WHITE & CASE

US & Multilateral Trade and Policy Developments

Japan External Trade Organization

August 2026

Contents

Trade Policy Developments

Trump administration issues new restrictions on critical mineral exports and defense supply chain mineral procurement

In late July 2026, President Trump issued two minerals trade-restricting orders for which the US government is currently developing implementing regulations. The actions are the latest major trade-related measures adopted by the Trump administration in response to ongoing challenges in securing critical minerals from China.

- **Defense sourcing limits**: President Trump directed the Department of Defense (DoD) to intensify enforcement of critical mineral sourcing restrictions applicable to defense supply chains.
- **Export restrictions**: In response to rising prices and growing scarcity of certain critical minerals, the Trump administration has begun adopting new critical mineral export restrictions of its own. The first of these export restrictions, targeting battery black mass and tungsten, was issued on August 6, 2026 based on a July 30, 2026 presidential determination.

Negotiations between the United States and China over an extension of the one-year trade war de-escalation agreement, which includes a partial suspension of China's critical mineral export controls, remain ongoing. The current arrangement expires around November 10, 2026. Senior officials from the two governments have met several times in recent weeks. Public information on the status of the negotiations is sparse, but discussions have reportedly included offers of further tariff reductions by the Trump administration through the "Board of Trade," a broader suspension of China's critical minerals export controls, and potential new US-China artificial intelligence (AI) cooperation initiatives.

I. Defense minerals supply chain executive order

On July 20, 2026, President Trump signed an Executive Order (EO) on "Securing America's Defense Supply Chains and Ensuring Domestic Acquisition of Critical Materials."[1] The EO tightens the sourcing requirements for certain critical minerals used in the US defense industry, with the aim of ensuring the materials and components needed for manufacture, maintenance, and repair of defense systems are sourced domestically or from allied nations wherever possible.

Mineral and country scope

The EO applies to "covered materials" as defined in 10 U.S.C. § 4872, a law that prohibits the Department of Defense (DoD) from procuring covered materials from covered nations (China, Russia, North Korea, and Iran), subject to various exceptions. Covered materials include:

- Samarium-cobalt (SmCo) magnets
- Neodymium-iron-boron (NdFeB) magnets
- Tungsten metal powder
- Tungsten heavy alloy, or any finished or semi-finished component containing tungsten heavy alloy
- Tantalum metals and alloys
- Molybdenum
- Gallium

[1] Executive Order 14415 of July 20, 2026: "Securing America's Defense Supply Chains and Ensuring Domestic Acquisition of Critical Materials," 91 FR 46693 (July 23, 2026), accessible here: https://www.federalregister.gov/documents/2026/07/23/2026-15003/securing-americas-defense-supply-chains-and-ensuring-domestic-acquisition-of-critical-materials.

- Germanium[2]

Limiting waivers for mineral sourcing restrictions

The DoD and its contractors are restricted from acquiring certain sensitive mineral inputs from covered nations under 10 U.S.C. § 4872, but the law includes options for DoD to issue waivers to the prohibitions. The EO limits DoD's use of the waivers at 10 U.S.C. § 4872(c)(1) or (e), effective January 1, 2027. After that date, waivers would require a formal mitigation plan identifying the non-compliant source, documenting exhaustive efforts to find compliant material, and committing to a strict remediation timeline. The EO also instructs DoD to review the "present application of the exemption for electronic devices under 10 U.S.C. § 4872(c)(3)(B)."

Mandatory supply chain mapping

The EO directs DoD to develop regulations requiring prime contractors and subcontractors to map designated "critical supply chains," from raw materials through end-use products and identify high-risk foreign suppliers. Contractors would be required to (i) submit an indentured bill of materials tracing all components and materials to the origin of the underlying raw materials; and (ii) assess suppliers for "financial risk," "foreign ownership, control, or influence," and "manufacturing and supply risk"; (iii) develop and implement risk-mitigation plans; and (iv) report identified supply chain risks to DoD. The anticipated rules would prohibit contractors from using any "covered materials" supplied by an "unreliable foreign supplier" in their supply chains. DoD is instructed to complete development of the policy by January 16, 2027 and to issue implementing regulations by April 16, 2027.

Qualification of alternative domestic sources

By January 16, 2027, DoD must review acquisitions and direct contractors that rely on supply chains linked to unreliable foreign partners to begin qualifying and using alternative suppliers as soon as possible. DoD may consider terminating contracts with contractors that fail to qualify alternative sources. Separately, by October 18, 2026, DoD also is expected to develop a strategy to accelerate testing and qualification of new domestic sources.

The covered materials acquisition restriction in 10 U.S.C. § 4872 forms part of a broader set of supply chain security measures affecting defense procurement and foreign trade. In a related development, the Fiscal Year 2026 National Defense Authorization Act (FY 2026 NDAA) introduced restrictions on acquisitions of advanced batteries from foreign entities of concern, which are scheduled to phase in between 2028 and 2031.

II. Export restrictions on battery black mass and tungsten

On August 6, 2026, the Department of Commerce Bureau of Industry and Security (BIS) issued a temporary final rule imposing export restrictions on battery black mass and tungsten waste and scrap through a Directive Allocation Order under the Defense Priorities and Allocations System (DPAS).[3] The rule requires US persons to allocate all sales of these materials to US persons pursuant to a DPAS Directive Allocation Order.[4] Accordingly, battery black mass and tungsten waste and scrap "must remain physically located within the United States, unless otherwise authorized by BIS."

Covered products

The requirements apply to:

[2] Gallium and germanium were added to the list by the Fiscal Year 2026 National Defense Authorization Act (FY 2026 NDAA), with the additions taking effect on December 18, 2027.

[3] "DPAS Directive Allocation Order and Additional Requirements for Recoverable Critical Minerals and Materials," 91 FR 50701 (August 6, 2026), accessible here: https://www.federalregister.gov/documents/2026/08/06/2026-16078/dpas-directive-allocation-order-and-additional-requirements-for-recoverable-critical-minerals-and.

[4] The DPAS regulations are available at 15 C.F.R. Part 700, accessible here: https://www.ecfr.gov/current/title-15/subtitle-B/chapter-VII/subchapter-A/part-700. Allocation Orders are described in Subpart F, with Directive Allocation Orders at § 700.33(b). Through the DPAS regulation, BIS administers DPA Title I authorities on behalf of the president for all industrial resources that are not otherwise delegated to other executive branch agencies.

- Tungsten waste and scrap classified within Schedule B code 8101.97.00.00.
- Battery waste and scrap classified within Schedule B codes 8549.13.00.00, 8549.14.00.00, or 8549.19.00.00, in each case where the material meets the definition of "black mass." For these purposes, black mass is defined as "any shredded lithium-ion battery scrap that contains cathode material (which may include aluminum, copper, iron, lithium, cobalt, nickel, and manganese), anode material (graphite, silicon) or other residual battery cell materials."

Timeline

As a temporary final rule, the restrictions are in effect for one year, from August 27, 2026 through August 27, 2027. BIS may extend the action further after completing the final rule. It may also expand the rule to cover other materials, which it would announce in subsequent *Federal Register* notices.

Opportunity for exceptions

BIS may grant company-specific or generally applicable adjustments or exceptions to the requirement that all sales be made to US persons. BIS will consider requests on a case-by-case basis, including where: (i) the requirements would result in undue hardship; (ii) compliance would undermine the objectives of the order; (iii) the proposed export is destined for a processor that intends to return the refined material to the United States after processing; (iv) compliance would cause irreparable harm to a US person; and (v) additional time is required for compliance. Requests should be emailed to the BIS Office of Strategic Industries and Economic Security in accordance with the instructions in the notice. BIS will accept the requests on a rolling basis from August 6, 2026 through August 27, 2027 and may consider granting interim relief while a request is under review.

Opportunity for public feedback

BIS is inviting interested stakeholders to submit public comments on the temporary final rule, including whether BIS should issue any additional allocation orders for other minerals. Comments can be submitted via the federal rulemaking portal at regulations.gov following the instructions in the notice.[5]

Recent export volumes

In 2025, the United States exported $156 million worth of electronics waste, most of which was destined for Canada, Mexico, Japan, and South Korea, and $29 million worth of tungsten waste and scrap, most of which was destined for the European Union, United Kingdom, South Korea, Canada, and Taiwan. In the first half of 2026, tungsten waste and scrap exports increased significantly: $108 million worth of material was exported, primarily to Japan, Germany, and South Korea. Prior to 2026, the United States exported very little tungsten waste and scrap to Japan. Japanese tungsten buyers have had to shift to relying on recycling sources in the United States, Singapore, and Europe in recent months, after China imposed export controls that stopped all tungsten trade with Japan in February 2026. The price of tungsten scrap in the United States has increased significantly as a result. In March 2026, a group of US tungsten buyers publicly called for BIS to restrict tungsten exports, arguing the price increases are a threat to US industry.[6]

[5] See regulations.gov ID BIS-2026-0364, RIN 0694-AK51, accessible here: https://www.regulations.gov/document/BIS-2026-0364-0001.

[6] Recycling Today, "Businesses, industries urge US government to apply export controls on tungsten," April 10, 2026, accessible here: https://www.recyclingtoday.com/news/group-of-businesses-industries-urge-us-government-to-apply-export-controls-on-tungsten-critical-minerals/.

Legal basis and background

BIS adopted the export limits to implement a presidential determination under Section 101 of Title I of the Defense Production Act (DPA), issued by President Trump on July 30, 2026.[7] Under Title I of the DPA,[8] determinations regarding "the general distribution of any material in the civilian market" empower the president to require that (i) performance of contracts for the government and (ii) allocation of materials in the private sector, be conducted in a manner that gives priority to activities necessary for national defense. President Trump's July 30 determination found that certain "recoverable critical minerals and materials (CMMs)," such as battery black mass and end-of-life rare-earth permanent magnets (or other end-of-life goods that have fully completed the manufacturing process), as well as swarf, waste, and scrap containing CMMs, are (i) "scarce and critical materials essential to the national defense" and (ii) "the requirements of the national defense for recoverable CMMs cannot otherwise be met without creating a significant dislocation of the normal distribution of such material in the civilian market to such a degree as to create appreciable hardship[.]" The product scope of the president's delegation is much broader than only black mass and tungsten waste and scrap, providing BIS with authority to potentially expand the restrictions to cover a broader array of critical minerals.

Use of DPA Section 101 to direct private sector allocations is uncommon but not unprecedented (in contrast, the DoD routinely uses the government contract prioritization provision). The US government used the authority during the COVID-19 pandemic to limit exports of personal protective equipment. The first Trump administration also used it to help allocate supplies to meat and poultry processors in response to pandemic-era shortages. In 2022, the Biden administration invoked Section 101 to support prioritized orders for infant formula ingredients during a shortage. The Trump administration recently invoked the authority to permit the Department of Agriculture to assist farms in obtaining elemental phosphorus and glyphosate-based herbicides.

President Trump also invoked DPA Section 101 in the July 30, 2025 Section 232 proclamation on copper, similar to the new critical minerals directive, authorizing BIS to establish domestic sales requirements for copper input materials and copper scrap.[9] However, BIS does not appear to have yet taken any action.

Congress considers trade, sanctions, and export control measures in fall 2026

Several bills with significant implications for US trade policy are advancing in Congress and may be enacted by late 2026. Most notable among these are a Russia sanctions bill that would partially revive President Trump's "secondary tariffs" policy, an extension of several trade preference programs through the end of President Trump's term without any of the administration's desired changes, and a package of export control reform bills that would challenge the Trump administration's softening stance on China.

With midterm elections approaching, the 119th Congress is now coming to a close. The House and Senate are in recess for the duration of August, will be in session for most of September, and will then break again in October ahead of the midterm elections scheduled for November 3, 2026. Before the 119th Congress ends and the new Congress convenes on January 3, 2027, there will be approximately five additional work weeks.

---

[7] Presidential Determination No. 2026-19 of July 30, 2026: "Presidential Determination Pursuant to Section 101 of the Defense Production Act of 1950, as Amended, on Recoverable Critical Minerals and Materials," 91 FR 50465 (August 4, 2026), accessible here: https://www.federalregister.gov/documents/2026/08/04/2026-15859/presidential-determination-pursuant-to-section-101-of-the-defense-production-act-of-1950-as-amended.

[8] Title I of the Defense Production Act of 1950, as amended, at 50 U.S.C. §§ 4511 – 4518, accessible here: https://www.govinfo.gov/app/details/USCODE-2024-title50/USCODE-2024-title50-chap55-subchapI.

[9] Proclamation 10962 of July 30, 2025: "Adjusting Imports of Copper into the United States," 90 FR 37727 (August 5, 2025), accessible here: https://www.federalregister.gov/documents/2025/08/05/2025-14893/adjusting-imports-of-copper-into-the-united-states.

I. Sanctioning Russia Act

The Lindsey O. Graham Sanctioning Russia and Iran Act of 2026[10] (formerly called the Sanctioning Russia Act) is the latest version of a bill that generally seeks to expand and strengthen US sanctions on Russia and to authorize new actions against countries that import Russian oil and gas. The latest version incorporates three categories of actions:

1. **Implementing various Russia sanctions actions into law.** The bill directs the executive branch to adopt various sanctions on Russia and Russian persons. The provisions are generally intended to codify and restate existing sanctions programs that have been implemented through executive branch actions. Though the policy changes are small, the bill would make it more politically challenging for the president to unilaterally revoke sanctions on Russia. The measures include:

    - Imposing property blocking sanctions and visa restrictions on leaders of the Russian government and other persons supporting the Russian government, including those supplying certain technologies to Russia, shadow fleet vessels (as well as port operators receiving shadow fleet vessels), and all persons already sanctioned under executive actions.
    - Imposing property blocking sanctions and other financial sanctions on financial institutions affiliated with the Russian government, potentially including restrictions on correspondent accounts and payable-through accounts.
    - Imposing sanctions on entities owned or controlled by the Russian government.
    - Prohibiting US financial institutions from processing funds for the Russian government.
    - Directing the US Securities and Exchange Commission (SEC) to prohibit listing and trading of Russian entities on US securities exchanges. Directing the SEC to implement regulations to carry out such a prohibition is novel; however, existing sanctions have already forced the suspension or delisting of Russian securities from US markets.
    - Prohibiting investment by US persons in Russia.
    - Prohibiting US persons from exporting energy products to and investing in the Russian energy sector.
    - Prohibiting US persons from purchasing Russian sovereign debt.
    - Prohibiting provision of services to sanctioned financial institutions by international financial messaging systems (*i.e.,* SWIFT).
    - Prohibiting imports of Russian uranium and sanctioning Rosatom State Atomic Energy Corporation.

    The bill provides for various exceptions, including food and humanitarian assistance, compliance with international obligations, low-enriched uranium for civilian uses, non-Russian oil that transits through Russia, general licenses, wind-down operations, and operations of the National Aeronautics and Space Administration (NASA). The president may waive any of the sanctions, subject to a requirement that the president first report the waiver decision to Congress. The president may also terminate the sanctions programs after certifying to Congress that Russia has ceased its military operations against Ukraine, though Congress may block the termination by passing a joint resolution of disapproval.

[10] H.R.5334 - Lindsey O. Graham Sanctioning Russia and Iran Act of 2026, 119th Congress (2025-2026), accessible here (see the "Engrossed Amendment Senate" version for the latest text): https://www.congress.gov/bill/119th-congress/house-bill/5334.

2. **Authorizing "secondary tariffs" on certain countries that purchase Russian oil and gas.** The most significant new policy in the bill is a section that authorizes the president to impose "secondary tariffs" on certain countries that import oil and gas from Russia.

