

Name Surname
Position
Institution
Address
Postal code City
Country

Brussels, 28 September 2023

Dear Madam/Sir,

The American Chamber of Commerce to the EU (AmCham EU) continues to condemn Russia's invasion of Ukraine as a clear violation of international law and a threat to the fundamental values we stand for – human dignity, democracy and the rule of law. AmCham EU members fully support the reaction of the EU and international community in the wake of Ukraine's aggression and are committed to complying with existing sanctions and obligations.

At the same time, AmCham EU would like to express their concern regarding a requirement introduced by the 11th [package](#) of sanctions – Article 3g – to provide evidence of the country of origin of steel and iron materials and products made of such material may not be imported into the EU if they: (i) originate in Russia or (ii) have been exported from Russia.

Since the evidence requirement is due to come into effect on 30 September 2023, we want to underline the uncertainties that it generates across sectors. It is unclear how this requirement will be enforced, and particularly how it will be applied to cover iron and steel finished and semi-finished products manufactured or purchased prior to the effectiveness date. Our concerns are focused on Article 3g(d):

'For the purposes of the application of this point, at the moment of importation, importers shall provide evidence of the country of origin of the iron and steel inputs used for the processing of the product in a third country[.]'

With this letter, we would like to draw your attention to the following issues:

- **Delays in Customs clearance:** as an example, a significant number of Aerospace and Defense (A&D) companies' imports – primarily fasteners and other low value items – into the EU may be required to ship with Mill Test Certificate (MTCs), or other documentation, sufficient to meet the Article 3g requirement. It is not yet clear if this documentation will be requested for each shipment at the time of import clearance into the EU. To the extent such documentation does not accompany a shipment or is not sufficient to satisfy the requirements of Article 3g, delays in Customs clearance are likely to result.
- **MTCs claimed, in some instances, as proprietary information:** customers may request information from companies regarding manufacturing to meet these requirements and/or assess business risk. However, MTCs could be claimed as proprietary information, and therefore companies might not be able to meet the obligation of Article 3g.
- **Small quantities of low-value items:** no carve outs for these shipments are contemplated. As an example, shipping a small number of screws, spacers, nuts, or other fasteners to a repair center in the EU from the US, where the value of the items is negligible. The effort and cost of tracing a hundred individual fasteners to their respective production batches and furnishing an MTC for each greatly exceeds their value.

We understand that some of these concerns are being addressed in an updated draft FAQs which includes examples of additional documents that can be considered evidence, as well as clarifications on the application of prohibition based on the date where products were procured/manufactured. Nevertheless, we call on the **European Commission to provide further guidance on the certification requirement in Article 3g**, and specifically regarding the following issues:

1. **Clarification on whether any exclusions for older products will be considered.**
2. **Clarifications on what other types of documentation may meet the EU requirement if MTCs cannot be used due to their proprietary nature, in some cases** (e.g. origin declarations, attestations of the metal supplier, invoice(s), quality certificates(s), declarations by the manufacturer, clauses in implemented contracts or purchase orders, etc.)
3. **Clarifications on how Customs will implement the evidence requirement.** A harmonized approach across Member States to avoid different evidentiary requirements would be of utmost importance. Additionally, if the evidence is not sufficient for customs authorities, what are the rectification possibilities for importers?
4. Specifically, for the aerospace sector, **clarification and/or exclusion for scenarios involving Aircraft on Ground (AOG)**, which is a scenario where an aircraft is grounded and is in urgent need of service. It is of utmost importance to avoid a standstill in the operations due to documentation clearance.
5. **Clarification on when companies would be in breach of the Regulation.** Would that happen when goods physically cross the EU territorial border or only when the goods are released for free circulation? Equally, clarifications on who will be liable in case of violation of the regulation are needed (e.g. carrier/forwarder, the sender, the consignee, others)
6. **Clarifications as to the definition of purchase contract.** Is the purchase contract defined according to general sales contract definition, which comes about through two matching declarations of intent or with the payment for the goods?
7. **Clarifications as to treatment of imports from Partner countries identified in Annex VIII.** Those countries are identified as having similar export measures as the EU. Therefore, would the imports of iron and steel products shipped from these countries be exempted from the import requirements?

