

Trade, Tariffs and Trump 2.0: Where Do We Stand Today?

ReMA Members Only Webinar

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Recycled Materials
Association

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Overview of Tariff Programs

- Presidential authorities to impose tariffs
- First Trump Administration (2017-21) trade actions
- America First Trade Agenda
- Emergency border tariffs (IEEPA)
- Section 232 and Section 301 tariff measures
- Reciprocal tariffs and other trade/tariff policies
- What's Next?

Presidential Authority to Impose Tariffs

- U.S. Constitution gives Congress power to (1) regulate foreign commerce, (2) impose import tariffs and (3) raise revenue.
- Congress has delegated significant authority to impose tariffs to the Executive Branch through multiple laws:
 - Antidumping and countervailing duty laws to address unfair trade
 - Section 201 – safeguard action
 - Section 232 – national security
 - Section 301 – unfair foreign trade practices
 - International Emergency Economic Powers Act (IEEPA)

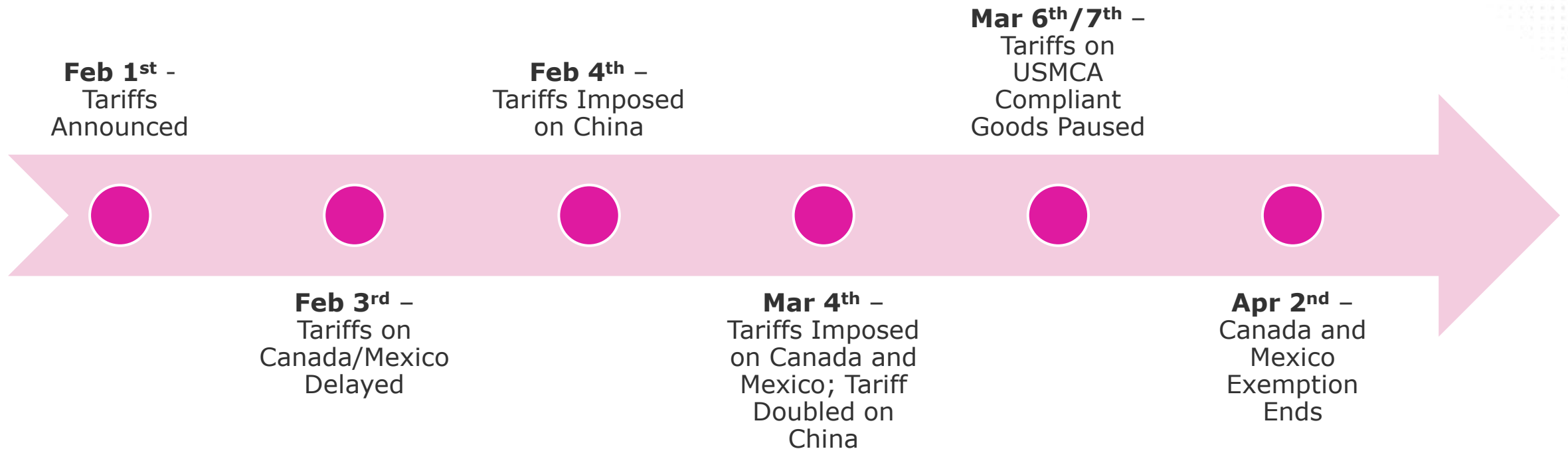
First Trump Administration (2017-21)

- Biggest trade/tariff actions took place during the first two years of the first Trump Administration:
 - Section 201 tariffs on solar panels and washing machines
 - Section 232 national security tariffs on steel and aluminum
 - Section 301 tariffs on most Chinese imports
- Shifted to renegotiation of the 25-year-old North American Free Trade Agreement (NAFTA) and negotiation of other FTAs.
- Left undone/on the table: Section 232 tariffs on auto imports.