   The bill directs the president, within 30 days of enactment, to increase tariffs to a rate of up to 100% on all goods imported from (i) countries that are knowingly purchasing crude oil or natural gas that originated in Russia 30 days after enactment of the bill and that were among the five largest importers by volume of Russian-origin crude oil or natural gas in the 12 months preceding enactment of the bill (countries that account for less than 15% of Russia's total natural gas exports would be exempt, regardless of ranking); and (ii) countries that were among the top five countries facilitating Russian oil sanctions evasion in the 12 months preceding enactment of the bill. The Office of the United States Trade Representative (USTR) is directed to modify the tariffs as appropriate when countries take steps to increase or decrease imports from Russia and to revise the lists every 180 days. As with the sanctions authorities, the president may waive the tariffs under certain conditions.

   China, India, Slovakia, Hungary, and Azerbaijan are the countries most likely to be subject to the crude oil portion of the tariff, based on historical import data. The top five importers of natural gas from Russia would likely be China, France, Japan, Hungary, and Belgium, but the exception for countries that account for less than 15% of total Russian natural gas exports would likely exempt France, Japan, Hungary, and Belgium from the tariff.

   In 2025, President Trump introduced the concept of secondary tariffs when he issued orders under the International Emergency Economic Powers Act (IEEPA) that threatened to impose additional tariffs on US imports from countries that trade with Venezuela, Cuba, Russia, and Iran. He followed through with the threat only once, imposing an additional 25% tariff on most imports from India, until India agreed to scale back purchases of Russian crude oil in early 2026. The policy was subsequently discontinued following the Supreme Court's decision in *Learning Resources*, which held that IEEPA does not authorize the imposition of tariffs. Given Congress's interest in pressuring third countries to cease purchases of Russian oil and gas, and President Trump's apparent preference for using tariffs instead of sanctions, many members of Congress appear to view the temporary and narrowly targeted restoration of President Trump's secondary tariff policy as the most viable means of securing his support for increased pressure on Russian oil and gas exports.

   The bill would also direct the president to increase tariffs on all imports from Russia to rates of up to 500%, though most US-Russia trade is already blocked under existing sanctions programs.

3. **Extending certain Iran sanctions authorities.** The bill provides a clean extension of the sanctions authorities in the Iran Sanctions Act of 1996 until December 31, 2031; those authorities are currently scheduled to sunset on December 31, 2026. The provision has been extended twice previously, first through the ILSA Extension Act of 2001 and then through the Iran Sanctions Extension Act of 2016.

Prospects and path to approval

Several versions of the bill with varying sanctions and tariff authorities have circulated over the past few years, and multiple attempts to move the legislation forward have failed. Following the death of Senator Lindsey Graham on July 11, who was the bill's original sponsor and leading advocate, senators quickly negotiated a revised version of the bill that could pass Congress and earn President Trump's endorsement. To reach the compromise, legislators added new presidential waiver authorities for the sanctions, narrowed the scope of the secondary tariff power, and added the Iran sanctions extension. The Senate approved the new version of the bill by a vote of 86 to 11 on August 7, 2026, sending it to the House. However, because the House had already left for August recess, work on advancing the bill will not resume until September.

The secondary tariff authority will likely encounter opposition in the House, where Democrats (as well as business associations) are mobilizing to seek its removal from the bill. Despite the opposition, efforts by a small group of

Democratic and Republican senators to remove the secondary tariffs from the bill shortly before its passage in the Senate failed by a wide margin, pointing to widespread, bipartisan support for the measure.

II. Africa and Haiti trade preferences programs extensions

On August 8, 2026, the Senate passed a bill that would reauthorize the African Growth and Opportunity Act (AGOA) and the Haitian Hemispheric Opportunity through Partnership Encouragement Act (HOPE) / Haiti Economic Lift Program (HELP) trade preference programs until December 31, 2028.[11] The programs are currently scheduled to expire on December 31, 2026. The bill provides a clean two-year extension, reauthorizing the trade preference programs without any modifications. There is also strong support for renewal of AGOA and HOPE/HELP in the House, making it likely that the Senate's proposed two-year extension will be approved.

Congress approved a one-year extension of AGOA and HOPE/HELP in February 2026, extending the programs through December 31, 2026.[12] House Republicans had originally sought a three-year extension, but the Trump administration intervened in favor of a shorter, one-year term. At the time, both Congress and the administration stated that the one-year, clean extension would provide time to negotiate reforms to US trade preference programs. Members of Congress have debated proposals to reform the eligibility requirements, product coverage, and domestic content thresholds in US trade preference programs for the past several years but have made little apparent progress. The Generalized System of Preferences (GSP) expired on December 31, 2020, caught in the same debates, and efforts to reauthorize it have failed to advance.

The Office of the United States Trade Representative (USTR) held a public comment period on proposals for the "modernization" of AGOA from April 29 to May 15, 2026.[13] USTR's announcement stated that it was seeking "to ensure the program meets the needs of American workers and businesses, advances U.S. national security and economic security goals, optimizes balanced bilateral trade flows with beneficiary countries, and provides a path for reciprocal trade agreements with the more advanced countries as they develop and graduate from the program" and that it was developing recommendations for Congress.

The extension is part of a continuing resolution, which extends the federal government's current funding authorizations in the absence of a new budget. The continuing resolution passed the Senate by a vote of 90 to 6. If the continuing resolution fails to pass into law, government funding will run out on October 1, resulting in another government shutdown. The continuing resolution is intended to extend current funding authorizations until early December, deferring substantive budget negotiations until after the midterm elections.

Update (September 2, 2026): On September 1, 2026, the House of Representatives approved the continuing resolution, including the AGOA and HOPE/HELP extensions. President Trump signed the bill into law on September 2, 2026.

III. Export controls and the 2027 NDAA

Legislative efforts to strengthen US export controls have gained extensive bipartisan support over the past year, with lawmakers proposing new laws that would establish new enforcement powers for the Bureau of Industry and Security (BIS) and codify recent export controls on advanced semiconductors and AI into statute. Three of the proposed measures (discussed below) will likely be attached to the Senate's version of the 2027 National Defense Authorization Act (2027 NDAA), a bill that Congress must pass by late 2026.

---

[11] Sections 2008 and 2009 of the Senate's engrossed version of H.R.6500 - Continuing Appropriations and Extensions Act, 2027, 119th Congress (2025-2026), accessible here: https://www.congress.gov/bill/119th-congress/house-bill/6500.

[12] Sections 5019 and 5020, H.R.7148 – "Consolidated Appropriations Act, 2026," 119th Congress (2025-2026), accessible here: https://www.congress.gov/bill/119th-congress/house-bill/7148.

[13] "Request for Comments on the Modernization of the African Growth and Opportunity Act (AGOA)," 91 FR 23142 (April 29, 2026), accessible here: https://www.federalregister.gov/documents/2026/04/29/2026-08347/request-for-comments-on-the-modernization-of-the-african-growth-and-opportunity-act-agoa.

1. **Multilateral Alignment of Technology Controls on Hardware (MATCH) Act**:[14] Through the MATCH Act, Congress is attempting to pressure other countries into adopting new export controls on semiconductor manufacturing tools and related services to align with the United States' unilateral export controls and prevent China-linked entities from accessing these technologies.

   The bill would direct the executive branch to identify "covered semiconductor manufacturing equipment" and "covered facilities" (certain entities linked to China and other countries of concern, to specifically include Hua Hong Semiconductor and Huawei) and to then pursue diplomatic efforts urging allied supplier countries to adopt new country-wide export controls and license requirements with a policy of denial on exports and servicing of that equipment to covered facilities. Not later than 150 days after the passage of the bill, the executive branch would (i) apply country-wide controls to covered equipment produced in the United States and impose end-user restrictions on the covered facilities; and (ii) for covered equipment produced in allied countries that have not adopted similar country-wide controls and licensing requirements, implement US export controls on those countries' products through a foreign direct product rule-style arrangement.

2. **AI OVERWATCH Act**:[15] The AI OVERWATCH Act would amend the Export Control Reform Act of 2018 (ECRA) to codify an export control regime specific to advanced semiconductors exported to China and other adversary countries (Cuba, Iran, North Korea, Russia, and other countries listed in Country Group D:5).

   The bill adopts current performance thresholds for controlled semiconductors to define the scope of the controls; terminates all existing export licenses for covered products to countries of concern and temporarily denies all new license applications until BIS develops a new AI export control strategy; and then maintains a policy of denial for certain types of advanced semiconductors, imposes extensive pre-approval procedures for all other licenses, and prohibits general licenses. A narrow exemption from the controls is allowed for "trusted United States persons." Beginning 24 months after BIS delivers the AI export control strategy to Congress, BIS will be permitted to revise and update the technical parameters that define the controlled semiconductors.

   Implementation of specific export control measures into law is unusual. BIS usually issues export control measures through regulations, a more flexible approach that allows the government to revise technical thresholds as covered technologies evolve.

3. **Chip Security Act**:[16] The Chip Security Act would require BIS, within one year, to develop regulations requiring controlled advanced semiconductors to be equipped with "chip security mechanisms" to enable verification of whether a product has been illegally diverted. The measures would apply to certain "covered integrated circuit products" that are subject to US export controls and that are exported to "destinations of concern" (which include Country Group D:5 and other countries designated by BIS). The required "chip security mechanisms" would include (i) on-site audits at the end-user's location; (ii) periodic attestations by US-headquartered entities that products are accounted for and securely controlled or disposed of; (iii) digital location tracking (including ping-based location verification via trusted landmark servers); and (iv) other methods that can verifiably demonstrate that a product has not been illegally diverted. The bill directs the executive branch to assess potential security

[14] S.4281 - Multilateral Alignment of Technology Controls on Hardware (MATCH) Act, 119th Congress (2025-2026), accessible here: https://www.congress.gov/bill/119th-congress/senate-bill/4281; and H.R.8170 - MATCH Act, 119th Congress (2025-2026), accessible here: https://www.congress.gov/bill/119th-congress/house-bill/8170. The bill is included in the proposed "manager's package" of amendments to the Senate's 2027 NDAA at S.Amdt. 6400, accessible here: https://www.congress.gov/amendment/119th-congress/senate-amendment/6400.

[15] S.4456 - AI OVERWATCH Act, 119th Congress (2025-2026), accessible here: https://www.congress.gov/bill/119th-congress/senate-bill/4456; and H.R.6875 - AI OVERWATCH Act, 119th Congress (2025-2026), accessible here: https://www.congress.gov/bill/119th-congress/house-bill/6875. The bill is included in the proposed "manager's package" of amendments to the Senate's 2027 NDAA at S.Amdt. 6451, accessible here: https://www.congress.gov/amendment/119th-congress/senate-amendment/6451.

[16] S.1705 - Chip Security Act, 119th Congress (2025-2026), accessible here: https://www.congress.gov/bill/119th-congress/senate-bill/1705; and H.R.3447 - Chip Security Act, 119th Congress (2025-2026), accessible here: https://www.congress.gov/bill/119th-congress/house-bill/3447. The bill is included in the proposed "manager's package" of amendments to the Senate's 2027 NDAA at S.Amdt. 6105, accessible here: https://www.congress.gov/amendment/119th-congress/senate-amendment/6105.

mechanisms and to report the results of that assessment to Congress within 210 days of the bill's passage into law.

Congress intends for BIS to use the tracking and reporting obligations to strengthen enforcement of existing export controls on advanced semiconductors. Supporters of the bill believe the enforcement tools will reduce diversion risks, but the practical details of how the government would implement such tracking systems remain unclear.

Large appropriations and defense authorization bills such as the NDAA have often served as legislative vehicles for advancing economic security-related measures in recent years. The 2026 NDAA, for example, included measures that restrict Chinese biotechnology companies operating in the United States, expand the outbound investment screening system, and restrict defense procurements of a wide variety of technologies from certain countries and foreign entities of concern. The MATCH Act, AI OVERWATCH Act, and Chip Security Act are included in the proposed "manager's package" of amendments to the Senate's version of the 2027 NDAA, which has not yet passed a full Senate vote.[17] In contrast, the House's version of the 2027 NDAA, which passed the House on July 22, 2026, does not include any export control measures.[18] Before the 2027 NDAA is finalized and enacted, the Senate must still vote to approve its version, and then the two chambers will need to reconcile the differences between the House and Senate versions. It is unclear at this time whether the proposed export control measures will make it into the final version of the 2027 NDAA. If supporters of the export control bills fail to attach them to the final 2027 NDAA, their path to enactment will become significantly more difficult.

IV. Other export control-related proposals

Other export control-related proposals have strong bipartisan support but have not yet moved forward. The **Remote Access Security Act** (RASA), which passed the House in January 2026 but has not yet advanced in the Senate, seeks to fill a perceived gap in BIS's export control authorities under ECRA by clarifying that BIS may regulate remote access to items that are subject to the Export Administration Regulations (EAR).[19] Supporters of RASA intend to use it to prevent Chinese companies from contracting with cloud service providers to train advanced AI models.[20] ECRA currently empowers BIS to regulate the export, reexport, and in-country transfer of such items, but whether that authority extends to controlling remote access is less clear. The question has taken on particular importance in recent years, amid concerns that US export controls targeting advanced semiconductors and AI development may be bypassed through cloud services provided by infrastructure-as-a-service and software-as-a-service providers based in the United States or in third countries not subject to export license requirements.

US Customs and Border Protection begins implementing new importer screening requirements

In recent weeks, US Customs and Border Protection (CBP) has begun issuing notices and guidance updates regarding new customs enforcement rules that will affect importers of record (IORs) and customs brokers. The publications represent CBP's first public actions to implement President Trump's June 3, 2026 Executive Order (EO)

---

[17] S.4784 - National Defense Authorization Act for Fiscal Year 2027, 119th Congress (2025-2026), accessible here: https://www.congress.gov/bill/119th-congress/senate-bill/4784.

[18] H.R.8800 - National Defense Authorization Act for Fiscal Year 2027, 119th Congress (2025-2026), accessible here: https://www.congress.gov/bill/119th-congress/house-bill/8800.

[19] For the current versions of the legislation, see S.3519 - Remote Access Security Act, 119th Congress (2025-2026), accessible here: https://www.congress.gov/bill/119th-congress/senate-bill/3519; and H.R.2683 - Remote Access Security Act, 119th Congress (2025-2026), accessible here: https://www.congress.gov/bill/119th-congress/house-bill/2683.

[20] See, for example, the House Select Committee on the Chinese Communist Party's statement on the House's passage of the bill, "House Passes Bipartisan Legislation to Limit Adversaries' Remote Access to Critical Technology," January 12, 2026, accessible here: https://chinaselectcommittee.house.gov/media/press-releases/house-passes-bipartisan-legislation-to-limit-adversaries-remote-access-to-critical-technology; and statements by sponsoring Senators, "Senators McCormick and Wyden Introduces Remote Access Security Act to Extend Export Controls for Critical Technology Access Through Cloud Services," Senator David McCormick, December 21, 2025, accessible here: https://www.mccormick.senate.gov/news/press-releases/senators-mccormick-and-wyden-introduces-remote-access-security-act-to-extend-export-controls-for-critical-technology-access-through-cloud-services/.

on strengthening customs enforcement.[21] The initial notices largely reiterate existing importer compliance obligations and explain some adjustments to CBP's enforcement strategies. The first major regulatory changes under the EO are expected to be issued in the coming weeks.

Federal Register notice on enforcing IOR requirements

On August 19, 2026, CBP published a *Federal Register* notice reiterating the existing Form 5106 (Create/Update Importer Identity Form) registration requirements for IORs and announcing plans to enforce the requirements more strictly.[22] Effective September 18, 2026, CBP will void an IOR number if it finds that Form 5106 information is inaccurate or incomplete (such as address, email, phone number, Employer Identification Number (EIN), and Social Security Number (SSN)) and will notify the IOR (and broker of record, if applicable) by email with instructions on reestablishment.

Though the customs regulations already require that IOR registrations be accurate, the EO instructs CBP to update the IOR registry process "confirming active IORs are compliant with all applicable regulations and disclosures[.]"

