HUSCH BLACKWELL

Trade Law Update

HIGHLIGHTS FROM OCTOBER 2025

IN THIS ISSUE:

How the U.S. Government Shutdown Impacts International Trade

As of October 1, 2025, the U.S. Government has shut down as a result of the budget impasse in Congress. While essential services such as law enforcement remain operational, many departments have had to furlough staff and suspend non-critical functions.

CBP Will not Issue Refunds During Government Shutdown

CBP announced on October 6, 2025, that it will not issue refunds or any payments related to drawback claims, post-summary corrections and protests during the government shutdown which began on October 1, 2025.

BIS Posts Requests for Expansion of Section 232 Steel and Aluminum Derivatives Products Lists

The Commerce Department's Bureau of Industry and Security ("BIS") published over 90 requests for the inclusion of additional HTSUS subheadings to the list of steel and aluminum derivative products subject to Section 232 tariffs of 50%.

BIS Adds 29 Entities and Addresses in China, Turkey, and the UAE to Entity List

On October 8, 2025, the U.S. Department of Commerce's Bureau of Industry and Security ("BIS") published a final rule adding 29 total entries to the Entity List, including 26 entities and three addresses. The entities and addresses are located in China (19 entries), Turkey (9 entries), and the United Arab Emirates ("UAE") (1 entry) and were designated for various roles in supplying Iran with aviation parts, drone components, electronics, and other items.

International Trade Updates: October 13-17, 2025

Effective November 9, 2025, the United States will impose additional duties of 100% on certain ship-to-shore ("STS") cranes and certain cargo handling equipment from China under Section 301 of the Trade Act of 1974. These tariffs follow the Office of the U.S. Trade Representative ("USTR")'s original proposal in April 2025.

OFAC Sanctions Russian Oil Giants Lukoil and Rosneft

On October 22, 2025, the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC") announced the immediate imposition of full blocking sanctions pursuant to Executive Order ("E.O.") 14024 against Russian oil companies PJSC Lukoil Oil Company ("Lukoil") and PJSC Rosneft Oil Company ("Rosneft"), along with over two dozen of their subsidiaries, for operating or having operated in Russia's energy sector.

Week of October 19, 2025, Trade News

On October 24, 2025, U.S. Trade Representative Jamieson Greer announced the launch of a Section 301 investigation into China's implementation of its commitments under the phase one trade agreement, which was singed on January 15, 2020, in response to the U.S. imposing up to 25% in Section 301 duties.

US Enters Trade Deal With Malaysia and Cambodia

On October 26, 2025, President Trump announced trade deals with Cambodia and Malaysia. Under both deals, the US will maintain a 19% *ad valorem* rate on goods originating from Cambodia and Malaysia. However, certain products originating from Cambodia and Malaysia will be exempt from the 19% *ad valorem* rate as provided for in Schedule 2 to the Cambodia agreement and Schedule 2 to the Malaysia agreement.

Week of October 26, 2025, Trade News

The U.S. published a Joint Statement on a U.S.–Vietnam trade deal framework on October 26, 2025. According to the Joint Statement.

U.S. DEPARTMENT OF COMMERCE DECISIONS

Investigations

- None.

Administrative Reviews

- None.

Sunset Reviews

- Calcium Hypochlorite From the People's Republic of China: On October 3, 2025, Commerce issued its Final Results of the Second Expedited Sunset Review of the Antidumping Duty Order.

Scope Ruling

- None

Circumvention

- None

INTERNATIONAL TRADE COMMISSION

Investigations

- Overhead Door Counterbalance Torsion Springs From China (Final); On October 2, 2025, the ITC issued its affirmative determination of less-than-fair-value investigations.

U.S. CUSTOMS AND BORDER PROTECTION

Enforce and Protect Act

No new Reports.

Customs Bulletin Weekly

On October 29, CBP issued guidance via CSMS # 66665333 clarifying new Section 232 tariffs on medium- and heavy-duty trucks, their parts, and buses, effective November 1. Trucks and their parts face a 25% duty; buses get a 10% duty. USMCA-eligible truck imports can avoid the duty on U.S. content, but not on foreign content; buses likely aren't eligible for this relief. Specific new subheadings detail tariff rates and eligibility, including exceptions for older vehicles and certain parts. Importers can sometimes choose between truck/bus or auto parts tariffs, with different rates for goods from the EU, Japan, or the U.K. Only certain manufacturing drawback claims are now allowed on these goods.

