

May 10, 2005

Via E-mail: steel_license@ita.doc.gov

Kelly Parkhill
Director for Industry Support and Analysis
Import Administration, Rm. 3713
U.S. Department of Commerce
14th and Constitution Ave., N.W.
Washington, D.C. 20230

Re: ***Comments on the Interim Final Rule by Japan Iron & Steel Federation***

Dear Mr. Parkhill:

On behalf of the Japan Iron & Steel Federation (JISF), we hereby submit the following comments in response to the Interim Final Rule issued by the Department on the Steel Import Monitoring and Analysis System (SIMA).¹ JISF does not oppose the implementing regulations as currently drafted. Although the Interim Final Rule substantially expands the number of products that will require an import license, the SIMA system retains much of its original character and should not significantly increase the administrative burden or costs for steel importers, purchasers, and the trading community in general.

In response to the Department's Advanced Notice of Proposed Rulemaking on the SIMA system, JISF submitted comments urging the Department to implement an import monitoring system that would be as simple as possible and administered in a way that has no restricting effects

¹ See *Advanced Notice of Proposed Rulemaking: Steel Import Monitoring and Analysis System*, 69 Fed. Reg. 52211 (August 25, 2004).

on steel imports. The Interim Final Rule comes close to achieving this goal. Under the interim regulations, the SIMA system will be automatic and available at no cost, 24-hours a day, 7 days a week to all importers, brokers, and other agents that register. Thus, other than the volume of licenses that will be required, the system appears to be no more burdensome or expensive for importers to use than the prior system.

Certain domestic steel producers as well as the American Iron and Steel Institute (AISI) and the Steel Manufacturers Association (SMA) have previously urged the Department to adopt changes to the SIMA that would add to the administrative burden for importers. JISF would like to take this opportunity to reiterate its view that there is no basis for implementing additional changes to the SIMA that would be complicated or administratively burdensome. Neither the U.S. steel industry nor the U.S. economy as a whole would benefit from procedures that are more elaborate, bureaucratic, or burdensome than the current SIMA system.

In conclusion, although the Department has expanded the product coverage of the SIMA system, the Interim Final Rule has retained the most important aspects of the prior system. It is automatic, readily available, and not unduly complicated or burdensome. As a result, the Department should resist calls for additional changes that may operate to the detriment of foreign steel producers or U.S. importers and consumers. The system should remain simple, automatic, and not trade restrictive. JISF will monitor the SIMA system to ensure these goals are met.

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Please do not hesitate to contact the undersigned should you have any questions concerning these comments.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Miriam A. Bishop".

Daniel L. Porter
Miriam A. Bishop

Counsel to Japan Iron & Steel Federation