The EO also directs CBP to undertake broader revisions to importer eligibility requirements. By November 30, 2026, CBP must require each IOR to maintain a minimum level of tangible domestic assets, bond coverage, or both, in an amount CBP considers necessary. CBP must also increase minimum bond requirements generally applicable to IORs. In addition, CBP must require an IOR to be designated and reported to CBP for both formal and informal entries. Each designated IOR must maintain a bond or sufficient tangible domestic assets. These measures extend beyond the Form 5106 accuracy requirements described above and could materially increase bonding costs for importers, including domestic importers and foreign IORs.

CTPAT alert on broker responsibilities

On August 14, 2026, CBP sent an alert to Customs Trade Partnership Against Terrorism (CTPAT) participants, highlighting upcoming changes.[23] Several actions outlined in the EO involve significant changes to the responsibilities of CTPAT-validated customs brokers (CVCBs) and their representation of foreign IORs. The alert states that CBP is planning to revise importer eligibility regulations, guidance, and policies to reflect the EO's instructions.

Among the changes that brokers should expect, the notice states that a "CVCB will need to perform comprehensive vetting of their foreign clients before they conduct any customs business," including requirements to "verify critical information, such as the IOR's legal identity, ownership structure, business affiliations, U.S. assets, and their history of compliance and import activity" and "assess the IOR's ability to pay duties, taxes, and fees, and verify details regarding the supply chain, product classification, valuation, and country of origin."

The alert also notes that the EO requires CBP to increase penalties in enforcement actions against brokers that fail to conduct proper due diligence, repeatedly represent non-compliant or unverifiable clients, or fail to cooperate with CBP requests for information. Enforcement actions will include "financial penalties, increased audit frequency, and the potential suspension or removal of the CVCB from the CTPAT program," according to the alert.

Disabling inactive IORs

On July 16, 2026, CBP introduced a new function in the Automated Commercial Environment (ACE) that automatically deactivates an IOR account where the IOR has not filed an entry in the preceding 366 days.[24] A

---

[21] Executive Order 14411 of June 3, 2026: "Strengthening Customs Enforcement," 91 FR 35125, accessible here: https://www.federalregister.gov/documents/2026/06/10/2026-11595/strengthening-customs-enforcement.

[22] "Accuracy of Importer of Record Data Submitted to CBP," 91 FR 53627 (August 19, 2026), accessible here: https://www.federalregister.gov/documents/2026/08/19/2026-16911/accuracy-of-importer-of-record-data-submitted-to-cbp.

[23] "CTPAT Alert for Broker Responsibilities Under Executive Order 14411," August 14, 2026, accessible here: https://www.cbp.gov/sites/default/files/2026-08/ctpat_alert_-_brokers_8_13_26_pbrb_approved_5662-0826_508.pdf.

[24] CSMS # 69268077 – "Update to ACE CATAIR Error Dictionary: New Error F875 IMPORTER INACTIVE FOR ENTRY PURPOSES," July 17, 2026, accessible here: https://content.govdelivery.com/bulletins/gd/USDHSCBP-420f26d; and CSMS # 69241265 – "New "Inactive for Entry

deactivated IOR may not transmit cargo release or entry summary information, though the IOR may continue to act as consignee, file drawback claims, secure bonds, transmit Importer Security Filing data, and conduct any other business functions in ACE. To reactivate an account, an importer should have its broker submit a reactivation status update in the Automated Broker Interface (ABI) or submit an updated CBP Form 5106.[25]

The administrative change implements a provision of the EO that instructed CBP to remove inactive IORs from the IOR registry. As noted by CBP in its Cargo Systems Messaging Service (CSMS) notice announcing the change, existing regulations already state that IOR accounts are only on file for one year after their last use.[26]

In addition to removing inactive IORs from the registry, the EO directs CBP to establish risk-based IOR tiers based on an importer's compliance history, enforcement record, and audit results. CBP must also develop enhanced, recurring vetting procedures for all parties involved in import transactions, including foreign IORs, IOR affiliates, customs brokers, bonded-merchandise custodians, and freight forwarders. These measures are due by November 30, 2026.

White House report on transshipment and customs enforcement

A report posted by the White House on August 13, 2026,[27] states that the expanded data disclosure and compliance requirements introduced by the EO are intended to reduce tariff evasion risks and to give CBP access to more information about supply chains. According to the report, CBP will feed the newly gathered data into an AI-enabled "Detective Border," which will find "anomalous routing patterns, suspicious bills of lading, false origin claims, value mismatches, and capacity inconsistencies."

The report justifies these enforcement changes by alleging that nearly all the United States' trade partners are engaged in an elaborate customs fraud scheme to smuggle China-origin products into the United States, which the report calls the "Great Transshipment Scam." The report does not substantiate the allegations.

The report's allegations align with a separate EO directive requiring CBP and the Attorney General to prioritize customs law enforcement, including addressing goods made with forced labor, as well as misclassification, undervaluation, illegal transshipment, and investigations under the Enforce and Protect Act (EAPA).

US Customs and Border Protection issues proposal for requiring new supply chain disclosures by importers

On September 2, 2026, US Customs and Border Protection (CBP) published an advance notice of proposed rulemaking (ANPRM) recommending regulatory changes that would establish new requirements to enhance CBP's visibility into the parties involved in importing goods, integrate innovative technical solutions for tracing the supply chains for those goods, and collect foreign export documentation that foreign exporters are required to submit to a foreign customs authority before exporting those goods to the United States.[28]

Importantly, the ANPRM does not make any immediate changes to customs regulations, and importers' compliance obligations have not changed. The ANPRM seeks public input on its initial regulatory proposals, which would inform CBP's development of a full Notice of Proposed Rulemaking (NPRM). The NPRM, when published, will contain the

---

Purposes" Status will Deploy in ACE on July 16," July 14, 2026, accessible here: https://content.govdelivery.com/bulletins/gd/USDHSCBP-42089b1.

[25] CSMS # 69056621 – "Process to Re-Activate a Deactivated Importer of Record in ACE," June 26, 2026, accessible here: https://content.govdelivery.com/bulletins/gd/USDHSCBP-41db86d.

[26] 19 CFR 24.5(e), accessible here: https://www.ecfr.gov/current/title-19/part-24/section-24.5#p-24.5(e).

[27] "The Great Transshipment Scam," The White House, August 13, 2026, accessible here: https://www.whitehouse.gov/releases/2026/08/the-great-transshipment-scam/.

[28] "Heightened Import Disclosures for Supply Chain Visibility," 91 FR 56408 (September 2, 2026), accessible here: https://www.federalregister.gov/documents/2026/09/02/2026-17926/heightened-import-disclosures-for-supply-chain-visibility.

complete proposed regulatory text and will invite additional public comment. Final regulations will be issued after CBP completes this notice-and-comment process, the timeline for which has not been disclosed.

The ANPRM is the first public step CBP has taken to implement the customs regulatory reforms announced in President Trump's June 3, 2026 Executive Order (EO) on strengthening customs enforcement.[29] The reforms outlined in the EO represent the most significant change in US customs policy in recent years and signal a broader shift toward enforcement and away from trade facilitation, consistent with the Trump administration's broader trade-restrictive agenda.

Proposals in the ANPRM

The ANPRM outlines three proposals for changing CBP regulations to expand the federal government's visibility into international supply chains.

1. **Requiring submission of foreign export documentation for imported goods:** CBP is considering whether requiring importers to submit foreign export documentation alongside their import declarations would help CBP verify and reconcile entry and entry summary information and detect discrepancies that could indicate violations of US customs and trade laws. This would include requiring importers to provide documentation submitted to a foreign customs authority by the entity responsible for filing the export declaration (*e.g.*, a trading company, distributor, consolidator, or third-party logistics provider) for goods destined for the United States, such as export declarations, commercial invoices, packing lists, certificates of origin, export licenses, and transport documents.
2. **Revising requirements to submit identifying information for parties involved in the manufacture, production, movement, and/or exportation of imported goods:** CBP is considering proposals to redefine or replace the current requirement that importers provide a manufacturer or shipper identification code (MID) at the time of filing an entry summary. One proposal is to replace the MID with Global Business Identifiers (GBIs), which CBP has been piloting since 2022. CBP is seeking input on the GBI program in its current form and whether it should be modified.
3. **Introducing new supply chain tracing techniques, including new obligations for participants in the Customs Trade Partnership Against Terrorism (CTPAT):** CBP is examining new tools and techniques to improve its ability to identify tariff evasion and illegal transshipment, including by adopting commercial supply chain traceability tools to better assess transshipment risks. CBP also states that it is seeking "to encourage the private sector to incorporate awareness of national security issues and geopolitical risk into their supply chain decision-making," including by requiring use of new "supply chain tracing technologies that CTPAT partners can use to demonstrate the integrity of their supply chains" to CBP.

Opportunity to submit input

CBP is inviting interested stakeholders to submit written comments on the ANPRM's proposals. Comments are due by December 1, 2026, and may be submitted through the Federal eRulemaking Portal at Regulations.gov under docket number USCBP-2026-1058.[30] The ANPRM provides further instructions on how to submit comments.

Although CBP welcomes any relevant data, views, and arguments, it is particularly interested in responses to the 61 specific questions raised regarding each policy proposal in Section III of the ANPRM, and the questions about economic impacts in Section IV.

The EO's September 1 deadlines

[29] Executive Order 14411 of June 3, 2026: "Strengthening Customs Enforcement," 91 FR 35125 (June 10, 2026), accessible here: https://www.federalregister.gov/documents/2026/06/10/2026-11595/strengthening-customs-enforcement.

[30] Heightened Import Disclosures for Supply Chain Visibility, USCBP-2026-1058, accessible here: https://www.regulations.gov/document/USCBP-2026-1058-0001.

The ANPRM begins the process of developing regulations to implement the import disclosure and certification requirements in Section 3 of the EO. The EO instructed CBP to “take steps to establish” these new requirements by September 1, but it does not provide a date by which CBP must complete and implement the changes.

Other parts of the EO for which CBP was directed to begin establishing new procedures by September 1 are:

- Establishing minimum penalty amounts and minimum liquidated damages amounts (Section 4(c)).
- Eliminating discretionary mitigation options for repeat offenders (Section 4(c)).
- Expanding CBP disposal authorities for non-compliant imports (Section 5).
- Increasing public disclosure of importer information, including by creating new review and expiration rules for importer confidentiality requests and by publishing information about enforcement actions (Section 6).

CBP has not announced new guidance or regulation changes related to these other provisions.

United States considers new restrictions on certain foreign electric power equipment

On August 26, 2026, President Trump issued Executive Order (EO) 14421, which declares a national emergency to secure the US bulk-power system from certain foreign threats.[31] The EO authorizes the Department of Energy (DOE) to prohibit or impose mitigation measures on transactions involving certain electric power equipment used in US bulk-power systems (such as transformers, inverters, battery energy storage systems, generators, industrial control systems, and other equipment used in bulk-power substations, control rooms, and generating stations) when that equipment is determined to (i) have been “designed, developed, manufactured, or supplied by persons owned by, controlled by, or subject to the jurisdiction or direction of” a Covered Foreign Entity (as defined in the EO to include China and other countries subject to US arms embargoes), and (ii) pose undue or unacceptable risks to the United States or US persons. The EO does not impose any immediate restrictions. The DOE must first publish implementing regulations, which are due December 24, 2026, and develop specific prohibition determinations before taking any enforcement action.

The action is the latest in the Trump administration’s efforts to strengthen security requirements for US infrastructure while also pressuring equipment manufacturers to relocate production to the United States, with manufacturers linked to China being the primary target. In a similar action in July, the Federal Communications Commission (FCC) added foreign-produced connected power inverters to the FCC Covered List,[32] prohibiting new device models from qualifying for FCC equipment authorizations.[33] To avoid the prohibition, the FCC allows companies to seek “Conditional Approvals,” through which the companies must demonstrate both that they are addressing national security risks and are committed to relocating manufacturing to the United States.[34] The original version of the Covered List addition was broad and applied to all countries of origin. On August 20, 2026, however, the FCC

[31] Executive Order 14421 of August 26, 2026: “Declaring a National Emergency to Secure the United States Bulk-Power System,” 91 FR 55995 (August 31, 2026), accessible here: https://www.federalregister.gov/documents/2026/08/31/2026-17843/declaring-a-national-emergency-to-secure-the-united-states-bulk-power-system; and “President Donald J. Trump Declares a National Emergency to Secure America’s Bulk-Power System,” White House, August 26, 2026, accessible here: https://www.whitehouse.gov/fact-sheets/2026/08/fact-sheet-president-donald-j-trump-declares-a-national-emergency-to-secure-americas-bulk-power-system/.

[32] The full FCC Covered List and related materials, the “List of Equipment and Services Covered By Section 2 of The Secure Networks Act,” is accessible here: https://www.fcc.gov/supplychain/coveredlist.

[33] FCC’s Public Safety and Homeland Security Bureau Announces Addition of Foreign Produced Power Inverters and Advanced Robotic Devices to FCC Covered List, July 28, 2026, accessible here: https://docs.fcc.gov/public/attachments/DA-26-786A1.pdf.

[34] “Guidance on Submissions for Conditional Approval for Foreign-Produced Power Inverters Subject to the FCC’s Covered List,” July 27, 2026, accessible here: https://www.fcc.gov/sites/default/files/annex-a-guidance-conditional-approval-inverters.pdf; and “Guidance on Submissions for Conditional Approval for Foreign-Produced Advanced Robotic Devices Subject to the FCC’s Covered List,” July 27, 2026, accessible here: https://www.fcc.gov/sites/default/files/robots-ca.pdf.

announced revisions to the listing that changed the definition of covered power inverters and introduced a new exception that could exempt many power inverters that are not linked to China from the prohibition.[35]

Policy rationale, legal basis, and previous actions

To carry out the policy in the EO, President Trump invokes authorities under the International Emergency Economic Powers Act (IEEPA), which empowers the President to regulate various forms of international transactions upon issuing a declaration of national emergency under the National Emergencies Act (NEA).

In declaring the required national emergency, President Trump cites the importance of a secure power grid to the economy and references risks related to "certain foreign actors" creating and exploiting vulnerabilities in power systems. He then states that "minimal restrictions on acquisition or operation in the United States of foreign-produced bulk-power system electric equipment" make the risks more severe, claiming foreign entities may be creating backdoors into systems they manufacture. In addition to the direct security risks, he also highlights interests in reducing use of imports, stating that reliance on foreign sources "creates a supply chain vulnerability that could eliminate the supply of these products in the United States as a result of disruptions in international trade or other causes." Though the NEA declaration references protectionist policy interests, the EO does not establish specific US production requirements, unlike the FCC Covered List. The forthcoming DOE regulations may elaborate on this point.

President Trump attempted to establish a similar policy at the end of his first term through Executive Order 13920 of May 1, 2020, which authorized the prohibition of the acquisition, importation, or installation of bulk-power system electric equipment supplied by companies owned by, controlled by, or subject to the jurisdiction of foreign adversaries, including China.[36] The DOE issued only one prohibition under that order, concerning equipment associated with certain critical defense facilities. Soon after, President Biden temporarily suspended the order and the single prohibition action was revoked.[37]

The new EO's policy framework and underlying legal authorities are based on those of the Bureau of Industry and Security's (BIS) Information and Communications Technology and Services (ICTS) Program,[38] under which the Department of Commerce has broad authority to prohibit or impose mitigation measures on ICTS transactions that pose undue or unacceptable risks to the United States. The existing ICTS system may serve as a guide for DOE in implementing the new prohibition system.

The EO may indicate that the Trump administration intends to expand the use of ICTS Rule-style technology prohibitions targeting China into other sectors. At the same time, however, the Trump administration has halted all additional technology restrictions targeting China under the ICTS Rule as part of the trade war de-escalation agreement with China. President Trump and President Xi Jinping intend to meet for a summit on September 24, 2026, at which the leaders are expected to announce an extension of the truce. Given the timing, another possible explanation for the EO is that the Trump administration is attempting to signal to China that it is considering new trade restrictions if China does not agree to an extension of the truce.

