

US & Multilateral Trade and Policy Developments

Japan External Trade Organization

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Trade Policy Developments

No developments

Trade Actions

Section 232

Department of Commerce Issues Calls for Input on Copper and Timber and Lumber Section 232 Investigations

On March 10, 2025, the US Department of Commerce Bureau of Industry and Security (BIS) formally initiated investigations into the effects on US national security of imports of copper as well as timber and lumber. BIS issued requests for public comments to inform the investigations shortly after the initiation, providing an opportunity for stakeholders to offer feedback.¹ BIS is conducting the investigations under Section 232 of the Trade Expansion Act of 1962, a law that empowers the president to restrict imports of products that are found to threaten to impair national security.²

Public comments

Interested stakeholders may submit comments through the two public dockets at [regulations.gov](https://www.regulations.gov). Comments are due by April 1, 2025. The notices provide additional instructions on how to participate and submit comments. BIS will consider and respond to public comments as it conducts the investigations. Participating in the public comment process can help shape the outcome of the investigation and prompt regulators to further clarify actions. BIS' responses may also inform any potential legal challenge should a final action be adopted.

The notices highlight that BIS is especially interested in comments that directly address the regulatory criteria for determining the effects of imports on national security:

- For the **copper investigation**, the notice states that comments addressing the regulatory criteria could include answering questions related to “(i) the current and projected demand for copper in United States defense, energy, and critical infrastructure sectors; (ii) the extent to which domestic production, smelting, refining, and recycling can meet demand; (iii) the role of foreign supply chains, particularly from major exporters, in meeting United States demand; (iv) the concentration of United States copper imports from a small number of suppliers and the associated risks; (v) the impact of foreign government subsidies, overcapacity, and predatory trade practices on United States industry competitiveness; (vi) the economic impact of artificially suppressed copper prices due to dumping and state-sponsored overproduction; (vii) the potential for export restrictions by foreign nations, including the ability of foreign nations to weaponize their control over refined copper supplies; (viii) the feasibility of increasing domestic copper mining, smelting, and refining capacity to reduce import reliance; and (ix) the impact of current trade policies on domestic copper production and whether additional measures, including tariffs or quotas, are necessary to protect national security.”
- For the **timber and lumber investigation**, the notice states that comments addressing the regulatory criteria could include answering questions related to “(i) the current and projected demand for timber and lumber in the United States; (ii) the extent to which domestic production of timber and lumber can meet domestic demand; (iii) the role of foreign supply chains, particularly of major exporters, in meeting United States timber and lumber demand; (iv) the impact of foreign government subsidies and predatory trade practices on United States timber, lumber, and derivative product industry competitiveness; (v) the feasibility of increasing domestic timber and lumber capacity to reduce imports; (vi) the impact of current trade policies on domestic timber, lumber, and

¹ “Notice of Request for Public Comments on Section 232 National Security Investigation of Imports of Copper,” FRN (March 13, 2025), accessible here: <https://federalregister.gov/d/2025-04061>; and “Notice of Request for Public Comments on Section 232 National Security Investigation of Imports of Timber and Lumber,” FRN (March 13, 2025), accessible here: <https://federalregister.gov/d/2025-04060>.

² 19 U.S.C. §1862, accessible here: <https://www.govinfo.gov/app/details/USCODE-2023-title19/USCODE-2023-title19-chap7-subchapII-partIV-sec1862>; and 15 C.F.R. part 705, accessible here: <https://www.ecfr.gov/current/title-15/subtitle-B/chapter-VII/subchapter-A/part-705>. More information on BIS' Section 232 activities can be found on the BIS website, accessible here: <https://www.bis.doc.gov/232>.

derivative product production, and whether additional measures, including tariffs or quotas, are necessary to protect national security; and (vii) any other relevant factors.”

BIS’ notices do not mention any prospective public hearings for either of the investigations (public hearings are discretionary for Section 232 investigations). During the first Trump administration and the Biden administration, BIS held public hearings for the steel, aluminum, and automotive imports investigations, but did not hold hearings for the later investigations targeting uranium, titanium sponge, vanadium, permanent magnets, and power transformer components. BIS cited either the small sizes of those industries or the COVID-19 lockdowns as justifications for not holding hearings and circulated surveys to industry participants instead. The two new notices do not explain why BIS has not scheduled hearings and do not state whether BIS is planning to issue surveys as a substitute (though BIS may provide more information on these plans in future updates).

