumped and/or transhipped into their respective markets, as well as to establish a monitoring process that would allow for reimposition of the duties in the event of a surge in imports.

With regard to U.S. "Section 232" duties on Mexican origin aluminum and steel and Mexico's retaliatory duties, an agreement similar to the one reached with Canada was also [announced](#) on Friday.

The above agreements are significant in that they remove a hurdle to approval of the new NAFTA (known as the USMCA in the United States). The existence of the U.S. "Section 232" duties had been preventing approval of the trade agreement. To be sure, other political obstacles remain in each country, but removal of the "Section 232" duties allows the political process for approval of the new NAFTA to advance.

Pisani & Roll LLP is continuing to monitor developments in this area and will provide updates as events warrant. In the meantime, if you have any questions about these latest developments, please do not hesitate to contact us [info@worldtradelawyers.com](mailto:info@worldtradelawyers.com).

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