

# United States Senate

WASHINGTON, DC 20510

August 29, 2024

The Honorable Katherine Tai  
U.S. Trade Representative  
Office of the U.S. Trade Representative  
600 17<sup>th</sup> St. NW  
Washington, DC 20508

The Honorable Gina Raimondo  
Secretary  
U.S. Department of Commerce  
1401 Constitution Ave. NW  
Washington, DC 20508

Dear Ambassador Tai and Secretary Raimondo:

We write to bring to your attention our concerns with the current import quota set for South Korea Oil Country Tubular Goods (OCTG). This quota was originally established in 2018 but is now outdated and ineffective due to lower demand for OCTG. We respectfully encourage you to reduce this quota to reflect the lower demand and to level the playing field for the domestic OCTG industry.

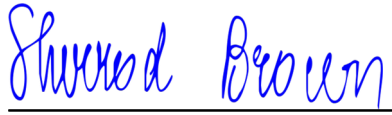
The domestic OCTG industry has been threatened by unfair trade practices including steel dumping by South Korea for over a decade. In 2018, Section 232 tariffs were announced at rates of 25 percent and 10 percent on certain steel and aluminum imports, including OCTG, covering most U.S. trading partners, but with certain exemptions for ally nations like South Korea. Instead, an annual absolute quota of 508,020 short tons was implemented for South Korean OCTG imports. This quota has remained constant since its inception, except for a 40 percent quota reduction for one year in 2020 in response to the significant decrease in demand due to the COVID-19 pandemic.

However, OCTG consumption this year is again expected to decline by about 22 percent from 2023. Simultaneously, South Korea no longer has a home market to purchase OCTG products, so their industry is solely reliant on exports. The reduced demand coupled with high levels of South Korean imports is hurting American OCTG companies and has resulted in over 220 layoffs and/or reductions in workforce at plants in Ohio, Pennsylvania, Oklahoma, and Texas. This is unacceptable. We know American workers are the best in the world and can compete with anyone if they have a level playing field. We urge the Administration to take action to ensure that the industry does not continue to suffer additional job losses because of this outdated quota.

We recognize the importance of the domestic OCTG industry in securing American energy independence and as a result request the Administration take immediate action to reduce the

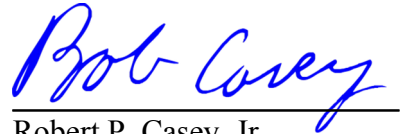
current import quota on OCTG from South Korea. Thank you for your attention to this important issue; we look forward to your response.

Sincerely,



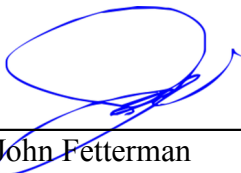
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Sherrod Brown  
United States Senator



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Robert P. Casey, Jr.  
United States Senator



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John Fetterman  
United States Senator