

# US & Multilateral Trade and Policy Developments

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**Japan External Trade Organization**

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# Contents

**Trade Policy Developments..... 1**

    President Trump Threatens 50% Total Duty on Indian Goods; Modified Reciprocal Tariffs Enter into Effect..... 1

    President Trump’s Threatened 50% Total Tariff on Indian Goods Enters into Force..... 2

    US Census Bureau Finalizes Export Filing Requirements for In-Transit Goods ..... 4

    Annual UFLPA Strategy Update Expands High-Priority Sector List to Include Caustic Soda, Copper, Red Dates, Lithium, and Steel..... 6

    Appeals Court Strikes Down IEEPA Tariffs, Setting Stage for Supreme Court Review ..... 9

    NOAA Issues Marine Mammal Protection Act Comparability Findings for 2026 Fishery Import Restrictions ..... 11

**Trade Actions ..... 15**

    USTR Extends China Section 301 Tariff Exclusions Through November 2025 ..... 15

    Trump Administration Expands Steel and Aluminum Section 232 Tariffs Effective August 18, 2025 ..... 16

    Trump Administration Initiates Section 232 Investigation of Wind Turbines and Their Parts and Components ..... 18

    USTR Opens Annual Reviews of Russia and China’s WTO Compliance and the Notorious Markets List ..... 20

**Trade Agreements ..... 22**

    United States and China Extend Trade War Truce to November 10..... 22

    US Reciprocal Tariff Discussions Continue in Weeks Following Entry into Effect ..... 24

    United States and European Union Publish Trade Deal Joint Statement; Formalize 15% Tariff on Most EU Exports..... 27

**Petitions & Investigations..... 32**

    Commerce Issues Final Results of Administrative Review of ADD Order on Hot-Rolled Steel Flat Products from Japan ..... 32

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## Trade Policy Developments

### President Trump Threatens 50% Total Duty on Indian Goods; Modified Reciprocal Tariffs Enter into Effect

On August 6, 2025, President Trump signed an executive order imposing an additional 25% tariff on goods imported from India, due to the country's importation of oil from Russia. The additional duties will enter into effect on August 27, 2025.<sup>1</sup> Added to India's current 25% rate, this would bring India's total duty rate to 50% for most goods.

The next day, on August 7 at 12:01am EST, the United States' modified "reciprocal" country-specific tariff rates of at least 15%, affecting most imports from 90 countries, entered into force.

#### Duties on imports from India to increase from 25% to 50% on August 27

The August 6 executive order, entitled "Addressing Threats to the United States by the Government of the Russian Federation," has the effect of imposing an additional 25% tariff on most US imports from India, effective August 27.

The duties are "secondary tariffs" resulting from India's importation of oil from Russia. As explained in the White House's accompanying fact sheet, "[b]y imposing a 25% tariff, President Trump aims to deter countries from supporting the Russian Federation's economy through oil imports and impose serious economic consequences on the Russian Federation for its ongoing aggressions" in Ukraine.<sup>2</sup> The order suggests that the duties may be rolled back depending on Russia's commitments to ending the war with Ukraine.

The additional 25% tariff will apply *in addition to* the existing 25% rate that entered into effect today, August 7, so that the total rate on August 27 will be 50%, plus any other applicable product-specific duties. However, neither the new 25% duties, nor the 25% "reciprocal" duties, apply to goods "subject to existing or future actions under section 232" – that is, they do not "stack" with Section 232 duties. The duties also do not apply to those goods already excepted under the "reciprocal" tariff action, as listed in Annex II to Executive Order 14257 of April 2, 2025, including certain raw materials and chemicals.

The duties apply to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern daylight time, 21 days after the date of the order (*i.e.*, August 27, 2025), except for goods that (i) were loaded onto a vessel at the port of loading and in transit on the final mode of transit prior to entry into the United States before August 27; and (ii) are entered for consumption, or withdrawn from warehouse for consumption, before 12:01 a.m. eastern daylight time on September 17, 2025.

In July, there was momentum towards reaching a bilateral deal with India, which had been expected to establish a tariff rate somewhere below 20%, down from the original 26% rate. Indian negotiators were recently in Washington to try to finish the arrangement. The primary sticking points reportedly involve agriculture, cars, dairy, and genetically modified crops.

A spokesperson for India's Ministry of External Affairs called the August 6 action "unfair, unjustified and unreasonable," and explained that the "imports [from Russia] are based on market factors and done with the overall objective of ensuring the energy security of 1.4 billion people of India."

President Trump previously threatened 100% "secondary tariffs" on US imports from certain third countries that trade with Russia, if Russia does not agree to a ceasefire in Ukraine within a specified timeframe. Sanctions have

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<sup>1</sup> Executive Order 14329 of August 6, 2025: "Addressing Threats to the United States by the Government of the Russian Federation," 90 FR 38701 (August 11, 2025), accessible here: <https://www.federalregister.gov/documents/2025/08/11/2025-15267/addressing-threats-to-the-united-states-by-the-government-of-the-russian-federation>.

<sup>2</sup> Fact Sheet: "President Donald J. Trump Addresses Threats to the United States by the Government of the Russian Federation," (August 6, 2025), accessible here: <https://www.whitehouse.gov/fact-sheets/2025/08/fact-sheet-president-donald-j-trump-addresses-threats-to-the-united-states-by-the-government-of-the-russian-federation/>.

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eliminated almost all US imports from Russia in recent years, except for uranium, fertilizers, and palladium, so the administration has sought to identify other economic levers to place pressure on Russia.

The concept of the “secondary tariff” was first implemented in an executive order targeting countries that import oil from Venezuela in March 2025. The Venezuela “secondary tariff” order empowered the Department of State to impose a 25% tariff on all US imports from any country that imports oil from Venezuela. The Department of State has discretion to “determine whether a country has imported Venezuelan oil, directly or indirectly” and then impose tariffs as it sees fit on or after April 2.

More secondary tariffs on additional countries trading with Russia may be imposed: the White House fact sheet accompanying the India EO states that “[t]he Secretary of Commerce, in coordination with the Secretary of State, Secretary of the Treasury, and other senior officials, will determine whether other countries directly or indirectly import Russian Federation oil and recommend further actions to the President as needed.”<sup>3</sup> Indeed, President Trump himself suggested that more actions are forthcoming, stating earlier this week that “[y]ou’re going to see a lot more. You’re going to see so much secondary sanctions.”

### **Modified Reciprocal Tariff Rates on 90 Countries Enter into Effect as of August 7**

As of 12:01am eastern daylight time on August 7, 2025, the “reciprocal” tariffs originally announced on April 2 are in effect. Those rates were subsequently modified for many targeted countries as a result of bilateral negotiations. The modified rates, starting at 15%, were announced via executive order on July 31, 2025, which cited “the continued lack of reciprocity in our bilateral trade relationships and the impact of foreign trading partners’ disparate tariff rates and non-tariff barriers on U.S. exports, the domestic manufacturing base, critical supply chains, and the defense industrial base.”<sup>4</sup>

Countries without a specific rate remain subject to the additional 10% “baseline” tariff previously imposed by Executive Order 14257 dated April 2, 2025, as amended.<sup>5</sup>

### **President Trump’s Threatened 50% Total Tariff on Indian Goods Enters into Force**

On August 6, 2025, President Trump signed an executive order imposing an additional 25% tariff on goods imported from India, due to the country’s importation of oil from Russia. Added to India’s current 25% rate, this would bring India’s total duty rate to 50% for most goods, plus any other applicable product-specific duties. The additional tariff will enter into effect on August 27, 2025.<sup>6</sup>

According to the executive order dated August 6, entitled “Addressing Threats to the United States by the Government of the Russian Federation,” the additional 25% tariff will be imposed on most US imports from India, effective August 27. The additional duty is a “secondary tariff” resulting from India’s importation of oil from Russia. As

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<sup>3</sup> Fact Sheet: “President Donald J. Trump Addresses Threats to the United States by the Government of the Russian Federation,” (August 6, 2025), accessible here: <https://www.whitehouse.gov/fact-sheets/2025/08/fact-sheet-president-donald-j-trump-addresses-threats-to-the-united-states-by-the-government-of-the-russian-federation/>.

<sup>4</sup> Executive Order 14326 of July 31, 2025: “Further Modifying the Reciprocal Tariff Rates,” 90 FR 37963 (August 6, 2025), accessible here: <https://www.federalregister.gov/documents/2025/08/06/2025-15010/further-modifying-the-reciprocal-tariff-rates>; and “CSMS #65829726 – GUIDANCE: Reciprocal Tariff Updates Effective August 7, 2025,” US Customs and Border Protection, August 4, 2025, accessible here: <https://content.govdelivery.com/accounts/USDHSCBP/bulletins/3ec7b5e>.

<sup>5</sup> Executive Order 14257 of April 2, 2025: “Regulating Imports With a Reciprocal Tariff To Rectify Trade Practices That Contribute to Large and Persistent Annual United States Goods Trade Deficits,” 90 FR 15041 (April 7, 2025), accessible here: <https://www.federalregister.gov/documents/2025/04/07/2025-06063/regulating-imports-with-a-reciprocal-tariff-to-rectify-trade-practices-that-contribute-to-large-and>.

<sup>6</sup> Executive Order 14329 of August 6, 2025: “Addressing Threats to the United States by the Government of the Russian Federation,” 90 FR 38701 (August 11, 2025), accessible here: <https://www.federalregister.gov/documents/2025/08/11/2025-15267/addressing-threats-to-the-united-states-by-the-government-of-the-russian-federation>; “Notice of Implementation of Additional Duties on Products of India Pursuant to the President’s Executive Order 14329, Addressing Threats to the United States by the Government of the Russian Federation,” 90 FR 41837 (August 27, 2025), accessible here: <https://www.federalregister.gov/documents/2025/08/27/2025-16419/notice-of-implementation-of-additional-duties-on-products-of-india-pursuant-to-the-presidents>; and CSMS # 66027027 - Guidance-Additional Duties on Imports from India, CBP, August 25, 2025, accessible here: <https://content.govdelivery.com/accounts/USDHSCBP/bulletins/3ef7e13>.

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explained in the White House's accompanying fact sheet, "[b]y imposing a 25% tariff, President Trump aims to deter countries from supporting the Russian Federation's economy through oil imports and impose serious economic consequences on the Russian Federation for its ongoing aggressions" in Ukraine.<sup>7</sup> The executive order suggests that the tariff may be rolled back depending on Russia's commitments to ending the war with Ukraine.

The 50% tariff applies to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern daylight time, 21 days after the date of the executive order (*i.e.*, August 27, 2025), except for goods that (i) were loaded onto a vessel at the port of loading and in transit on the final mode of transit prior to entry into the United States before August 27; and (ii) are entered for consumption, or withdrawn from warehouse for consumption, before 12:01 a.m. eastern daylight time on September 17, 2025. However, neither the new 25% tariff, nor the 25% "reciprocal" tariff, applies to goods "subject to existing or future actions under section 232" – that is, they are not cumulative with any Section 232 duties. Additionally, the duties do not apply to those goods already excepted under the "reciprocal" tariff action, as listed in Annex II to Executive Order 14257 of April 2, 2025, including certain raw materials and chemicals.

### **"Secondary tariffs"**

President Trump previously threatened 100% secondary tariffs on US imports from certain third countries that trade with Russia, if Russia does not agree to a ceasefire in Ukraine within a specified timeframe. Sanctions have eliminated almost all US imports from Russia in recent years, except for uranium, fertilizers, and palladium, so the administration has sought to identify other economic levers to place pressure on Russia.

The concept of the secondary tariff was first implemented in an executive order targeting countries that import oil from Venezuela in March 2025. This executive order empowered the Department of State to impose a 25% tariff on all US imports from any country that imports oil from Venezuela. The Department of State has discretion to "determine whether a country has imported Venezuelan oil, directly or indirectly" and then impose tariffs as it sees fit on or after April 2.

More secondary tariffs on additional countries trading with Russia may be imposed: the White House fact sheet accompanying the executive order dated August 6 on India states that "[t]he Secretary of Commerce, in coordination with the Secretary of State, Secretary of the Treasury, and other senior officials, will determine whether other countries directly or indirectly import Russian Federation oil and recommend further actions to the President as needed."<sup>8</sup> Indeed, President Trump himself suggested that more actions are forthcoming, stating that "[y]ou're going to see a lot more. You're going to see so much secondary sanctions."

### **India's reaction**

India's Ministry of External Affairs (MEA) has termed the move "unfair, unjustified, and unreasonable."<sup>9</sup> In July, there was momentum towards reaching a bilateral deal with India, which had been expected to establish a tariff rate somewhere below 20%, down from the original 26% rate. Indian negotiators were recently in Washington to try to finish the arrangement. Following the issuance of the August 6 executive order, the Indian government has pledged to protect its national interests, emphasizing that its imports are market-based and critical for the energy security of its 1.4 billion people. The MEA highlighted a perceived double standard, noting that the United States and Europe continue to import various goods from Russia.

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<sup>7</sup> Fact Sheet: "President Donald J. Trump Addresses Threats to the United States by the Government of the Russian Federation," (August 6, 2025), accessible here: <https://www.whitehouse.gov/fact-sheets/2025/08/fact-sheet-president-donald-j-trump-addresses-threats-to-the-united-states-by-the-government-of-the-russian-federation/>.

<sup>8</sup> Fact Sheet: "President Donald J. Trump Addresses Threats to the United States by the Government of the Russian Federation," (August 6, 2025), accessible here: <https://www.whitehouse.gov/fact-sheets/2025/08/fact-sheet-president-donald-j-trump-addresses-threats-to-the-united-states-by-the-government-of-the-russian-federation/>.

<sup>9</sup> See, Statement of Official Spokesperson, Ministry of External Affairs, August 6, 2025, accessible here: <https://www.mea.gov.in/Speeches-Statements.htm?dtl/39945>.

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The new tariffs are expected to harm India's export sector, potentially making Indian products uncompetitive and leading to a significant drop in exports to the United States. Discussions concerning a trade agreement between the two countries have broken down after five rounds of negotiations, primarily over disagreements on agriculture and dairy market access as well as the India's purchasing of Russian oil. India's government views protecting its farmers' livelihoods as non-negotiable. According to Indian press reports,<sup>10</sup> US and Indian officials had planned to meet on August 25-29 in New Delhi ahead of the August 27 deadline. However, on August 17, the United States announced it was postponing the trip, and a new date for bilateral negotiations has yet to be decided.

## **US Census Bureau Finalizes Export Filing Requirements for In-Transit Goods**

On August 14, 2025, the US Department of Commerce Bureau of the Census issued the final rule to amend Electronic Export Information (EEI) filing requirements in the Foreign Trade Regulations<sup>11</sup> (FTR) for in-transit shipments imported into the United States and later re-exported.<sup>12</sup> The amendments clarify and expand what entities can be the US Principal Party of Interest (USPPI) for the re-export of previously entered (in-transit) goods, allowing warehouses, bonded warehouses, other storage facilities, and Foreign-Trade Zones (FTZs) to handle EEI export declarations instead of the customs broker. The rule also revises and clarifies export data disclosure requirements, mandatory filing requirements, responsibilities of parties to the export transaction, confidentiality, penalties, voluntary self-disclosures, and definitions of key terms (including "ultimate consignee" and "intermediate consignee"). The changes are effective from September 15, 2025.

