



Recycled Materials
Association
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Recycled Materials Association Tariff Guidance Document

Note for Members: the information and analysis provided by ReMA staff is only intended for use by ReMA members. It is also a document that will be updated and modified as new developments occur and evolve, as well as further discussions take place among ReMA members.

General Trade and Tariffs

What are the different tariff actions that the President has implemented so far?

As of April 5, the President has imposed three major tariff actions.

The first announced on February 1 seeks to address emergency border issues by imposing tariffs on Canada, Mexico and China. The tariffs on Canada and Mexico (25 percent) were initially paused for one month, but went into effect on March 4. The President again paused the tariffs for USMCA-compliant goods, effective March 7, which generally includes recycled materials and remains in place. The tariffs on Chinese imports went into effect on February 4 (10 percent) and were increased on March 4 (10 percent).

The second action announced on February 10 reimposes the full tariffs on steel and aluminum imports from all countries. President Trump imposed these tariffs beginning in 2018, but negotiations have resulted in alternative arrangements that have exempted many countries.

Those tariffs snapped back into place on March 12.

On April 2, the President initiated the implementation of reciprocal tariffs on U.S. trading partners. This announcement included two parts to the reciprocal tariffs: the first was a universal, across-the-board baseline tariff of 10 percent on most imports from all countries, except from Canada and Mexico. Those tariffs went into effect on April 5. He also implemented higher, country-specific duty rates above the 10 percent universal tariff. Those were initially scheduled to enter into effect on April 9, but were put on pause for 90 days for governments to negotiate with the White House.

What is the timeline for imposition of these new tariffs?

For the tariffs that have been imposed, here are the following dates to know:

- Emergency Border Tariffs (IEEPA) from China – 10 percent – went into effect on February 4. President Trump doubled the tariff on March 4, so Chinese imports now subject to 20 percent duty rate.
- Emergency Border Tariffs (IEEPA) from Canada – 25 percent, with a 10 percent carveout for certain energy products – went into effect on March 4. These tariffs were delayed an additional month, starting March 7 for imports that qualify and comply with USMCA origination and remain in place, as of April 15.
- Emergency Border Tariffs (IEEPA) from Mexico – 25 percent – went into effect on March 4. These tariffs were delayed an additional month, starting March 7 for imports that qualify and comply with USMCA origination and remain in place, as of April 15.
- Reimposition of Section 232 tariffs on imports of steel and aluminum – these tariffs impact all countries (and the duty increase to 25 percent for aluminum) and the inclusion of derivative steel and aluminum products – went into effect March 12.
- Universal Baseline Tariffs (under Reciprocal Tariffs) – 10 percent – impacts all countries, except for Canada and Mexico, and impacts all products, including most recycled/recyclable commodities, unless explicitly excluded.
- Reciprocal Tariff from China – currently 125 percent – went into effect April 9 – began at 34 percent and increased to 84 percent, then 125 percent. Combined with emergency border tariff (20 percent), total tariff burden of 145 percent.

What role does Congress and the Courts play?

Article I of the U.S. Constitution gives Congress the authority and power to levy tariffs and regulate commerce. While the federal government was primarily funded by tariffs for the first several decades of its existence, over the last 100 years both Congress and the Executive Branch have trended toward reducing tariffs and moving away from trade barriers.

Over the last century, Congress ceded significant authority related to trade to the Executive Branch through trade-focused legislation. These statutory powers are how the Trump Administration is imposing new tariffs without requiring Congress to pass legislation authorizing the tariffs.

What Other Trade and Tariff Actions Has the New Administration Taken Since January 20?

During his first week in office, President Trump signed several Executive Orders (EOs) that [direct](#) federal agencies responsible for trade policy to evaluate existing trade and tariff policies, and to provide him with policy recommendations on these programs, with most of this information due back to the White House beginning April 1.

Here is a partial list of the policies that ReMA is closely monitoring and will provide relevant feedback to the Administration on:

- China Section 301 tariffs and exclusions process;
- Phase One Agreement with China;
- United States-Mexico-Canada Agreement (USMCA) six-year statutory review, which is due to begin in July 2026;
- Updates to the antidumping and countervailing laws;
- Export control measures; and the
- Status of Permanent Normal Trading Relations (PNTR) with China.

Emergency Border Tariff Measures

What is the expected impact of the Emergency Border Tariff Measures on imports from Canada, Mexico and China, on the recycled materials industry?

