

## Aluminum Imports and Threats to National Security Presidential Memorandum

Thursday, April 27<sup>th</sup>, 2017

### Background:

- Core industries such as steel, aluminum, aircraft, and shipbuilding are critical elements of the United States' manufacturing and defense industrial bases. That being said, it is necessary for the United States to defend itself against unfair trade practices and other abuses.
- In the case of aluminum, both the United States and global markets for aluminum products are distorted by large volumes of excess capacity.
- The United States has repeatedly encouraged other countries to reduce and address the causes of excess capacity in the aluminum market since antidumping and countervailing duty orders have done little to alleviate the negative effects that unfairly traded imports have had on the United States Aluminum industry.
- The artificially low prices caused by excess capacity and unfairly traded imports suppress profits in the American aluminum industry, which discourages long-term investment in the industry and hinders efforts by American aluminum producers to research and develop new and better grades of aluminum.

### Summary:

- This Presidential Memorandum (PM) directs the Secretary of Commerce to investigate, in accordance with the Trade Expansion Act of 1962, the effects on national security of aluminum imports.
- During this investigation, the Secretary will consider the following:
  - The domestic production of aluminum needed for projected national defense requirements.
  - The capacity of domestic industries to meet such requirements.
  - The existing and anticipated availabilities of the human resources, products, raw materials, and other supplies and services essential to the national defense.
  - Recognize the close relation of the Nation's economic welfare to our national security, and consider the effect of foreign competition in the aluminum industry on the economic welfare of domestic industries.
  - Consider any substantial unemployment, decrease in government revenues, loss of skills or investment, or other serious effects resulting from the displacement of any domestic products by excessive aluminum imports.
- The Secretary shall conduct this investigation with speed and efficiency in order to find if aluminum is being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security.
- If the above is deemed true, the Secretary shall recommend actions and steps that should be taken to adjust aluminum imports so that they will not threaten to impair the national security.