### **The 2024 proposed rule and other expected rule changes**

The Census Bureau originally proposed the changes in a Notice of Proposed Rulemaking (NPRM) dated October 31, 2024, inviting public feedback on the suggested reforms.<sup>13</sup> Eleven comments were submitted to the NPRM. The Census Bureau made several adjustments to the rule based on these comments, as detailed in the Federal Register notice.

Among the changes from the NPRM, the Census Bureau withdrew its proposal to require that entry numbers be submitted with exports to record country of origin. Instead, the Census Bureau will implement an alternative country of origin filing requirement in a separate, future rulemaking action. The FRN also states that the Census Bureau is working with the Bureau of Industry and Security (BIS) to propose new amendments to the FTR and the Export Administration Regulations (EAR, the regulations governing export controls) to address requirements for routed and standard export transactions.

### **Changes to USPPIs for re-exported shipments**

The final rule expands the range of entities eligible to be the USPPI for in-transit shipments from foreign countries that enter the United States for consumption or warehousing, are stored in a warehouse or storage facility, admitted into an FTZ, or entered into a bonded warehouse, and then are re-exported. When those patterns of movement

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<sup>10</sup> "India to continue negotiations with US for trade deal but no compromise on agri, dairy," *bt Business Today*, August 7, 2025, accessible here: <https://www.businesstoday.in/india/story/india-to-continue-negotiations-with-us-for-trade-deal-but-no-compromise-on-agri-dairy-488326-2025-08-07>.

<sup>11</sup> The FTR is the regulation that governs exporter declaration requirements, which the Census Bureau manages as part of its responsibilities to collect and publish merchandise trade statistics and to help the Commerce Department enforce export controls. See, 15 CFR Part 30, accessible here: <https://www.ecfr.gov/current/title-15/subtitle-B/chapter-I/part-30>.

<sup>12</sup> "Foreign Trade Regulations (FTR): Clarification of Filing Requirements Regarding In-Transit Shipments and Other FTR Provisions," 90 FR 39112 (August 14, 2025), accessible here: <https://www.federalregister.gov/documents/2025/08/14/2025-15493/foreign-trade-regulations-fts-clarification-of-filing-requirements-regarding-in-transit-shipments>.

<sup>13</sup> "Foreign Trade Regulations (FTR): Clarification of Filing Requirements Regarding In-Transit Shipments and Other FTR Provisions," 89 FR 86762 (October 31, 2024), accessible here: <https://www.federalregister.gov/documents/2024/10/31/2024-24482/foreign-trade-regulations-fts-clarification-of-filing-requirements-regarding-in-transit-shipments>. The public comments docket is accessible here: [https://www.regulations.gov/document/USBC\\_FRDOC\\_0001-0048/comment](https://www.regulations.gov/document/USBC_FRDOC_0001-0048/comment).

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happen before re-export, the amended rules allow for the bonded warehouse, warehouse, storage facility, or FTZ that possesses the shipment to become the USPPI, replacing the broker.

If a customs broker (or a foreign person) is the importer of record for an import destined for re-export, the broker will remain the USPPI if the goods are exported without transformation or enhancement within 30 calendar days of import. If the goods are not exported within this period, the bonded warehouse, FTZ, or storage facility in possession and with knowledge and control of the goods when the goods begin their journey to the port would become the USPPI. The final rule clarifies that the original customs broker may also continue to serve as the USPPI after 30 days, if they choose to do so.

This change aims to increase the system's flexibility for situations involving long-term storage in the United States. Previously, customs brokers could serve as the USPPI for re-exports of shipments. However, in cases where imports are stored long term in warehouses or FTZs before re-export, the original customs broker may have already transferred control of the merchandise to another party. The Census Bureau noted an increase in inquiries about handling these situations, prompting the rule change.

### **Other clarifications and amendments**

The rule makes various other clarifications and technical amendments to the FTR, including:

- Clarifying that EEI filing is not required when goods are moving in-transit through the United States (or Puerto Rico and the US Virgin Islands) from one country to another and the goods do not enter the United States for consumption or warehousing;
- Adding language to the General Filer Requirements to require that the EEI filer maintain a physical office or residence in the United States; be physically located in the United States at the time of preparing and filing the EEI; and have an Employer Identification Number (EIN) or a Data Universal Numbering System (DUNS) and be certified to report in the Automated Export System (AES);
- Clarifying that foreign persons may not submit a voluntary self-disclosure (VSD);
- Revising the list of required data elements that a USPPI and an authorized agent are each responsible for in a routed export transaction, including with a new appendix to the FTR that specifies the data elements;
- Revising the Drug Enforcement Agency's authorization to require EEI filing in the AES for all licenses and permits under 12 CFR 1309;
- Clarifying that the EEI data may not be used for tax purposes, export marketing, or promotion unless otherwise noted; and
- Clarifying the import reporting requirements for repairs incurred outside of the United States.

### **Amended definitions**

The final rule makes several changes to legal definitions in the FTR. The changes include a new definition for the term "conveyance," removing the definition of "consignee" (replacing its use with "ultimate consignee"), and revisions the definitions of "buyer (purchaser)," "end-user," "filer," "foreign port of unloading," "foreign PPI," "forwarding agent," "intermediate consignee," "order party," "seller," "shipment," "ultimate consignee," and "USPPI."

As part of these changes, the rule clarifies that "foreign port of unloading" means the port where the exported goods are removed from the exporting conveyance and that the "intermediate consignee" must physically take possession of the goods. A "conveyance" would be defined as the "actual aircraft, vessel, railcar, truck, and other means of transport used to transport goods from one place to another." The new definition of "ultimate consignee" is the "person located abroad who ultimately receives the export shipment, as known at the time of export," which may be



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the Foreign Principal Party of Interest (FPPI), buyer, or end user, but may not be an intermediate consignee or forwarding agent.

## Annual UFLPA Strategy Update Expands High-Priority Sector List to Include Caustic Soda, Copper, Red Dates, Lithium, and Steel

On August 19, 2025, the US Forced Labor Enforcement Task Force (FLETF) published its annual update to the enforcement strategy for the Uyghur Forced Labor Prevention Act (UFLPA) (“2025 Report”).<sup>14</sup> The update designates caustic soda, copper, jujubes (red dates), lithium, and steel as new high-priority sectors for UFLPA enforcement. The additions signal to the private sector that the US government is taking an increased interest in enforcement targeting imports of these products, as well as downstream products that may include them as inputs. Other than the expanded high-priority sector list, the 2025 Report – the first UFLPA annual report issued under President Trump – does not describe any policy changes or new administrative plans.

### The UFLPA import prohibitions

The UFLPA establishes a rebuttable presumption that any goods (i) mined, produced, or manufactured wholly or in part in China’s Xinjiang Uyghur Autonomous Region (XUAR) or (ii) that are mined, produced, or manufactured wholly or in part by an entity on the UFLPA Entity List,<sup>15</sup> are prohibited from entering the United States under Section 307 of the Tariff Act of 1930. The prohibition’s scope is broad, applying to downstream products that may contain inputs from XUAR or entities on the UFLPA Entity List, irrespective of the final product’s country of origin. Since the UFLPA entered force, 48% of all shipments that US Customs and Border Protection (CBP) has detained under the law originate from countries other than China.

### Policy updates in the 2025 Report

The 2025 Report identifies five new high-priority sectors for UFLPA enforcement:

- ❑ **Caustic soda (sodium hydroxide):** The FLETF has identified multiple caustic soda manufacturers “as having a high risk of utilizing or facilitating forced labor,” two of which are already on the UFLPA Entity List. China, the world’s largest producer of caustic soda, has 16% of its production in XUAR. Caustic soda is a base chemical used in many industrial processes, including processing steps for aluminum (which is also on the high-priority list), pulp and paper, artificial textile fiber, soaps and detergents, drinking water, and petroleum.
- ❑ **Copper:** The FLETF reports that expanding the copper industry in XUAR is a major industrial development focus for the Chinese government, with “credible evidence that multiple entities in the copper sector have a high risk of utilizing or facilitating forced labor.” Two XUAR-based copper producers are already on the UFLPA Entity List.
- ❑ **Jujubes (red dates):** China is the source of 40% of the world supply of jujubes, half of which are grown in XUAR. According to the FLETF, the Xinjiang Production and Construction Corps (which the UFLPA singles out for enforcement action) owns stakes in 13 jujube producers. Jujubes are often intercropped with cotton, another product on the high-priority enforcement list.
- ❑ **Lithium:** The FLETF reports that XUAR’s lithium industry is rapidly expanding after the discovery of mineral deposits. Entities on the UFLPA Entity List have recently expanded operations in the sector. The FLETF alleges there is “credible evidence that multiple entities in the sector have a high risk of utilizing or facilitating forced labor.”

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<sup>14</sup> “2025 Updates to the Strategy to Prevent the Importation of Goods Mined, Produced, or Manufactured with Forced Labor in the People’s Republic of China,” August 19, 2025, accessible here: [https://www.dhs.gov/sites/default/files/2025-08/25\\_0819\\_plcy\\_uflpa-strategy-2025-update-508.pdf.pdf](https://www.dhs.gov/sites/default/files/2025-08/25_0819_plcy_uflpa-strategy-2025-update-508.pdf.pdf). See the webpage, “Strategy to Prevent the Importation of Goods Mined, Produced, or Manufactured with Forced Labor in the People’s Republic of China,” DHS, for links to the original strategy and all updates, accessible here: <https://www.dhs.gov/uflpa-strategy>.

<sup>15</sup> The UFLPA Entity List is accessible here: <https://www.dhs.gov/uflpa-entity-list>.



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- **Steel:** The FLETF states that the government of XUAR and the Xinjiang Production and Construction Corps have identified steel as a key industry for development, and are targeting the industry for “investment, technological upgrading and transformation, and steel product development, for use in several key downstream industries including automotive and shipbuilding.” The FLETF added a XUAR-based steel producer to the UFLPA Entity List in October 2024.

The high-priority sector list is intended to notify the private sector of where US enforcement authorities are observing elevated risks of forced labor, providing stakeholders insights into enforcement priorities. Importers should anticipate increased scrutiny from CBP on imports containing these materials, particularly when supply chains and corporate relationships suggest potential links to XUAR or entities elsewhere in China that are associated with government labor programs. The FLETF will also prioritize reviewing entities involved in the listed sectors for potential inclusion in the UFLPA Entity List.

Describing the additions, the 2025 Report states that importers should consider themselves to be “be on notice to more closely review each tier in their supply chains to enhance transparency and focus due diligence efforts on the supply chain nodes involving these sectors and enable enhanced streamlining and strengthening of compliance protocols to eliminate goods made with forced labor.”

The 2025 Report’s new listings mark the second expansion of the high-priority sector list since the UFLPA entered into force in June 2022. The first expansion, part of the 2024 Report, added polyvinyl chloride (PVC), aluminum, and seafood.<sup>16</sup> The original list of high-priority sectors, selected by Congress during drafting of the UFLPA, included cotton, tomatoes, and polysilicon. In designating new sectors for the high-priority list, the FLETF considers: (i) the availability of credible evidence of high risks of forced labor in the sector, (ii) whether the Chinese government is seeking to develop the sector in XUAR, and (iii) whether the sector’s XUAR-based production accounts for at least 15% of China’s total production or 10% of global production.

## **Latest trends in UFLPA enforcement activity**

### *Import detentions*

Since the UFLPA’s entry into force, CBP has detained 16,755 shipments valued at a total of US\$3.69 billion.<sup>17</sup> As of August 2025, CBP has released 5,783 of these shipments (valued at US\$2.78 billion) into the United States and denied entry to 10,274 shipments (valued at US\$880.29 million). There are 698 detained shipments, valued at US\$32.26 million, pending decision.

Despite the large number of releases, CBP has reported no instances of a product mined, produced, or manufactured wholly or in part in the XUAR or by a supplier on the UFLPA Entity List overcoming the rebuttable presumption. Instead, the shipments that CBP ultimately released into the United States have obtained release through Applicability Reviews. Applicability Reviews allow importers to demonstrate that the detained product is not subject to the UFLPA rebuttable presumption because it was not mined, produced, or manufactured wholly or in part in the XUAR or by a supplier on the UFLPA Entity List.

Detention activity shifted significantly in late 2024 and 2025, following a peak in detentions in Spring 2024. In 2023 and 2024, solar panels imported from Southeast Asia accounted for most of the detained import value. Since late 2024, solar panel detentions have declined significantly. In recent months, CBP has labeled most detained shipments as “automotive and aerospace” products. Media reports and public statements by affected companies suggest these

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<sup>16</sup> “2024 Updates to the Strategy to Prevent the Importation of Goods Mined, Produced, or Manufactured with Forced Labor in the People’s Republic of China,” July 9, 2024, accessible here: <https://www.dhs.gov/sites/default/files/2024-07/2024%20Updates%20to%20the%20Strategy%20to%20Prevent%20the%20Importation%20of%20Goods%20Mined%2C%20Produced%2C%20or%20Manufactured%20with%20Forced%20Labor%20in%20the%20People%E2%80%99s%20Republic%20of%20China.pdf>.

<sup>17</sup> All data from “Uyghur Forced Labor Prevention Act Statistics,” CBP, accessed August 20, 2025, accessible here: <https://www.cbp.gov/newsroom/stats/trade/uyghur-forced-labor-prevention-act-statistics>.

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new detentions are mostly commercial unmanned aerial vehicles manufactured in China. Following the “automotive and aerospace” sector, apparel and consumer products have seen the most detentions in 2025.

The shift in detention focus has significantly reduced the dollar value of UFLPA detentions but has increased the number of detentions. In the first seven months of 2025, CBP detained 4,132 shipments valued at US\$40.71 million. In contrast, during the first seven months of 2024, CBP detained 2,788 shipments valued at US\$1.16 billion.

#### *UFLPA Entity Listings*

There are currently 144 entities on the UFLPA Entity List, with 78 added since publication of the 2024 Report in July 2024. This doubling of listings followed the establishment of a formal team and processes for identifying, investigating, and recommending entities in early 2024. The new listings were issued in late 2024 and January 2025. The FLETF has not announced any new listings since January 15, 2025. The 2025 Report notes that the FLETF is pursuing “new technology and new methods to identify companies under all relevant sub-lists of the Uyghur Forced Labor Prevention Act Entity List,” but does not explain the slowdown in new listings.

#### **CBP is upgrading its reporting and filing systems**

CBP is introducing new web portals for the public to report forced labor allegations and to manage communications for investigations.<sup>18</sup> CBP expects the web portals to streamline the filing processes and enhance transparency. Filing practices for Section 307 withhold release orders (WROs) and Findings, Countering America’s Adversaries Through Sanctions Act (CAATSA) enforcement, and UFLPA activities are all affected by the new systems.

#### *Forced Labor Allegation Portal*

The new “Forced Labor Allegation Portal,”<sup>19</sup> launched on June 20, 2025, replaces CBP’s former practice of receiving forced labor allegations via email and the e-Allegations website. CBP will accept CAATSA, UFLPA, and Section 307 WROs and Findings allegations through the portal. As a live portal, the new system can prompt users to answer specific questions about their allegations, distribute the information to relevant CBP offices, and provide tracking information about the status of allegations.

