

FedEx Regulatory News

Steel Import Monitoring and Analysis (SIMA) modifications

December 10, 2020

Background information

The Steel Import Monitoring and Analysis (SIMA) system has been operating since March 11, 2005 to provide producers, consumers and importers of steel, as well as the general public, information on anticipated imports of certain steel products into the United States.

The online SIMA licensing system is used to obtain steel licenses required by U.S. Customs and Border Protection for entry filing of imports of certain steel mill products. Data collected from the steel licenses are collected and shown on the public SIMA monitoring website.

The United States Department of Commerce (Commerce) made modifications to the SIMA system, including changing the web address and requiring more information to be reported, effective October 13, 2020.

What will be modified?

Steel import license applicants will now be required to list the country where the steel used to manufacture the imported steel product was first/originally melted and poured.

- The reporting requirement will not apply to raw materials used in the steel manufacturing process (such as steel scrap; iron ore; pig iron; reduced, processed, or pelletized iron ore; or raw alloys).
- More information on steel licenses can be found in the Code of Federal Regulations under 19 CFR § 360.

If FedEx is filing for a single-use steel license on your behalf, you must provide the country of melt and pour on your entry documentation to ensure this information is available for the application. Failure to provide this information may create delays.

Low-value steel import licenses (entries up to \$5,000) will not require melt and pour country of origin information as they are reusable.

The final rule published by Commerce also announces the following modifications to the SIMA system:

- Specify how collected license information will be displayed on the public SIMA monitor.
- Expand the scope of steel products subject to the import licensing requirement to include all products subject to Section 232 tariffs.
- Extend the SIMA system indefinitely by eliminating the regulatory provision that puts an end date on it.
- Set standards of eligibility to use a low-value license for certain steel entries up to \$5,000.
- Make corresponding changes to the public SIMA monitor that do not require regulatory modifications.
- Amend the steel import license application to include a new field for the country of melt and pour.
- Modernize the SIMA system, including both the online license application platform and the public SIMA monitor.

What are the primary impacts of these changes?

Beginning October 13, 2020, licenses requested must meet the new requirements and use the online application platform on the new SIMA system website - https://www.trade.gov/steel - which became operational on October 13, 2020.

The previous SIMA system website is no longer operational as of October 10, 2020.

Information about registering for the new SIMA system can be found in the supplementary information to Federal Register notice <u>85 FR 56162</u>.

References:

Federal Register notice - 85 FR 56162 Steel Import Monitoring and Analysis System

SIMA information webpage

 $\underline{CSMS\#44205882-IMPORTANTup dates\ regarding\ the\ Commerce\ Steel\ Import\ License\ program}$

You can't make the rules, but with FedEx, you can master them.

FedEx Regulatory News

Keep up with the latest alerts, trade-related rules, updates and learning opportunities. <u>Sign up to receive FedEx Regulatory News</u> emails.

For more updates and news about regulatory topics, visit <u>Regulatory News</u>.