On October 23, 2025, CBP announced that a new ACE Entry Summary record will be added for reporting the value content of aluminum, steel, and copper imports, or the non-U.S. content for imports subject to duties under the International Emergency Economic Powers Act (IEEPA). CBP also announced that it is working on additional ACE updates, including new functionality to support the long-term implementation of the "automobile part import duty offset." This update, under development since September, will allow ACE to collect and decrement the approved "import adjustment offset amount" from granted licenses. For further information, CBP has referenced Proclamation 10925 and related procedural guidance published in the June Federal Register. Finally, CBP postponed the target date for deploying a functionality to trace crude oil imports using global interoperability standards, shifting the date from November 8 to "TBD." This oil-tracing project began as a pilot in October 2024.

On October 10, 2025, CBP issued CSMS Message #66492057 specifying the importing instructions for importers, brokers and filers to submit entries imposing ad valorem duties from 10 to 25% on imports of softwood lumber, upholstered wooden furniture products, and completed kitchen cabinets/vanities and parts. The guidance largely repeats what was said in the annexes to President Trump's September 29, 2025, proclamation imposing the tariffs, with additional information on reporting exemptions from reciprocal tariffs and additional tariffs on Brazil and India.

On October 6, 2025, CBP stated that refunds will not be offered during the government shutdown, which began on October 1, 2025. Although CBP was prohibited from issuing refunds during previous government shutdowns, the agency indicated that this guidance is being reevaluated and any change to the guidance will be communicated accordingly. CBP has instructed importers whose protests are approved to wait for the issuance of refunds. No additional action is currently required on behalf of importers. CBP also clarified that interest will continue to accrue during the shutdown for any payments that are due after the statutory period of thirty days.

COURT OF INTERNATIONAL TRADE

Summary of Decisions

Slip Op. 25-128: Ditar, S.A. v. United States

The Court remanded Commerce's final determination in the antidumping duty investigation of paper shopping bags from Colombia. Ditar S.A. ("Ditar"), a Colombian manufacturer, which contended that its sales to end-users in the domestic market involved substantially different selling activities and incurred higher costs compared to its sales to distributors. Ditar asserted that these distinctions merited a level-of-trade ("LOT") adjustment in the dumping margin calculation. The Court agreed with Ditar, finding that Commerce had not adequately analyzed whether the disparities in selling functions and related expenses between sales to end-users and to distributors were sufficient to constitute different marketing stages, as required for a LOT adjustment. The Court further observed that Commerce had misconstrued Ditar's reporting of certain indirect selling expenses, and failed to properly justify its conclusion that the observed price difference between sales channels was not "significant" enough to support an adjustment. The Court noted that, in analogous cases, Commerce has typically considered price differences of 5% or greater as both significant and sufficient to warrant a LOT adjustment. Accordingly, the Court remanded Commerce's determination, instructing the agency to reconsider Ditar's request for a LOT adjustment.

Slip Op. 25-129: Coalition for Fair Trade in Shopping Bags v. United States

The Court remanded Commerce's final determination in the antidumping duty investigation of paper shopping bags from Colombia. The plaintiff, a domestic producer and trade union, challenged Commerce's decision to classify a particular sale by respondent Ditar, S.A. ("Transaction X") as a home market sale rather than an export sale to the United States. The plaintiff argued that Ditar's own statements during verification demonstrated actual knowledge that the merchandise was destined for the U.S., and that Commerce improperly ignored this evidence. The Court found that Commerce failed to address whether Ditar's statements constituted an admission of actual knowledge at the time of sale, as required under the "knowledge test" for distinguishing home market from export sales. Instead, Commerce relied on documentary evidence relevant only to constructive knowledge and did not separately analyze whether Ditar should have known the merchandise was for export. The Court explained that an admission of actual knowledge is sufficient to reclassify a sale, and only in the absence of such an admission should Commerce consider constructive knowledge based on extrinsic evidence. Accordingly, the Court remanded for Commerce to reconsider whether Ditar had actual or constructive knowledge that Transaction X was destined for the United States, and to recalculate the dumping margin and all-others rate as necessary.

Slip Op. 25-130 & Slip Op. 25-131: Kaptan Demir Celik Endustrisi ve Ticaret A.S. v. United States

The Court sustained Commerce's remand redetermination in its 2020 administrative review of the countervailing duty order on Turkish rebar. The case focused on two key issues: whether Turkey's exemption from the Banking and Insurance Transactions Tax ("BITT") qualified as a countervailable subsidy, and the proper approach for valuing land provided rent-free to producers. On remand, Commerce determined under protest that the BITT exemption was not specific and therefore not countervailable. Commerce also explained its decision to rely on a particular land valuation report rather than an alternative. The Court concluded that Commerce's explanation on remand was sufficient, as it addressed the intervening parties' comments and clearly linked the record evidence to its findings. Accordingly, the Court upheld the remand.