The system requests information related to the country of export, the suspect merchandise, the suspect entity, and relevant documents from the user making the allegation.<sup>20</sup> Upon receiving the allegations, CBP will review them and decide whether to refer the case for an investigation. An entity named in an allegation will not be notified of the investigation until CBP takes an enforcement action.

#### *Forced Labor Portal*

The forthcoming “Forced Labor Portal” will handle filings for the UFLPA, CAATSA review requests, and WRO and Findings modifications requests. CBP and companies will be able to file and track documents in a centralized system, replacing the current practice of exchanging filings by email. CBP expects to launch this system soon.

#### **Promotion of forced labor import prohibitions in President Trump’s trade deals**

In addition to directly enforcing the UFLPA and the broader Section 307 restrictions, the Trump administration appears to be renewing pressure on US trade partners to adopt similar prohibitions on imports of goods made with forced labor. The Trump administration’s July 22 joint statement on a trade agreement with Indonesia includes a

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<sup>18</sup> More information on CBP’s enforcement activities and these two new web portals are available on CBP’s forced labor webpage, accessible here: <https://www.cbp.gov/trade/forced-labor>.

<sup>19</sup> Forced Labor Allegation Portal, accessible here: <https://flallegation.cbp.gov/s/login/>.

<sup>20</sup> For information on filing allegations in the portal, see CBP’s “Forced Labor Allegation Portal Quick Reference Guide (QRG),” accessible here: [https://www.cbp.gov/sites/default/files/2025-06/how\\_to\\_submit\\_allegations\\_on\\_the\\_forced\\_labor\\_allegation\\_portal\\_qrg.pdf](https://www.cbp.gov/sites/default/files/2025-06/how_to_submit_allegations_on_the_forced_labor_allegation_portal_qrg.pdf).

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specific commitment by Indonesia to “adopt and implement a prohibition on the importation of goods produced by forced or compulsory labor[.]”<sup>21</sup>

Though details about President Trump’s new trade deals are sparse, the language on labor rights and environmental protection is thematically similar to the labor and environmental protection chapters of the United States-Mexico-Canada Agreement (USMCA). The USMCA, negotiated under President Trump’s first term, was the first US free trade agreement to incorporate commitments to prohibiting import of goods made with forced labor.

## Appeals Court Strikes Down IEEPA Tariffs, Setting Stage for Supreme Court Review

On August 29, 2025, the US Court of Appeals for the Federal Circuit (CAFC), sitting *en banc* (full bench), issued its decision in *V.O.S. Selections, Inc. v. Trump*.<sup>22</sup> The Court held that the International Emergency Economic Powers Act (IEEPA) does not authorize the President to impose sweeping, indefinite tariffs such as the so-called “Trafficking Tariffs” (*i.e.*, the fentanyl trade-related tariffs) on Canada, Mexico, and China, as well as the “Reciprocal Tariffs” affecting nearly all US trading partners (promulgated under Executive Orders 14193, 14194, 14195, 14257, and 14266).

The Court’s accompanying Order<sup>23</sup> directs the Clerk to withhold issuance of the mandate through October 14, 2025, to give the parties time to petition the Supreme Court for *certiorari* (review). If a petition is filed, the mandate will remain withheld until the Supreme Court either denies *certiorari* or issues judgment. Given the stakes – trillions of dollars in tariff revenue and a core separation-of-powers dispute – the US government will certainly appeal to the Supreme Court, and we expect the Supreme Court to grant *certiorari*. This is to say, the current IEEPA tariffs will remain in place at least until the Supreme Court issues its ruling.

## Background

The appeal arose from a consolidated action at the US Court of International Trade (CIT), where private business plaintiffs and twelve state plaintiffs challenged the tariffs. On May 28, 2025, the CIT granted summary judgment, holding that both the “Trafficking Tariffs” and “Reciprocal Tariffs” exceeded presidential authority under IEEPA, and permanently enjoined enforcement. The Government appealed. The CAFC took the case *en banc* in the first instance, stayed the injunction pending appeal, and expedited briefing/argument.

## CAFC opinion

As a threshold matter, the Court noted that its opinion addresses only whether IEEPA authorizes the *specific tariffs* challenged, and not whether IEEPA authorizes *any tariffs* in other contexts.

### □ Statutory text and interpretation

The Court first analyzes the statutory text: IEEPA authorizes the President, in response to an “unusual and extraordinary threat,” to “regulate ... importation.” The Government argued that “regulate ... importation” implicitly included tariffs. The Court noted that IEEPA conspicuously lacks terms like “tariffs,” “duties,” “taxes,” or “imposts” – which is significant, as Congress typically uses clear and precise terms when delegating the power to impose tariffs in other statutes, often with defined procedural and substantive limitations, such as in the Section 338 of the Tariff Act of 1930; Section 122 of the Trade Act of 1974; Section 201 of the Trade Act of 1974; and Section 301 of the Trade Act of 1974.

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<sup>21</sup> “Joint Statement on Framework for United States-Indonesia Agreement on Reciprocal Trade,” White House, July 22, 2025, accessible here: <https://www.whitehouse.gov/briefings-statements/2025/07/joint-statement-on-framework-for-united-states-indonesia-agreement-on-reciprocal-trade/>.

<sup>22</sup> CAFC Opinion is accessible here: [https://www.cafc.uscourts.gov/opinions-orders/25-1812.OPINION.8-29-2025\\_2566151.pdf](https://www.cafc.uscourts.gov/opinions-orders/25-1812.OPINION.8-29-2025_2566151.pdf).

<sup>23</sup> CAFC Order is accessible here: [https://www.cafc.uscourts.gov/opinions-orders/25-1812.ORDER.8-29-2025\\_2566157.pdf](https://www.cafc.uscourts.gov/opinions-orders/25-1812.ORDER.8-29-2025_2566157.pdf).

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## □ “Regulate” versus “Tax”

The Government argued that the authority to “regulate ... importation” under IEEPA implicitly includes the power to impose tariffs. The Court rejected this, stating that the power to “regulate” is distinct from the power to “tax.” It cited constitutional principles where these powers are vested separately in Congress and cited examples of other statutes where Congress granted regulatory power to executive agencies *without* delegating taxing authority. Furthermore, the context of “regulate” within IEEPA’s list of verbs (*i.e.*, investigate, block, direct and compel, nullify, void, prevent or prohibit) suggests actions related to control or prohibition, not taxation.

## □ Major questions doctrine

The Court applied the major questions doctrine, which holds that if an agency (or, in this case, the Executive) asserts an “unheralded” and “transformative” power with “vast economic and political significance,” it must point to “clear congressional authorization.” The major questions doctrine is relevant because (i) IEEPA has never been wielded in this manner; and (ii) “[t]he Government itself has claimed that the Reciprocal Tariffs will ‘generate between \$2.3 trillion and \$3.3 trillion over the budget window.’” In this case, the Court found “no clear congressional authorization by IEEPA for tariffs of the magnitude of the Reciprocal Tariffs and Trafficking Tariffs.”

## The *Yoshida II* precedent

The Government heavily relied on *Yoshida II*, a decision by the predecessor Court of Customs and Patent Appeals (CCPA), which upheld President Nixon’s temporary 10% import surcharge under the Trading with the Enemy Act (TWEA, IEEPA’s predecessor law). The Court acknowledged that *Yoshida II* recognized the delegation of some tariff authority via TWEA’s “regulate ... importation” language.

However, the Court highlighted that *Yoshida II* upheld the surcharge due to its “[l]imited [n]ature in time, scope, and amount.” It was a temporary measure, “limited to articles which had been the subject of prior tariff concessions,” and subject to a maximum rate previously prescribed by Congress. The *Yoshida II* court explicitly contrasted this with an impermissible “unbounded tariff authority” or “imposing whatever tariff rates [the President] deems desirable.”

The Court concluded that even if Congress ratified *Yoshida II*’s understanding of “regulate ... importation” when enacting IEEPA, the current Trafficking Tariffs and Reciprocal Tariffs “are unbounded in scope, amount, and duration.” They apply to nearly all imports and countries, impose high and “ever-changing” rates that exceed HTSUS rates, and are not limited in duration. Therefore, these tariffs assert an expansive authority “beyond the express limitations of *Yoshida II*’s holding and, thus, beyond the authority delegated to the President by IEEPA.”

## CAFC vacatur and remand of injunction

The Court vacated the permanent injunction issued by the CIT and remanded the case for reconsideration of the remedy. The primary reason for vacating the injunction was the Supreme Court’s intervening decision in *Trump v. CASA, Inc.* (145 S. Ct. 2540 (2025)). In *CASA*, the Supreme Court questioned the legality of “universal injunctions” (injunctions that broadly prohibit the enforcement of a policy nationwide, beyond the specific parties to the case), stating they “likely exceed the equitable authority Congress has granted to federal courts.”

The Court also reiterated the four factors a plaintiff must establish for a permanent injunction, as set forth in *eBay Inc. v. MercExchange, L.L.C.* (547 US 388 (2006)): (i) irreparable injury, (ii) inadequacy of legal remedies, (iii) balance of hardships, and (iv) public interest. The CIT initially granted a permanent injunction without explicitly addressing the *eBay* factors, but it later explained its reasoning, citing the plaintiffs’ success on the merits, the unavailability of complete legal remedies, the “compelling public interest in ‘ensuring that governmental bodies comply with the law,’” and the lack of cognizable hardship to the US government.

**Remand for reevaluation:** The CIT is now tasked with reconsidering whether its grant of a universal injunction “comports with the standards outlined by the Supreme Court in *CASA*” and all four *eBay* factors.

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In summary, while the Court affirmed that the tariffs are unlawful, it sent the issue of the specific remedy (the injunction) back to the CIT for reevaluation in light of recent Supreme Court guidance on the scope of injunctive relief. However, the Court's Order also states that, until October 14, 2025, the CIT is barred from taking further action.

### **Additional and dissenting views**

*Additional Views* (Circuit Judge Cunningham, concurring, joined by Circuit Judges Lourie, Reyna, and Stark): Concurring with the majority, Judge Cunningham wrote separately to state that IEEPA does not authorize *any tariffs*. If IEEPA allows for tariffs, this would constitute a “functionally limitless delegation” of Congress’s taxation authority, lacking the necessary “intelligible principle” and clear quantitative or qualitative boundaries required for constitutional delegations of taxing power, especially in areas traditionally reserved for Congress.

*Dissenting Opinion* (Circuit Judge Taranto, dissenting, joined by Chief Judge Moore and Circuit Judges Prost and Chen): Judge Taranto disagreed with the majority's conclusion that the tariffs were unlawful, instead:

- Interpreting the phrase “regulate ... importation” to inherently encompass the imposition of tariffs. This interpretation is supported by the ordinary meaning of “regulate,” the broad context of IEEPA’s enumerated powers (including “prohibit” and “prevent”), and the statute’s history, which directly drew language from TWEA, previously interpreted by *Yoshida II* to include tariff authority.
- Finding Trafficking Tariffs and Reciprocal Tariffs meet IEEPA’s “unusual and extraordinary threat” precondition (focusing on specific negative economic effects or the use of tariffs as a “bargaining chip” rather than a direct link to the imported goods) and that the statute provides sufficient “intelligible principles” and boundaries to withstand a non-delegation challenge, especially given the “especially great leeway” for presidential authority in foreign affairs.

## **NOAA Issues Marine Mammal Protection Act Comparability Findings for 2026 Fishery Import Restrictions**

On August 29, 2025, Department of Commerce National Oceanic and Atmospheric Administration (NOAA) National Marine Fisheries Service (NMFS, or “NOAA Fisheries”) issued its long-awaited comparability findings for foreign fisheries under the Marine Mammal Protection Act’s (MMPA) import provisions.<sup>24</sup> In the action, NOAA Fisheries granted full comparability findings to all fisheries from 89 countries, partial comparability findings to fisheries from 34 countries, and denied comparability findings entirely for fisheries from 12 countries. Finalizing these comparability findings is a key step towards enforcing the MMPA’s import prohibition.

Starting January 1, 2026, fish and fish products from foreign fisheries lacking comparability findings will be banned from importation. Importers of products that may originate from prohibited fisheries will be required to submit Certificates of Admissibility (COA) with their import declarations to demonstrate compliance.

### **Import provisions of the MMPA**

The MMPA prohibits the taking, sale, and importation of marine mammals and marine mammal products, as well as fish and fish products harvested in ways that generate marine mammal bycatch.

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<sup>24</sup> “Implementation of Fish and Fish Product Import Provisions of the Marine Mammal Protection Act-Notification of Comparability Findings and Implementation of Import Restrictions; Certification of Admissibility for Certain Fish Products,” 90 FR 42395 (September 2, 2025), accessible here: <https://www.federalregister.gov/documents/2025/09/02/2025-16776/implementation-of-fish-and-fish-product-import-provisions-of-the-marine-mammal-protection>. See the NOAA Fisheries website at, “Seafood Import Prohibitions under the Marine Mammal Protection Act Import Provisions,” for more information on the program and links to other relevant documents, accessible here: <https://www.fisheries.noaa.gov/foreign/marine-mammal-protection/seafood-import-prohibitions-under-marine-mammal-protection-act>.

- Section 101 generally prohibits the taking,<sup>25</sup> importation, and sale of marine mammals and marine mammal products.<sup>26</sup> The law allows limited exceptions for certain scientific and conservation activities, for which directed taking permits must be issued, and incidental takings in commercial fishing and certain other specified maritime activities. The regulatory system governing incidental takings aims to reduce these incidents and serious injuries of marine mammals to “insignificant levels approaching a zero mortality and serious injury rate.”
- Section 101(a)(2) explicitly prohibits the importation of commercial fish or fish products caught using commercial fishing technologies that result in the incidental killing or serious injury of marine mammals exceeding US standards. To apply this import restriction, the government may request information from fish-exporting countries on the effects of commercial fishing technologies on marine mammals.
- Section 102(c) establishes that it is unlawful to import (i) marine mammals taken in violation of the MMPA or the laws of the country of harvest, (ii) marine mammal products derived from illegally harvested marine mammals or those illegal to sell in the country of origin, or (iii) “any fish, whether fresh, frozen, or otherwise prepared, if such fish was caught in a manner which the Secretary [of Commerce] has proscribed for persons subject to the jurisdiction of the United States, whether or not any marine mammals were in fact taken incident to the catching of the fish.”

Although the MMPA was enacted in 1972, US regulators have not aggressively enforced its importation prohibitions.

### **The 2016 fisheries import prohibition Final Rule**

Following several years of discussions, the NOAA Fisheries issued the final rule implementing the fish and fish product import prohibition on August 15, 2016 (“Final Rule”).<sup>27</sup> The Final Rule establishes a regulatory comparability finding system to assess whether foreign fisheries exporting to the United States have marine mammal bycatch regulatory protections comparable to US bycatch protections. Fish and fish products originating from foreign fisheries that fail to obtain an affirmative comparability finding from NOAA Fisheries will be prohibited from importation into the United States.