---

[35] "Following New National Security Determination, FCC Announces Modification of Power Inverters Entry on the Covered List," FCC, August 20, 2026, accessible here: https://docs.fcc.gov/public/attachments/DA-26-870A1.pdf.

[36] Executive Order 13920 of May 1, 2020: "Securing the United States Bulk-Power System," 85 FR 26595 (May 4, 2020), accessible here: https://www.federalregister.gov/documents/2020/05/04/2020-09695/securing-the-united-states-bulk-power-system.

[37] "Prohibition Order Securing Critical Defense Facilities," 86 FR 533 (January 6, 2021), accessible here: https://www.federalregister.gov/documents/2021/01/06/2020-28773/prohibition-order-securing-critical-defense-facilities; and "Revocation of Prohibition Order Securing Critical Defense Facilities," 86 FR 21308 (April 22, 2021), accessible here: https://www.federalregister.gov/documents/2021/04/22/2021-08483/revocation-of-prohibition-order-securing-critical-defense-facilities.

[38] See Office of Information and Communications Technology and Services (OICTS), accessible here: https://www.bis.gov/OICTS. The OICTS authorities were originally established during President Trump's first term through Executive Order 13873 of May 15, 2019: "Securing the Information and Communications Technology and Services Supply Chain," 84 FR 22689 (May 17, 2019), accessible here: https://www.federalregister.gov/documents/2019/05/17/2019-10538/securing-the-information-and-communications-technology-and-services-supply-chain.

Determination of prohibition and other mitigation measures

The EO authorizes the DOE to prohibit or impose mitigating conditions on transactions involving foreign-produced "bulk-power system electric equipment" (as defined in the EO) when that equipment is linked to certain foreign countries and poses undue or unacceptable national security risks.

- **Scope of potential prohibitions:** The DOE may prohibit transactions in which foreign countries or nationals have an interest; which were initiated after August 26, 2026; and which involve the acquisition, importation, transfer, or installation of any "foreign-produced bulk-power system electric equipment" within US jurisdiction. The prohibitions may be specific to particular transactions or may cover broad classes of transactions.

- **Determination criteria:** To issue a transaction prohibition, the DOE must determine that the transaction:

    1. Involves "bulk-power system electric equipment" ("or any critical component, software, firmware, digital service, maintenance service, or remote-access capability associated with such equipment") that is "designed, developed, manufactured, or supplied by" persons "owned by, controlled by, or subject to the jurisdiction or direction of" a "Covered Foreign Entity."

    2. Poses an undue risk of (i) "sabotage, subversion, unauthorized access, malicious remote action, or supply disruption"; (ii) "catastrophic effects on the security or resilience of United States critical infrastructure or the economy of the United States"; or (iii) "an unacceptable risk to the national security of the United States or the security and safety of United States persons."

- **Potential retroactive effect and mitigation measures:** Under the determinations, the DOE may also "impose conditions on the continued use, operation, maintenance, servicing, or updating of foreign-manufactured or operated bulk-power system electric equipment" that was acquired or installed before August 26, 2026.

- **Exceptions to prohibitions:** If the DOE determines to restrict a certain transaction or class of transactions, it may design risk mitigation measures through which otherwise prohibited transactions may be approved by DOE.

- **Pre-qualification for exceptions:** The DOE may also develop lists of pre-qualified equipment and vendors, which would be exempt from any prohibition.

- **Enforcement:** Transactions that evade or avoid, have the purpose of evading or avoiding, or otherwise cause a violation of the EO's prohibitions, are themselves prohibited under IEEPA authorities. IEEPA violations can carry both civil and criminal penalties.

Definitions of covered equipment and entities

The EO targets the prohibition authority at equipment used in **"bulk-power systems,"** which are defined as "(i) facilities and control systems necessary for operating an interconnected electric energy transmission network (or any portion thereof); and (ii) electric energy from generation facilities needed to maintain electric system reliability," including "transmission lines rated at 69,000 volts (69 kV) or more[.]" "Facilities used in the local distribution of electric energy" are excluded from the scope of the authority.

The **"electric equipment"** used in the "bulk-power systems" includes equipment used in bulk-power system substations, control rooms, or power generating stations, including "reactors; capacitors; substation transformers; utility-scale and other grid-connected inverters; battery energy storage systems; and uninterruptible power supply systems supporting critical infrastructure, current coupling capacitors, large generators, small generators, backup generators, substation voltage regulators, shunt capacitor equipment, automatic circuit reclosers, instrument transformers, coupling capacity voltage transformers, protective relaying, metering equipment, high voltage circuit breakers, generation turbines, industrial control systems (including remote terminal units, programmable logic controllers, and intelligent electronic devices), distributed control systems, and safety instrumented systems." The authorities could also extend to any “critical component, software, firmware, digital service, maintenance service, or remote-access capability associated with such equipment” used in the covered types of “electric equipment.”

The **“Covered Foreign Entities”** to which the covered equipment must be linked are (i) the countries and (ii) any persons (natural persons and corporate entities) that are owned by, controlled by, or subject to the jurisdiction or direction of a government of the countries that are subject to an arms embargo under the International Traffic in Arms Regulations (ITAR) at 22 C.F.R. § 126.1 (the most prominent of which is China) or are otherwise determined by the DOE to be engaged in conduct detrimental to the national security or foreign policy of the United States.[39]

Developing regulations

The actions described in the EO will not take effect immediately. The DOE must first issue implementing regulations and develop specific prohibition determinations before any actions are taken under the EO. As a result, many of the practical details of the prohibition system are not addressed in the EO and will require further development by the DOE.

- **Determination regulations:** To carry out the determinations and implement prohibitions, the EO instructs the DOE to publish rules or regulations within 120 days of the EO (*i.e.*, by December 24, 2026). The EO suggests the regulations could include:
  - Lists of particular countries or persons that are Covered Foreign Entities.
  - Lists of persons owned by, controlled by, or subject to the jurisdiction or direction of a Covered Foreign Entity.
  - Lists of equipment or countries with respect to which transactions involving bulk-power system electric equipment warrant particular scrutiny.
  - Procedures to license transactions.
- **Policy planning:** The EO instructs the DOE to, as soon as practicable, begin identifying covered bulk-power system electric equipment for prohibition and to develop policy recommendations for how the government should identify, inventory, isolate, monitor, or replace such items.
- **Federal Acquisition Regulation (FAR) changes:** Within 180 days of the EO (*i.e.*, by February 22, 2027), the DOE must develop recommended revisions to the FAR to (i) ensure that national security risks are adequately considered in federal energy infrastructure procurement and (ii) prioritize procurement of US-manufactured equipment.

  Within 90 days of receiving these recommendations (*i.e.*, May 23, 2027, at the latest), the FAR Council is instructed to consider proposing amendments to the FAR for public notice and comment based on the DOE recommendations.

Update (September 8, 2026): On September 8, 2026, the DOE Office of Cybersecurity, Energy Security, and Emergency Response posted a Request for Information to gather public input before developing the proposed regulations.[40] DOE is accepting public comments until October 9, 2026 and will hold a public meeting on September 16, 2026.

[39] The countries designated under ITAR at 22 C.F.R. § 126.1 are Afghanistan, Belarus, Burma (Myanmar), Central African Republic, China, Cuba, Cyprus, Democratic Republic of the Congo, Eritrea, Ethiopia, Haiti, Iran, Iraq, Lebanon, Libya, Nicaragua, North Korea, Russia, Somalia, South Sudan, Sudan, Syria, Venezuela, and Zimbabwe. The list is subject to change and several of the listings are currently suspended. The regulations are accessible here: https://www.ecfr.gov/current/title-22/section-126.1.

[40] “Securing the United States Bulk-Power System,” to be published on September 9, 2026, accessible here: https://www.federalregister.gov/d/2026-18370.

President Trump temporarily increases beef tariff-rate quota

On August 26, 2026, President Trump issued a presidential proclamation temporarily increasing the United States' tariff-rate quota (TRQ) for certain beef products, adding 300,000 metric tons (mt) of in-quota import capacity over the next three months.[41] The in-quota specific tariff for beef products is generally 4.4 cents per kilogram, compared to a 26.4% *ad valorem* tariff rate for over-quota imports. President Trump has stated that he granted the additional in-quota volume in exchange for a commitment by importers to sell beef 25% below market prices, but no such arrangement has been publicly documented.

The proclamation cites concerns about high domestic beef prices, a growing issue for the Trump administration as elevated meat prices have become a significant source of voter discontent. On the other hand, the change has upset agricultural interests – another important electoral constituency. The US cattle industry, which is working to rebuild its herds after several years of significant disruption, has objected strongly to the quota increase.[42]

Volume and allocation

The proclamation allows importers to enter an additional 300,000 mt of certain beef products at the in-quota rate. Eligibility is limited to products classifiable under HTSUS statistical reporting numbers 0201.30.5091, 0201.30.5097, 0202.30.5091, and 0202.30.5097, which are primarily lean beef trimmings.

The volume is assigned to "other countries or areas," rather than to any specific trading partner.

For comparison, the standard 2026 annual "other countries and areas" in-quota volume is 52,005 mt, which was filled in January.[43] Total beef imports have increased significantly in 2026 despite higher over-quota tariffs, driven by supply constraints in the US industry. In the first half of 2026, the United States imported approximately 1.5 million mt of beef.[44]

Time period

US Customs and Border Protection (CBP) will administer the additional TRQ volume on a first-come, first-served basis in three 100,000 mt tranches, each available for a 30-day period: the first tranche runs from September 1 through September 30, 2026; the second tranche opens on October 1 and closes on October 30, 2026; and the third tranche opens on October 31 and closes on November 30, 2026.[45]

Imports may be entered for consumption, or withdrawn from warehouse for consumption, between 12:01 a.m. local port time on September 1, 2026, and 11:59 p.m. Eastern Time on November 30, 2026.

Price reduction commitment

In President Trump's original August 21 announcement of the planned TRQ change, he stated that "this beef will be sold at 25 percent below current market prices."[46] The proclamation does not provide a specific mechanism to implement this price commitment.

---

[41] Proclamation 11059 of August 26, 2026: "Further Ensuring Affordable Beef for the American Consumer," 91 FR 55989 (August 26, 2026), accessible here: https://www.federalregister.gov/documents/2026/08/31/2026-17842/further-ensuring-affordable-beef-for-the-american-consumer.

[42] Drovers, "U.S. Cattle Industry Unites to Urge President Trump to Reverse 90-Day Beef Import Plan," August 26, 2026, accessible here: https://www.drovers.com/news/ag-policy/u-s-cattle-industry-unites-urge-president-trump-reverse-90-day-beef-import-plan.

[43] See the latest CBP Commodity Status Report for information on the latest quota volumes, accessible here: https://www.cbp.gov/document/report/commodity-status-report.

[44] Livestock, Dairy, and Poultry Outlook: August 2026, USDA, August 18, 2026, accessible here: https://www.ers.usda.gov/media/29466/ldp-m-386.pdf?v=50341.

[45] For information on using the new quota volume, see "Quota Bulletin 26-230 2026 Further Ensuring Affordable Beef for the American Consumer Tranche 1," CBP, August 28, 2026, accessible here: https://www.cbp.gov/trade/quota/bulletins/qb-26-230-2026; and CSMS # 69709869 - Information: Quota Bulletin 26-230 Further Ensuring Affordable Beef Tranche 1, CBP, August 31, 2026, accessible here: https://content.govdelivery.com/bulletins/gd/USDHSCBP-427b02d.

[46] Truth Social post of August 21, 2026, accessible here: https://truthsocial.com/@realDonaldTrump/posts/117133120342300539.

Instead, the proclamation instructs the US Department of Agriculture (USDA) and the Office of the United States Trade Representative (USTR) to "monitor whether the imports of lean beef trimmings entered under the increased in-quota quantity established in this proclamation are being sold at a price 25 percent below the market price for lean beef trimmings." If they "determine that imports entering under the increased in-quota quantity established in this proclamation are not being sold at a price that is 25 percent below the market price for lean beef trimmings," they are to notify the President so that he "may determine whether to eliminate what remains of the increased in-quota quantity."

Deregulation proposals for the domestic industry

Alongside the quota increase announcement, President Trump announced that the government would adopt new deregulation measures to support the US beef industry.[47] On August 31, 2026, USDA announced the "Ranchers First Initiative" to support the industry.[48] The announcement did not include any proposed regulatory changes or new funding opportunities. Instead, it promoted existing policies that subsidize retention of breeding heifers, expand support for grassland recovery, assist small meat processors, and advocate for government procurement programs to give preference to US beef. Additional deregulatory actions, which may require executive orders or acts of Congress to implement, may still be in development.

[47] Truth Social post of August 28, 2026, accessible here: https://truthsocial.com/@realDonaldTrump/posts/117173109426335170.

[48] "Secretary Rollins Announces Ranchers First Initiatives to Rebuild the Great American Beef Herd," USDA, August 31, 2026, accessible here: https://www.usda.gov/about-usda/news/press-releases/2026/08/31/secretary-rollins-announces-ranchers-first-initiatives-rebuild-great-american-beef-herd.

Trade Actions

Section 232

Trump administration proposes expansion of steel, aluminum, and copper Section 232 tariffs

On August 4, 2026, the US Department of Commerce's Bureau of Industry and Security (BIS) issued a proposal to add 20 new products to the scope of the Section 232 tariffs on steel, aluminum, and copper.[49] If included in the Section 232 actions, the products would become subject to tariffs ranging from 15% to 50% (or, alternatively, 10% for products “composed entirely” of US metal[50]). The announcement marks the first time that BIS has issued a product inclusion proposal under the revised inclusions process that President Trump set out in his April 2 proclamation restructuring the three metals-related Section 232 actions.[51] Public comments on the proposed inclusions are due by August 27, 2026. The notice does not describe when BIS intends to finalize and implement the action.

The new tariff inclusions process

The proposal is the first inclusion action proposal BIS has issued under the revised tariff inclusions process that President Trump established in the April 2, 2026 proclamation restructuring the steel, aluminum, and copper Section 232 actions. Among other changes, the April 2 proclamation rescinded the public inclusions applications process used in 2025 and directed the government to continue considering additional steel, aluminum, and copper products for tariff inclusion through an alternative, internal process. The proclamation states that Commerce and USTR “may solicit information, feedback, recommendations, or other relevant materials” from interested stakeholders in making inclusion decisions, but it does not prescribe a specific administrative process.

Items proposed to be added to the tariffs

The proposal covers 20 Harmonized Tariff Schedule of the United States (HTSUS) 8-digit or 10-digit codes across 14 product categories, listed below.

- Aluminum powder of a non-lamellar structure (HTSUS 7603.10.0000)
- Brass-wind musical instruments and parts and accessories thereof (HTSUS 9205.10.0000[52] and 9209.99.4080)
- Parts of welding machines and apparatus (HTSUS 8515.90.2000)
- Free-standing floor safes classifiable in HTSUS 8303.00.0000
- Electric conductor cables (HTSUS 8544.49.2000, 8544.49.3040, 8544.49.3080, and 8544.60.4000)
- Fire extinguishers (HTSUS 8424.10.0000)
- Parts of heat exchange units (HTSUS 8419.90.3000)

[49] “Request for Public Comments on the Proposed Implementation of Duties on Additional Aluminum, Steel, and Copper Derivative Articles Under Section 232,” unpublished FRN (to publish August 6, 2026), accessible here: https://www.federalregister.gov/d/2026-15961.

[50] A product is deemed to be “composed entirely” of (i) aluminum that was smelted and cast in the United States, (ii) steel that was melted and poured in the United States, or (iii) copper that was smelted and cast in the United States, if such US aluminum, steel, and copper account for at least 85% of the weight of all covered aluminum, steel, and copper in the product.