President Trump announced across-the-board tariffs on all imports from Canada, Mexico and China on February 1, initially set to take effect on February 4. These tariffs are meant to address emergency border issues. The leaders of both Canada and Mexico negotiated one-month pauses in the imposition of these tariffs, but the Chinese government did not. President Trump imposed these tariffs on Canadian and Mexican imports beginning March 4, but were delayed for USMCA-compliant goods, beginning March 7 and remains in place as of April 15.

In order to qualify for USMCA origination for this exemption, importers must file a Certification of Origin and claim USMCA treatment, instead of most-favored nation (MFN) duty status.

The tariff rates on imports from Canada and Mexico is 25 percent for all imported goods, except for selected energy imports from Canada, with the duty set at 10 percent.

The duty rate for Chinese imports was initially 10 percent, but President Trump doubled the duty to 20 percent on March 4. These tariffs are in addition to any Section 301 tariffs that importers may pay (currently between 7.5 and 25 percent, depending on the product) or any trade remedy measures, such as antidumping or countervailing duties. Additionally, reciprocal tariffs are stacked on top of these emergency border tariffs for China, but not for Canada and Mexico.

While the U.S. is a net exporter of recycled materials, many U.S. recyclers also import recycled products across the commodity spectrum from Canada and Mexico.

What About Retaliation?

Beginning February 10, China imposed retaliatory measures on certain U.S. exports of energy products, such as crude oil, coal and natural gas, as well as certain manufactured goods, like pickup trucks. The Chinese government also restricted exports of certain critical minerals to the U.S. in response to these tariffs.

Canada immediately imposed 25 percent retaliatory tariffs on March 4 covering [\\$30 billion CAD](#) worth of U.S. exported goods. No exports of recycled materials were on this initial list of

retaliation, though there are several manufactured goods that include recycled material inputs.

The Canadian government opened a [21-day comment period](#) on an additional \$155 billion CAD of retaliation against U.S. exported goods. This list includes dozens of HTS lines for recycled materials, including recycled steel, aluminum, copper, recovered paper, plastics, among other products. The website lists the 4,416 HTS lines that would be subject to further retaliation if the Emergency Border Tariffs remain in place. Canada has pledged that as long as the U.S. import tariffs remain in place, so too will the retaliatory measures.

However, given the continued exemption for USMCA-compliant goods, the Canadian government has not yet announced whether it will impose retaliation against the additional product lines.

The Mexican government has not yet announced retaliation against these tariffs.

What products have been exempted or carved out from the Emergency Border Tariffs?

On March 5, President Trump announced a one-month delay in the imposition of these tariffs on automotive imports from Canada and Mexico under the United States-Mexico-Canada Agreement (USMCA). Beginning March 7, the White House announced that any imported goods from Canada or Mexico that are compliant with the USMCA trade agreement will also be exempted. That exemption remains in place.

U.S. Customs and Border Protection (CBP) estimates that about 73 percent of U.S. imports from Canada and Mexico qualify for this exemption.

For U.S. importers of recycled or recyclable materials, a USMCA Certification of Origin must be included in order to qualify for this exemption.

CBP issued a [fact sheet](#) that outlines the basic parameters of which pre-consumer materials would qualify for USMCA treatment – only material produced in Canada, Mexico or the U.S. On the post-consumer side, as long as the material is collected inside the region, it would qualify for USMCA treatment, so long as it is meant for raw material recovery, and not for reuse, repair or refurbishment.

Here is the relevant verbiage from the USMCA:

Waste and scrap derived from (i) production there, or (ii) used goods collected there, provided the goods are fit only for the recovery of raw materials; and (k) a good produced there, exclusively from goods referred to in subparagraphs (a) through (j), or from their derivatives, at any stage of production.

Section 232 Tariffs on Steel and Aluminum Imports

What updates did President Trump make to the Section 232 tariffs on steel and aluminum?

On February 10, President Trump issued two Presidential Proclamations that update the Section 232 tariffs on imports of steel and aluminum.

This action was the continuation of an ongoing action, with 25 percent duties on steel imports and 10 percent duties on aluminum imports beginning in 2018. Over the past seven years, many foreign governments have negotiated agreements for full exemptions, absolute quotas or tariff-rate quotas (TRQs) that have reduced the coverage of steel and aluminum imports subject to the tariffs.

Effective March 12, President Trump nullified each of these agreements, so all steel and aluminum imports from all countries will be subject to the tariffs. The President also announced that the product exclusions process would end, and that certain downstream and derivative steel and aluminum products would now be subject to the duties. Finally, the President also raised the duty rate on aluminum imports, from 10 percent to 25 percent.

Are recycled steel and recycled aluminum subject to the 25 percent steel and aluminum tariffs?

No, recycled steel and recycled aluminum imports from all countries have never been subject to the Section 232 tariffs on steel and aluminum.