The Final Rule sets forth the regulatory conditions that foreign fisheries must meet to demonstrate comparability and the procedure for NOAA Fisheries to issue the comparability findings. To receive a comparability finding, a fishery regulator must demonstrate:

- It “has prohibited the intentional mortality or serious injury of marine mammals in the course of commercial fishing operations in the fishery” or “has procedures to reliably certify that exports of fish and fish products to the United States are not the product of an intentional killing or serious injury of a marine mammal;” and
- It has adopted and implemented a regulatory program governing the incidental taking and serious injury of marine mammals in the course of commercial fishing (bycatch) that is comparable in effectiveness to US bycatch regulations.

Foreign fisheries that export to the United States are identified in the NOAA Fisheries’ List of Foreign Fisheries (LOFF).<sup>28</sup> The first edition of the LOFF was issued in 2020 and updated alongside the issuance of the comparability findings. It identified approximately 2,800 foreign commercial fisheries across 131 countries. Each listed fishery must

<sup>25</sup> “Taking” is to “harass, hunt, capture, collect, or kill, or attempt to harass, hunt, capture, collect, or kill any marine mammal.”

<sup>26</sup> For purposes of the MMPA’s takings rules, marine mammals are “those specimens of the following orders, which are morphologically adapted to the marine environment, and whether alive or dead, and any part thereof, including but not limited to, any raw, dressed or dyed fur or skin: Cetacea (whales, dolphins, and porpoises) and Pinnipedia, other than walrus (seals and sea lions).”

<sup>27</sup> “Fish and Fish Product Import Provisions of the Marine Mammal Protection Act,” 81 FR 54390 (August 15, 2016), accessible here: <https://www.federalregister.gov/documents/2016/08/15/2016-19158/fish-and-fish-product-import-provisions-of-the-marine-mammal-protection-act>; and 50 CFR Parts 216.3 and 216.24, accessible here: <https://www.ecfr.gov/current/title-50/part-216>.

<sup>28</sup> The List of Foreign Fisheries is accessible here: <https://www.fisheries.noaa.gov/foreign/international-affairs/list-foreign-fisheries>.



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individually receive a comparability finding to continue exporting fish and fish products to the United States once the import prohibition takes effect. In the LOFF, listed fisheries designated as “Export” are those with a potential of marine mammal bycatch (comparable to Category I and II in the US domestic List of Fisheries). In contrast, fisheries labeled “Exempt” have little to no possibility of marine mammal bycatch (comparable to Category III in the US domestic List of Fisheries).

The Final Rule included a five-year exemption to the import prohibition, which was originally set to expire on December 31, 2021. According to NOAA Fisheries, the implementation delay was necessary to allow exporting countries to modify their domestic regulatory systems to meet US standards and then process the comparability findings. The implementation deadline was delayed several times after that. Eventually, NOAA Fisheries announced the prohibition would enter effect on December 31, 2025, which is the current scheduled date.<sup>29</sup>

Environmental groups have pressured the government to expedite implementation, including by filing a lawsuit in 2024 to compel prompt implementation.<sup>30</sup> NOAA Fisheries settled the lawsuit in January 2026 by committing to the January 1, 2026 enforcement date and to finalizing the comparability findings by September 1, 2025.

### Country Comparability Finding Determinations

NOAA Fisheries’ August 29, 2025 announcement splits the comparability findings into three categories, based on country:<sup>31</sup>

- ❑ **Countries denied comparability findings for all fisheries:** Benin, Grenada, Guinea, Haiti, Iran, Namibia, New Caledonia, Russia, Saint Lucia, The Gambia, Togo, and Venezuela. Of those, Benin, Haiti, Iran, and Venezuela did not submit comparability finding applications and were automatically denied.
- ❑ **Countries denied comparability findings for a subset of their fisheries:** Bangladesh, Brazil, Cameroon, Chile, China, Colombia, Ecuador, El Salvador, Ghana, Indonesia, Ireland, Kenya, Liberia, Madagascar, Malaysia, Mauritania, Mexico, Mozambique, Myanmar (Burma), Nigeria, Oman, Peru, Philippines, Saudi Arabia, Senegal, Somalia, South Korea, Sri Lanka, St. Kitts and Nevis, Suriname, Taiwan, Türkiye, United Arab Emirates, Vietnam.
- ❑ **Countries receiving comparability findings for all fisheries:** Albania, Antigua and Barbuda, Argentina, Australia, The Bahamas, Bahrain, Barbados, Belgium, Belize, Bermuda, Brunei, Bulgaria, Cambodia, Canada, Cape Verde, Cook Islands, Costa Rica, Côte d'Ivoire (Ivory Coast), Croatia, Cyprus, Denmark, Dominican Republic, Egypt, Estonia, Falkland Islands, Faroe Islands, Federated States of Micronesia, Fiji, Finland, France, France—St. Pierre et Miquelon, French Polynesia, French Southern and Antarctic Lands, Georgia, Germany, Greece, Greenland, Guatemala, Guyana, Honduras, Hong Kong, Iceland, India, Israel, Italy, Jamaica, Japan, Kiribati, Latvia, Lithuania, Maldives, Malta, Marshall Islands, Mauritius, Morocco, Nauru, The Netherlands, New Zealand, Nicaragua, Norway, Pakistan, Palau, Panama, Papua New Guinea, Poland, Portugal, Saint Helena/Tristan da Cunha (UK), Saint Vincent and the Grenadines, Samoa, Seychelles, Sierra Leone, Singapore, Slovenia, Solomon Islands, South Africa, Spain, Sweden, Tanzania, Thailand, Tonga, Trinidad and Tobago, Tunisia, Turks and Caicos, Tuvalu, Ukraine, United Kingdom, Uruguay, Vanuatu, and Yemen.

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<sup>29</sup> “Modification of Deadlines Under the Fish and Fish Product Import Provisions of the Marine Mammal Protection Act,” 88 FR 80193 (November 17, 2024), accessible here: <https://www.federalregister.gov/documents/2023/11/17/2023-25399/modification-of-deadlines-under-the-fish-and-fish-product-import-provisions-of-the-marine-mammal>.

<sup>30</sup> NRDC et al. v. Raimondo et al., Case No. 1:24-cv-00148 (CIT).

<sup>31</sup> The details of the comparability findings can be found on the NOAA Fisheries website at, “2025 Marine Mammal Protection Act Comparability Finding Determinations for Harvesting Nations,” accessible here: <https://www.fisheries.noaa.gov/international-affairs/2025-marine-mammal-protection-act-comparability-finding-determinations>.



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Countries that were denied comparability findings for a fishery may reapply after January 1, 2026. All countries will have to reapply for comparability findings every four years to demonstrate continuing compliance. NOAA Fisheries may also revoke a comparability finding if it determines the requirements are no longer being met.

### **Imposition of import restrictions and Certifications of Admissibility**

Beginning January 1, 2026, fish and fish products harvested from the fisheries that did not receive comparability findings will be prohibited from importation into the United States. The prohibited fisheries and related products (including HTS codes, FAO 3-Alpha Codes, and gear types) are provided in a list in the materials from the August 29, 2025 announcement.<sup>32</sup>

If a country receives comparability findings on some, but not all, of its fisheries, products on the restricted import list may still be allowed for importation, depending on the fishery from which they were harvested. Products on the restricted import list that were not harvested in the prohibited fisheries must document their origin with a COA. US Customs and Border Protection (CBP) will require that importers submit the COA with their import declarations to demonstrate the covered fish or fish product was harvested in non-prohibited fisheries. To complete the COA, the importer must obtain an attestation from an agent of the harvesting country's government, certifying that the fish were not harvested in a prohibited fishery.

### **Approach to evaluating Comparability Finding applications**

NOAA Fisheries has interpreted the MMPA's requirements to mean that foreign fisheries must have regulatory programs that are "comparable in effectiveness" to the US fisheries regulations under Sections 1386 and 1387 of the MMPA, rather than having identically structured regulations. To assess comparable effectiveness, NOAA Fisheries requested descriptive information from foreign governments about their fisheries and marine mammal interactions. The August 29, 2025 list is the first attempt to make comparability decisions for all fisheries, and NOAA Fisheries acknowledges that the process will be iterative. In the Federal Register Notice, NOAA Fisheries states that countries will need time to build capacity and the quality of data will vary substantially between countries.

To make its decisions, NOAA Fisheries adopted a risk-based, two-step process. First, all countries had to demonstrate that, for all fisheries, they have "prohibited the intentional mortality and serious injury of marine mammals in the course of commercial fishing operations or that it had procedures to reliably certify that exports of fish and fish products to the United States are not the product of an intentional killing of or serious injury to a marine mammal." This was the basic threshold, and countries that failed to demonstrate it were denied comparability findings. After meeting that threshold, the fishery regulator must demonstrate to NOAA Fisheries that they maintain "a regulatory program that is comparable in effectiveness to the US regulatory program" for each of the LOFF-designated Export fisheries (but not the Exempt fisheries). In this second step of the determination, NOAA Fisheries focused on the risk to marine mammals created by the type of gear used in the fisheries and the status of the potentially affected marine mammal populations.

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<sup>32</sup> "Harmonized Tariff Codes for the Marine Mammal Protection Act Import Prohibitions," NOAA Fisheries, August 29, 2025, accessible here: <https://www.fisheries.noaa.gov/resource/outreach-materials/harmonized-tariff-codes-marine-mammal-protection-act-import>.

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## Trade Actions

### Section 301

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#### USTR Extends China Section 301 Tariff Exclusions Through November 2025

On August 28, 2025, the United States Trade Representative (USTR) announced it is extending all active product exclusions under the China Section 301 tariffs through November 29, 2025.<sup>33</sup> The exclusions had previously been scheduled to expire on August 31. Should these exclusions eventually expire, the listed products will be subject to Section 301 tariffs of either 25% or 7.5%, in addition to any other applicable tariffs.

USTR has created various lists of exclusions from the China Section 301 tariffs since 2018, though the system for applying for new exclusions is no longer active. In 2024, the Biden administration issued extensions through May 31, 2025 for certain general exclusions and COVID-related exclusions and created a new exclusion for certain solar manufacturing equipment, while allowing the rest of the exclusions to expire. The Trump administration subsequently extended all the Biden administration's exclusions for three months, from May 31 to August 31, 2025.<sup>34</sup> The August 28 announcement extends all the exclusions – the general exclusions, the COVID-related exclusions, and solar manufacturing equipment exclusions – for another three months.

#### Extensions of the general and COVID-related exclusions

The 164 remaining general and COVID-related tariff exclusions, which originally had been set to expire on May 31, 2025, are all extended through November 29, 2025 (following the previous three-month extension from May 31 to August 31). The exclusions are under HTSUS 9903.88.69 and listed in US notes 20(vvv) to subchapter III of chapter 99 of the HTSUS.

While the Biden administration reviewed the Trump administration's Section 301 tariffs on China in 2023 and 2024, USTR maintained 352 general exclusions and 77 COVID-related exclusions to the tariffs. Alongside the completion of the Section 301 four-year review and proposal to increase the Section 301 tariffs in May 2024, USTR announced that (i) 234 of the exclusions would expire on June 14, 2024, and (ii) the remaining 164 exclusions would expire on May 31, 2025.<sup>35</sup>

#### Extension of the solar manufacturing equipment exclusion

The 14 exclusions for certain solar wafer and cell manufacturing equipment classified within HTSUS 8486.10.0000, 8486.20.0000, and 8486.40.0030 are also extended through November 29, 2025. The exclusions are under HTSUS 9903.88.70 and listed in US note 20(www) to subchapter III of chapter 99 of the HTSUS.

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<sup>33</sup> "Notice of Product Exclusion Extensions: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation," unpublished Federal Register Notice, accessible here: <https://ustr.gov/sites/default/files/files/Press/Releases/2025/FRN%20to%20Extend%20Exclusions%20to%20Nov%202025%20-%20Final%2008272025.pdf>; and "USTR Extends Certain Exclusions from China Section 301 Tariffs," USTR, August 28, 2025, accessible here: <https://ustr.gov/about/policy-offices/press-office/press-releases/2025/august/ustr-extends-certain-exclusions-china-section-301-tariffs>.

<sup>34</sup> "Notice of Product Exclusion Extensions: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation," 90 FR 23987 (June 6, 2025), accessible here: <https://www.federalregister.gov/documents/2025/06/05/2025-10203/notice-of-product-exclusion-extensions-chinas-acts-policies-and-practices-related-to-technology>; and "USTR Extends Certain Exclusions from China Section 301 Tariffs," USTR, May 31, 2025, accessible here: <https://ustr.gov/about/policy-offices/press-office/press-releases/2025/may/ustr-extends-certain-exclusions-china-section-301-tariffs>.

<sup>35</sup> "Notice of Extension of Certain Exclusions: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation," 89 FR 46948 (May 30, 2024), accessible here: <https://www.federalregister.gov/documents/2024/05/30/2024-11904/notice-of-extension-of-certain-exclusions-chinas-acts-policies-and-practices-related-to-technology>.

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USTR implemented the 14 solar equipment exclusions when the Biden administration expanded the Section 301 action in September 2024.<sup>36</sup> The exclusion originally applied to products imported on or after January 1, 2024, and through May 31, 2025.

### Extension decisions

When the Biden administration extended the Section 301 exclusions to May 2025, USTR emphasized that it expects importers to treat the exclusions as temporary and to seek alternative suppliers outside of China. The Trump administration has not explained why it is issuing repeated 90-day extensions for the exclusions. Trump administration officials had previously suggested they intended to let the exclusions expire, viewing them as a temporary measure. The two Federal Register notices only state that USTR made the extension decisions “based on continued consideration of the comments received in response to the December 29 notice and the comments received in the 4-year review[.]” USTR could extend or otherwise modify any of the exclusions again at its own discretion.

## Section 232

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### Trump Administration Expands Steel and Aluminum Section 232 Tariffs Effective August 18, 2025

On August 15, 2025, the US Department of Commerce Bureau of Industry and Security (BIS) announced a significant expansion of the product coverage under the 50% (or 25% for the United Kingdom) Section 232 tariffs on steel and aluminum derivative products.<sup>37</sup> The tariffs promptly entered effect for products that are entered into the United States for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. Eastern Daylight Time on Monday, August 18, 2025. BIS did not provide an exception for goods that were already in transit to the United States before the tariffs were announced.

The expansion results from the first public application round for the tariff “inclusions process,” a new system that allows domestic manufacturers to request the addition of new products to the scope of the tariffs. The additions include 407 Harmonized Tariff Schedule of the United States (HTSUS) 8-digit and 10-digit codes, covering various downstream products that may include steel and aluminum inputs. As with the existing Section 232 tariffs on steel and aluminum derivative products, the new tariffs apply only to the value of the steel and/or aluminum inputs in the products, not the entire entered value. The remaining non-steel and/or non-aluminum value will remain subject to the other tariffs imposed under the International Emergency Economic Powers Act (IEEPA).

Additionally, Annex II of the Federal Register notice makes several technical corrections and updates to the existing HTSUS Chapter 99 instructions for the steel and aluminum tariffs.