[51] Proclamation 11021 of April 2, 2026: “Strengthening Actions Taken To Adjust Imports of Aluminum, Steel, and Copper Into the United States,” 91 FR 18201 (April 9, 2026), accessible here: https://www.federalregister.gov/documents/2026/04/09/2026-06960/strengthening-actions-taken-to-adjust-imports-of-aluminum-steel-and-copper-into-the-united-states; Proclamation 11032 of June 1, 2026: “Further Adjusting the Tariff Regimes for Imports of Aluminum, Steel, and Copper Into the United States,” 91 FR 34085 (June 4, 2026), accessible here: https://www.federalregister.gov/documents/2026/06/04/2026-11314/further-adjusting-the-tariff-regimes-for-imports-of-aluminum-steel-and-copper-into-the-united-states.

[52] This code appears to be an error. BIS likely intended to include 9205.10.0040 and 9205.10.0080 instead.

- Parts of linear acting hydraulic power engines and motors (HTSUS 8412.90.9005)
- Mobile lifting frames on tires and straddle carriers (HTSUS 8426.12.0000)
- Other self-propelled cranes and mobile lifting frames (HTSUS 8426.41.0090)
- Tanker trailers and tanker semi-trailers (HTSUS 8716.31.00)
- Self-loading or self-unloading trailers and semi-trailers for agricultural purposes (HTSUS 8716.20.00)
- Other trailers and semi-trailers (HTSUS 8716.40.00)
- Propane, liquefied, other than minimum purity of 90 liquid volume percent (HTSUS 2711.12.0020)
- Oxygen (HTSUS 2804.40.0000)
- Propene (propylene) (HTSUS 2901.22.0000)

In 2024, the United States imported US$6.1 billion worth of goods under these classifications.

Proposed tariff rates

Most of the proposed inclusions would fall under the 25% tariff rate for derivative articles, with only the containerized gas articles being subject to the higher 50% tariff rate. Additionally, BIS has proposed that some of the construction and agricultural machinery articles be subject to the temporary 15% tariff rates instead of the 25% tariff rate until the end of 2027.

For aluminum powder of a non-lamellar structure (HTSUS 7603.10.0000); brass-wind musical instruments and parts and accessories thereof (HTSUS 9205.10.0000 and 9209.99.4080); parts of welding machines and apparatus (HTSUS 8515.90.2000); free-standing floor safes classifiable in HTSUS 8303.00.0000; electric conductor cables (HTSUS 8544.49.2000, 8544.49.3040, 8544.49.3080, and 8544.60.4000); fire extinguishers (HTSUS 8424.10.0000); parts of heat exchange units (HTSUS 8419.90.3000); parts of linear acting hydraulic power engines and motors (HTSUS 8412.90.9005); tanker trailers and tanker semi-trailers (HTSUS 8716.31.00); and other trailers and semi-trailers (HTSUS 8716.40.00):

- 25% tariff under the applicable steel, aluminum, or copper tariff lists (or 10% for products “composed entirely” of US metal), which stacks with any applicable Column 1 general/special tariff.

For self-propelled cranes, mobile lifting frames, and straddle carriers (HTSUS 8426.12.0000 and 8426.41.0090):

- The higher of either (i) a 15% Section 232 tariff or (ii) the Column 1 general/special tariff rate will apply to the products if they originate in the following Agreement on Reciprocal Trade (ART) partners: Argentina, Ecuador, El Salvador, Guatemala, Japan, South Korea, Liechtenstein, Switzerland, Taiwan, the United Kingdom, and the European Union.
- If the products are “composed entirely” from US steel or aluminum, the higher of either (i) a 10% Section 232 tariff or (ii) the Column 1 general/special tariff rate applies.
- For products of Canada and Mexico that qualify for preferential tariff treatment under USMCA, the 25% Section 232 tariffs will apply to (i) the non-US-origin content of the product and (ii) any US origin content that exceeds 40% of the total value of the product (*i.e.*, the value of any US-origin content that comprises less than 40% of the total value of the vehicle is exempt from the 25% tariff, making this equivalent to the 15% tariff for ART partners if at least 40% of the value of the vehicle is of US origin).

- On January 1, 2028, the products will become subject to the 25% tariff (or the 10% tariff level for products "composed entirely" of US metals), which stacks with any applicable Column 1 general/special tariff.[53]

For self-loading or self-unloading trailers and semi-trailers for agricultural purposes (HTSUS 8716.20.00):

- The higher of either (i) a 15% Section 232 tariff or (ii) the normal Column 1 general/special rate.
- If these products are "composed entirely" from US steel, aluminum, or copper inputs, they are subject to a temporarily reduced tariff rate of the higher of either (i) a 10% Section 232 tariff or (ii) the normal Column 1 general/special rate.
- On January 1, 2028, the products will become subject to the 25% tariff (or the 10% tariff level for products "composed entirely" of US metal), which stacks with any applicable Column 1 general/special tariff.[54]

For propane, oxygen, and propene (propylene) (HTSUS 2711.12.0020, 2804.40.0000, 2901.22.0000):

- 50% tariff on only the value of the steel container that contains the fuel and gases.

Opportunity for public comments

BIS is inviting interested stakeholders to submit written feedback on the proposed inclusions by August 27, 2026. Comments should be submitted to the relevant docket at Regulations.gov under the ID BIS-2026-0331 (citing XRIN 0694-XC166). More information on how to file comments is available in the BIS notice.

According to the notice, BIS is particularly interested in comments and information regarding the following topics:

- The aluminum, steel, and/or copper intensity of the listed products.
- Whether imports of the listed products are of such volume as to undermine national security.
- The extent to which domestic production of the products can meet domestic demand.
- The effect on the economy, including domestic industry, if the products are included in the tariffs.
- Any other relevant factors.

President Trump orders tariffs and price floors in polysilicon Section 232 action

On August 6, 2026, President Trump issued a proclamation imposing import restrictions following the Section 232 investigation of imports of polysilicon and its derivatives.[55] The measures target upstream high-grade polysilicon inputs used in solar photovoltaic and semiconductor manufacturing, and downstream solar energy components. Effective December 4, 2026, the United States will apply (i) a 15% *ad valorem* tariff on certain polysilicon derivative products, and (ii) minimum import prices (MIPs) for polysilicon and polysilicon derivative products, enforced through additional specific tariffs.

While the only downstream products targeted by the tariffs are solar energy components, the proclamation frames the action primarily around semiconductor supply-chain security, citing declines in both the US share of global polysilicon production capacity and US semiconductor wafer fabrication capacity. The solar-sector rationale is presented as a secondary but related basis, given that solar-grade polysilicon demand is described as necessary to

[53] This is the temporary tariff reduction for mobile industrial equipment described in clauses (2) and (3) of Proclamation 11032, the "Annex I-C list."

[54] This is the temporary tariff reduction for certain appliances, electrical grid equipment, industrial equipment, and agricultural equipment described in clause (5) of Proclamation 11021, the "Annex III list."

[55] Proclamation 11052 of August 6, 2026: "Adjusting Imports of Polysilicon and its Derivatives into the United States," 91 FR 51975 (August 11, 2026), accessible here: https://www.federalregister.gov/documents/2026/08/11/2026-16400/adjusting-imports-of-polysilicon-and-its-derivatives-into-the-united-states.

sustain the production volumes and unit costs that keep semiconductor-grade polysilicon production commercially viable.

Section 232 investigation and report

The investigation was initiated by the Department of Commerce Bureau of Industry and Security (Commerce) on July 1, 2025.[56] The proclamation states that Commerce transmitted a report containing the findings of the investigation. As with every other Section 232 investigation carried out during President Trump's second term, Commerce has not provided a public version of the report.

According to the proclamation, Commerce found that "that polysilicon and its derivative products are being imported into the United States in such quantities and under such circumstances as to threaten to impair the national security of the United States," creating a legal basis for action under Section 232. The proclamation states that Commerce found that polysilicon "is essential to the national security and economy of the United States" because it is the base material for semiconductors and solar panels; that certain "foreign governments" have "designed policies to increase the production of these products in their countries" at the expense of US industry; that "imports of polysilicon and polysilicon derivatives have eroded the capacity of United States industry to produce polysilicon and polysilicon derivatives"; and the "lack of United States downstream solar related polysilicon derivative production is particularly concerning for the long-term commercial viability of the United States polysilicon sector."

The proclamation also highlights that protection of the solar industry supply chain is partly motivated by a desire to support a protected semiconductor supply chain, noting that the "overwhelming demand for solar-grade polysilicon relative to semiconductor-grade polysilicon means that polysilicon manufacturers are increasingly dependent on the production of lower purity, solar-grade polysilicon to achieve the production volumes necessary to sustain viable unit costs of production for all polysilicon, including semiconductor-grade polysilicon."

Entry into effect

The tariffs and minimum import prices will enter into effect for goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. Eastern Time on December 4, 2026.

Goods that claim entry under Chapter 98 provisions remain eligible for and subject to the terms of any such Chapter 98 provision.

Products subject to the tariffs admitted into a United States foreign trade zone on or after December 4, 2026 may be admitted only under "privileged foreign status," as described in 19 C.F.R. 146.41 (unless eligible for "domestic status"). Any product admitted in "privileged foreign status" before December 4, 2026 will be subject upon entry for consumption to any tariffs under the applicable Harmonized Tariff Schedule of the United States (HTSUS) subheading.

Because of the 120-day gap between the announcement and implementation of the measures, the Trump administration appears concerned that importers may stockpile covered products in the United States before the tariffs take effect. To address that risk, the proclamation instructs Commerce to monitor imports and provides that, if Commerce "determines that a company is stockpiling polysilicon or polysilicon derivatives" ahead of the tariffs' entry into effect, Commerce "shall take action in coordination with CBP to restrict imports by the company and its affiliates." However, the proclamation does not establish any specific enforcement measure, nor does it explain how Commerce should monitor imports, what volume or pattern of imports would constitute "stockpiling," or the nature of any resulting import restrictions. This ambiguity creates a risk that a stockpiling finding by Commerce could result in the retroactive application of tariffs to goods imported before December 4.

[56] "Notice of Request for Public Comments on Section 232 National Security Investigation of Imports of Polysilicon and its Derivatives," 90 FR 31955 (July 16, 2025), accessible here: https://www.federalregister.gov/documents/2025/07/16/2025-13345/notice-of-request-for-public-comments-on-section-232-national-security-investigation-of-imports-of.

Products covered by the tariffs and MIPs

The tariffs and MIPs apply to polysilicon and certain "polysilicon derivatives," which include polysilicon ingots and wafers, and solar cells and modules. As discussed further below, polysilicon is subject only to the MIP mechanism and is not subject to the separate 15% *ad valorem* tariff, which applies only to the polysilicon derivative products.

- **Polysilicon,** as classified within HTSUS 2804.61.0000. The classification applies specifically to high-purity, electronic- and solar-grade silicon that contains at least 99.99% silicon by actual weight.
- **Polysilicon ingots and wafers**, as classified within HTSUS 3818.00.0020 (doped polycrystalline silicon wafers), 3818.00.0040 (doped monocrystalline silicon wafers, for semiconductors), 3818.00.0045 (doped monocrystalline silicon wafers, for solar cells), 3818.00.0050 (doped monocrystalline silicon wafers, other), and 3818.00.0091 (other chemicals doped for use in electronics).[57]
- **Solar photovoltaic cells**, as classified within HTSUS 8541.42.00 (described as HTSUS 8541.42.0010 and 8541.42.0080 in Annex I of the proclamation).
- **Solar photovoltaic modules**, as classified within HTSUS 8541.43.00 (described as HTSUS 8541.43.0010 and 8541.43.0080 in Annex I of the proclamation).

The scope of coverage for polysilicon and polysilicon ingots and wafers includes products related to both solar photovoltaic and semiconductor supply chains, while the cell and module scope applies only to photovoltaics. Downstream manufactured products for the semiconductor supply chains are covered under a separate Section 232 investigation into semiconductors and semiconductor manufacturing equipment.

In 2025, the United States imported $10.5 billion worth of products under these classifications. Solar cells and modules accounted for most of the import value, with the largest import sources being Southeast Asian countries, India, Japan, and South Korea. Imports of polysilicon and polysilicon ingots and wafers totaled $1.7 billion and were sourced mostly from Japan, South Korea, and Taiwan.

Imports of silicon photovoltaic cells and modules under HTSUS 8541.42.00 and 8541.43.00 were previously subject to a safeguard action under Section 201 of the Trade Act of 1974, under which the United States had imposed tariff-rate quotas (TRQs) from January 2018 to February 2026. The Section 232 proclamation notes that the new action replaces the safeguard (as safeguard actions are limited to eight years), but that the scope is broader, reaching further upstream to cover polysilicon and polysilicon ingots and wafers.

Tariff and MIP levels

The proclamation establishes two distinct import measures, implemented through Annex II to the proclamation and new HTSUS Chapter 99 subheadings 9903.45.30 through 9903.45.36, covering the *ad valorem* and specific tariffs, including country-specific modifications.

1. **15% *ad valorem* tariff on covered polysilicon derivatives: ingots, wafers, cells, and modules**.

   There are two sets of country-specific modifications to this otherwise global tariff, which were likely deemed necessary to comply with the tariff rate caps in some of the Trump administration's Agreements on Reciprocal Trade (ARTs):

   - For products of the United Kingdom, the tariff is 10%.

[57] Other than HTSUS 3818.00.0020, the listed ingot and wafer tariff codes are new. Effective July 1, 2026, HTSUS 3818.00.0095 has been split into HTSUS 3818.00.0040, 3818.00.0045, 3818.00.0050, and 3818.00.0091.

- For products of Japan, South Korea, Taiwan, Switzerland, Liechtenstein, and the European Union with Column 1 duty rates of less than 15%, the sum of the Section 232 tariff and the applicable Column 1 duty rate is capped at 15%.[58]

2. **Minimum import prices on polysilicon and polysilicon derivatives**.

   If the price of the product is not equal to or greater than the prescribed MIP level, a specific tariff up to the MIP level will apply to account for the price shortfall. If importers fail to submit the required pricing documentation, then the full amount of the MIP level will apply as a specific tariff. The MIPs are:

   - $21 per kilogram for polysilicon (HTSUS 2804.61.0000).
   - $100 per kilogram for polysilicon ingots and wafers (HTSUS 3818.00.0020, 3818.00.0040, 3818.00.0045, 3818.00.0050, and 3818.00.0091).
   - $0.22 per watt for solar cells (HTSUS 8541.42.00).
   - $0.38 per watt for solar modules (HTSUS 8541.43.00).

The MIP-based specific tariff amount is additive ("stacks") with the 15% *ad valorem* tariff. Unlike the *ad valorem* tariff, the MIP specific tariff is not subject to the tariff-rate caps that apply under the ARTs with the United Kingdom, Japan, South Korea, Taiwan, Switzerland, Liechtenstein, and the European Union when the *ad valorem* equivalent (AVE) rate exceeds the applicable limit.

The proclamation states that Commerce may adjust the MIP levels "to reflect market conditions or other factors affecting the fair market value of covered products under non-distorted, free-market conditions."

Calculating and applying the MIP specific tariff

To comply with the MIPs, importers must submit documentation to US Customs and Border Protection (CBP) at entry demonstrating that (i) the entered value of the imported product meets or exceeds the applicable MIP, and (ii) the imported product, or any downstream product manufactured using the imported product, will be sold in the United States at a price at or above the applicable MIP. If the product is being resold in the United States "pursuant to fixed terms in a time-limited contract entered into prior to August 6, 2026," then the condition regarding domestic resale price level is waived.

The proclamation further instructs CBP to monitor the accuracy of importers' documentation. In addition to standard penalties for non-compliance with import rules, the proclamation states that, if "an importer's documentation was materially inaccurate or that an importer has materially failed to comply with its certification," then "that importer and its affiliates shall permanently be prohibited from importing polysilicon and polysilicon derivatives into the United States."

