

Alacero's Position on the U.S. Steel Tariff Increase

June 5, 2025

At Alacero, the Latin American Steel Association, we express our concern regarding the U.S. Government's announcement to raise tariffs on steel imports to 50% under Section 232 — a decision that further worsens the outlook for international steel trade.

Latin America does not pose a threat to the U.S. market. On the contrary, the region has always been a driver of development in the Americas and a strong advocate of fair trade.

Measures like the one announced by the United States, far from solving global challenges stemming from steel excess capacity — mainly attributable to China and other Southeast Asian economies — weaken the regional value chains that have been built over decades between Latin America and the U.S.

Some countries in the region actually receive more steel from the United States than they export to it, making this measure even more unjustifiable. In fact, countries such as Mexico and Brazil supply critical segments of U.S. industrial demand that cannot be met locally in the short term.

At Alacero, we reiterate our call to build a regional supply chain between Latin America and the United States — one that enhances the competitiveness of both regions against unfair trade practices such as market-distorting subsidies and Asian overproduction, which harm the stability and development of the regional steel industry. Just as in 2018, we believe we can demonstrate to the U.S. government that the best strategy is to lower tariffs on Latin American countries.

We reaffirm our willingness to engage in dialogue with governments, companies, and organizations to promote constructive solutions that prioritize regional development and the strengthening of strategic industries such as steel, which generates 1.4 million direct and indirect jobs in Latin America and is produced with one of the lowest carbon footprints in the world.