### Affected derivative products

The specific 407 HTSUS codes affected by the action are listed in the HTSUS Chapter 99 amendments in Annex I of the Federal Register notice. The covered products include industrial machinery components, vehicles, railroad cars, various consumer products, and containers and container products. In 2024, approximately US\$210 billion of

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<sup>36</sup> “Notice of Modification: China’s Acts, Policies and Practices Related to Technology Transfer, Intellectual Property and Innovation,” 89 FR 76581 (September 18, 2024), accessible here: <https://www.federalregister.gov/documents/2024/09/18/2024-21217/notice-of-modification-chinas-acts-policies-and-practices-related-to-technology-transfer>.

<sup>37</sup> “Adoption and Procedures of the Section 232 Steel and Aluminum Tariff Inclusions Process,” 90 FR 40326 (August 19, 2025), accessible here: <https://www.federalregister.gov/documents/2025/08/19/2025-15819/adoption-and-procedures-of-the-section-232-steel-and-aluminum-tariff-inclusions-process>; CSMS # 65936570 - GUIDANCE: Section 232 Additional Steel Derivative Tariff Inclusion Products, August 15, 2025, accessible here: <https://content.govdelivery.com/bulletins/gd/USDHSCBP-3ee1cba>; CSMS # 65936615 - GUIDANCE: Section 232 Additional Aluminum Derivative Tariff Inclusion Products, August 15, 2025, accessible here: <https://content.govdelivery.com/bulletins/gd/USDHSCBP-3ee1ce7>; and “Department of Commerce Adds 407 Product Categories to Steel and Aluminum Tariffs,” BIS, August 19, 2025, accessible here: <https://www.bis.gov/press-release/departments-commerce-adds-407-product-categories-steel-aluminum-tariffs>.

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merchandise, or about 6.5% of total US goods imports, fell under these HTSUS codes. Mexico, China, Canada, Japan, Germany, and South Korea were the origin of about 69% of those imports.

The steel derivative products added under this action include 392 HTSUS 8-digit and 10-digit codes under 23 HTSUS chapters. The list includes steel articles, food and beverage products, various chemicals and gases, insecticides, paint, soap, metal tools, metal cutlery, construction materials, engines, wind turbines parts, pumps and compressors, air conditioners, household appliances, trucks, agricultural vehicles, construction vehicles, mobile cranes, industrial machines and robots, ball bearings, power transformers, locomotives and train cars, motorcycles, and furniture.

The aluminum derivative products added under this action include 122 HTSUS 8-digit and 10-digit codes under 18 HTSUS chapters. The list includes aluminum containers, food and beverage products, various chemicals and gases, insecticides, paint, soap, wind turbine parts, household appliances, metal tools, power transformers, electric conductors, and vehicle parts.

### **Application of tariffs for the Section 232 steel and aluminum actions**

The steel and aluminum derivative products tariffs are assessed specifically on the value of the steel or aluminum content in the product. The remaining value of the product remains subject to any applicable IEEPA baseline and reciprocal tariffs. The general tariff rate is set at 50% for all countries of origin, with a special tariff rate of 25% for the UK. Imported steel and aluminum derivative products that are processed in another country from steel inputs melted and poured or aluminum inputs smelted and cast in the United States remain exempt from these tariffs.

For aluminum, a separate Section 232 tariff rule exists for Russia. Imports covered by the aluminum Section 232 tariff that are products of Russia, or where any amount of primary aluminum used in the manufacture of the aluminum articles is smelted in Russia, or where the aluminum articles are cast in Russia, are subject to a separate 200% tariff on the entire value of the imported product. Effective June 28, 2025, this 200% tariff also applies if the importer is unable to ascertain the country where the aluminum was smelted or cast.<sup>38</sup>

### **The steel and aluminum Section 232 tariffs inclusions process**

When President Trump expanded the steel and aluminum Section 232 tariffs in February 2025, he instructed the Department of Commerce to establish processes for adding derivative products to the scope of the tariffs,<sup>39</sup> allowing Commerce to add products either at its own discretion (which it has done several times) or in response to requests from domestic industry. The presidential proclamations provided limited detail on how the process should work, stating only that a domestic manufacturer's request should establish "that imports of a derivative steel [or aluminum] article have increased in a manner that threatens to impair the national security or otherwise undermine the objectives set forth in the Secretary's January 11, 2018, report or any Proclamation issued pursuant thereto," and that Commerce should issue determinations on the requests within 60 days of receipt.

To create the public inclusions process, BIS issued an interim final rule (IFR) on April 30, 2025,<sup>40</sup> establishing the procedures. The August 18 additions are based on the applications for the inclusion of derivative articles filed under BIS' first window for public requests, which was opened in May. BIS approved almost all the requests filed by the domestic industry during the May application window.

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<sup>38</sup> CSMS # 65340246 - GUIDANCE: Section 232 Aluminum Import Instructions for Reporting Unknown for the Country of Smelt and Cast, June 13, 2025, accessible here: <https://content.govdelivery.com/accounts/USDHSCBP/bulletins/3e50356>.

<sup>39</sup> Presidential Proclamation of February 10, 2025: "Adjusting Imports of Steel into The United States," 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," accessible here: <https://www.federalregister.gov/documents/2025/02/18/2025-02832/adjusting-imports-of-aluminum-into-the-united-states>.

<sup>40</sup> "Adoption and Procedures of the Section 232 Steel and Aluminum Tariff Inclusions Process," 90 FR 18780 (May 2, 2025), accessible here: <https://www.federalregister.gov/documents/2025/05/02/2025-07676/adoption-and-procedures-of-the-section-232-steel-and-aluminum-tariff-inclusions-process>; and the new regulations at Supplement No. 1 to Part 705, Title 15, accessible here: <https://www.ecfr.gov/current/title-15/subtitle-B/chapter-VII/subchapter-A/part-705/appendix-Supplement%20No.%201%20to%20Part%20705>.

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BIS appears to have declined inclusion applications only when the products (i) are already subject to the Section 232 tariffs, (ii) fall within ongoing Section 232 investigations (such as the cargo trucks investigation), or (iii) fall within the Section 301 investigation of “China’s Targeting the Maritime, Logistics, and Shipbuilding Sectors for Dominance” (for which the United States Trade Representative (USTR) is considering imposing tariffs on certain seaport infrastructure components). The decision memoranda posted by BIS to the docket provide no other information on BIS’ decision-making processes. The decision memoranda also do not reference any of the hundreds of objections to the tariff increases that stakeholders submitted to the docket during the public comment period.

BIS will open windows for inclusions applications three times per year for as long as the current Section 232 presidential proclamations are in place. The next application window will be in the first two weeks of September 2025. BIS will announce the opening of the window in a Federal Register notice.

### **Inclusions processes in other Section 232 actions**

Similar inclusions processes have appeared in other recent Section 232 actions, though Commerce has yet to act on them. The presidential proclamations implementing the automotive and copper Section 232 tariffs both direct Commerce to create inclusions process. The automotive tariff inclusions process, as described in the presidential proclamation, is identical to the one described in the steel and aluminum presidential tariff proclamations. In contrast, the presidential proclamation for the copper Section 232 tariff instructs Commerce to create an internal process for inclusions, but not a public application process.

On July 1, 2025, the Department of Commerce International Trade Administration (ITA) announced it had opened applications for the automotive parts Section 232 tariff inclusions process.<sup>41</sup> This process will allow US manufacturers to request the expansion of the current 25% tariff on automotive parts to include additional products. At the time, ITA stated it would accept inclusions requests for the following two weeks, followed by a two-week public comment period. However, there have been no updates from ITA since July 1. ITA has neither issued a Federal Register notice to formalize the process nor posted a rulemaking docket for the public comments. ITA staff have indicated that the process is delayed and advised industry stakeholders to monitor for further updates and a forthcoming Federal Register notice.

### **Trump Administration Initiates Section 232 Investigation of Wind Turbines and Their Parts and Components**

On August 21, 2025, the Bureau of Industry and Security (BIS) announced the initiation of a Section 232 investigation into the effect of imports of wind turbines and their components on national security.<sup>42</sup> The investigation could result in the imposition of tariffs or other import restrictions. BIS is conducting the investigation under Section 232 of the Trade Expansion Act of 1962, a law that empowers the president to restrict imports of products that threaten to impair national security.<sup>43</sup> While Section 232 investigations can take up to 270 days to complete (setting the latest date for completion in May 2026), the Trump administration has shown it intends to expedite its Section 232 investigations.

Like other Section 232 investigations announced in recent months, the initiation notice provides an unusually short timespan for public comments and does not reference any plans to hold public hearings.

### **Details of the investigation and related policy actions**

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<sup>41</sup> “The Department of Commerce Announces New Auto Parts Tariff Inclusions Process,” ITA, June 24, 2025 (updated July 1, 2025), accessible here: <https://www.trade.gov/press-release/departments-commerce-announces-new-auto-parts-tariff-inclusions-process>.

<sup>42</sup> “Notice of Request for Public Comments on Section 232 National Security Investigation of Imports of Wind Turbines and Their Parts and Components,” unpublished FRN (August 25, 2025), accessible here: <https://federalregister.gov/d/2025-16191>.

<sup>43</sup> 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>.



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The initiation notice describes the investigation as targeting “wind turbines and their parts and components,” without any further details. Most US wind power installations rely on imported equipment, as the domestic manufacturing industry is small.

BIS added many wind turbine parts to the scope of the steel and aluminum derivative products Section 232 tariffs on August 18.<sup>44</sup> Those tariffs apply specifically to the steel and aluminum input value of the covered products. The notice does not explain whether the potential new Section 232 action would exist alongside the steel and aluminum tariffs, replace them, or stack on top of them.

Beyond tariffs, the Trump administration has adopted a series of measures in recent months to halt installation of wind power projects and to reduce government support for wind turbine manufacturing. President Trump has halted sale of offshore leases for wind power projects and paused permitting for all wind power projects on federal land. The July budget reconciliation bill that scaled back Inflation Reduction Act (IRA) green energy subsidy programs also prioritized the phase out of investment, manufacturing, and electricity production subsidies for wind turbines.

President Trump himself harbors a deep personal animosity towards wind turbines, complaining that they ruin the views from his golf courses. Shortly before BIS announced the Section 232 investigation, President Trump made several statements on Truth Social condemning wind power.<sup>45</sup> In an August 20 post, President Trump called wind (and solar) power “the scam of the century” and said the government will stop approving installation projects. In another post on August 19, he said, “STUPID AND UGLY WINDMILLS ARE KILLING NEW JERSEY” and “STOP THE WINDMILLS!”

### **Opportunity for public comments**

Interested stakeholders may submit comments through the public docket at Regulations.gov. Comments are due by September 9, 2025 (15 days after the official publication of the notice on August 25). The notice provides additional instructions on how to participate and submit comments. Participating in the public comment process can help shape the outcome of the investigation and prompt regulators to further clarify actions. BIS’ responses to these comments may also be relevant in any potential legal challenges should a final action be adopted. The BIS notice does not mention any prospective public hearings for the investigations, as public hearings are discretionary for Section 232 investigations.

The notice highlights that BIS is especially interested in comments that directly address the regulatory criteria for determining the effects of imports on national security: (i) the current and projected demand for wind turbines and their parts and components in the United States; (ii) the extent to which domestic production of wind turbines and their parts and components can meet domestic demand; (iii) the role of foreign supply chains, particularly of major exporters, in meeting United States demand for wind turbines and their parts and components; (iv) the concentration of US imports of wind turbines and their parts and components from a small number of suppliers or foreign nations and the associated risks; (v) the impact of foreign government subsidies and predatory trade practices on the competitiveness of the wind turbines and their parts and components industry, in the United States; (vi) the economic impact of artificially suppressed prices of wind turbines and their parts and components due to foreign unfair trade practices and state-sponsored overproduction; (vii) the potential for export restrictions by foreign nations, including the ability of foreign nations to weaponize their control over supplies of wind turbines and their parts and components; (viii) the feasibility of increasing domestic capacity for wind turbines and their parts and components to reduce import reliance; (ix) the impact of current trade policies on domestic production of wind turbines and their parts and

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<sup>44</sup> “Adoption and Procedures of the Section 232 Steel and Aluminum Tariff Inclusions Process,” 90 FR 40326 (August 19, 2025), accessible here: <https://www.federalregister.gov/documents/2025/08/19/2025-15819/adoption-and-procedures-of-the-section-232-steel-and-aluminum-tariff-inclusions-process>.

<sup>45</sup> See, for example, Truth Social post of August 19, 2025, accessible here: <https://truthsocial.com/@realDonaldTrump/posts/115055190585472069>; and Truth Social post of August 20, 2025, accessible here: <https://truthsocial.com/@realDonaldTrump/posts/115061417084982814>.

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components, and whether additional measures, including tariffs or quotas, are necessary to protect national security;(x) the potential for foreign control or exploitation of the wind turbine supply chain; (xi) the ability of foreign persons to weaponize the capabilities or attributes of foreign-built wind turbines and their parts or components; and (xii) any other relevant factors.

## **USTR Opens Annual Reviews of Russia and China's WTO Compliance and the Notorious Markets List**

The United States Trade Representative (USTR) has announced its annual requests for public comments on three reports, the *Report to Congress on China's WTO Compliance*, the *Report on the Implementation and Enforcement of Russia's WTO Commitments*, and the *Review of Notorious Markets for Counterfeiting and Piracy* ("Notorious Markets List"). The China and Russia reports discuss US concerns regarding their adherence to WTO obligations and more general market access challenges experienced by US companies. For the Notorious Markets List, USTR is seeking information on online and physical markets that engage in substantial copyright and trademark infringement, which may be included in the annual list.

USTR has not yet requested comments for its other two major annual reports: the National Trade Estimate (NTE) and the Special 301 Report. A call for input on the 2026 NTE is likely in the next few weeks, while public comments for the Special 301 Report are typically solicited in December. Besides the standard annual reports, USTR will likely issue a call for input by early October for the 2026 review of the United States-Mexico-Canada Agreement (USMCA).

### **2025 Review of Notorious Markets for Counterfeiting and Piracy**

The deadline for submitting written comments proposing notorious market listings is October 1, 2025, with rebuttal comments accepted until October 15, 2025. Along with inviting comments identifying examples of online and physical markets that reportedly engage in and facilitate substantial copyright piracy or trademark counterfeiting, the 2025 Notorious Markets List will also have a special focus on copyright piracy of sports broadcasts. The Federal Register notice describes the procedures for filing comments.<sup>46</sup>

USTR publishes the Notorious Markets List annually<sup>47</sup> as part of the Special 301 program, which empowers USTR to pursue intellectual property practices that threaten the value of US innovation. The report is developed using information from the public comments and consultations with the federal agencies on the Special 301 Subcommittee of the Trade Policy Staff Committee.

### **Report on China's Compliance with its WTO Commitments**

The deadline for submission of written comments for the China report is September 24, 2025. USTR will hold a public hearing to gather input on October 7, 2025. The Federal Register notice describes the procedures for filing comments and joining the hearing.<sup>48</sup>

In recent years, attention has been especially focused on the China report.<sup>49</sup> USTR's recent China reports have criticized China for its specific trade restrictions and state-led economy more generally, while also explaining the US

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<sup>46</sup> "2025 Review of Notorious Markets for Counterfeiting and Piracy: Comment Request," 90 FR 40134 (August 18, 2025), accessible here: <https://www.federalregister.gov/documents/2025/08/18/2025-15675/2025-review-of-notorious-markets-for-counterfeiting-and-piracy-comment-request>.