America First Trade Agenda

- Presidential Memorandum on January 20 directs trade-related agencies to undertake significant evaluation of U.S. trade and tariff policies and provide recommendations on/around April 1:
 - Existing tariffs, exclusions processes, trade agreements;
 - Significant trade deficits;
 - Begin review of United States-Mexico-Canada Agreement;
 - Currency manipulation by trading partners;
 - Export control systems and procedures;
 - China Phase One Agreement and normal trade relations; and
 - Investigate establishment of External Revenue Service.

Emergency Border Tariffs (IEEPA)



Emergency Border Tariffs (IEEPA)

- President Trump imposed emergency tariffs to address border issues.
 - 10% tariff on all Chinese imports went into effect **February 4** and doubled on **March 4**. This tariff “stacks” onto other China tariffs, such as Section 301.
 - 25% tariff on all Canadian and Mexican imports initially paused for one month, but went into effect on **March 4**. Additional one-month delay for USMCA-compliant goods.
 - Lower 10% tariff on select Canadian energy and critical mineral imports.
- China and Canada have both announced retaliatory measures
 - Chinese retaliation includes export restrictions on certain critical minerals.
 - Canadian retaliation includes 3-week consult period on second list of retaliation, which lists significant volumes of **U.S. exports of recycled materials**.

Emergency Border Tariffs (IEEPA)

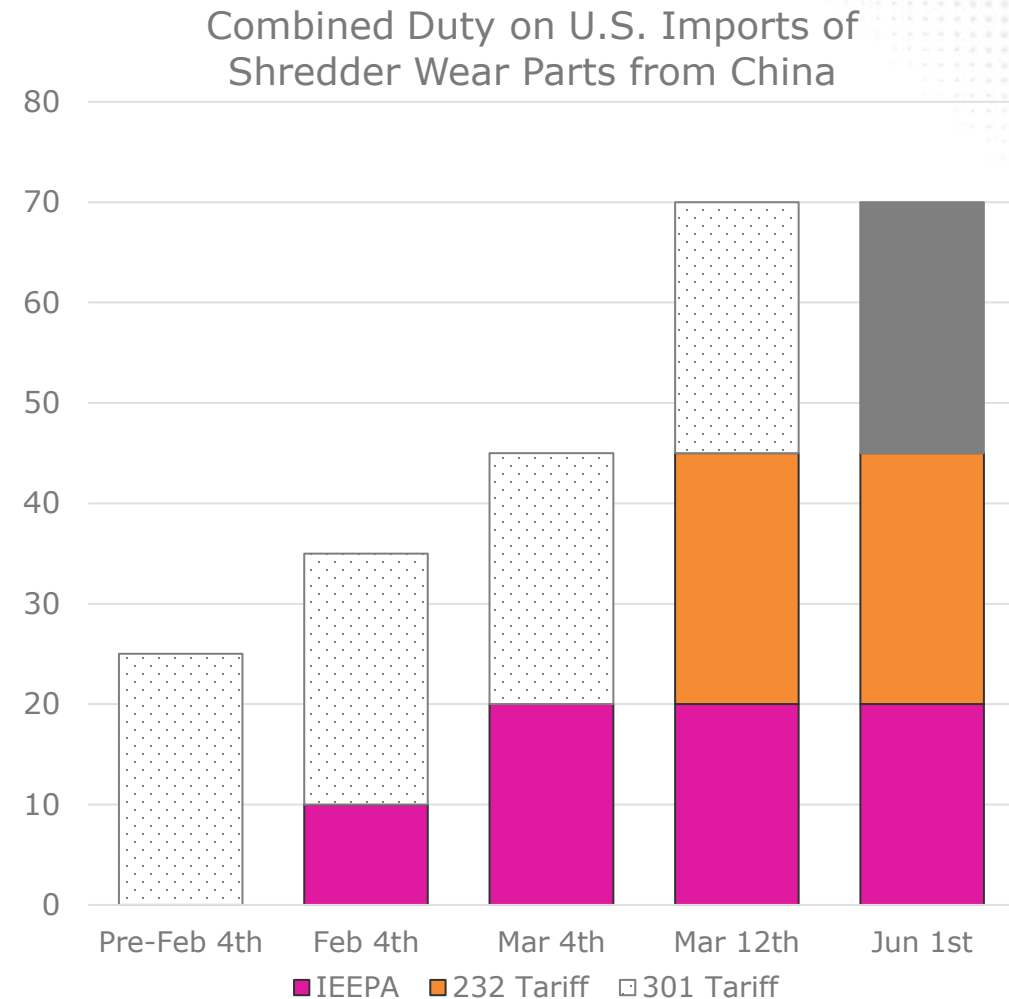
- Current exemption for **USMCA compliant** imports from Canada and Mexico through April 2.
- Imports must **claim USMCA origination** to qualify for exemption. Importers typically can claim one of two types of treatment:
 1. Most-favored nation (MFN) duty, which applies to all countries, for recycled materials is generally 0 percent duty.
 2. USMCA origination, applies only to recycled materials collected (pre- or post-consumer) within North America and requires Certification of Origin.
- WH claimed 50 percent of Mexican and 37 percent of Canadian imports would qualify, but CBP released information that **73 percent of North American imports** should qualify for exemption.
- For imports from March 4-6, CBP will not be refunding duties paid.

