

U.S.-JAPAN JOINT STATEMENT

February 7, 2022

Given the joint desire of the United States and Japan to address non-market excess capacity so as to preserve their critical steel and aluminum industries, the United States and Japan will implement the following arrangement:

Ongoing cooperation

a. Trade Remedy/Customs Cooperation: To advance their efforts to address excess capacity, both sides agree to expand U.S./Japan coordination involving both trade remedies and customs matters. The United States and Japan will also share public information and best practices, as appropriate, on topics including how detection of fraud/evasion and circumvention of duties is approached and possible self-initiation. Officials could also coordinate industry engagement with relevant sectors to hear their views and share observations/concerns.

b. Monitoring: The United States and Japan will monitor steel and aluminum trade between them.

c. Cooperation on Non-Market Excess Capacity and Carbon-Intensity: In order to establish more market-oriented conditions for steel, Japan will implement appropriate domestic measures, such as antidumping, countervailing duty, and safeguard measures or other measures of at least equivalent effect, with a view to initiating formal processes for such measures within six months of this joint statement. Japan and the United States will share import data with respect to steel and aluminum, including from third-country markets, and will consult upon request regarding surges to ensure that each country is taking steps to address non-market excess capacity. Japan will confer with the United States on such potential domestic measures to address non-market excess capacity and on the situation in global steel and aluminum markets, including market trends and price differences between markets, domestic industry's conditions, and analysis on import and export data, including as to third-country markets. The United States and Japan agree to regularly meet to consult with a view to developing additional actions in order to contribute to adjustments and solutions and address non-market excess capacity in the global steel and aluminum sectors.

Japan and the United States will confer on entering into discussions on global steel and aluminum arrangements to address both global non-market excess capacity as well as the carbon-intensity of the steel and aluminum industries. To facilitate these discussions and reach shared understandings, Japan and the United States will confer on methodologies for calculating steel and aluminum carbon-intensity and will share relevant data, including relating to emissions in the steel and aluminum sectors.

d. Review: The United States and Japan agree to review the operation of this arrangement, and ongoing cooperation, on an annual basis, including in light of changes in the global steel and aluminum markets, U.S. demand, and imports.