The deadline for submitting comments on the two calls for input is also unusually short, providing only 19 days between the Federal Register publication of the calls for input and the comment deadlines. The length of comment periods during the first Trump administration and the Biden administration varied between 23 days and 47 days, with an average of 37 days. Several previous investigations have also allowed extra time for filing rebuttal comments, while the two new investigations do not.

Background on the copper investigation

On February 25, 2025, President Trump signed an executive order directing BIS to investigate the potential national security risks of copper imports.³ According to the order, the investigation will encompass all forms of copper imports, including raw mined copper, copper concentrates, refined copper, copper alloys, scrap copper, and certain derivative products. The investigation will cover all import sources.

Trump administration officials have suggested the intended outcome of the investigation is to enable the imposition of tariffs, though an official decision will not be made until after BIS completes its investigation. The executive order also suggests that imposition of export controls and the creation of new domestic production incentives could be part of the policy response. A statement by Trump issued after the executive order signing compared the new copper action to the Section 232 steel and aluminum tariffs, which Trump significantly expanded in two February 10 proclamations. In his statement, Trump said that all copper used in the United States should be produced in the United States, without exception.⁴

Background on the timber and lumber investigation

On March 1, 2025, President Trump signed an executive order directing BIS to investigate the potential national security risks of imports of “timber, lumber, and their derivative products.”⁵ “Timber” is defined as “wood that has not been processed,” and “lumber” is defined as “wood that has been processed, including wood that has been milled and cut into boards or planks.” “Derivative products” is not defined, though the EO’s statement of policy refers to “derivative products (such as paper products, furniture, and cabinetry).”

Section 232 investigations are global in scope, but the Trump administration has suggested the investigation may prioritize examining several specific countries. In comments to journalists during the order’s announcement, White House trade adviser Peter Navarro said the investigation would initially focus on Canada, Germany, and Brazil,

³ Executive Order of February 25, 2025: “Addressing the Threat to National Security from Imports of Copper,” 90 FR 11001, accessible here: <https://www.federalregister.gov/documents/2025/02/28/2025-03439/addressing-the-threat-to-national-security-from-imports-of-copper>; and Fact Sheet: “President Donald J. Trump Addresses the Threat to National Security from Imports of Copper,” accessible here: <https://www.whitehouse.gov/fact-sheets/2025/02/fact-sheet-president-donald-j-trump-addresses-the-threat-to-national-security-from-imports-of-copper/>.

⁴ Truth Social post, February 25, 2025, accessible here: <https://truthsocial.com/@realDonaldTrump/posts/114067029529937308>.

⁵ Executive Order of March 1, 2025: “Addressing The Threat To National Security from Imports of Timber, Lumber,” 90 FR 11359, accessible here: <https://www.federalregister.gov/documents/2025/03/06/2025-03693/addressing-the-threat-to-national-security-from-imports-of-timber-lumber-and-their-derivative>.

accusing those countries of subsidizing production and dumping products in the United States. When discussing the investigation's inclusion of derivative products, a White House official accused South Korea and China of subsidizing kitchen cabinet production, suggesting those countries may also be targets.

In recent weeks, Trump has consistently stated his intention to implement a universal 25% import tariff on wood products, frequently mentioning April 2 as the date for its enforcement. However, an official decision will not be made until after BIS completes its investigation. Along with potential tariffs, the executive order also directs the Secretary of Commerce to consider quotas, export controls, incentives to increase domestic production, and permitting reforms.

Expanded US Steel and Aluminum Section 232 Tariffs Enter into Full Effect

On March 12, 2025, the Trump administration's expanded Section 232 tariffs on imports of steel, aluminum, and various derivative products entered into force. The action – which President Trump ordered on February 10 – significantly expands the original Section 232 steel and aluminum tariffs that Trump had established during his first term by ending the existing exclusions, raising the aluminum tariff to 25%, and applying the tariffs to new lists of derivative products. The tariffs apply to all US trading partners. The tariffs for all listed derivative products entered effect on March 12, despite earlier suggestions from the government that certain derivative product tariffs could be delayed. The Department of Commerce is likely to keep expanding the derivative products list in the months to come through a forthcoming system that will allow domestic industry to petition for the inclusion of additional downstream products.

