

## Swiss companies hit by US tariffs on steel and aluminium

**Tariffs on steel (25%) and aluminum (10%) announced by President Trump on March 8 took effect for Switzerland on March 23, 2018. Since June 1, Switzerland is joined by other close allies of the USA, notably the European Union, Canada, Mexico, Japan and Norway.**

It seems clear that these tariffs are part of a larger realignment of global trade sought by the Trump Administration and belong to a complex negotiation process. Even though the major nations affected by the tariffs have announced retaliatory measures, negotiations go on. Additionally, individual companies producing in or importing to the USA can apply for exemption on certain steel and aluminium products not or not sufficiently available in the USA. Details on the companies exemptions can be found on:

<https://www.bis.doc.gov/index.php/232-steel>. Other excellent information is provided by economiesuisse <https://www.economiesuisse.ch/de/artikel/news-ticker-us-strafoelle-auf-stahl-und-aluminium>

For the Swiss economy, the tariffs touch only about 3% of all steel and aluminum exports, totalling approx. 0.04% of all exports. But the tariffs will hurt individual companies, and the secondary effects of value-chain disruption caused by such tariffs are not yet clear.

Swiss and American companies based in Switzerland broadly oppose the US government's decision to impose such tariffs. They are highly concerned about the potential damage a tit-for-tat dispute could cause to the transatlantic economy and its impact on jobs, investment and security across the Atlantic.

Swiss Amcham is convinced that imposing such unilateral tariffs is the wrong solution for this important and urgent issue. It especially regrets that Switzerland, the 6th largest investor in the USA and a close economic partner, has not been exempted. We believe Switzerland meets all the criteria set for permanent exemption. Switzerland is certainly not a threat to US national security and should thus not be a target of such measures.

This move puts the global trading system at risk and we sincerely hope all parties can work together to reduce the tensions immediately.

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