They were not included in the original investigation in 2017, and these products were not included in the tariff program by President Trump during the initial implementation in 2018.

The changes to the scope of the tariffs that went into effect on March 12 will subject certain downstream and derivative steel and aluminum products to the 25 percent tariff.

A full listing of these downstream and derivative products can be found in the FR notices for [steel](#) and [aluminum](#).

How is the product exclusion process affected by these modifications?

As part of the reimposition of the steel and aluminum tariffs on all countries, President Trump effectively ended the product exclusion process administered by the Commerce Department.

Active exclusions that have already been granted will remain in effect until either (a) the expiration date or (b) until the excluded volume is exhausted, whichever occurs first.

Have foreign governments announced retaliation that may cause tariffs on U.S. exports of recycled materials?

Once President Trump reimposed the steel and aluminum tariffs, several foreign governments announced retaliatory measures against U.S. exports of certain products, including Canada and the European Union.

However, none of the products on those retaliation lists include recycled materials. However, in 2018 when these tariffs were first imposed, some other governments did retaliate against U.S. recycled product exports, but none to date have announced additional measures.

Reciprocal Tariff Actions

What new tariffs did President Trump announce on April 2?

President Trump announced two tariffs on April 2, which are being implemented as part of reciprocal tariff action to address significant U.S. trade deficits with trading partners.

The first, a universal 10 percent baseline tariff went into effect on April 5 and includes nearly all products from every country, except from Canada and Mexico.

The second, different tariff rates for approximately 75 countries, are in addition to the universal baseline 10 percent tariff. On April 9, the President issued a 90-day pause on the implementation of these tariffs. The individual reciprocal tariff rates can be found in [Annex I](#).

Why are imports from Canada and Mexico exempted from these tariffs?

Imports from Canada and Mexico are already subject to the 25 percent emergency border tariffs (IEEPA), that have been in place since March 4. These tariffs are in place of reciprocal/universal tariffs. As long as imports into the U.S. can qualify for USMCA treatment, then there is no tariff burden coming from Canada and Mexico.

What part of the reciprocal tariffs are on pause for 90 days?

President Trump announced on April 9 that the higher reciprocal tariff rates which applied to approximately 75 countries. This 90-day pause impact the higher reciprocal rates found in [Annex I](#) and apply to every country listed except for China. This will allow governments to negotiate with the White House on potentially lowering the higher reciprocal tariff rate.

What goods are excluded from the reciprocal/universal tariffs?

The White House has exempted six categories of goods from the 10 percent universal and reciprocal tariff actions:

- (1) Goods from Canada and Mexico, already subject to the emergency border tariffs;
- (2) Goods subject to the Section 232 duties on steel, aluminum, automotive and auto parts;
- (3) Copper, lumber, pharmaceuticals and semiconductors;

- (4) Goods subject to future Section 232 investigations;
- (5) Bullion; and
- (6) Certain critical minerals and energy and energy products not produced in sufficient quantities domestically.

The full listing of HTS codes that are exempted for #3-6 of these tariffs can be found under [Annex II](#).

Why is the China reciprocal duty so high?

China was the first (and at this point, only) country to retaliate against U.S. exports. It initially instituted a 34 percent retaliatory tariff against all U.S. exports, including recycled materials, but the Chinese and U.S. governments continue to increase the tariff rate on most imports from the other country. As it stands, the Chinese have imposed a 125 percent retaliatory tariff on all U.S. imports, while the U.S. have imposed an effective tariff of 145 percent on most Chinese imports – the 125 percent reciprocal tariff and the 20 percent emergency border tariff, which has now been in effect for several months.

What recycled/recyclable commodities are subject to the reciprocal and universal tariff actions?

Unless specifically excluded in [Annex II](#), or material comes from Canada or Mexico, all recycled and recyclable commodities entering the U.S. market will pay the 10 percent universal baseline tariff. There are no exemptions for individual countries (unless the material qualifies for USMCA treatment) or exclusions for individual products beyond Annex II. Recycled steel and recycled aluminum are not excluded and will be subject to the 10 percent duty, but recycled copper and recycled stainless steel are excluded.

How would negotiations work by foreign governments?

The White House has announced that more than 50 foreign governments have already reached out seeking to negotiate on the reciprocal tariff measures and while it is expected that foreign trading partners could secure lower reciprocal tariffs through negotiations, there is unlikely any option to waive the baseline 10 percent universal tariff.

It is expected that most of the negotiations will take place by countries that have received reciprocal tariffs higher than the universal baseline tariff. Additionally, while some countries have already offered to lower their import tariffs for U.S. exports, the Trump Administration is likely to want the reduction of additional, non-tariff barriers.