March 12 modifications to the Section 232 tariffs

On February 10, 2025, President Trump issued two proclamations - *Adjusting Imports of Aluminum into the United States* and *Adjusting Imports of Steel into the United States* - modifying the steel and aluminum tariffs that he had originally imposed in 2018 and 2020, with the changes entering effect for products that are entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 am eastern time on March 12, 2025.⁶

The modifications expanded the current Section 232 tariffs by (i) ending all country exemptions, terminating the product exclusion process, and terminating all existing General Approved Exclusions (GAEs) (granted specific product exclusions will remain in place until their expiration date or until excluded product volume is imported); (ii) raising the aluminum tariffs from 10% to 25%; (iii) adding more derivative products to the tariffs' coverage and creating a new process to add other products in the future; (iv) and creating a more restrictive exemption process for steel products "melted and poured" and aluminum products "smelted and cast" in the United States. The steel tariff remains at 25%.

All national-level arrangements for tariff alternatives that had been negotiated under the first Trump administration and the Biden administration were ended on March 12. The US government had negotiated exceptions, quotas, and tariff-rate quotas for many major trading partners: Brazil and South Korea had quotas for steel; Argentina had quotas for steel and aluminum; Australia, Canada, and Mexico had exemptions for steel and aluminum subject to informal agreements to manage export volumes; Ukraine had a temporary exemption; and the EU countries, the United Kingdom, and Japan had tariff-rate quotas. Alongside terminating the EU arrangements, CBP also terminated Europe's Steel Extended Exclusions (STX), which were product specific exclusions that had been treated as part of the EU's alternative arrangement.

The proclamations also ended the product-specific exclusions application process, which entered effect immediately. As a result, the Department of Commerce ended all reviews and renewals of exclusion applications as of 11:59 p.m. Eastern Time on February 10, 2025, and rescinded the product exclusion process. Granted specific product

⁶ Presidential Proclamation of February 10, 2025: "Adjusting Imports of Steel into The United States," 90 FR 9817, accessible here: <https://www.federalregister.gov/documents/2025/02/18/2025-02833/adjusting-imports-of-steel-into-the-united-states>; and Presidential Proclamation of February 10, 2025: "Adjusting Imports of Aluminum into The United States," 90 FR 9807, accessible here: <https://www.federalregister.gov/documents/2025/02/18/2025-02832/adjusting-imports-of-aluminum-into-the-united-states>.

exclusions (other than the STX) will remain effective until either their expiration date or the specified excluded product volume is imported, whichever comes first.

All derivative product tariffs entered effect on March 12

The March 12 modifications significantly expand the number of steel and aluminum derivative products that are subject to the tariffs, covering many more articles in HTS Chapter 73 (articles of iron or steel) and Chapter 76 (aluminum and articles thereof), as well as downstream products that contain steel and aluminum inputs in various other HTS chapters.⁷ The derivative products tariffs on downstream articles outside HTS Chapters 73 and 76 will be assessed based on the value of the steel and aluminum content contained in the product, instead of the product's total value. Early statements from CBP and the Department of Commerce had suggested the tariffs on those downstream products would be delayed until more detailed implementing guidance could be provided. However, at 9:00 pm eastern time on March 11 (3 hours before the tariffs entered effect), CBP issued updated guidance stating that all the derivative product tariffs would enter effect on March 12.⁸ The March 11 guidance is an update to guidance CBP originally published on March 3, which had only applied the steel and aluminum derivative products within HTS Chapters 73 and 76.⁹

President Trump's February 10 executive orders stated the tariffs on derivative products outside of HTS Chapters 73 and 76 would "be effective upon public notification of the Secretary of Commerce" that "adequate systems are in place to fully, efficiently, and expediently process and collect tariff revenue for covered articles," rather than setting an explicit target date. The Secretary of Commerce issued the certification on the evening of March 11, though it will not be officially published in the Federal Register until March 14.¹⁰ The March 11 CBP guidance and Department of Commerce certification statement do not offer any additional instructions on calculating the aluminum and steel share of value. In our correspondence with CBP, CBP representatives stated that "the value of the [steel and aluminum] content is based on the books and records kept in the normal course of business."

Future expansions of the derivative products list

The proclamations also direct the Department of Commerce to establish a new process that would allow US industries to petition for the inclusion of additional derivative products. The proclamations state that within 90 days (*i.e.*, May 11, 2025), the Secretary of Commerce must create a process to add more derivative steel and aluminum articles to the lists subject to the tariffs. This process will allow domestic producers or industry groups to request the inclusion of additional products if they can demonstrate that increased imports of such products threaten national security or undermine the goals of the Secretary's January 11, 2018 report or any related proclamation. Once a request is received, there is a 60-day timeline for the Secretary of Commerce to decide whether to include the additional products. The Department of Commerce has not yet issued guidance for the system.