Slip Op. 25-131: Kaptan Demir Celik Endustrisi ve Ticaret A.S. v. United States

The Court remanded in part and sustained in part Commerce's final results in the 2021 administrative review of the countervailing duty order on steel concrete reinforcing bar from Turkey. The Court held that Commerce did not sufficiently justify its conclusion that Turkey's BITT tax exemption program was specific, as it failed to demonstrate that eligibility was limited to a narrow group of enterprises or industries as required by statute. The Court also remanded Commerce's use of the Colliers report as the benchmark for valuing a rent-free land lease, concluding that Commerce did not adequately address deficiencies in the report or explain why alternative data, such as the Cushman & Wakefield report, were less reliable. Further, the Court rejected Commerce's application of adverse facts available ("AFA") under Turkish Law 27256, noting that Commerce improperly relied on evidence it had previously disregarded to establish a record gap, which was inconsistent with its regulations. However, the Court upheld Commerce's use of AFA under Turkish Law 4447, finding that the respondent failed to exhaust its administrative remedies and that substantial evidence supported Commerce's analysis.

Slip Op. 25-132: Barnes v. United States

The Court granted the government's motion to dismiss with prejudice a pro se challenge by Gary L. Barnes, a private citizen, to the constitutionality of tariffs imposed by President Donald J. Trump. The Court found that Barnes lacked Article III standing because he failed to allege a concrete and particularized injury. Specifically, he did not claim to be an importer, participate in any import transaction, or incur specific increased costs as a result of the tariffs. Instead, Barnes asserted only a generalized concern that tariffs might increase consumer prices, which the Court held was too speculative and not particularized enough to establish standing.

Despite being given an opportunity to amend his complaint, Barnes was unable to cure these deficiencies. The Court emphasized that standing requirements apply equally to pro se litigants and that a plaintiff must demonstrate an actual or imminent injury to invoke federal jurisdiction. As Barnes did not meet the injury-in-fact requirement, the Court dismissed the case with prejudice and declined to address the merits of his constitutional challenge to the tariffs.

Slip Op. 25-133: Pitts Enters., Inc. v. United States

The Court remanded Commerce's final scope determination regarding the antidumping and countervailing duty orders on chassis and subassemblies from China ("Orders"). The central issue was the interpretation of the term "entered" in the scope language, which differentiates between chassis and subassemblies "entered with or for further assembly with components", covered by the Orders and "individual components entered and sold by themselves", which are excluded. Commerce interpreted "entered" broadly, treating Chinese components shipped to Vietnam, assembled into finished chassis, and subsequently exported to the United States as "entered for further assembly" at the point they arrived in Vietnam. The Court found this reading inconsistent with the plain meaning of "entered" under U.S. trade law, which refers solely to entry into the United States, not into third countries. Because this interpretation served as the legal basis for including Vietnamese-assembled chassis within the scope of the Orders, the Court determined that Commerce's decision was contrary to law and unsupported by substantial evidence.

Additionally, the Court noted ambiguity in the scope language about when individually imported components become subject merchandise. The Court also found that Commerce failed to adequately explain its rationale for imposing duties on the full value of the finished chassis rather than only on the value of the Chinese components. Accordingly, the Court remanded the determination to Commerce for further explanation or reconsideration consistent with its findings.

Slip Op. 25-134: Wabtec Corp. v. United States

The Court remanded the International Trade Commission's ("ITC") final determination regarding material injury in the antidumping and countervailing duty investigation of certain freight rail couplers ("FRCs") from China and Mexico. The Court found that the ITC's decision not to exclude Amsted Rail Co., Inc. ("Amsted") from the domestic industry was not supported by substantial evidence. In particular, the ITC did not adequately address record evidence showing Amsted's high ratio of subject imports to U.S. production and its stated business strategy of leveraging imports to serve large customers, both of which supported exclusion from the domestic industry. The Court also concluded that the ITC failed to provide a sufficient explanation linking its factual findings to the statutory exclusion criteria, particularly with respect to its determination that Amsted was not insulated from import competition. However, the Court upheld the ITC's decision to cumulate imports from China and Mexico, finding that this determination was consistent with the statute and supported by substantial evidence. Because the exclusion determination is central to the injury analysis, the Court remanded the case for the ITC to provide further explanation or reconsideration of its appropriate-circumstances analysis for Amsted. The Court deferred further review of the injury determination until the remand is addressed.