Section 232 Steel/Aluminum Tariffs

- President Trump announced the full reinstatement of national security tariffs on steel/aluminum imports, effective today, **March 12:**
 - Removes all country-specific exemptions;
 - Increases aluminum duty from 10% to 25%;
 - Eliminates product exclusion process; and
 - Brings downstream/derivative products into scope of tariffs.
- Recycled steel and recycled aluminum **remain excluded** from the scope of these tariffs.
- Canada set to announced retaliation against U.S. for these tariffs.

Shredder Wear Part Tariffs

- Imports from China of shredder wear parts excluded from China 301 tariffs since 2018, but exclusion **expires May 31.**
- While the new administration has yet to announce how it intends to handle those exclusions, beginning June 1, Chinese shredder wear part imports could be subject to **combined 70 percent duty.**



Section 232 Copper Investigation

- President Trump announced that Commerce Department will investigate national security implications of copper imports under Section 232.
 - While Commerce has 270 days to reports its findings back to the White House, the comment period closes April 1st and then the President will decide appropriate measures
 - Recycled copper **included in the scope** of this inquiry.
 - Export controls included as a potential recommendation if copper imports threaten U.S. national security, alongside tariffs and domestic-focused incentives.

Reciprocal Tariff Actions

- Reciprocal tariffs often described as “one-for-one tariffs” where import tariffs for each country match that country’s import tariff on same product.
 - President cites the EU import tax for cars (10 percent) compared to U.S. import tax (2.5 percent).
 - Import tariffs in Asia are generally higher than the similar levies in the U.S.
- USTR requests comments on “country-by-country basis” to review/identify unfair trade practices and investigate any harm to U.S. exporters.
 - USTR and trade agencies already request this type of information for the National Trade Estimate (NTE) Report on foreign trade barriers that restrict U.S. exports.

Proposed Action on China Shipbuilding

- U.S. Trade Representative has proposed significant fees as a way to counter China's dominance in the maritime sector.
- Section 301 investigation initiated by the Biden administration in 2024 to evaluate China's unfair practices related to shipbuilding, logistics and the maritime industry, and whether or not these practices unfairly burdens or restricts U.S. commerce.
- Determination issued just before President Trump was inaugurated that found that China's took actions to target these sectors for dominance, which has hurt U.S. commerce, and therefore is "actionable."

Proposed Action on China Shipbuilding

- Significant fees outlined in the proposed action, including:
 - \$1 million fee per U.S. port call on Chinese vessel operators;
 - \$1.5 million fee per U.S. port call for Chinese-built vessels; and
 - Additional service fee instituted on each U.S. port call by vessel operators, regardless of nationality/vessel flag, if those operators have vessels on order from Chinese shipyards.
- Various alternatives, such as \$1,000/net ton or based on fleet %
- Seven-year phase-in of commercial cargo preference:
 - Beginning first year, 1 percent of U.S. exports required to be carried by U.S.-flagged vessels, increasing to 15 percent by year seven
- Align with comments by President Trump to spur U.S. shipbuilding and support competitiveness of the U.S. maritime industry.

