

Mr. Kelly Parkhill  
Director for Industry Support and Analysis  
Import Administration, Room 3713  
US Department of Commerce  
14<sup>th</sup> and Constitution Ave. NW  
Washington DC 20230

Re: Request for Comments on Steel Import Monitoring and Analysis System

Dear Mr. Parkhill:

I am writing in response to a request for comments that appeared in a federal register notice of August 24, 2004. I believe my company, IPSCO Enterprises Inc., is in a particularly good position to offer comment and suggestions regarding the import-monitoring program established under the USG 201 program for steel. IPSCO is a North American company with steel and pipe making facilities in both the US and Canada. In optimizing our production facilities we often find it necessary to move steel products from one country to another. We are therefore familiar with both the US and Canadian import monitoring systems.

In our experience the US program has imposed no barrier to trade, its obvious and only purpose is to increase transparency in the trading system, and it has been helpful in that regard. We would suggest that continuing a North American system that is harmonized in effect is a good idea and to that end we think it is important to continue the US import monitoring system and expand coverage to a broader range of steel products.

Steel producers in the NAFTA countries are working together to make trading more transparent and fair. The governments of the NAFTA nations are now joining with the industry to provide improved communication between the governments as it relates to steel issues. Given these continuing efforts I would like to offer the following comments which I feel will improve the US system, and help harmonize the US and Canadian systems. We believe this will simplify the process for North American trade in steel products.

**PRODUCT COVERAGE:** I would recommend that coverage be expanded to all steel products contained in Chapters 72 and 73 of the HTS. The expansion should include:

2) Iron and steel described- The iron and steel, and articles of iron or steel, referred to in subparagraph (A) are the iron and steel, and articles of iron or steel, contained in the following headings and subheadings of the Harmonized Tariff Schedule of the United States:

(A) Each of the headings 7206 through 7229 (relating to mill products).

(B) Each of the headings 7301 through 7307 (relating to rails, structurals, pipe and tubes, and fittings and flanges).

- (C) Heading 7308 (relating to fabricated structurals).
- (D) Subheading 7310.10.00 (relating to barrels and drums).
- (E) Heading 7312 (relating to strand and rope).
- (F) Heading 7313.00.00 (relating to barbed and fence wire).
- (G) Headings 7314, 7315, and 7317.00 (relating to fabricated wire).
- (H) Heading 7318 (relating to industrial fasteners).
- (I) Heading 7326 (relating to fence posts).

This expansion reflects legislation sponsored by the leadership of the Steel Caucus, and was developed after careful consideration and discussion with the steel industry as a whole.

The expansion of coverage will provide timely information to the entire industry. Many pipe and stainless steel products were not included in the 201 proclamation, yet tracking imports of these products is also very important. The Canadian system covers many of the products that currently are not covered by the U.S. system, it has not impeded the flow of imports of these products into Canada, and provides additional information to Canadian producers. US producers should have access to the same information.

**TIMING OF LICENSE APPLICATION:** The US system provides automatic and immediate licensing through the Department of Commerce web site. For this reason there is no reason to delay licensing to 10 days after the arrival at a port of entry. The US system should require licenses be in hand at the time of entry as does the Canadian government.

However the most important element of this program is ensuring its continued existence. We would ask that the department work diligently to ensure that the program is permanently in place prior to March of 2005.

Thank you for considering these comments

Sincerely,

David Sutherland  
President and Chief Executive Officer