<sup>47</sup> USTR's previous Notorious Markets List, published in January 2025, is accessible here: [https://ustr.gov/sites/default/files/2024%20Review%20of%20Notorious%20Markets%20of%20Counterfeiting%20and%20Piracy%20\(final\).pdf](https://ustr.gov/sites/default/files/2024%20Review%20of%20Notorious%20Markets%20of%20Counterfeiting%20and%20Piracy%20(final).pdf).

<sup>48</sup> "Request for Comments and Notice of Public Hearing Concerning China's Compliance With WTO Commitments," 90 FR 40136 (August 18, 2025), accessible here: <https://www.federalregister.gov/documents/2025/08/18/2025-15655/request-for-comments-and-notice-of-public-hearing-concerning-chinas-compliance-with-wto-commitments>.

<sup>49</sup> USTR's previous China report, published in January 2025, is accessible here: <https://ustr.gov/sites/default/files/files/reports/2025/2024USTRReportCongressonChinaWTOCompliance.pdf>.



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unilateral strategy for handling the policy disputes. USTR has argued in these reports that its efforts within the WTO and in bilateral dialogues have failed to secure fundamental changes to China's policies.

### **Report on Russia's Implementation of its WTO Commitments**

The deadline for submission of written comments for the Russia report is October 1, 2025. USTR will hold a public hearing to gather input on October 15, 2024. The Federal Register notice describes the procedures for filing comments and joining the hearing.<sup>50</sup>

Since Russia's invasion of Ukraine in 2022, US-Russia trade and the diplomatic relations, both bilaterally and within the WTO, have come to a standstill.<sup>51</sup> Even so, USTR has maintained that it will "continue to consult with domestic stakeholders, monitor Russia's actions, and, as appropriate endeavor to encourage Russia to meet its WTO commitments."

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<sup>50</sup> "Request for Comments and Notice of Public Hearing Concerning Russia's Implementation of Its WTO Commitments," 90 FR 38877 (August 12, 2025), accessible here: <https://www.federalregister.gov/documents/2025/08/12/2025-15294/request-for-comments-and-notice-of-public-hearing-concerning-russias-implementation-of-its-wto>.

<sup>51</sup> The latest Russia report, "2024 Report on the Implementation and Enforcement of Russia's WTO Commitments," is accessible here: <https://ustr.gov/sites/default/files/2024%20Report%20on%20the%20Implementation%20and%20Enforcement%20of%20Russia%E2%80%99s%20WTO%20Commitments%20final.pdf>.

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## Trade Agreements

### United States and China Extend Trade War Truce to November 10

The United States and China have announced a 90-day extension of their agreement to de-escalate tariff levels. The joint statement agreement, published by the White House and the government of China on August 11, extends the truce from August 12 to November 10.<sup>52</sup> Under the agreement, the Trump administration will leave the 10% IEEPA “baseline” tariff in place on imports from China, rather than imposing the full 34% “reciprocal” tariff. Similarly, China has committed to keeping its retaliatory tariff at 10% rather than increase it to 34%. China will also continue the suspension of several non-tariff measures targeting US companies. The parties agreed to the extension during negotiations on July 28-29, but did not formally announce the decision until a few hours before the truce had been scheduled to end.

Maintaining the baseline tariff for imports from China for another 90 days means that tariffs imposed on imports from China under the April 2 IEEPA baseline and reciprocal tariff order are now significantly lower than the tariffs imposed on many US allies and free trade agreement partners. That said, the 10% baseline rate is additive with the separate 20% IEEPA fentanyl-trade related tariff and the Section 301 tariffs on China. Though the parties have discussed the fentanyl dispute in the negotiations, Treasury Secretary Scott Bessent said on August 12 that the Trump administration wants to see “months, if not quarters, if not a year” of progress before ending the fentanyl trade tariff.

#### The April de-escalation agreement

On May 12, 2025, the United States and China issued a joint statement in Geneva outlining an agreement to de-escalate a rapidly expanding trade war.<sup>53</sup> Prior to the agreement, the US reciprocal tariff and China’s retaliatory tariffs had reached 125% (in addition to other tariffs already in effect), amounting to a trade embargo. The de-escalation agreement reduced tariffs back to the levels of the United States’ April 2 baseline and reciprocal tariff order and suspended the reciprocal tariff for 90 days to allow for further negotiations.<sup>54</sup> The 10% baseline tariff (and a retaliatory 10% tariff by China) remained in effect, as have all other active tariffs. China also committed to lift certain non-tariff retaliation measures it had announced in early April. The 90-day suspension was scheduled to last until August 12, 2025.

#### The July 28-29 negotiations

US and Chinese officials met in Stockholm from July 28-29, where securing a 90-day extension of the tariff pause appears to have been a priority for the Trump administration. Both parties attending the negotiations showed openness to an extension, but the US negotiators said that President Trump would make the final decision after they returned to Washington. President Trump delayed making that decision until just a few hours before the August 12 deadline. It is unclear why the announcement was delayed until the last hours of the truce. As late as the morning of August 11, President Trump was refusing to clarify whether the two countries had finalized an agreement. Other than the simple extension of the truce, the joint statement does not describe any new policy commitments on market access or export controls.

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<sup>52</sup> “Joint Statement on U.S.-China Economic and Trade Meeting in Stockholm,” White House, August 11, 2025, accessible here: <https://www.whitehouse.gov/briefings-statements/2025/08/joint-statement-on-u-s-china-economic-and-trade-meeting-in-stockholm/>; and “Joint statement of China-US Stockholm economic and trade talks,” Ministry of Commerce of the People’s Republic of China, August 12, 2025, accessible here: [https://www.mofcom.gov.cn/xwfb/rcxwfb/art/2025/art\\_0453aabb67694e04a9eef99753d0f161.html](https://www.mofcom.gov.cn/xwfb/rcxwfb/art/2025/art_0453aabb67694e04a9eef99753d0f161.html) (in Chinese).

<sup>53</sup> “Joint Statement on U.S.-China Economic and Trade Meeting in Geneva,” May 12, 2025, accessible here: <https://www.whitehouse.gov/briefings-statements/2025/05/joint-statement-on-u-s-china-economic-and-trade-meeting-in-geneva/> (from the United States) and accessible here: [https://www.mofcom.gov.cn/syxwfb/art/2025/art\\_3bcf393df58d4483804c0c3d692a5744.html](https://www.mofcom.gov.cn/syxwfb/art/2025/art_3bcf393df58d4483804c0c3d692a5744.html) (from China).

<sup>54</sup> Executive Order of May 12, 2025: “Modifying Reciprocal Tariff Rates to Reflect Discussions with the People’s Republic of China,” accessible here: <https://www.whitehouse.gov/presidential-actions/2025/05/modifying-reciprocal-tariff-rates-to-reflect-discussions-with-the-peoples-republic-of-china/>; and Announcement No. 7 of 2025: “Announcement of the Customs Tariff Commission of the State Council on Adjusting the Additional Tariff Measures on Imports Originating in the United States,” May 13, 2025, accessible here: [https://gss.mof.gov.cn/gzdt/zhengcefabu/202505/t20250513\\_3963684.htm](https://gss.mof.gov.cn/gzdt/zhengcefabu/202505/t20250513_3963684.htm) (in Chinese).

## US tariff commitments

The United States has committed to maintaining the 10% baseline tariff on imports from China (including Hong Kong and Macau) for another 90 days, further delaying the re-imposition of the 34% reciprocal tariff rate. President Trump implemented the extension with an executive order issued on August 11.<sup>55</sup> According to the executive order, the 34% reciprocal tariff will automatically replace the 10% baseline tariff at 12:01 a.m. eastern standard time on November 10, 2025 (instead of August 12, as previously scheduled).

The executive order makes no other changes to US tariffs or non-tariff barriers targeting China. The following measures remain in effect: the 20% IEEPA fentanyl trade-related tariffs imposed in February and March 2025; the Section 301 tariffs imposed beginning in 2018; the Section 232 tariffs on steel, aluminum, autos, auto parts, and copper; any applicable antidumping and countervailing duties; and the US most-favored nation (MFN) duty rates.

## China tariff and non-tariff commitments

China has committed to (i) extending the reduction in its retaliatory tariff rate from 34% to 10% for another 90 days, and (ii) extending the suspension of certain US entities from the Export Control List and the Unreliable Entity List (UEL) for another 90 days.

- *Tariff suspension:*<sup>56</sup> China will maintain its 10% retaliatory tariff rate on imports from the United States for another 90 days. After this period, the tariff will increase to 34% to match the US reciprocal tariff rate.
- *Export Control List suspensions:*<sup>57</sup> In early April, the Ministry of Commerce (MOFCOM) added 28 US entities to the Export Control List and prohibited the export of dual-use items to these entities as part of its retaliation against the reciprocal tariffs. The May 12 de-escalation agreement suspended the listings for 90 days. According to an August 12 statement by MOFCOM, the suspension will remain in place for another 90 days.
- *UEL suspensions:*<sup>58</sup> In early April, MOFCOM added 17 US entities to the UEL as part of its retaliation against the reciprocal tariffs. The May 12 de-escalation agreement suspended the listings for 90 days. According to an August 12 statement by MOFCOM, the suspension will remain in place for another 90 days.

China's 10% or 15% retaliatory tariffs on certain US imports imposed in February and March in response to the IEEPA fentanyl trade-related tariffs are unaffected by the arrangement and remain in place. China's Section 301 retaliation tariffs, which have been in place since 2019, also remain in place. Statements from the Chinese government do not mention any further modifications to the global export controls on rare earth elements and permanent magnets, the lifting of which has been a priority for the Trump administration.

## Continued negotiations

The United States and China intend to continue negotiations to preserve the truce and settle market access and economic security disagreements. Secretary Bessent has said negotiators will meet again in the next two or three

<sup>55</sup> Executive Order of August 11, 2025: "Further Modifying Reciprocal Tariff Rates to Reflect Ongoing Discussions with the People's Republic of China," accessible here: <https://www.whitehouse.gov/presidential-actions/2025/08/further-modifying-reciprocal-tariff-rates-to-reflect-ongoing-discussions-with-the-peoples-republic-of-china/>; "Fact Sheet: President Donald J. Trump Continues the Suspension of the Heightened Tariffs on China," White House, August 11, 2025, accessible here: <https://www.whitehouse.gov/fact-sheets/2025/08/fact-sheet-president-donald-j-trump-continues-the-suspension-of-the-heightened-tariffs-on-china/>; and CSMS # 65894387 - UPDATE – Reciprocal Tariff Rate for China, August 11, 2025, accessible here: <https://content.govdelivery.com/accounts/USDHSCBP/bulletins/3ed77f3>.

<sup>56</sup> "Announcement of the Tariff Commission of the State Council on Adjusting the Tariff Measures on Imported Goods Originating in the United States," Tariff Commission of the State Council, August 12, 2025, accessible here: [http://gss.mof.gov.cn/gzdt/zhengcefabu/202508/t20250812\\_3969806.htm](http://gss.mof.gov.cn/gzdt/zhengcefabu/202508/t20250812_3969806.htm) (in Chinese).

<sup>57</sup> "The spokesperson of the Ministry of Commerce answered reporters' questions on the export control list," Ministry of Commerce of the People's Republic of China, August 12, 2025, accessible here: [https://www.mofcom.gov.cn/xwfb/xwfytrth/art/2025/art\\_2d1e85ffaebf4ed9913f35f2afb5c436.html](https://www.mofcom.gov.cn/xwfb/xwfytrth/art/2025/art_2d1e85ffaebf4ed9913f35f2afb5c436.html) (in Chinese).

<sup>58</sup> "The spokesperson of the Ministry of Commerce answered reporters' questions on the measures to adjust the list of unreliable entities," Ministry of Commerce of the People's Republic of China, August 12, 2025, accessible here: [https://www.mofcom.gov.cn/xwfb/xwfytrth/art/2025/art\\_da163bd3b6c74b468f43a58cf3d0b633.html](https://www.mofcom.gov.cn/xwfb/xwfytrth/art/2025/art_da163bd3b6c74b468f43a58cf3d0b633.html).

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months. President Xi Jinping has invited President Trump to visit China for a leaders meeting, which could be timed with the finalization of a trade agreement. The leaders meeting has not been scheduled yet, but President Trump has said he hopes to meet with President Xi by the end of the year.

According to the August 11 fact sheet published by the Trump administration, the “United States will continue trade talks with China to promote fair trade practices and support American workers.” President Trump’s executive order also noted that “the PRC continues to take significant steps toward remedying non-reciprocal trade arrangements and addressing the concerns of the United States relating to economic and national security matters.” However, the executive order does not identify what actions China has taken. Recent statements do not indicate that any significant breakthroughs are imminent, and the August 11 joint statement does not make any specific commitments regarding next steps.

## **US Reciprocal Tariff Discussions Continue in Weeks Following Entry into Effect**

In the weeks since the reciprocal tariffs entered into effect following a July 31 executive order,<sup>59</sup> negotiations have continued and further tariff rate modifications appear likely. Trade deal negotiations are ongoing with all major trade partners to formalize the unwritten, handshake agreements announced by the Trump administration in July. Some trade partners, such as New Zealand, that President Trump expanded the reciprocal tariffs to cover for the first time in the July 31 executive order are also seeking to start negotiations.

Several corrections to the tariff orders are anticipated soon. For instance, the reciprocal tariff rate imposed on Japan in the July 31 executive order is incorrect. Additionally, on August 8, the White House announced plans to issue guidance to expand the tariff exception for gold bullion to cover more HTSUS codes.

### **Future of the reciprocal and baseline tariffs**

Long term, a critical question is whether the Trump administration intends to maintain the tariffs at or near the current levels. The July 31 executive order suggests a move towards establishing several tariff tiers: the 10% baseline tariff for countries with which the United States has a bilateral goods trade surplus, and a 15% minimum reciprocal tariff on countries with which the United States has a bilateral goods trade deficit. The Trump administration may intend to keep the tariffs at these minimum levels indefinitely, or it may intend to lift them once the prospective trade deals are finalized and implemented.

Although the Trump administration’s statements and legal orders do not explicitly commit to a 15% minimum for reciprocal tariffs, the July 31 tariff rate revisions and the trade deals suggest the White House is targeting this rate for all trade partners with which the United States has a bilateral goods trade deficit. For example:

- No country subject to a reciprocal tariff with which President Trump negotiated a trade deal obtained rates below 15%. President Trump appeared to move most of these countries to tariff rates between 15% and 20%, suggesting that this range is the intended “landing zone” for the trade deals.
- All trade partners that had reciprocal tariff rates between 10% and 15% in the April 2 executive order saw those tariff rates raised to 15% in the July 31 executive order. In addition, no country that had a reciprocal tariff rate between 10% and 15% successfully negotiated a trade deal.
- The July 31 executive order imposed new 15% reciprocal tariff rates on 10 countries that had originally only been subject to the 10% baseline tariff: Bolivia, Costa Rica, Ecuador, Ghana, Iceland, New Zealand, Papua New Guinea, Trinidad and Tobago, Turkey, and Uganda. Although the United States has bilateral goods trade deficits with these 10 countries, their calculated reciprocal tariff rates were below 10%. As a result, the April 2 executive

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<sup>59</sup> Executive Order 14326 of July 31, 2025: “Further Modifying the Reciprocal Tariff Rates,” 90 FR 37963, accessible here: <https://www.federalregister.gov/documents/2025/08/06/2025-15010/further-modifying-the-reciprocal-tariff-rates>; and “CSMS #65829726 – GUIDANCE: Reciprocal Tariff Updates Effective August 7, 2025,” US Customs and Border Protection, August 4, 2025, accessible here: <https://content.govdelivery.com/accounts/USDHSCBP/bulletins/3ec7b5e>.