Limits on use of manufacturing drawback

The proclamation significantly limits the use of manufacturing drawback under 19 U.S.C. 1313(a)-(b). Manufacturing drawback is available only with respect to the Section 232 tariffs where all the following conditions are met:

- The article is not subject to an antidumping or countervailing duty order, regardless of country of origin;
- The article is a product of the United Kingdom, the European Union, Japan, South Korea, Switzerland, Liechtenstein, Mexico, Canada, or "any trading partner with which the United States concludes a trade and security agreement" (which the proclamation does not define); and

[58] All products covered by the Section 232 tariff action are duty free under Column 1, making the inclusion of this provision redundant.

- ☐ The polysilicon incorporated into the article is sourced from one of the countries or trading partners above.

Because antidumping and countervailing duty orders apply to certain solar cells and modules from various countries, those products would not qualify for manufacturing drawback under the proclamation's conditions.

The polysilicon tariffs stack with all other applicable tariffs

The *ad valorem* and MIP-based specific tariffs imposed under the polysilicon Section 232 action apply in addition to other applicable tariffs, including antidumping and countervailing duties, tariffs imposed under other sector-specific Section 232 actions, and the Section 301 tariffs, to the extent the covered HTSUS codes overlap between the tariff orders. Annex II to the proclamation confirms that goods eligible for preferential treatment under a free trade agreement or preference program remain subject to the Section 232 duties in addition to any applicable preferential duty rate. It also provides that any antidumping, countervailing, and other duties and charges continue to apply. The absence of a non-stacking provision is notable. In prior actions, the Trump administration generally kept sector-specific Section 232 tariffs separate from broader "reciprocal" tariffs imposed under the International Emergency Economic Powers Act (IEEPA), Section 122 of the Trade Act of 1974, and (currently) Section 301 of the Trade Act of 1974. It remains unclear whether the absence of a comparable provision in this action was intentional or will be addressed through subsequent guidance or amendment.

Currently, solar cells and modules subject to the polysilicon Section 232 tariff are also subject to the 10%–12.5% "forced labor" Section 301 tariffs applicable to products of the 60 economies covered by that action, and these tariffs will be additive. For products of China, all products covered by the polysilicon Section 232 action are also within the scope of the 2018 China Section 301 tariffs.

Tariff offsets for companies investing in US manufacturing

The proclamation includes a tariff offset mechanism under which Commerce may approve company-specific "onshoring plans" that would allow duty-free import of both production equipment and the covered polysilicon and polysilicon derivatives for companies committing to building, expanding, or refurbishing US polysilicon and polysilicon derivatives production facilities. The import volumes benefiting from the tariff offset would be based on what Commerce "deems commensurate with the company's newly committed investment." The proclamation also notes that the benefits may vary "depending on whether the imports use United States polysilicon."

Commerce will provide further guidance on implementing the offset mechanism and the application system. At the broad level described in the proclamation, the envisioned offset system resembles mechanisms the Trump administration has recently introduced in the pharmaceutical and aluminum Section 232 tariff actions,[59] suggesting the administration may be moving towards a standard approach of conditioning Section 232 tariff relief on investment commitments supporting US manufacturing.

Possibility of future mutual tariffs with partner countries

The proclamation raises the possibility that the Trump administration may waive the tariffs for particular trading partners that adopt substantially equivalent MIPs for imports from third countries. Where a partner economy has established such a MIP, Commerce and the United States Trade Representative (USTR) are directed to "alter the applicability of the MIP and the tariffs established in this proclamation to polysilicon and polysilicon derivatives from that trading partner." The proclamation provides no further details on how the negotiations should be conducted or which trading partners the Trump administration may seek to include in a coordinated price floor arrangement.

[59] "Procedures To Apply for Company-Specific Onshoring Agreements To Obtain Tariff Adjustments for Pharmaceuticals and Pharmaceutical Ingredients Under Proclamation 11020," 91 FR 26989 (May 13, 2026), accessible here: https://www.federalregister.gov/documents/2026/05/13/2026-09489/procedures-to-apply-for-company-specific-onshoring-agreements-to-obtain-tariff-adjustments-for; and Proclamation 11045 of July 20, 2026: "Further Strengthening Actions Taken To Adjust Imports of Aluminum Into the United States," 91 FR 46635 (July 23, 2026), accessible here: https://www.federalregister.gov/documents/2026/07/23/2026-14990/further-strengthening-actions-taken-to-adjust-imports-of-aluminum-into-the-united-states.

This approach resembles USTR's proposed plurilateral, tariff-enforced system of mutual price floors on critical minerals, advanced in connection with negotiations for a "Plurilateral Agreement on Trade in Critical Minerals."[60] USTR has announced critical minerals action plans with the European Union, Japan, and Mexico,[61] but the negotiations appear to still be in their early phases. On August 7, 2026, USTR issued a statement welcoming new critical mineral pricing benchmarks published by S&P Global, describing the work as a "step forward towards establishing border-adjusted price floors" for the proposed agreement.[62]

President Trump imposes Section 232 tariffs on unmanned aircraft and parts

On August 13, 2026, President Trump issued a proclamation imposing tariffs on imports of certain unmanned aircraft systems (UAS) and UAS components.[63] The action imposes worldwide tariffs of either 100% or 25% on certain classes of UAS and certain types of parts, effective September 3, 2026 (with an extension to February 9, 2027 for certain listed UAS models and parts); and a 25% tariff on certain other UAS components, effective February 9, 2027. Tariffs on products of Japan, South Korea, Taiwan, Switzerland, Liechtenstein, and the European Union are capped at 15% (inclusive of Column 1 MFN tariff rates), and 10% for products of the United Kingdom (additive with the Column 1 MFN tariff rates). As with other recent Section 232 tariff orders, exceptions are available for products of companies that commit to investing in US manufacturing.

Section 232 investigation and report

The Department of Commerce Bureau of Industry and Security (Commerce) initiated the Section 232 investigation on July 1, 2025.[64] The proclamation states that Commerce transmitted a report containing the findings of the investigation. However, Commerce did not release a public version of the report, consistent with its treatment of all other Section 232 investigations carried out during President Trump's second term.

According to the proclamation, Commerce found that "UAS and UAS components are being imported into the United States in such quantities and under such circumstances as to threaten to impair the national security of the United States," creating a legal basis for action under Section 232. The proclamation proceeds to state that Commerce found that "import penetration from foreign producers of UAS is substantial and that the United States is too reliant on foreign sources of UAS and UAS components"; "UAS and UAS components from certain foreign entities pose security and safety risks"; "that the domestic industry does not produce enough UAS and UAS components to safely meet national security needs"; and that "foreign imports and unfair trade practices" are harming the US industry, which "hinders the incentives for U.S. producers to invest in developing and expanding manufacturing capacity, production, and their workforce." The proclamation does not explain the factual basis for these findings, nor does it explain how Commerce arrived at its recommended tariff actions.

---

[60] "USTR Seeks Public Comment on the Design of a Plurilateral Agreement on Trade in Critical Minerals and Policy Actions to Strengthen the Resilience of Critical Mineral Supply Chains," USTR, February 26, 2026, accessible here: https://ustr.gov/about/policy-offices/press-office/press-releases/2026/february/ustr-seeks-public-comment-design-plurilateral-agreement-trade-critical-minerals-and-policy-actions.

[61] "Ambassador Jamieson Greer Announces U.S.-Mexico Action Plan on Critical Minerals," USTR, February 4, 2026, accessible here: https://ustr.gov/about/policy-offices/press-office/press-releases/2026/february/ambassador-jamieson-greer-announces-us-mexico-action-plan-critical-minerals; and "Ambassador Jamieson Greer Announces Critical Minerals Cooperation with the European Union and Japan," USTR, February 4, 2026, accessible here: https://ustr.gov/about/policy-offices/press-office/press-releases/2026/february/ambassador-jamieson-greer-announces-critical-minerals-cooperation-european-union-and-japan.

[62] "Ambassador Greer Issues Statement Welcoming S&P Global's Release of Critical Minerals Pricing Benchmarks," USTR, August 7, 2026, accessible here: https://ustr.gov/about/policy-offices/press-office/press-releases/2026/august/ambassador-greer-issues-statement-welcoming-sp-globals-release-critical-minerals-pricing-benchmarks.

[63] Presidential Proclamation of August 13, 2026: "Adjusting Imports of Unmanned Aircraft Systems and Unmanned Aircraft Systems Components into the United States," accessible here: https://www.whitehouse.gov/presidential-actions/2026/08/adjusting-imports-of-unmanned-aircraft-systems-and-unmanned-aircraft-systems-components-into-the-united-states/ (see the bottom of the page for links to the four annexes).

[64] "Notice of Request for Public Comments on Section 232 National Security Investigation of Imports of Unmanned Aircraft Systems (UAS) and Their Parts and Components," 90 FR 31958 (July 16, 2025), accessible here: https://www.federalregister.gov/documents/2025/07/16/2025-13365/notice-of-request-for-public-comments-on-section-232-national-security-investigation-of-imports-of.

Tariff rates, covered products, and entry into effect

The proclamation includes three distinct sets of tariffs, each with their own product scopes, tariff rates, and implementation timelines, summarized below.

1. **100% *ad valorem* tariff on certain large UAS and parts (Annex I):** A 100% tariff applies to (i) all UAS with a maximum take-off weight greater than 25 kilograms; (ii) all UAS that integrate thermal imagers, regardless of weight; (iii) UAS docking stations; and (iv) certain UAS components used for UAS with a maximum take-off weight exceeding 25 kilograms, excluding parts intended for use in retail delivery, agricultural use, or sale to the Department of Defense. Products covered by this tariff are described in Annex I of the proclamation.

   The Annex I tariff applies to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. Eastern Time on September 3, 2026.

2. **25% *ad valorem* tariff on small UAS not equipped with thermal imaging (Annex II):** A 25% tariff will apply to any UAS with a maximum take-off weight of 25 kilograms or less (that are not equipped with thermal imaging systems, in which case the UAS would be subject to the Annex I tariff). Products covered by this tariff are described in Annex II of the proclamation.

   The Annex II tariff applies to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. Eastern Time on September 3, 2026.

3. **25% *ad valorem* tariff on certain aircraft parts for UAS (Annex III):** A 25% tariff will apply to certain types of aircraft components that are imported for use in UAS, as identified in Annex III of the proclamation.

   The Annex III tariff applies to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. Eastern Time on February 9, 2027.

Alternative tariff rates for certain Agreement on Reciprocal Trade (ART) partners

The proclamation provides country-specific modifications to the otherwise global tariff, which were likely deemed necessary to comply with the tariff rate caps in some of the Trump administration's Agreements on Reciprocal Trade (ARTs):

- For products of Japan, South Korea, Taiwan, Switzerland, Liechtenstein, and the European Union, the three tariffs are capped at 15% *ad valorem*, inclusive of the applicable Column 1 MFN tariff rate.
- For products of the United Kingdom, the three Section 232 tariffs are 10% *ad valorem* and remain additive with the applicable Column 1/MFN rate.

For the first time in the Trump administration's country-specific tariff and ART framework, the preferential tariff rates under the UAS Section 232 proclamation incorporate preferential rules of origin. To qualify for the two reduced Section 232 rates, importers must certify that "substantially all the critical components and technology" in the imported article are products of the United States, Japan, South Korea, Taiwan, Switzerland, Liechtenstein, the European Union, or the United Kingdom. The Department of Commerce is instructed to develop a system to implement this requirement, the details of which are not yet available.

Delayed entry into effect for certain products

The effective date of the Annex I and Annex II tariffs is deferred until February 9, 2027 for products designated on the Defense Contract Management Agency (DCMA) Blue UAS Cleared List or Blue UAS Framework as well as products that qualify for a Conditional Approval under the Federal Communications Commission (FCC) Covered List.[65]

[65] See the DCMA Blue List, accessible here: https://bluelist.appsplatformportals.us/, and the list "UAS Conditional Approvals" on the FCC Covered List webpage, accessible here: https://www.fcc.gov/supplychain/coveredlist.

The proclamation states that Commerce will inform US Customs and Border Protection (CBP) of the companies and products that meet these criteria. The related HTSUS amendments implement the deferral through a temporary tariff exception under HTSUS 9903.08.25, which expires at 12:01 a.m. Eastern Time, February 9, 2027. HTSUS 9903.08.25 describes the temporary exception as applying to "unmanned aircraft, their parts and components … imported for companies subject to an onshoring plan" with the Department of Homeland Security or the Department of Defense, rather than specifically referencing the Blue Lists or FCC Conditional Approvals.

Tariff stacking

The tariffs are cumulative with all other applicable tariffs, including antidumping and countervailing duties, Column 1 MFN tariffs (except for the ART partners subject to the MFN-inclusive caps described above), other sector-specific Section 232 tariffs, and Section 301 tariffs to the extent the covered HTSUS codes overlap between the tariff orders.

Civil aircraft, including UAS, have been generally excepted from the Trump administration's other recent tariff actions, including the "forced labor" Section 301 tariffs, for which UAS and aircraft parts are listed on the Annex II product-specific exceptions list.

Manufacturing drawback

Under 19 U.S.C. 1313(a)–(b), manufacturing drawback will be available with respect to the Section 232 tariffs only if:

- The article is not subject to an antidumping or countervailing duty order (regardless of country of origin);
- The article is a product of the United Kingdom, the European Union, Switzerland, Liechtenstein, Japan, South Korea, Mexico, Canada, or "any trading partner with which the United States concludes a trade and security agreement" (note that products of Taiwan do not qualify for manufacturing drawback despite qualifying for the 15% tariff cap); and
- At least 85% of the article's content originates from the above trade partners.

Currently, none of the articles subject to the UAS Section 232 tariff are within the scope of any antidumping or countervailing duty orders.

Tariff inclusions process

The proclamation directs the Department of Commerce to establish a process for expanding the tariff coverage to include additional UAS components on a rolling basis. Commerce may solicit information from domestic producers and other interested parties regarding proposed product inclusions. Any approved inclusions will take effect immediately upon publication of Commerce's final determination in the *Federal Register*.

This approach follows the revised inclusions process adopted in the April 2, 2026 revisions to the steel, aluminum, and copper Section 232 actions. Under that framework, Commerce is empowered to make internal determinations regarding potential inclusions and may provide notice and comment opportunities at its discretion. On August 4, 2026, BIS issued the first proposed inclusions list under the revised process, proposing to add 14 types of product categories to the scope of the steel and aluminum Section 232 tariffs.[66]

Unlike earlier Section 232 inclusions processes, the revised framework does not provide a formal mechanism through which members of the public may submit applications requesting that additional products be included in the scope of the tariffs.

[66] "Request for Public Comments on the Proposed Implementation of Duties on Additional Aluminum, Steel, and Copper Derivative Articles Under Section 232," 91 FR 50756 (August 6, 2026), accessible here: https://www.federalregister.gov/documents/2026/08/06/2026-15961/request-for-public-comments-on-the-proposed-implementation-of-duties-on-additional-aluminum-steel.

Investment offset system

The proclamation establishes a tariff offset mechanism under which the Department of Commerce may approve company-specific "onshoring plans." Approved participants may receive duty-free treatment for specified imports of production equipment, UAS and UAS components. The volume of imports eligible for the offset will be determined by Commerce and must be "commensurate with the US production facility's reasonably anticipated annual output of Covered Products when the onshoring project is completed." Commerce will provide guidance implementing the offset mechanism and providing related application procedures.

