



**American
Iron and Steel
Institute**

Steelgram

Immediate Attention Requested

January 15, 2020

**To: Members of the United States Senate
Senate staff assigned to trade and/or steel issues**

**Please Support H.R. 5430, the United States-Mexico-Canada Agreement
Implementation Act**

Background: Canada and Mexico are the two largest export markets for American-made steel products, together accounting for almost 89 percent of all U.S. steel exports last year. The United States-Mexico-Canada Agreement (USMCA) will benefit steel producers in the United States by securing these critical export markets and by improving on the terms of the original North American Free Trade Agreement (NAFTA), which has resulted in strengthened manufacturing supply chains in the region, especially with key customer groups, such as the automotive and machinery industries.

Situation: Implementation of the USMCA is critical to strengthening the competitiveness of the steel industry in the United States as challenges, such as the global steel overcapacity crisis and weakening demand, continue to persist. The new agreement will incentivize the use of North American steel in the production of automobiles, auto parts, welded pipe and tube and many other steel-containing goods through strengthened rules of origin and enhanced regional value content requirements. The USMCA also includes several important provisions that will promote increased cooperation and information sharing among the North American governments to address circumvention and evasion of trade remedy orders, which is essential to address the repeated surges of dumped and subsidized steel imports that have injured domestic steelmakers in recent years. Additionally, the USMCA puts into place new enforceable disciplines on currency manipulation and state-owned enterprises (SOEs). These provisions will serve as models for future trade agreements to address these serious trade concerns.

Request: AISI urges all members of the Senate to support the domestic steel industry by voting **YES** on H.R. 5430, the United States-Mexico-Canada Agreement Implementation Act.

Thank you for your continued efforts on behalf of American manufacturing.

Sincerely,

A handwritten signature in black ink that reads "Thomas J. Gibson".

Thomas J. Gibson
President and CEO