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order only subjected these countries to the 10% baseline tariff, instead of enacting specific reciprocal tariff rates below 10%.

- Since the July 31 tariff order imposed new 15% reciprocal tariff rates on countries with which the United States has small goods trade deficits, only countries with which the United States has bilateral goods trade surpluses are receiving the 10% baseline tariff.
- The July 31 order also imposed a 15% reciprocal tariff on Afghanistan. According to the tariff formula used for the April 2 tariff rates, Afghanistan would have faced a 25% reciprocal tariff, but the April 2 executive order only subjected the country to the 10% baseline rate.

No US trade partner has been able to obtain a complete suspension of the tariffs. The only general exceptions to the tariffs are for products on which the Trump administration has applied or may apply Section 232 actions instead and select natural resources that are not sufficiently available in the United States. However, the Trump administration has shown some willingness to add new exceptions. Shortly after announcing the tariffs in April, President Trump added new exclusions for certain semiconductor manufacturing equipment and consumer technology products. Additionally, the Trump administration waived the tariffs on imports from the United Kingdom that qualify for preferential treatment under the WTO Agreement on Trade in Civil Aircraft.

The Trump administration has also suggested it may introduce country-specific exceptions in the reciprocal trade deals. For example, in the agreement with Indonesia, the Trump administration appears to be considering granting new exceptions for nickel, palm oil, coffee, cocoa, cinnamon, and spices, though this has not yet been confirmed.

### **Ongoing negotiations over the reciprocal tariff rates**

The exact scope and timeline for the ongoing negotiations remains unclear, with limited information available about most of the agreements announced by the Trump administration. US Trade Representative Jamieson Greer told Bloomberg that his focus is “implementing the deals that have been reached” rather than negotiating new deals, adding that written agreements will be finalized in the next few weeks to months. He also mentioned that the administration is still open to new offers if countries approach them. Secretary of the Treasury Scott Bessent has stated that the Trump administration hopes to complete deals with major trading partners by October, potentially including India and Switzerland.

If the Trump administration intends to maintain a 10% baseline tariff on all countries with which the United States has a bilateral goods trade surplus and a 15% minimum reciprocal tariff on all countries with the United States has a bilateral goods trade deficit, then there are only 15 countries that still have a chance to strike deals. The countries with reciprocal tariffs above 20% are Algeria, Bosnia and Herzegovina, Brunei, India, Iraq, Kazakhstan, Laos, Libya, Moldova, Burma (Myanmar), Serbia, South Africa, Switzerland, Syria, and Tunisia. The three largest US trade partners of the 15 — Switzerland, India, and South Africa — have already made aggressive efforts to negotiate deals but were rebuffed by President Trump for unclear reasons. The dispute with India has escalated further since then, with President Trump imposing an additional 25% “secondary tariff” in retaliation for India importing Russian oil.

### **Expected correction of the Japan reciprocal tariff rate**

In its trade deal with Japan, the Trump administration committed to replacing the flat reciprocal tariff rate with a new tariff arrangement that imposes either (i) a single 15% maximum tariff, inclusive of most-favored-nation (MFN) tariffs, for all products that have MFN rates less than 15%; or (ii) no additional reciprocal tariff if the MFN tariff rate is already

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at or above 15%.<sup>60</sup> A similar 15% tariff floor was provided to the EU in a trade deal announced a few days after the Japan deal.<sup>61</sup>

Despite agreeing to provide this arrangement to both Japan and the EU, the executive order issued on July 31 only implemented the arrangement for the EU. For Japan, the executive order imposed a 15% reciprocal tariff on top of any MFN tariffs, leading to significantly higher tariffs than expected for some products. US MFN tariff rates are at or above 15% for certain food, dairy, footwear, and apparel products (as well as light trucks, which are covered under the automotive Section 232 tariff).

The implementation of the incorrect tariff rate for Japan was likely a mistake, resulting from the lack of written documentation on the deals and the rapid pace of negotiations in July. The Trump administration has informed the Japanese government that it intends to correct the tariff rate and issue refunds to any importers who have overpaid. That said, as of the writing of this report, the Trump administration has not issued the correction, and the 15% tariff rate remains in effect. US and Japanese negotiators are working to finalize a joint statement agreement, which may include both the reciprocal tariff rate correction and the anticipated reduction of the automotive Section 232 tariff, which the Trump administration has also not yet implemented.

### **Recent developments in other active negotiations**

The trade deals announced by the Trump administration in the weeks are all preliminary. In most cases, the agreements did not include a common joint statement to establish a mutual understanding of the parties' objectives, or any other documentation. Although the Trump administration is attempting to formalize joint statements for at least a few of the deals it announced in July, it has not yet succeeded with any countries. As negotiators get deeper into the practical details of what the informal comments mean, new disputes are likely.

#### **□ European Union**

The United States and the EU are still working toward a joint statement agreement, which was initially expected soon after the informal agreement was announced in July. As of the writing of this report, negotiators are still exchanging drafts. Significant disagreements appear to exist over what should be included in the text, with the Trump administration pressuring the EU to commit to changing internal market regulations (such as the Digital Services Act) and expanding the outlined investment commitments. President Trump has threatened to increase the EU reciprocal tariff to 35% if he is not satisfied with the investment pledge, which he has characterized as a fund the EU will provide to invest in US manufacturing. In apparent acknowledgment that the disputes are not settled, the EU has suspended its retaliation measures for six months rather than lifting them entirely. On the US side, the Trump administration appears to be holding back from issuing a presidential proclamation to lower the automotive Section 232 tariff from 25% to 15% until the joint statement is finalized.

#### **□ Switzerland**

Unlike the trade deals Trump announced with many other close trade partners and despite Switzerland's attempts to negotiate, President Trump increased the Swiss reciprocal tariff rate to 39%. The final 39% rate is a notable increase over the original 31% rate from the April 2 executive order and is among the highest imposed on any country (alongside Laos, Burma (Myanmar), and Syria). The reason for the increase is unclear. Similar to the

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<sup>60</sup> "President Donald J. Trump Secures Unprecedented U.S.–Japan Strategic Trade and Investment Agreement," White House, July 23, 2025, accessible here: <https://www.whitehouse.gov/fact-sheets/2025/07/fact-sheet-president-donald-j-trump-secures-unprecedented-u-s-japan-strategic-trade-and-investment-agreement/>; and a July 25 summary of the agreement by the Cabinet Secretariat, Government of Japan, accessible here: [https://www.cas.go.jp/jp/seisaku/tariff\\_measures/dai6/250725siryoku1.pdf](https://www.cas.go.jp/jp/seisaku/tariff_measures/dai6/250725siryoku1.pdf) (in Japanese).

<sup>61</sup> "Statement by President von der Leyen on the deal on tariffs and trade with the United States," July 27, 2025: [https://ec.europa.eu/commission/presscorner/detail/en/statement\\_25\\_1915](https://ec.europa.eu/commission/presscorner/detail/en/statement_25_1915); "Questions and Answers: EU-US trade deal explained," July 29, 2025, accessible here: [https://ec.europa.eu/commission/presscorner/detail/en/qanda\\_25\\_1930](https://ec.europa.eu/commission/presscorner/detail/en/qanda_25_1930); and Fact Sheet: "The United States and European Union Reach Massive Trade Deal," July 28, 2025, accessible here: <https://www.whitehouse.gov/fact-sheets/2025/07/fact-sheet-the-united-states-and-european-union-reach-massive-trade-deal/>.



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EU, Japan, and Korea, Switzerland offered a mix of services market access concessions, investment commitments, and economic cooperation commitments (Switzerland already has no tariffs on manufactured goods). According to the Swiss, Trump administration negotiators agreed to the general framework for the agreement and had sent it to President Trump for approval in early July.

President Trump ultimately refused the agreement, focusing instead on the bilateral goods trade deficit. The United States imports large volumes of precious metals and pharmaceutical products from Switzerland (which are mostly exempt from the reciprocal tariffs), driving the goods trade imbalance. Last-minute efforts by the Swiss government to rescue the agreement appear to have been rebuffed by the Trump administration.<sup>62</sup>

#### □ South Korea

South Korea, which secured a last-minute handshake agreement to reduce its reciprocal tariff rate to 15%, will hold a leader-level summit with the United States in Washington from August 24-26. Korea has stated that the meetings involving President Trump and President Lee Jae-myung will cover cooperation on semiconductors, batteries, shipbuilding, critical minerals, and other advanced technologies, in addition to the ongoing tariff negotiations.

The Trump administration reduced the reciprocal tariff rate from 25% to 15% and committed to reducing certain Section 232 tariff rates in exchange for investment, import purchase, and market access commitments from Korea. Despite those commitments, the deal left key issues for US industry groups unresolved. The Korea – United States Free Trade Agreement has already eliminated most market access issues between the two countries, but certain US business sectors remain concerned about a short list of issues. Several of these policies, such as agriculture quarantine practices, proposed digital platform regulations, and restrictions on exports of high-precision map data, are not explicitly referenced in the handshake deal. US agriculture and technology industry groups will likely continue advocating for progress on these concerns as the negotiations progress. On the other side, as with the EU and Japan, the Trump administration has not yet issued the necessary legal orders to lower the Section 232 tariffs on Korea.

## United States and European Union Publish Trade Deal Joint Statement; Formalize 15% Tariff on Most EU Exports

On August 21, 2025, the United States and the European Union released a *Joint Statement on a United States-European Union Framework on an Agreement on Reciprocal, Fair, and Balanced Trade* (Framework Agreement) to mitigate recent tariffs that the United States has imposed on the EU in exchange for new market access and economic cooperation commitments.<sup>63</sup> The Framework Agreement helps clarify the commitments initially outlined in a handshake deal between US President Donald Trump and European Commission President Ursula von der Leyen on July 27, 2025.<sup>64</sup>

While the Framework Agreement elaborates on the commitments and establishes a consensus on the strategic direction of the negotiations, it is not a final trade agreement. In the coming months, the parties will continue to

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<sup>62</sup> “US tariffs: Federal Council to adapt negotiations,” August 4, 2025, accessible here: [https://www.news.admin.ch/en/newnsb/FN7e\\_NNC\\_Sbbj3-yLKunq](https://www.news.admin.ch/en/newnsb/FN7e_NNC_Sbbj3-yLKunq); and “US tariffs: Federal Council to continue negotiations with the United States,” August 7, 2025, accessible here: <https://www.news.admin.ch/en/newnsb/Yw4HktwZKuGFzC3aG32OQ>.

<sup>63</sup> “Joint Statement on a United States-European Union framework on an agreement on reciprocal, fair and balanced trade,” August 21, 2025, accessible here (EU copy): [https://policy.trade.ec.europa.eu/news/joint-statement-united-states-european-union-framework-agreement-reciprocal-fair-and-balanced-trade-2025-08-21\\_en](https://policy.trade.ec.europa.eu/news/joint-statement-united-states-european-union-framework-agreement-reciprocal-fair-and-balanced-trade-2025-08-21_en) and here (US copy): <https://www.whitehouse.gov/briefings-statements/2025/08/joint-statement-on-a-united-states-european-union-framework-on-an-agreement-on-reciprocal-fair-and-balanced-trade/>. For additional commentary from the EU, see “Questions and answers on the EU-US Joint Statement on Transatlantic Trade and Investment,” European Commission, August 20, 2025, accessible here: [https://ec.europa.eu/commission/presscorner/detail/en/qanda\\_25\\_1974](https://ec.europa.eu/commission/presscorner/detail/en/qanda_25_1974).

<sup>64</sup> “Fact Sheet: “The United States and European Union Reach Massive Trade Deal,” July 28, 2025, accessible here: <https://www.whitehouse.gov/fact-sheets/2025/07/fact-sheet-the-united-states-and-european-union-reach-massive-trade-deal/>; and “Statement by President von der Leyen on the deal on tariffs and trade with the United States,” July 27, 2025, accessible here: [https://ec.europa.eu/commission/presscorner/detail/en/statement\\_25\\_1915](https://ec.europa.eu/commission/presscorner/detail/en/statement_25_1915).



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negotiate, adding details to the commitments and potentially addressing additional topics not covered in this initial document. The Framework Agreement itself states that the parties “intend this Framework Agreement to be a first step in a process that can be further expanded over time to cover additional areas and continue to improve market access and increase their trade and investment relationship.” On August 21, EU Trade Commissioner Maroš Šefčovič also remarked that the Joint Statement is a first step, which he expects to expand to “cover more sectors, improve market access, and strengthen [our] economic ties even further.”<sup>65</sup>

### **Mitigation of new US tariff actions against the EU**

The Framework Agreement commits the Trump administration to moderate several of its new tariff actions against the EU.

#### **□ 15% reciprocal tariff, inclusive of MFN rates**

The Trump administration will maintain a 15% “reciprocal” tariff on most imports from the EU, inclusive of existing most-favored-nation (MFN) tariff rates. The system establishes a two-track tariff of either (i) a single 15% maximum tariff, inclusive of MFN tariffs, for all products that have MFN rates less than 15%; or (ii) no additional reciprocal tariff if the MFN tariff rate is already at or above 15%. The United States has MFN tariff rates at or above 15% on certain food, dairy, footwear, and apparel products as well as light trucks, which are covered under the automotive Section 232 tariff. The original reciprocal tariff rate imposed on the European Union in President Trump’s April 2 executive order was 20%, which had been applied on top of the MFN rate.

The new reciprocal tariff rate is already in effect. The Trump administration implemented the arrangement on August 7, having included it in the updated reciprocal tariff rates that President Trump unveiled in a July 31 executive order.<sup>66</sup>

#### **□ New reciprocal tariff exceptions**

The Trump administration has also committed to introducing new reciprocal tariff exceptions for certain EU products (MFN tariff rates would continue to apply to these products). The prospective exception list includes natural resources that are unavailable in the United States (including cork), all aircraft and aircraft parts (likely meaning products covered under the WTO Agreement on Trade in Civil Aircraft), and generic pharmaceuticals as well as their ingredients and chemical precursors. Both parties have also agreed to consider other sectors for exclusion. For example, the EU hopes to expand this special treatment to exports of wine and spirits.

These new exceptions for the EU would supplement the various global reciprocal tariff exceptions listed in Annex II of the April 2 reciprocal tariff order, which include oil and gas, mineral, fertilizer, precious metal, organic chemical, pharmaceutical, wood, semiconductor, and electronics products.

