



President Trump Reimposes and Expands Tariffs on Steel and Aluminum Imports from All Countries

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President Trump has announced 25% tariffs on steel and aluminum imports from all countries pursuant to Section 232 of the Trade Expansion Act of 1962. The two Presidential Proclamations issued late on February 10, 2025, implement key changes in the existing Section 232 steel and aluminum tariff programs, including closure of all existing special tariff arrangements/exemptions, an end to the tariff exclusion request process, an expansion of the tariffs to cover certain downstream products not previously subject to the tariffs (including prestressed concrete steel wire strand and fabricated structural steel), and an increase of the tariffs on aluminum from 10% to 25%.

The steel and aluminum Section 232 tariffs were first implemented by the Trump Administration in March 2018 in Presidential Proclamations 9704 and 9705 (Mar. 8, 2018). That provision of law permits the President to take action to adjust imports of products that “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.” Following the imposition of the initial round of tariffs in 2018, country-specific agreements were reached to entirely exempt imports from certain countries from the tariffs, and to allow steel and aluminum from certain countries to be imported subject to absolute quotas in lieu of the tariffs or tariff-rate quotas (a quantitative limit on imports that could be entered during any given period without the tariffs, with the tariffs applying to volumes above that quota level). In 2020, President Trump announced that certain “derivative” steel products would be subject to the 25% tariffs on steel, pursuant to a particular provision of the Section 232 law.

Key elements of the February 10th Proclamations include:

- Termination of all beneficial arrangements made with Australia (full exemption from steel and aluminum tariffs); Argentina (steel and aluminum quotas); Brazil (steel quota); Canada (steel and aluminum exemption with surge monitoring mechanism); European Union (steel and aluminum tariff-rate quotas); Japan (steel tariff-rate quota); Mexico (steel and aluminum exemption with surge monitoring mechanism and melted and poured requirement); South Korea (steel quota); Ukraine (steel tariff suspension); and the United Kingdom (steel and aluminum tariff-rate quotas). These changes will be effective as of 12:01 am Eastern time on March 12, 2025.
- Immediate termination of the steel and aluminum product exclusion process, currently administered by the Bureau of Industry and Security within the Department of Commerce. Exclusions already granted under the exclusion request program remain in effect until their expiration date or until the excluded product volume is imported, whichever comes first. In

December 2020, Commerce announced new General Approved Exclusions, or GAEs, which created unlimited exclusions for certain products to which no domestic producer objected (later revised to focus on the substance of objections for GAE eligibility). GAEs will be terminated as of March 12, 2025.

- Expansion of the Section 232 tariffs to include the “derivatives,” or downstream products, of covered steel and aluminum articles. Pursuant to Section 232 (19 U.S.C. § 1862(c)(1)(A)(ii)), the President may also take action to adjust imports of derivative products that threaten to impair national security. President Trump took such action in Proclamation 9980 (Jan. 24, 2020) to cover certain downstream aluminum imports (stranded wire and auto bumper stampings) and downstream steel imports (nails, tacks, staples, auto bumper stampings, and auto body stampings). The February 10th Proclamations again expand Section 232 coverage to include 25% tariffs on imports of certain derivative articles to be identified in annexes that will be issued separately with each Proclamation, but that will definitively include at least prestressed concrete steel wire strand and fabricated structural steel from all countries. The Proclamations note that the increase in imports of these and other derivative products has eroded the domestic industry’s customer base and caused declining demand for U.S.-produced steel and aluminum.
 - Duties applicable to the steel and aluminum derivative products to be identified in the forthcoming annexes will go into effect when Commerce “that adequate systems are in place to fully, efficiently, and expediently process and collect tariff revenue for covered articles.”
 - Proclamation 9980 of 2020 is also modified to apply tariffs to that first round of derivative products from countries previously subject to alternative tariff arrangements (which are now terminated).
 - The executive order also instructs the Secretary of Commerce to establish a process for including additional derivative articles within the scope of the remedy within 90 days of the executive orders’ date, or by May 11, 2025. The process must allow for producers or industry associations to request that a derivative steel product be covered by the Section 232 tariffs, and sets a 60-day deadline for Commerce to make a determination regarding such a request.
- Imposition of measures to end transshipment of steel produced in countries like China and Russia through North American neighbors Canada and Mexico (noting increased Chinese investment in Mexico driven by Chinese government subsidies). In 2024, President Biden announced that steel imports from Mexico would have to be melted and poured in Mexico or Canada to maintain the duty exemption. The Proclamations do not impose any new melted and poured requirements, but do build on that requirement by instructing U.S. Customs and Border Protection to prioritize enforcement of the classification of steel and aluminum articles as well as their derivatives, and to assess monetary penalties on misclassifications in the maximum amount permitted by law.
- Duty drawback is not available for duties imposed pursuant to the February 10th Proclamations.
- These tariffs are in addition to any other tariffs that may be applied to the product, including antidumping or countervailing duties.

In the Proclamations, President Trump recognizes that imports of steel and aluminum, particularly

from countries with special arrangements, have increased in recent years. Global excess production capacity has also increased. Steel and aluminum imports have captured an increasing share of the U.S. market and have remained at elevated levels regardless of demand, causing harm to domestic steel and aluminum producers in the form of depressed performance and persistently low capacity utilization.

Statements from the White House and Commerce Secretary Nominee Howard Lutnick in connection with the tariff announcement also focused on U.S. steelworker jobs lost as a result of various country-specific carve-outs from the Section 232 tariffs and the abuse of such special arrangements; the need to revitalize domestic production in the critical steel and aluminum industries; the need to address exploitation of gaps in the programs by strategic competitors like China and Russia; and the failure of the United States and the EU to reach a deal on global excess steel capacity and lower-emissions steel production.

Links to the two Executive Orders can be found [here](#) and [here](#), and the White House Fact Sheet can be found [here](#). We will continue to provide details as we get them. We expect guidance regarding implementation to be announced in the coming days, and CBP has been instructed to effectuate changes to the Harmonized Tariff Schedule within 10 days, or by February 20, 2025. Please reach out to Kelley Drye's International Trade and Government Relations teams for assistance.