To conclude, the industry remains committed to support the effort to avoid any potential circumvention of sanctions while, at the same time, ensuring that companies can realistically comply with any certification requirement.

Yours sincerely,

Roger Coelho
Senior Policy Director
AmCham EU



ANNEX

Items currently subject to Article 3g reporting.

ANNEX XVII

List of iron and steel products referred to in Article 3g

CN Code	Description
7206	iron and non-alloy steel in ingots or other primary forms (excl. remelting scrap ingots, products obtained by continuous casting and iron of heading 7203)
7207	semi-finished products of iron or non-alloy steel
7208	flat-rolled products of iron or non-alloy steel, of a width \geq 600 mm, hot-rolled, not clad, plated or coated
7209	flat-rolled products of iron or non-alloy steel, of a width of \geq 600 mm, cold-rolled "cold-reduced", not clad, plated or coated
7210	flat-rolled products of iron or non-alloy steel, of a width \geq 600 mm, hot-rolled or cold-rolled "cold-reduced", clad, plated or coated
7211	flat-rolled products of iron or non-alloy steel, of a width of $<$ 600 mm, hot-rolled or cold-rolled "cold-reduced", not clad, plated or coated
7212	flat-rolled products of iron or non-alloy steel, of a width of $<$ 600 mm, hot-rolled or cold-rolled "cold-reduced", clad, plated or coated
7213	bars and rods of iron or non-alloy steel, hot-rolled, in irregularly wound coils
7214	bars and rods, of iron or non-alloy steel, not further worked than forged, hot-rolled, hot-drawn or hot-extruded, but incl. those twisted after rolling (excl. in irregularly wound coils)
7215	bars and rods, of iron or non-alloy steel, cold-formed or cold-finished, whether or not further worked, or hot-formed and further worked, n.e.s.
7216	angles, shapes and sections of iron or non-alloy steel, n.e.s.
7217	wire of iron or non-alloy steel, in coils (excl. bars and rods)
7218	stainless steel in ingots or other primary forms; semi-finished products of stainless steel
7219	flat-rolled products of stainless steel, of a width of \geq 600 mm, hot-rolled or cold-rolled "cold-reduced"
7220	flat-rolled products of stainless steel, of a width of $<$ 600 mm, hot-rolled or cold-rolled "cold-reduced"
7221	bars and rods of stainless steel, hot-rolled, in irregularly wound coils
7222	other bars and rods of stainless steel; angles, shapes and sections of stainless steel, n.e.s.
7223	wire of stainless steel, in coils (excl. bars and rods)

7224	steel, alloy, other than stainless, in ingots or other primary forms, semi-finished products of alloy steel other than stainless
7225	flat-rolled products of alloy steel other than stainless, of a width of ≥ 600 mm, hot-rolled or cold-rolled "cold-reduced"
7226	flat-rolled products of alloy steel other than stainless, of a width of < 600 mm, hot-rolled or cold-rolled "cold-reduced"
7227	bars and rods of alloy steel other than stainless, hot-rolled, in irregularly wound coils
7228	other bars and rods of alloy steel other than stainless, angles, shapes and sections of alloy steel other than stainless, n.e.s.; hollow drill bars and rods, of alloy or non-alloy steel
7229	wire of alloy steel other than stainless, in coils (excl. bars and rods)
7301	sheet piling of iron or steel, whether or not drilled, punched or made from assembled elements; welded angles, shapes and sections, of iron or steel
7302	railway or tramway track construction material of iron or steel, the following : rails, check-rails and rack rails, switch blades, crossing frogs, point rods and other crossing pieces, sleepers "cross-ties", fish-plates, chairs, chair wedges, sole plates "base plates", rail clips, bedplates, ties and other material specialised for jointing or fixing rails
7303	tubes, pipes and hollow profiles, of cast iron
7304	tubes, pipes and hollow profiles, seamless, of iron or steel (excl. products of cast iron)
7305	tubes and pipes, having circular cross-sections and an external diameter of $> 406,4$ mm, of flat-rolled products of iron or steel "e.g., welded, riveted or similarly closed"
7306	tubes, pipes and hollow profiles "e.g., open seam or welded, riveted or similarly closed", of iron or steel (excl. of cast iron, seamless tubes and pipes and tubes having internal and external circular cross-sections and an external diameter of $> 406,4$ mm)
7307	tube or pipe fittings "e.g. couplings, elbows, sleeves", of iron or steel
7308	structures and parts of structures "e.g., bridges and bridge-sections, lock-gates, towers, lattice masts, roofs, roofing frameworks, doors and windows and their frames and thresholds for doors, shutters, balustrades, pillars and columns", of iron or steel; plates, rods, angles, shapes, sections, tubes and the like, prepared for use in structures, of iron or steel (excl. prefabricated buildings of heading 9406)
7309	reservoirs, tanks, vats and similar containers, of iron or steel, for any material "other than compressed or liquefied gas", of a capacity of > 300 l, not fitted with mechanical or thermal equipment, whether or not lined or heat-insulated (excl. containers specifically constructed or equipped for one or more types of transport)
7310	tanks, casks, drums, cans, boxes and similar containers, of iron or steel, for any material "other than compressed or liquefied gas", of a capacity of ≤ 300 l, not fitted with mechanical or thermal equipment, whether or not lined or heat-insulated, n.e.s.
7311	containers of iron or steel, for compressed or liquefied gas (excl. containers specifically constructed or equipped for one or more types of transport)
7312	stranded wire, ropes, cables, plaited bands, slings and the like, of iron or steel (excl. electrically insulated products and twisted fencing wire and barbed wire)