Target economies begin issuing retaliatory tariffs

Several economies targeted by the tariff increases have already announced retaliation, including the European Union and Canada. Others, including Australia and the United Kingdom, appear to be taking more cautious approaches in their initial responses.

⁷ The United States imported \$149.8 billion under the newly included derivative product codes in 2024. In contrast, the original Section 232 HTS codes (disregarding the country and product exemptions) would have covered about \$52.6 billion of 2024 imports.

⁸ CSMS # 64384423 – "UPDATED GUIDANCE: Import Duties on Imports of Steel and Steel Derivative Products," March 11, 2025, accessible here: <https://content.govdelivery.com/bulletins/gd/USDHSCBP-3d66da7>; CSMS # 64384496 – "UPDATED GUIDANCE: Import Duties on Imports of Aluminum and Aluminum Derivative Products," March 11, 2025, accessible here: <https://content.govdelivery.com/bulletins/gd/USDHSCBP-3d66df0>.

⁹ "Implementation of Duties on Steel Pursuant to Proclamation 10896 Adjusting Imports of Steel into the United States," 90 FR 11249 (March 5, 2025), accessible here: <https://federalregister.gov/d/2025-03598>; "Implementation of Duties on Aluminum Pursuant to Proclamation 10895 Adjusting Imports of Aluminum into the United States," 90 FR 11251 (March 5, 2025), accessible here: <https://federalregister.gov/d/2025-03596>.

¹⁰ "Certification of Systems for Processing and Collecting Tariffs on Steel and Aluminum Articles Pursuant to the President's February 10, 2025 Proclamations," prepublication copy of the FRN (March 14, 2025), accessible here: <https://federalregister.gov/d/2025-04210>.

Canada announced on March 12 that it will impose retaliatory tariffs on C\$29.8 billion (US\$20 billion) of US imports.¹¹ The retaliatory action will cover steel and aluminum imports from the United States, as well as other US goods. Canada intends for the size of the action to match the US tariffs “following a dollar-for-dollar approach.” The tariffs enter effect on March 13. These retaliatory tariffs are on top of the existing retaliatory tariffs that Canada issued on March 4 in response to the previous tariffs the Trump administration imposed on Canada. Canada is also conducting public consultations to prepare an additional tariff retaliation list that would enter effect on April 2.

On March 12, the European Union announced its intention to impose retaliatory tariffs.¹² The European Commission will pursue a two-fold response, which, unless an agreement is reached between the parties, will be implemented in April. First, the European Commission’s response will allow the current EU suspension of existing 2018 and 2020 countermeasures against the United States to lapse on April 1, 2025. These countermeasures were implemented in response to US tariffs on EU steel and aluminum exports implemented during the first Trump administration. Second, the European Commission intends to implement a new package of countermeasures on US goods by mid-April, after consultations with EU Member States and stakeholders. In its announcement, the EU reiterated its openness to negotiations with the United States to avoid further escalations. However, the United States has not yet indicated a willingness to engage in discussions which may avoid the implementation of the proposed EU measures. Instead, Trump has threatened to retaliate against the EU retaliation (though he has not yet issued any legal orders to do so).¹³

¹¹ “Canada responds to unjustified U.S. tariffs on Canadian steel and aluminum products,” Department of Finance, March 12, 2025, accessible here: <https://www.canada.ca/en/department-finance/news/2025/03/canada-responds-to-unjustified-us-tariffs-on-canadian-steel-and-aluminum-products.html>.

¹² “Commission responds to unjustified US steel and aluminium tariffs with countermeasures,” European Commission, March 12, 2025, accessible here: https://ec.europa.eu/commission/presscorner/detail/en/ip_25_740.

¹³ Truth Social post on march 13, 2025, accessible here: <https://truthsocial.com/@realDonaldTrump/posts/114155003492555395>.

Trade Agreements

No developments

Petitions & Investigations

Investigations

ITC Issues Scheduling for Full Five-Year Review of ADD Order on Welded Large Diameter Line Pipe from Japan

On March 13, the US International Trade Commission (ITC) issued the notice of scheduling for its full five-year review of the antidumping duty (ADD) order on certain welded large diameter line pipe from Japan, along with a 90-day extension of the review timeline.¹⁴ The review will seek to determine whether revocation of the order would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time. The final determination date is currently scheduled for November 7, 2025.