Status of Tariffs on Shredder Wear Parts

What is the current duty rate on imports of shredder wear parts from China?

There are many different tariffs in effect on imports of shredder wear parts from China, so the duty rate will vary based on the date of customs clearance.

Because shredder wear parts imported under 8479.90.9596 are now subject to the Section 232 Aluminum derivatives tariff of 25 percent, these products are not subject to the escalating reciprocal tariff measures on imports from China.

Here is the breakdown of the duty rates by date range for imports from China:

Prior to February 4, 2025 – total 0%

0% – Section 301 duty (exclusion)

0% – Section 232 duty

0% – Emergency border tariffs

February 4, 2025 to March 3, 2025 – total 10%

0% – Section 301 duty (exclusion)

0% – Section 232 duty

10% – Emergency border tariffs

March 4, 2025 to March 11, 2025 – total 20%

0% – Section 301 duty (exclusion)

0% – Section 232 duty

20% – Emergency border tariffs

March 12, 2025 to May 31, 2025 – total 45%

0% – Section 301 duty (exclusion)

25% – Section 232 duty

20% – Emergency border tariffs

June 1, 2025 and Beyond – TBD

??% – Section 301 duty (exclusion expires May 31)

25% – Section 232 duty

20% – Emergency border tariffs

Why are shredder wear parts no longer excluded from the Section 232 Steel and Aluminum tariffs?

Despite the composition of most materials imported as shredder wear parts, the Trump Administration added the HTS code 8479.90.9596 to the Section 232 Aluminum Derivatives list, which began requiring duty collection on March 12.

Our inquiry resulted in a potential change of this to the steel derivative product list, so while we continue to push for exclusion for key manufacturing inputs and equipment/parts, it appears it will continue to be part of the Section 232 program.

However, because it is subject to the 25 percent Section 232 duty, it is excluded from the reciprocal tariff action, currently set at 125 percent.

Section 232 Investigation into National Security Implications of Copper Imports**What are the details of this investigation?**

On February 25, President Trump directed the Secretary of Commerce to initiate a new Section 232 investigation into the national security implications of copper imports. This investigation is similar to those initiated by President Trump during his first term that evaluated the national security impact of steel and aluminum imports, and will result in findings on whether national

security is impaired as a result of copper imports.

If copper imports are found to threaten U.S. national security, the Commerce Secretary will also provide recommendations on how best to remedy these threats. This could include potential tariffs, export control measures, or other incentives that would aim to increase domestic production.

What imported products are included in the scope of this investigation?

The inclusion of recycled copper in this investigation differs from the two prior Section 232 investigations on metals imports (steel and aluminum) initiated in 2017, which did not include scrap imports in the scope. The scope of this investigation will include, but is not limited to: raw mined copper, copper concentrates, refined copper, copper alloys, recycled copper (scrap) and derivative products.

What is the timeline for this investigation?

Typically, the Commerce Department has 270 days, or approximately nine months, to investigate these claims. There traditionally has been a formal public comment process that may also include a public hearing, but the Commerce Department has not issued details on a public hearing. However, it is expected that Commerce and the White House will move quickly on this investigation.

How is ReMA engaging with the Administration in this investigation?

Given the potential adverse impact of trade restrictions on recycled copper, ReMA provided significant public feedback to the Commerce Department, particularly focused on the lack of available domestic secondary smelting capacity, especially if export control measures are a potential recommendation to address national security concerns.

If there is a public hearing as part of this process, ReMA will request to testify. ReMA is also conducting meetings with officials at the Bureau of Industry and Security (BIS) and the White House to ensure the Administration is aware of the potential challenges that may result from significant trade restrictions on copper and recycled copper.

Other Potential Trade and Tariff Programs

What Other Trade and Tariff Actions is President Trump Proposing?

President Trump has also proposed new import tariffs on specific industries, such as semiconductors, pharmaceuticals, and other products. The Commerce Department has formally launched Section 232 investigations on copper, lumber, semiconductors and pharmaceuticals.

The President has also tasked trade agencies with evaluating the Phase One Agreement reached with China during January 2020 and to measure the effectiveness of this deal. This agreement led to reduced tariffs (to 7.5 percent) on selected Chinese imports in exchange for significant increases in Chinese purchases of U.S. goods.

The President has also asked for an evaluation of China's Permanent Normal Trade Relations (PNTR) status, which would permanently increase import duties on most products, instead of individual tariff programs (such as Section 301 or Emergency Border tariffs imposed under the International Emergency Economic Powers Act, IEEPA).