Other Potential Trade/Tariff Actions

- Key administration trade officials focused on sectoral-specific tariff programs, instead of broad across-the-board measures:
 - Autos
 - Semiconductors
 - Critical minerals
 - Agricultural products
 - Lumber
- May impose tariffs on imports from the European Union.
- Goal appears to be bilateral agreements to address trade challenges.

What's Next? What are the Off-Ramps?

- Congress has granted significant authority to the Executive branch.
 - Resolution of disapproval for the imposition of national economic emergency, but would be subject to presidential veto.
 - No mechanism for removal of Section 232 measures imposed, outside the Courts, but the Judiciary largely left authority/actions intact.
 - Even if Congress flips following 2026 midterm elections, very unlikely any action could remove any of the tariffs.
- Tariffs have defenders in both political parties, so never a guarantee a new President would immediately reverse every tariff action.
 - Steel/aluminum and China tariffs remained in place during Biden Administration.
- Court of public opinion and Wall Street.

ReMA 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?	▼
What is the timeline for imposition of these new tariffs?	▼
What role does Congress and the Courts play?	▼
What Other Trade and Tariff Actions Has the New Administration Taken Since January 20?	▼

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?	▼
How Do These Tariffs Impact the Section 301 Exclusion on Shredder Wear Parts?	▼
When Will We Know if These Tariffs Will Be Imposed?	▼

Member Alert



Section 232 Tariffs on Steel and Aluminum Imports Will Continue to Exclude Recycled Steel and Recycled Aluminum

- The Trump Administration today publicly released the signed on February 10 that fully restore tariffs on from all countries.
- With the public release of the annexes for steel and **recycled aluminum products remain excluded from** These materials had been excluded when the investment tariffs first imposed in 2018 and based on these will continue to be excluded from the scope of the tariff.

Member Alert



Current State of Play on Tariffs and ReMA Action Plan

Member Alert



President Trump Imposes Tariffs on Imports from Canada and China, Beginning Tuesday, February 4, 2025; 30-day Delay on Tariffs for Imports from Mexico

- On February 1, 2025, President Trump signed three Executive Orders (EOs) imposing new tariffs on imports from Canada, Mexico and China. The duty rate will be **25 percent on all imports from Canada**, with the exception of energy products, which will be set at 10 percent. The duty rate on imports from **China will be 10 percent**.
- Earlier today, the White House and the Mexican government reached a series of agreements that will delay the implementation of **25 percent tariffs on imports from Mexico by 30 days**.
- The new duties on imports from Canada and China will apply to goods entering the United States for consumption, or withdrawn from warehouse for consumption, on or after **12:01am EST on Tuesday, February 4, 2025**. There is also an "on the water" or "in transit" exception for goods that were pre-loaded or in final mode of transportation, prior to 12:01 EST on Saturday, February 1, 2025.

developments since President Trump announced that he would impose tariffs on goods from Canada, Mexico, and China. ReMA is developing a plan with the new administration to ensure as little disruption as possible to recycled materials.

tariffs

President Trump signed Executive Orders implementing **25 percent tariffs on imports from Canada and Mexico** and **10 percent tariffs on imports from China**. There is a carveout for selected Canadian energy imports, which would have a duty rate of 10 percent.

Leaders of Canada and Mexico separately agreed to a series of agreements that will delay the implementation of **25 percent tariffs on imports from Mexico by 30 days**. Tariffs on U.S. imports from each country for 30 days, with **tariffs to enter into effect on March 4**.

Member Resources

Member Alerts

Manage Communications Preferences

Tariff Guidance Document

<https://www.isri.org/advocacy-compliance/tariff-guidance-document>

Tariff Inquiries

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Thank You

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