In its parallel proceeding, the Department of Commerce (Commerce) issued the final affirmative results of its sunset review on January 3, 2025, finding that revocation of the ADD order would be likely to lead to the continuation or recurrence of dumping at the dumping margins up to 30.80%.¹⁵ Commerce conducted the review on an expedited basis after not receiving a substantive response from any respondent interested parties. Following the Commerce determination, the ITC issued notice that it would conduct a full five-year review of the order.¹⁶

Covered product

The product covered by this order is certain welded carbon and alloy line pipe, of circular cross section and with an outside diameter greater than 16 inches, but less than 64 inches, in diameter, whether or not stenciled. This product is normally produced according to American Petroleum Institute (API) specifications, including Grades A25, A, B, and X grades ranging from X42 to X80, but can also be produced to other specifications. The product is classified under HTSUS codes 7305.11.1030, 7305.11.1060, 7305.11.5000, 7305.12.1030, 7305.12.1060, 7305.12.5000, 7305.19.1030, 7305.19.1060, and 7305.19.5000. HTSUS codes are provided for convenience and customs purposes and the written description of the scope is dispositive.

Not included within the scope of this investigation is American Water Works Association (AWWA) specification water and sewage pipe and the following size/grade combinations of line pipe:

- Having an outside diameter greater than or equal to 18 inches and less than or equal to 22 inches, with a wall thickness measuring 0.750 inch or greater, regardless of grade;
- Having an outside diameter greater than or equal to 24 inches and less than 30 inches, with wall thickness measuring greater than 0.875 inches in grades A, B, and X42, with wall thickness measuring greater than 0.750 inches in grades X52 through X56, and with wall thickness measuring greater than 0.688 inches in grades X60 or greater;
- Having an outside diameter greater than or equal to 30 inches and less than 36 inches, with wall thickness measuring greater than 1.250 inches in grades A, B, and X42, with wall thickness measuring greater than 1.000 inches in grades X52 through X56, and with wall thickness measuring greater than 0.875 inches in grades X60 or greater;

¹⁴ "Certain Welded Large Diameter Line Pipe From Japan; Scheduling of a Full Five-Year Review," 90 FR 11995 (March 13, 2025), accessible here: <https://www.federalregister.gov/documents/2025/03/13/2025-04012/certain-welded-large-diameter-line-pipe-from-japan-scheduling-of-a-full-five-year-review>.

¹⁵ "Welded Large Diameter Line Pipe From Japan: Final Results of the Expedited Fourth Sunset Review of the Antidumping Duty Order," 90 FR 303 (January 3, 2025), accessible here: <https://www.federalregister.gov/documents/2025/01/03/2024-31593/welded-large-diameter-line-pipe-from-japan-final-results-of-the-expedited-fourth-sunset-review-of>.

¹⁶ "Certain Welded Large Diameter Line Pipe From Japan; Notice of Commission Determination To Conduct a Full Five-Year Review," 90 FR 6010 (January 17, 2025), accessible here: <https://www.federalregister.gov/documents/2025/01/17/2025-01146/certain-welded-large-diameter-line-pipe-from-japan-notice-of-commission-determination-to-conduct-a>.

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- Having an outside diameter greater than or equal to 36 inches and less than 42 inches, with wall thickness measuring greater than 1.375 inches in grades A, B, and X42, with wall thickness measuring greater than 1.250 inches in grades X52 through X56, and with wall thickness measuring greater than 1.125 inches in grades X60 or greater;
 - Having an outside diameter greater than or equal to 42 inches and less than 64 inches, with a wall thickness measuring greater than 1.500 inches in grades A, B, and X42, with wall thickness measuring greater than 1.375 inches in grades X52 through X56, and with wall thickness measuring greater than 1.250 inches in grades X60 or greater;
 - Having an outside diameter equal to 48 inches, with a wall thickness measuring 1.0 inch or greater, in grades X-80 or greater;
 - In API grades X100 or above, having an outside diameter of 48 inches to and including 52 inches, and with a wall thickness of 0.54 inch or more; and
 - An API grade X-80 having an outside diameter of 21 inches and wall thickness of 0.625 inch or more.