The Trump administration appears to be moving towards a standard approach of conditioning Section 232 tariff relief on investment commitments supporting US manufacturing. At a high level, the UAS tariff offset system resembles mechanisms introduced in connection with the pharmaceutical and aluminum Section 232 actions.[67] The UAS proclamation also uses language that is nearly identical to the tariff offset provisions in the Section 232 action on polysilicon and its derivatives, which President Trump issued on August 6, 2026.[68]

Parallel FCC restrictions

In December 2025, the FCC added certain new foreign-manufactured UAS and UAS components to the FCC Covered List. The listing prevents such products from obtaining the FCC radiofrequency equipment authorizations required for importation, marketing, or sale in the United States. Where UAS systems require new FCC radiofrequency authorizations, the Covered List action effectively bars new models of foreign-manufactured UAS from the country. Though the initial listing applied prospectively, the FCC is considering whether to extend the restrictions to certain previously authorized products by rescinding existing equipment authorizations.[69]

Similar to the Section 232 tariff proclamation, the FCC restrictions provide exceptions for products included on the DCMA Blue UAS Cleared List and Framework and for companies that commit to relocate manufacturing operations to the United States through the FCC's Conditional Approval process. The Section 232 proclamation directs the Department of Commerce to align its onshoring tariff exception system with the FCC's exception processes to the extent possible.

[67] "Procedures To Apply for Company-Specific Onshoring Agreements To Obtain Tariff Adjustments for Pharmaceuticals and Pharmaceutical Ingredients Under Proclamation 11020," 91 FR 26989 (May 13, 2026), accessible here: https://www.federalregister.gov/documents/2026/05/13/2026-09489/procedures-to-apply-for-company-specific-onshoring-agreements-to-obtain-tariff-adjustments-for; and Proclamation 11045 of July 20, 2026: "Further Strengthening Actions Taken To Adjust Imports of Aluminum Into the United States," 91 FR 46635 (July 23, 2026), accessible here: https://www.federalregister.gov/documents/2026/07/23/2026-14990/further-strengthening-actions-taken-to-adjust-imports-of-aluminum-into-the-united-states.

[68] Proclamation 11052 of August 6, 2026: "Adjusting Imports of Polysilicon and its Derivatives into the United States," 91 FR 51975 (August 11, 2026), accessible here: https://www.federalregister.gov/documents/2026/08/11/2026-16400/adjusting-imports-of-polysilicon-and-its-derivatives-into-the-united-states.

[69] "Seeking Comment on Prohibiting the Importation and Marketing of Certain Covered UAS and UAS Critical Components and Equipment Listed in Section 1709 of FY2025 NDAA," 91 FR 48108 (July 30, 2026), accessible here: https://www.federalregister.gov/documents/2026/07/30/2026-15418/seeking-comment-on-prohibiting-the-importation-and-marketing-of-certain-covered-uas-and-uas-critical; and "Seeking Comment on Prohibiting the Importation and Marketing of Certain Foreign-Produced Military-Grade Uncrewed Aircraft Systems (UAS) and UAS Critical Components for Non-U.S. Government, Including Those With Swarming Capabilities," 91 FR 48870 (August 3, 2026), accessible here: https://www.federalregister.gov/documents/2026/08/03/2026-15659/seeking-comment-on-prohibiting-the-importation-and-marketing-of-certain-foreign-produced.

Trade Agreements

President Trump intensifies trade war against Canada

President Trump's trade war against Canada escalated significantly in late August, despite promising signs earlier in the month that the two governments would reach a settlement. The 50% Section 338 tariffs on US$20 billion of imports from Canada, which President Trump originally ordered on July 20, took effect on August 22, after negotiations broke down. Prime Minister Carney responded by announcing that Canada would increase its retaliatory tariffs on US goods beginning on September 8, 2026, imposing new tariffs on seafood, wood and paper products, furniture, apparel, tools, construction vehicles, home appliances, and motorcycles, and raising the existing retaliatory tariffs on steel and aluminum products and vehicles.

President Trump has further threatened to raise Section 232 tariffs on Canadian vehicles, automotive parts, and steel to 50% on January 1, 2027, and separately warned that Canada would face consequences "far worse" than the tariffs already imposed if it did not, in his words, "fall in line," though no legal orders implementing either threat have been issued.

Negotiations and failed resolution

During the week in which the Section 338 tariffs were scheduled to take effect, both governments announced that they had reached a broad commitment for an eventual agreement to resolve the dispute. President Trump then delayed imposition of the Section 338 tariffs from their original effective date of Wednesday, August 19, to Saturday, August 22, to allow more time for the negotiations.[70]

Based on media leaks and partial drafts of the proposed agreement shared with business groups, the countries appeared to have converged on an agreement in which the Trump administration would have significantly reduced Section 232 tariffs on Canada in exchange for Canada lifting its retaliatory measures and making several other concessions. Measures understood to be part of the initial agreement included:

- **US commitments**: Reducing the Section 232 tariffs on steel and aluminum articles from 50% to 25%, along with reductions in the tariffs on some derivative products; reducing the Section 232 tariffs on certain vehicles from 25% to 15%; and eliminating the 10% Section 232 tariff on timber and lumber.
- **Canadian commitments**: Withdrawing retaliatory tariff measures on US steel, aluminum, and vehicles; securing the removal by provincial governments of retaliatory boycotts of US alcoholic beverages; modifying existing market access commitments to allow increased sales of US dairy products in Canada; and increasing tariffs on imports of certain steel and aluminum derivative products from countries with which Canada does not have free trade agreements.

The reasons for the breakdown in negotiations remain unclear. Both governments have acknowledged that Canada backed away from the negotiations in the final hours of talks on Friday, August 21, due to disagreements over the practical details of implementing the broad commitments the two parties had initially reached. Canada perceived these last-minute challenges as the Trump administration making new and unreasonable demands for concessions by Canada, along with a scaling back of the Trump administration's offered tariff concessions. However, the two governments' public accounts differ materially.

- According to Canada, the United States partially reversed its proposed reductions in the Section 232 tariffs on vehicles, steel, and aluminum; made demands for concessions related to "the French language and our culture" that Canada could not accept (likely referring to fees imposed by Canada on US technology companies and

[70]Proclamation 11056 of August 18, 2026: "Temporary Suspension of Additional Duties To Offset Canadian Discrimination Against the Commerce of the United States With Respect to Alcoholic Beverages, Dairy, and Motor Vehicles," 91 FR 54789 (August 24, 2026), accessible here: https://www.federalregister.gov/documents/2026/08/24/2026-17294/temporary-suspension-of-additional-duties-to-offset-canadian-discrimination-against-the-commerce-of.

media streaming services under the Online Streaming Act and Online News Act, and possibly also to Quebec's Bill 109 mandate for French-language streaming media); sought commitments that would constrain Canada's ability to conclude trade agreements with third countries and commit Canada to mirroring the Trump administration's tariff actions against third countries; and sought commitments to grant the United States preferential access, or a right of first refusal, with respect to Canadian critical minerals and energy resources.

- According to the United States, Canada introduced a last-minute demand for tariff relief covering medium- and heavy-duty trucks (claiming that the United States' tariff reduction offer had extended only to the passenger vehicle and light trucks Section 232 tariff) and made last-minute demands for additional reductions to the Section 232 tariffs on passenger vehicles and light trucks.[71] The United States also contended that the proposed language that Canada saw as infringing on its rights to engage in trade agreements with third countries was simply a set of commitments to "economic cooperation and security" comparable to provisions included in the Agreements on Reciprocal Trade (ARTs).

Because of the changes to the Trump administration's offered concessions on the Section 232 tariffs, the Canadian federal government reportedly encountered resistance from provincial governments who were unwilling to lift their US alcohol boycotts without first receiving larger tariff reductions, further contributing to the breakdown.

Media reports also suggest that there were divisions within the Trump administration, with the Department of Commerce unwilling to support the extensive Section 232 tariff concessions that the United States Trade Representative (USTR) had offered Canada, leading to a split among the US negotiators. These internal clashes reportedly prompted the United States to narrow its offers to reduce Section 232 tariffs, including by limiting steel and aluminum tariff relief through a tariff-rate quota, walking back proposed reductions for aluminum derivative products, and withdrawing the offer to lower Section 232 tariffs on medium- and heavy-duty trucks, which would support Canada's interpretation of events.

Implementation of Section 338 tariffs

As a result of the breakdown in negotiations, the Section 338 tariffs entered into effect at 12:01 a.m. Eastern Time on Saturday, August 22, 2026.[72] Other than the three-day delay, the tariffs are unchanged from President Trump's original set of proclamations issued on July 20, 2026.[73]

The three tariff proclamations are structurally identical and are implemented through the same set of amendments to the Harmonized Tariff Schedule of the United States (HTSUS), but cover different sets of products, as follows:

- **Dairy proclamation:** The proclamation "Imposing Additional Duties to Offset Canadian Discrimination Against the Commerce of the United States with Respect to Dairy" imposes a 50% additional tariff on 52 HTSUS subheadings covering various dairy products and certain other agricultural products. In 2024, the United States imported $97.2 million worth of goods under these classifications from Canada.

[71] Given the US Department of Commerce's separate Section 232 treatment of passenger vehicles and light trucks, and medium- and heavy-duty trucks and buses, this issue may have reflected a difference in interpretation rather than a wholly new Canadian demand or a retraction of a previous concession by the United States.

[72] CSMS # 69606660 - GUIDANCE: Section 338 Additional Duties on Certain Goods of Canada, August 21, 2026, accessible here: https://content.govdelivery.com/bulletins/gd/USDHSCBP-4261d04.

[73] Proclamation 11048 of July 20, 2026: "Imposing Additional Duties To Offset Canadian Discrimination Against the Commerce of the United States With Respect to Motor Vehicles," 91 FR 46663 (July 23, 2026), accessible here: https://www.federalregister.gov/documents/2026/07/23/2026-14997/imposing-additional-duties-to-offset-canadian-discrimination-against-the-commerce-of-the-united; Proclamation 11047 of July 20, 2026: "Imposing Additional Duties To Offset Canadian Discrimination Against the Commerce of the United States With Respect to Dairy," 91 FR 46653 (July 23, 2026), accessible here: https://www.federalregister.gov/documents/2026/07/23/2026-14992/imposing-additional-duties-to-offset-canadian-discrimination-against-the-commerce-of-the-united; and Proclamation 11046 of July 20, 2026: "Imposing Additional Duties To Offset Canadian Discrimination Against the Commerce of the United States With Respect to Alcoholic Beverages," 91 FR 46639 (July 23, 2026), accessible here: https://www.federalregister.gov/documents/2026/07/23/2026-14991/imposing-additional-duties-to-offset-canadian-discrimination-against-the-commerce-of-the-united.

- **Motor vehicles proclamation:** The proclamation "Imposing Additional Duties to Offset Canadian Discrimination Against the Commerce of the United States with Respect to Motor Vehicles" imposes a 50% additional tariff on 439 HTSUS subheadings covering a wide variety of agricultural and manufactured products. In 2024, the United States imported $19.3 billion worth of goods under these classifications from Canada.
- **Alcoholic beverages proclamation:** The proclamation "Imposing Additional Duties to Offset Canadian Discrimination Against the Commerce of the United States with Respect to Alcoholic Beverages" imposes a 50% additional tariff on 63 HTSUS subheadings covering a variety of alcohol products, certain wood and paper products, and hockey equipment. In 2024, the United States imported $1 billion worth of goods under these classifications from Canada.

Collectively, the three tariff actions cover approximately 5% of US goods imports from Canada by value.

Qualifying for preferential treatment under the United States-Mexico-Canada Agreement (USMCA) does not exempt goods from the 50% Section 338 tariff. Products already covered by Section 232 tariffs are exempt from the Section 338 tariffs, as are certain civil aircraft and parts of civil aircraft. The Section 338 tariffs apply in addition to any other duties, taxes, fees, exactions, and charges applicable to such products. They therefore stack with any applicable tariffs imposed under Section 301, including the 10% Section 301 forced labor tariff on non-USMCA-qualifying Canadian imports that took effect on July 24, 2026, as well as any other generally applicable tariffs and fees.

Canadian retaliatory measures

On August 22, 2026, Prime Minister Carney outlined the retaliatory actions that Canada planned to adopt in response to the US escalation. He stated that Canada would impose proportional retaliatory tariffs on September 8, 2026, targeting "sectors such as steel, dairy, appliances, agricultural equipment, pulp and paper, and electronics" and to US products equivalent to those targeted by the United States' Section 232 and Section 338 tariffs.[74] Canada will also expand its tariff relief programs, providing an additional CAN$7.5 billion in funding for workers and businesses harmed by the new US tariffs, and continue its efforts to reduce its reliance on US trade.

Canada issued the full tariff retaliation plan on August 25, 2026, with the tariff changes set to enter into effect at 12:01 a.m. on September 8, 2026.[75]

The action expands the list of US imports against which Canada is retaliating from the previous 313 Harmonized System (HS) subheadings to 893 HS subheadings. Under the expanded retaliation list, the new tariffs are either 15%, 25%, or 50%, depending on the product. Most of the previous retaliatory tariffs are raised from 25% to the new 50% rate. Overall, the expanded retaliation list covers approximately CAN$27.6 billion (US$19.95 billion) of US goods, making it approximately equivalent to the scope of the US Section 338 tariffs.

- 15% tariffs on 21 HS subheadings, including machinery, construction vehicles, agricultural equipment, and air conditioners.
- 25% tariffs on 468 HS subheadings, including seafood, cheese, certain wood and paper products, carpets, various household appliances and parts, cutlery, copper wire, machinery, locomotives and parts, passenger vehicles, cargo vehicles, and wood furniture.

[74] "Prime Minister Carney delivers remarks on Canada-U.S. trade negotiations," Office of the Prime Minister of Canada, August 22, 2026, accessible here: https://www.pm.gc.ca/en/news/speeches/2026/08/22/prime-minister-carney-delivers-remarks-canada-us-trade-negotiations.

[75] "Complete list of U.S. products subject to counter tariffs," Department of Finance Canada, August 25, 2026, accessible here: https://www.canada.ca/en/department-finance/programs/international-trade-finance-policy/canadas-response-us-tariffs/complete-list-us-products-subject-to-counter-tariffs.html; and "Canada announces targeted countermeasures and substantive support for workers and businesses in response to U.S. tariffs," Department of Finance Canada, August 25, 2026, accessible here: https://www.canada.ca/en/department-finance/news/2026/08/canada-announces-targeted-countermeasures-and-substantive-support-for-workers-and-businesses-in-response-to-us-tariffs.html.

Of these 468 HS subheadings, 42 related to passenger vehicles, light trucks, and steel and aluminum derivatives (such as appliances and cutlery) were already subject to 25% tariffs under Canada's previous retaliatory tariff actions, meaning their status is unchanged.

- 50% tariffs on 404 HS subheadings, including milk, sweeteners, certain wood and paper products, apparel, tools, hair care products, electronics, motorcycles, various steel and aluminum products, furniture, and sports equipment (including golf clubs).

  Of these 404 HS subheadings, 271 related to steel and aluminum derivative products were previously subject to a 25% retaliatory tariff, meaning the new tariff increase is only 25 percentage points.

The new products added to the retaliation list appear to target politically important constituencies in US states that are electing new senators in the November midterm elections. For example, motorcycles are manufactured by Harley-Davidson in Wisconsin, appliances are manufactured by Whirlpool in Michigan, chainsaws are manufactured in Virginia, cheese is produced in Wisconsin, and the covered seafood and pulp and paper products are produced in Maine. The tariffs also fall heavily on Ohio, where multiple seats in the House of Representatives are in play.

In addition to the new and increased retaliatory tariffs, Canada's other existing retaliatory actions targeting automotive trade[76] and the provincial alcoholic beverages boycotts remain in effect.

Update (August 26, 2026): Following protests from the Canadian seafood industry, Canada removed the seafood products from the 25% tariff retaliation list on August 26. In the same revision, Canada also added nine new products related to charcoal, paper, plaster, glass jars, and copper wire to the retaliation list which are all subject to the 50% tariff rate.

Additional US tariff threats

On August 24, 2026, President Trump stated in a Truth Social post that, effective January 1, 2027, tariffs on "all Cars, Trucks, both large and small, Automotive Parts, and Steel" imported from Canada would be increased to 50%.[77] President Trump has not provided any further details on or issued any legal orders to implement the threat. It is unclear whether "Cars, Trucks, both large and small, Automotive Parts" encompasses both the passenger vehicle and light trucks Section 232 tariff and the medium- and heavy-duty trucks and buses Section 232 tariff, or whether it refers only to the passenger vehicle and light trucks Section 232 tariff. The reference to steel likely concerns the 15%-25% tariffs applicable to certain steel derivative products, as steel articles are already subject to a 50% Section 232 tariff.