7313	barbed wire of iron or steel; twisted hoop or single flat wire, barbed or not, and loosely twisted double wire, of a kind used for fencing, of iron or steel
7314	cloth, incl. endless bands, grill, netting and fencing, of iron or steel wire, expanded metal of iron or steel (excl. woven products of metal fibres of a kind used for cladding, lining or similar purposes)
7315	chain and parts thereof, of iron or steel (excl. watch chains, necklace chains and the like, cutting and saw chain, skid chain, scraper chain for conveyors, toothed chain for textile machinery and the like, safety devices with chains for securing doors, measuring chains)
7316	anchors, grapnels and parts thereof, of iron or steel
7317	nails, tacks, drawing pins, corrugated nails, staples and similar articles of iron or steel, whether or not with heads of other material (excl. such articles with heads of copper and staples in strips)
7318	screws, bolts, nuts, coach screws, screw hooks, rivets, cotters, cotter pins, washers, incl. spring washers, and similar articles, of iron or steel (excl. lag screws, stoppers, plugs and the like, threaded)
7319	sewing needles, knitting needles, bodkins, crochet hooks, embroidery stilettos and similar articles, for use in the hand, of iron or steel; safety pins and other pins of iron or steel, n.e.s.
7320	springs and leaves for springs, of iron or steel (excl. clock and watch springs, springs for sticks and handles of umbrellas or parasols, shock absorbers and torque rod or torsion bar springs of section 17)
7321	stoves, ranges, grates, cookers, incl. those with subsidiary boilers for central heating, barbecues, braziers, gas rings, plate warmers and similar non-electric domestic appliances, and parts thereof of iron or steel (excl. boilers and radiators for central heating, geysers and hot water cylinders)
7322	radiators for central heating, not-electrically heated, and parts thereof, of iron or steel; air heaters and hot-air distributors, incl. distributors which can also distribute fresh or conditioned air), not-electrically heated, incorporating a motor-driven fan or blower, and parts thereof, of iron or steel
7323	table, kitchen or other household articles, and parts thereof, of iron or steel; iron or steel wool; pot scourers and scouring or polishing pads, gloves and the like, of iron or steel (excl. cans, boxes and similar containers of heading 7310 ; waste baskets; shovels, corkscrews and other articles of the nature of a work implement; articles of cutlery, spoons, ladles, forks etc. of heading 8211 to 8215 ; ornamental articles; sanitary ware)
7324	sanitary ware, and parts thereof, of iron or steel (excl. cans, boxes and similar containers of heading 7310 , small wall cabinets for medical supplies or toiletries and other furniture of chapter 94, and fittings)
7325	articles of iron or steel, cast, n.e.s.
7326	articles of iron or steel, n.e.s. (excl. cast articles)