President Trump has not yet issued an executive order to implement the new exceptions. According to the Framework Agreement, they will enter effect on September 1. It is unclear how long these exceptions will remain effective. Many products included in the new EU reciprocal tariff exclusions list (and the original Annex II exclusions list) fall within ongoing Section 232 investigations, which may lead to the imposition of new tariffs in the coming months. The Framework Agreement does not establish whether the agreed upon exceptions would continue under the potential Section 232 actions.

#### **□ Section 232 tariff reductions for automotive sector, lumber, pharmaceuticals, and semiconductors**

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<sup>65</sup> “Remarks by Commissioner Šefčovič on the EU-US trade relations,” August 21, 2025, accessible here: [https://ec.europa.eu/commission/presscorner/detail/en/speech\\_25\\_1977](https://ec.europa.eu/commission/presscorner/detail/en/speech_25_1977).

<sup>66</sup> Executive Order 14326 of July 31, 2025: “Further Modifying the Reciprocal Tariff Rates,” 90 FR 37963, accessible here: <https://www.federalregister.gov/documents/2025/08/06/2025-15010/further-modifying-the-reciprocal-tariff-rates>.

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The Trump administration has committed to reducing the Section 232 tariff on automobiles and automotive parts. The Framework Agreement explains that “no Section 232 automobile or automobile parts tariffs will apply to covered European Union goods with an MFN tariff of 15 percent or higher; and for covered goods with an MFN rate lower than 15 percent, a combined rate of 15 percent, comprised of the MFN tariff and Section 232 automobile tariffs, will be applied.” The United States’ MFN tariff rate on passenger vehicles is 2.5% and the MFN tariff rate on light trucks is 25%, suggesting a tariff reduction from 27.5% to 15% for passenger vehicles and from 50% to 25% for light trucks. US MFN tariff rates for the covered automotive parts vary but are below 15%.

The Framework Agreement states that this change will take effect from the first day of the month in which the EU formally introduces legislation to implement its tariff reduction commitments (discussed below). EU leaders have said they intend to introduce the legislation by the end of August, suggesting that the reduction in the Section 232 tariff rate will likely be applied retroactively to August 1. Similarly, the Framework Agreement commits to a 15% maximum rate for the potential Section 232 tariffs on lumber, pharmaceuticals, and semiconductors, even if those investigations lead to the future imposition of higher tariffs on these goods from other countries.

The Framework Agreement does not reference any prospective tariff bindings for the ongoing Section 232 investigations of trucks and truck parts, processed critical minerals and derivative products, commercial aircraft and jet engines, polysilicon and derivative products, unmanned aircraft systems (UAS) and UAS parts, and wind turbines and parts.

#### □ **Steel, aluminum, and copper 50% Section 232 tariffs remain in effect**

Steel, aluminum, and their derivative products, which are currently subject to 50% Section 232 tariffs, will remain subject to those tariffs. The governments state their intention to explore cooperation on “ring-fencing” their domestic markets and securing their shared supply chains through tariff-rate quotas. However, the Framework Agreement does not include specific commitments on future tariff reductions. In a separate statement on the deal, the EU mentioned that it intends to proceed with developing its recent proposal for “measures to safeguard EU steel sector from unfair trade practices.”<sup>67</sup>

The Framework Agreement does not reference the 50% Section 232 tariff on semi-finished copper and intensive copper derivative products.

#### **Improved market access and tariff reductions for US exports to the EU**

In exchange for the moderation of the Trump administration’s reciprocal and Section 232 tariffs, the Framework Agreement commits the EU to (i) “eliminate tariffs on all U.S. industrial goods” and (ii) “provide preferential market access for a wide range of U.S. seafood and agricultural goods, including tree nuts, dairy products, fresh and processed fruits and vegetables, processed foods, planting seeds, soybean oil, and pork and bison meat.” The European Commission will introduce legislation, using ordinary legislative procedure, to implement these commitments.

The tariff reductions for manufactured products will be minimal for most products, as the EU’s average applied MFN tariff on non-agricultural products is 4.1%, with two-thirds of industrial products already having MFN applied rates of 0%. The implications of the food products market access commitment are less clear. While the commitment on industrial goods is to “eliminate tariffs,” the commitment on food products is only to “provide preferential market access.” In a separate statement, the EU indicated that these tariff reductions would be implemented as Tariff Rate Quotas (TRQs). The EU also stated that beef, poultry, rice, and ethanol are not covered by the agreement.

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<sup>67</sup> “Commission launches consultation on future measures to safeguard EU steel sector from unfair trade practices,” European Commission, July 18, 2025, accessible here: [https://policy.trade.ec.europa.eu/news/commission-launches-consultation-future-measures-safeguard-eu-steel-sector-unfair-trade-practices-2025-07-18\\_en](https://policy.trade.ec.europa.eu/news/commission-launches-consultation-future-measures-safeguard-eu-steel-sector-unfair-trade-practices-2025-07-18_en).

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Additionally, the United States and EU are committing to work together to address barriers to trade in food and agriculture products, including streamlining sanitary certificate requirements for pork and dairy products. The EU also agrees to extend the recently expired *Joint Statement of the United States and the European Union on a Tariff Agreement* from 2020, with respect to lobster, and to expand the product scope to include processed lobster.

### Potential for new preferential rules of origin

The Framework Agreement notes that the US and EU “will negotiate rules of origin that ensure that the benefits of the Agreement on Reciprocal Trade accrue predominately to the United States and the European Union.” The text does not elaborate on this point. Several of President Trump’s other trade deals include similarly vague language on new rules of origin. These commitments may suggest that the Trump administration is considering establishing new preferential rules of origin for its reciprocal tariff deals, similar to those used in free trade agreements.

### Non-tariff commitments

Along with setting new tariff rates applicable to most US-EU trade, the Framework Agreement includes commitments relating to mutual recognition, regulatory challenges, investment, energy purchases, and more. Highlights include:

- **Mutual recognition:** The parties agree to accept and provide mutual recognition to each other’s automotive standards (though they do not specify which standards) and commit to facilitate conformity assessments in other industrial sectors.
- **Energy purchases:** The EU intends to purchase \$750 billion in US energy products through 2028, including LNG, oil, and nuclear energy products. The parties also agree to address unspecified non-tariff barriers that may restrict energy trade. The EU will not make these purchases directly. In a separate statement, the European Commission notes it is acting “as a facilitator to help ensure Member States have sufficient energy resources.”
- **Military and defense equipment purchases:** The EU will substantially increase its purchases of US military and defense equipment. The Framework Agreement does not specify the size of the increase.
- **Commercial deals and investment:** European companies will invest \$600 billion in strategic sectors in the United States by 2028. The EU states that this investment figure is based on surveys of existing private sector investment plans.
- **Digital trade:** Easing digital trade challenges in the EU has been a priority for the Trump administration, but the Framework Agreement includes no new commitments in this area. Instead, it simply states that the parties will “commit to address unjustified digital trade barriers.” EU negotiators have said the Digital Services Act, Digital Markets Act, and Digital Services Taxes are not open for negotiation and were intentionally excluded from the Framework Agreement. The only explicit EU digital trade commitment is a confirmation that it “will not adopt or maintain network usage fees.” Although a network usage fee has been suggested as a potential component of the forthcoming Digital Networks Act proposal, the EU already appears to be moving away from this concept.
- While the parties did not agree to negotiate any new digital trade issues, they did commit to maintaining cooperation in opposing customs duties on electronic transmissions and supporting the continuation of the WTO moratorium on such duties.
- **Environmental sustainability regulation reform:** In recent years, the EU has adopted several environmental sustainability regulations that impact trade. The Framework Agreement includes high-level arrangements to address US concerns relating to the EU’s Deforestation Regulation (EUDR), Carbon Border Adjustment Mechanism (CBAM), Corporate Sustainability Due Diligence Directive (CSDDD), and Corporate Sustainability Reporting Directive (CSRD). These sections of the Framework Agreement generally involve agreements to continue discussions to potentially increase flexibility in these regulations, especially for small businesses. The EU has not agreed to any specific regulatory changes or special treatment for US companies. The EU likely

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intends to incorporate these negotiations into their ongoing efforts to simplify the CBAM, continue internal discussions over the CSDDD and CSRD proposals, and consider potential reforms to the EUDR through the upcoming Environmental Omnibus.

The Framework Agreement also affirms the parties will continue to collaborate on areas including intellectual property rights, cybersecurity, forced labor in global supply chains, and the digitization of trade processes.

### **Economic security, export controls, and artificial intelligence development**

The Framework Agreement includes several notable but broad commitments on economic security and trade rules enforcement cooperation. The text includes commitments to “taking complimentary actions” to (i) address non-market policies of third parties (including non-market practices, unfair competition, and lack of reciprocity in public procurement); (ii) cooperate on inbound and outbound investment reviews (the United States adopted outbound investment restrictions in 2024 and the EU is in the early stages of considering a similar proposal); (iii) cooperate on export controls; and (iv) cooperate on duty evasion.

Beyond those broad commitments to security cooperation, the Framework Agreement also includes commitments on cooperation regarding advanced semiconductors and artificial intelligence (AI). The Framework Agreement notes the EU will purchase \$40 billion of “US AI chips” for EU computing centers. Alongside these purchases, the EU states it intends to work with the United States to adopt technology security requirements aligned with US requirements and to prevent “technology leakage to destinations of concern.” The United States notes that it will facilitate the semiconductor exports once the security requirements are in place. Though the statement is broad, it is likely outlining a prospective bilateral agreement to replace the Biden administration’s AI Diffusion Rule issued in January 2025. The Trump administration announced in May its intention to revoke the rule, likely aiming to replace it with bilateral export and security agreements similar to that described in the Framework Agreement.<sup>68</sup>

The Framework Agreement also includes a commitment to “strengthen cooperation and action related to the imposition of export restrictions on critical mineral and other similar resources by third countries,” which likely refers to China’s export controls on rare earth elements and permanent magnets.

### **Next steps**

The Framework Agreement serves as a basis for negotiating a trade and investment agreement in line with each party’s internal procedures. Negotiations will continue over unresolved issues, while the parties proceed with implementing specific agreed-upon commitments. The EU is committed to moving rapidly to implement the main aspects of the deal, many of which will require legislative action. For the United States, the Trump administration is treating its trade deals as executive branch agreement and does not intend to seek Congressional approval. Instead, President Trump will implement the US commitments at his own discretion through executive orders.

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<sup>68</sup> “Department of Commerce Announces Recission of Biden-Era Artificial Intelligence Diffusion Rule, Strengthens Chip-Related Export Controls,” BIS, May 13, 2025, accessible here: <https://www.bis.gov/press-release/departement-commerce-announces-recission-biden-era-artificial-intelligence-diffusion-rule-strengthens-chip>.

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## Petitions & Investigations

### Investigations

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#### Commerce Issues Final Results of Administrative Review of ADD Order on Hot-Rolled Steel Flat Products from Japan

On August 15, 2025, the Department of Commerce (Commerce) published the final results of the 2022-2023 administrative review of the antidumping duty (ADD) order on hot-rolled steel flat products (hot-rolled steel) from Japan, finding that one of the examined producers/exporters (Nippon Steel Corporation/Nippon Steel Nisshin Co., Ltd./Nippon Steel Trading Corporation (collectively, NSC)) sold products at less than normal value while the other (Tokyo Steel Manufacturing Co., Ltd. (Tokyo Steel)) did not.<sup>69</sup> The final weighted-average dumping margins are 29.70% for NSC and 0.00% for Tokyo Steel.

Previously, Commerce published the preliminary results on November 13, 2024.<sup>70</sup> The preliminary weighted-average dumping margins were 29.03% for NSC and 0.00% for Tokyo Steel. The slight increase in the NSC dumping margin was a result of minor corrections submitted at the verification and other comments received from the parties. The preliminary decision also rescinded reviews with respect to JFE Steel and its affiliates (JFE Steel Corporation, JFE Shoji Corporation, JFE Shoji Trade Corporation, and JFE Shoji Trade America).

Commerce published the final results of the previous administrative review (for 2021-2022) of hot-rolled steel flat products from Japan in May 2024.<sup>71</sup> That review had set weighted-average dumping margins of 1.39% for NSC and 0.00% for Tokyo Steel.

#### Covered product

The products covered by this order are certain hot-rolled, flat-rolled steel products, with or without patterns in relief, and whether or not annealed, painted, varnished, or coated with plastics or other non-metallic substances. The products covered do not include those that are clad, plated, or coated with metal. For a full description of the product coverage, exceptions, and treatment of products further processed in third countries, see the issues and decision memorandum.

The products are currently classified in HTSUS codes 7208.10.1500, 7208.10.3000, 7208.10.6000, 7208.25.3000, 7208.25.6000, 7208.26.0030, 7208.26.0060, 7208.27.0030, 7208.27.0060, 7208.36.0030, 7208.36.0060, 7208.37.0030, 7208.37.0060, 7208.38.0015, 7208.38.0030, 7208.38.0090, 7208.39.0015, 7208.39.0030, 7208.39.0090, 7208.40.6030, 7208.40.6060, 7208.53.0000, 7208.54.0000, 7208.90.0000, 7210.70.3000, 7211.14.0030, 7211.14.0090, 7211.19.1500, 7211.19.2000, 7211.19.3000, 7211.19.4500, 7211.19.6000, 7211.19.7530, 7211.19.7560, 7211.19.7590, 7225.11.0000, 7225.19.0000, 7225.30.3050, 7225.30.7000, 7225.40.7000, 7225.99.0090, 7226.11.1000, 7226.11.9030, 7226.11.9060, 7226.19.1000, 7226.19.9000, 7226.91.5000, 7226.91.7000, and 7226.91.8000. Covered products may also enter under HTSUS codes 7210.90.9000, 7211.90.0000, 7212.40.1000, 7212.40.5000, 7212.50.0000, 7214.91.0015, 7214.91.0060, 7214.91.0090, 7214.99.0060, 7214.99.0075, 7214.99.0090, 7215.90.5000, 7226.99.0180, and 7228.60.6000. While

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<sup>69</sup> "Certain Hot-Rolled Steel Flat Products From Japan: Final Results of Antidumping Duty Administrative Review; 2022-2023," 90 FR 39372 (August 15, 2025), accessible here: <https://www.federalregister.gov/documents/2025/08/15/2025-15504/certain-hot-rolled-steel-flat-products-from-japan-final-results-of-antidumping-duty-administrative>.

<sup>70</sup> "Certain Hot-Rolled Steel Flat Products From Japan: Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review; 2022-2023" 89 FR 89602 (November 13, 2024), accessible here: <https://www.federalregister.gov/documents/2024/11/13/2024-26223/certain-hot-rolled-steel-flat-products-from-japan-preliminary-results-and-partial-rescission-of>.

<sup>71</sup> "Certain Hot-Rolled Steel Flat Products From Japan: Final Results of Antidumping Duty Administrative Review; 2021-2022," 89 FR 39584 (May 9, 2024), accessible here: <https://www.federalregister.gov/documents/2024/05/09/2024-10152/certain-hot-rolled-steel-flat-products-from-japan-final-results-of-antidumping-duty-administrative>.

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HTSUS subheadings are provided for convenience and for customs purposes, the written description of the subject merchandise is dispositive.