Considering the Trump administration's previous threats to further raise tariffs on any country that retaliates against US tariff actions, further escalation is possible. Following Canada's announcement of its retaliatory tariffs on August 25, the White House issued a statement making an assortment of false and exaggerated claims about Canadian trade policy, but the Trump administration has not yet taken any further policy action.[78] The Trump administration's responses may be tempered by concerns about the US economy, particularly in the period leading up to the midterm elections.

---

[76] For more information, see "Canada's tariffs: Automobiles," Department of Finance Canada, accessible here: https://www.canada.ca/en/department-finance/programs/international-trade-finance-policy/canadas-tariff-responses/canadas-tariffs-automobiles.html.

[77] Truth Social post of August 24, 2026, accessible here: https://truthsocial.com/@realDonaldTrump/posts/117150758113256193.

[78] "President Trump Is Finally Ending Canada's Free Ride," The White House, August 25, 2026, accessible here: https://www.whitehouse.gov/releases/2026/08/president-trump-is-finally-ending-canadas-free-ride/.

Petitions & Investigations

United States imposes safeguard measure on quartz surface products

On July 31, 2026, President Trump issued a proclamation imposing a safeguard measure on imports of quartz surface products (QSP) under Section 202 of the Trade Act of 1974.[79] The measure followed the determination by the International Trade Commission (ITC) that increased QSP imports were a substantial cause of serious injury to the US industry producing like or directly competitive products.

The proclamation establishes a four-year tariff-rate quota (TRQ) covering specified QSP entered under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 6810.99.0020, 6810.99.0040, and 7020.00.6000. Under the annex to the proclamation, in-quota volumes increase annually, and duty rates decrease during the second, third, and fourth years of the measure. The HTSUS modifications apply to merchandise entered, or withdrawn from warehouse for consumption, on or after 12:01 a.m. Eastern Time on August 15, 2026.[80] The measure remains in force for the period specified in the proclamation unless reduced, modified, or terminated earlier. Covered merchandise admitted to a US foreign-trade zone on or after the effective date must be admitted in privileged foreign status.

The safeguard investigation began with a QSP import-relief petition that the Quartz Manufacturing Alliance of America (QMAA) filed with the ITC on September 15, 2025. QMAA supplemented the petition on September 23 and November 17, 2025. The coalition included Cambria Company LLC, Dal-Tile, a Mohawk Industries subsidiary, and Guidoni USA, with additional domestic producers joining later. After deeming the petition properly filed on November 17, 2025, the ITC instituted Investigation No. TA-201-79 on December 1, 2025 under Section 202.[81] The ITC examined whether increased QSP imports constituted a substantial cause of serious injury, or threat of serious injury, to the US industry. The ITC designated the investigation “extraordinarily complicated,” extending the statutory investigation timetable. It issued an affirmative injury determination on April 1, 2026[82] and transmitted its report and remedy recommendations to President Trump by May 18, 2026.

Country exclusions

The safeguard measure applies globally, subject to specified country exclusions. Canada and Mexico are excluded pursuant to findings under the United States-Mexico-Canada Agreement (USMCA) Implementation Act that their QSP imports neither account for a substantial share of total imports nor contribute importantly to the serious injury found by the ITC.

Australia, parties to the Dominican Republic-Central America-United States Free Trade Agreement (Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, and Nicaragua) (CAFTA-DR), Colombia, Jordan, Korea, Panama, Peru, and Singapore are also excluded. Qualifying developing countries are excluded where their individual import share remains below 3% and their combined import share remains below 9%. Israel and beneficiaries of the Caribbean Basin Economic Recovery Act (CBERA) retain their existing duty-free or preferential treatment because the proclamation does not suspend that treatment.

---

[79] Proclamation 11051 of July 31, 2026: “To Facilitate Positive Adjustment to Competition From Imports of Quartz Surface Products,” 91 FR 50645 (August 5, 2026), accessible here: https://www.federalregister.gov/documents/2026/08/05/2026-15975/to-facilitate-positive-adjustment-to-competition-from-imports-of-quartz-surface-products.

[80] CSMS # 69509193 - Information: Quota Bulletin 26-601 2027 Quartz Surface Products, August 12, 2026, accessible here: https://content.govdelivery.com/bulletins/gd/USDHSCBP-424a049.

[81] “Quartz Surface Products; Institution of Investigation, Scheduling of Public Hearings, and Determination That the Investigation Is Extraordinarily Complicated ,” 90 FR 55265 (December 1, 2025), accessible here: https://www.federalregister.gov/documents/2025/12/01/2025-21715/quartz-surface-products-institution-of-investigation-scheduling-of-public-hearings-and-determination.

[82] ITC, “USITC Determines Increased Imports of Quartz Surface Products Injure U.S. Industry,” April 1, 2026, accessible here: https://www.usitc.gov/press_room/news_release/2026/er0401_68378.htm.

The proclamation authorizes the US Trade Representative (USTR) to revise country exclusions, including when a developing country exceeds the relevant import-share thresholds. It also authorizes USTR to address import surges and circumvention and to negotiate arrangements with trading partners concerning QSP exports and related investment commitments. These provisions create a mechanism for further adjustments where import patterns suggest that the safeguard is being undermined through transshipment, routing changes or other circumvention practices.

Investigations

Department of Commerce issues preliminary negative determination and partial rescission in the administrative review of the antidumping duty order on nickel-plated steel products from Japan

On August 5, 2026, the Department of Commerce (Commerce) issued the preliminary results of the 2024-2025 administrative review of the antidumping duty (ADD) order on diffusion-annealed, nickel-plated flat-rolled steel products (nickel-plated steel products) from Japan.[83] Commerce has preliminarily determined that Toyo Kohan Co., Ltd., the producer/exporter subject to the review, did not sell the merchandise below normal value during the review period (May 1, 2024 through April 30, 2025). As a result, the preliminary weighted-average dumping margin for the period of review would be 0.00%.

Commerce has also rescinded the administrative review with respect to 14 companies because there were no reviewable, suspended entries of subject merchandise: Higuchi Manufacturing Co., Ltd.; IHI Corporation; JFE Shoji Corporation; Kohan Shoji Co., Ltd.; Marubeni-Itochu Steel, Inc.; Nichias Corporation; Nikken Lath Kogyo Co., Ltd.; Nippon Steel Trading Co., Ltd. and Nippon Steel Trading Corporation; Oneda Electric Corporation; Panasonic Operational Excellence Co., Ltd.; Rinnai Corporation; Sumisho Metalex Corporation; Tokyo Metal Resources Co., Ltd.; and Tomiyasu & Co., Ltd.

In the previous administrative review (for May 1, 2023, to April 30, 2024),[84] Commerce reached similar results, setting a final weighted-average dumping margin for Toyo Kohan of 0.00% and rescinding the review for all other companies.

Covered product

Covered diffusion-annealed, nickel-plated flat-rolled steel products included in this order are flat-rolled, cold-reduced steel products, regardless of chemistry; whether or not in coils; either plated or coated with nickel or nickel-based alloys and subsequently annealed (*i.e.,* “diffusion-annealed”); whether or not painted, varnished or coated with plastics or other metallic or nonmetallic substances; and less than or equal to 2.0 mm in nominal thickness. For purposes of this order, “nickel-based alloys” include all nickel alloys with other metals in which nickel accounts for at least 80% of the alloy by volume.

Imports of merchandise included in the scope of this order are classified primarily under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7212.50.0000 and 7210.90.6000, but may also be classified under HTSUS subheadings 7210.70.6090, 7212.40.1000, 7212.40.5000, 7219.90.0020, 7219.90.0025, 7219.90.0060, 7219.90.0080, 7220.90.0010, 7220.90.0015, 7225.99.0090, or 7226.99.0180. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this order is dispositive.

[83] “Diffusion-Annealed, Nickel-Plated Flat-Rolled Steel Products from Japan: Preliminary Results and Rescission, in Part, of Antidumping Duty Administrative Review; 2024-2025,” 91 FR 50517 (August 5, 2026), accessible here: https://www.federalregister.gov/documents/2026/08/05/2026-15877/diffusion-annealed-nickel-plated-flat-rolled-steel-products-from-japan-preliminary-results-and.

[84] “Diffusion-Annealed, Nickel-Plated Flat-Rolled Steel Products From Japan: Final Results of Antidumping Duty Administrative Review; 2023-2024,” 91 FR 11507 (March 10, 2026), accessible here: https://www.federalregister.gov/documents/2026/03/10/2026-04611/diffusion-annealed-nickel-plated-flat-rolled-steel-products-from-japan-final-results-of-antidumping.

Commerce rescinds administrative review of the ADD order on non-oriented electrical steel from Japan

On September 3, 2026, Commerce announced the rescission of the administrative review of the ADD order on non-oriented electrical steel (NOES) from Japan for the December 1, 2024 through November 30, 2025 period of review.[85] Commerce initiated the review on February 20, 2026 with respect to Nippon Steel Corporation (NSC) based on a request from Cleveland-Cliffs Inc.[86] However, NSC reported that it did not export or sell NOES to the United States during the period of review, which prompted Commerce to rescind the review. As a result, there will be no change to the current ADD rates.

Due to several deadline extensions, the previous administrative review of the NOES ADD order (covering the December 1, 2023 through November 30, 2024 period of review) remains ongoing. On June 12, 2026, Commerce issued the preliminary results, finding that NSC did not sell subject merchandise at less than normal value during the period of review.[87]

Covered product

NOES covered by the order includes cold-rolled, flat-rolled, alloy steel products, whether or not in coils, regardless of width, having an actual thickness of 0.20 mm or more, in which the core loss is substantially equal in any direction of magnetization in the plane of the material. The term "substantially equal" means that the cross grain direction of core loss is no more than 1.5 times the straight grain direction (*i.e.,* the rolling direction) of core loss. NOES has a magnetic permeability that does not exceed 1.65 Tesla when tested at a field of 800 A/m (equivalent to 10 Oersteds) along (*i.e.,* parallel to) the rolling direction of the sheet (*i.e.,* B_{800} value). NOES contains by weight more than 1.00% of silicon but less than 3.5% of silicon, not more than 0.08% of carbon, and not more than 1.5% of aluminum. NOES has a surface oxide coating, to which an insulation coating may be applied.

NOES is subject to these orders whether it is fully processed (*i.e.,* fully annealed to develop final magnetic properties) or semi-processed (*i.e.,* finished to final thickness and physical form but not fully annealed to develop final magnetic properties). Fully processed NOES is typically made to the requirements of ASTM specification A 677, Japanese Industrial Standards (JIS) specification C 2552, and/or International Electrotechnical Commission (IEC) specification 60404-8-4. Semi-processed NOES is typically made to the requirements of ASTM specification A 683. However, the scope of these orders is not limited to merchandise meeting the ASTM, JIS, and IEC specifications noted immediately above.

NOES is sometimes referred to as cold-rolled non-oriented (CRNO), non-grain oriented (NGO), non-oriented (NO), or cold-rolled non-grain oriented (CRNGO) electrical steel. These terms are interchangeable.

Excluded from the scope of these orders are flat-rolled products not in coils that, prior to importation into the United States, have been cut to a shape and undergone all punching, coating, or other operations necessary for classification in Chapter 85 of the HTSUS as a part *(i.e.,* lamination) for use in a device such as a motor, generator, or transformer.

Imports of merchandise included in the scope of this order are classified primarily under 7225.19.0000, 7226.19.1000, and 7226.19.9000, but may also be classified under HTSUS subheadings 7225.50.8085,

[85] "Non-Oriented Electrical Steel from Japan: Rescission of Antidumping Duty Administrative Review; 2024-2025," 91 FR 56622 (September 3, 2026), accessible here: https://www.federalregister.gov/documents/2026/09/03/2026-18089/non-oriented-electrical-steel-from-japan-rescission-of-antidumping-duty-administrative-review.

[86] "Initiation of Antidumping and Countervailing Duty Administrative Reviews," 91 FR 8186 (February 20, 2026), accessible here: https://www.federalregister.gov/documents/2026/02/20/2026-03417/initiation-of-antidumping-and-countervailing-duty-administrative-reviews.

[87] "Non-Oriented Electrical Steel From Japan: Preliminary Results of Antidumping Duty Administrative Review; 2023-2024," 91 FR 35659 (June 12, 2026), accessible here: https://www.federalregister.gov/documents/2026/06/12/2026-11864/non-oriented-electrical-steel-from-japan-preliminary-results-of-antidumping-duty-administrative.

7225.99.0090, 7226.92.5000, 7226.92.7050, 7226.92.8050, 7226.99.0180. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this order is dispositive.

Commerce announces administrative review of the ADD order on glycine from Japan

On August 10, 2026, Commerce announced it is initiating an administrative review of the ADD order on glycine from Japan for the June 1, 2025 through May 31, 2026 period of review.[88] The initiation notice names eight producer/exporters: Ajinomoto Co., Inc.; Ajinomoto Healthcare, Inc.; Nagase & Co., Ltd.; Resonac Corporation; Ricoh Company, Limited; Sojitz Corporation; Sojitz Logistics Corporation; and Yuki Gosei Kogyo Co., Ltd. Commerce intends to complete the reviews by June 30, 2027 at the latest.

Covered product

The ADD order applies to glycine at any purity level or grade. This includes glycine of all purity levels, which covers all forms of crude or technical glycine including, but not limited to, sodium glycinate, glycine slurry and any other forms of amino acetic acid or glycine. Subject merchandise also includes glycine and precursors of dried crystalline glycine that are processed in a third country, including, but not limited to, refining or any other processing that would not otherwise remove the merchandise from the scope of the Order if performed in the country of manufacture of the in-scope glycine or precursors of dried crystalline glycine.

Glycine has the Chemical Abstracts Service (CAS) registry number of 56-40-6. Glycine and glycine slurry are classified under HTSUS subheading 2922.49.43.00 and sodium glycinate is classified under HTSUS 2922.49.80.00. Although the HTSUS subheadings and CAS registry numbers are provided for convenience and customs purposes, the written description of the scope of this order is dispositive.

Commerce announces administrative review of the ADD order on cold-rolled steel flat products from Japan

On September 4, 2026, Commerce announced the initiation of an administrative review of the ADD order on cold-rolled steel flat products from Japan for the July 1, 2025 through June 30, 2026 period of review.[89] The initiation notice names six producer/exporters: JFE Steel Corporation; Marubeni-Itochu Steel Inc.; Marubeni-Itochu Steel America Inc.; Nippon Steel Corporation; Shinsho Corporation; and Toyota Tsucho Corporation. Commerce intends to complete the reviews by July 31, 2027 at the latest.

Covered product

For Japan, the ADD order applies to certain cold-rolled (cold reduced), flat-rolled steel products, whether or not annealed, painted, varnished, or coated with plastics or other non-metallic substances. The description of the covered product for the parallel ADD orders on cold-rolled steel flat products from Brazil, India, Korea, the United Kingdom, and China are different. For a full description of the covered product, including relevant measurements, compositions, third country processing rules, excluded products and compositions, and relevant physical properties, see the *Orders*.

[88] "Initiation of Antidumping and Countervailing Duty Administrative Reviews," 91 FR 51436 (August 10, 2026), accessible here: https://www.federalregister.gov/documents/2026/08/10/2026-16265/initiation-of-antidumping-and-countervailing-duty-administrative-reviews.

[89] "Initiation of Antidumping and Countervailing Duty Administrative Reviews," 91 FR 56836 (September 4, 2026), accessible here: https://www.federalregister.gov/documents/2026/09/04/2026-18185/initiation-of-antidumping-and-countervailing-duty-administrative-reviews.

WTO Developments

No developments