Slip Op. 25-135: CS Wind Malaysia Sdn. Bhd. v. United States

The Court sustained Commerce's remand redetermination in the tenth administrative review of the antidumping duty order on utility scale wind towers from Vietnam. Plaintiff, CS Wind Malaysia Sdn. Bhd., challenged whether Commerce reasonably valued certain factors of production, particularly hot-rolled coil and labor, using Malaysian surrogate data. The Court disagreed, holding that Commerce sufficiently explained why Malaysian import statistics were reliable, specific, and contemporaneous, and why data from other surrogate countries were less suitable. The Court also rejected plaintiff's claim that Commerce ignored evidence undermining Malaysia's comparability, finding instead that Commerce addressed each argument and provided a reasonable connection between the record evidence and its surrogate value selections. Accordingly, the Court upheld the remand redetermination

Slip Op. 25-136: Fedmet Res. Corp. v. United States

The Court sustained Commerce's determination, made under protest, that its antidumping and countervailing duty orders were limited to certain magnesia carbon bricks ("MCBs") from China and Mexico. The Court first addressed Petitioner's argument that it had misinterpreted Federal Circuit caselaw by holding that bricks with certain thresholds of alumina ("MACs") were not covered in the orders. The Court was not persuaded, stating that Commerce could not depart from its previous understanding because it had failed to define non-subject merchandise more precisely.

The Court also addressed possible recourse against importers who add alumina to their MCB bricks in order to circumvent the orders: the Tariff Act's circumvention provision would allow interested parties to seek relief when the merchandise at issue has been altered in minor respects to circumvent antidumping and countervailing duty orders.

Slip Op. 25-137: Domtar Corp. v. United States

The Court sustained Commerce's final results in its administrative review of the 2021 antidumping order on thermal paper from Germany. The Court found interest accrued under the 2008 order was neither "'generally incurred in selling the subject merchandise' nor 'associated with commercial activities in the United States that relate to the sale of subject merchandise to an unaffiliated purchaser.'" Products sold under the 2008 Order were not subject merchandise under the 2021-2022 administrative review, and interest accrued under unpaid antidumping duties from such merchandise was not an expense incurred in selling the subject merchandise. Including subject merchandise sold outside of the relevant period of review when calculating normal value would destroy the statutorily required apples-to-apples comparison and would result in an antidumping margin that does not reflect the period of review. Because Commerce did not include such interest expenses, the Court sustained its final results.

Slip Op. 25-138: Elysium Tiles, Inc. v. United States

The Court sustained Commerce's second remand results determining that Elysium's composite tile was not covered by the scope of the antidumping and countervailing duty orders on ceramic tiles from China. The Court had previously directed Commerce to analyze Elysium's tiles under the 19 C.F.R. § 351.225(k)(2)(i) factors: (1) physical characteristics; (2) expectations of ultimate users; (3) ultimate use of the product; (4) channels of trade; and (5) advertising and display. Commerce found that both composite and ceramic tile have similar ultimate uses, are sold in the same channels of trade, and are similarly displayed and advertised but those factors were outweighed by the differences in physical characteristics and the expectations of ultimate users, thus composite tiles were not covered by the orders. The Court found that Commerce's conclusions were reasonable and supported by substantial evidence.

Slip Op. 25-139: United States v. E-Dong, USA, Inc.

The Court granted the government's motion for default judgment against E-Dong, USA, Inc., after E-Dong failed to respond to the complaint or the motion for default judgment and did not otherwise appear in the action. E-Dong had filed 20 entries of merchandise classified as rice wine under HTSUS 2206.00.4500, but CBP determined the entries were properly classified as distilled soju under HTSUS 2208.90.7500. This misclassification resulted in a loss of $361,479.92 in lawful revenue due to differences in foreign excise taxes. After removing entries outside the statute of limitations and accounting for payments by E-Dong's surety, the damages were reduced to $234,748.30. The Court found that the false tariff classification was material and that CBP had alleged a definite, sum-certain amount of damages. Accordingly, the Court granted default judgment in favor of the government.

Slip Op. 25-140: BGH Edelstahl Siegen GmbH v. United States

The Court sustained the Commerce's final results in the 2022 administrative review of the antidumping duty order on forged steel fluid end blocks ("FEBs") from Germany. Plaintiff challenged Commerce's inclusion of certain forged steel products—custom blocks and forged steel bars produced by an affiliate—in the normal value calculations, arguing that these items were not FEBs because they were designed for uses other than hydraulic pumps. The Court found that Commerce properly relied on the physical characteristics outlined in the order's scope rather than end-use or customer specifications to define the foreign like product. The Court emphasized that, absent clear exclusionary language, end-use restrictions do not limit the scope of antidumping orders, and that the contested products met the physical criteria set forth in the order.

The Court also rejected plaintiff's alternative arguments regarding model-match criteria and the exclusion of certain home market sales,

finding that BGH failed to exhaust these claims at the administrative level.

Slip Op. 25-141: Toyo Kohan Co. v. United States

The Court remanded Commerce's final results in the administrative review of the antidumping duty order on diffusion-annealed, nickel-plated flat-rolled steel products from Japan. Toyo Kohan Co. challenged Commerce's use of the shipment date as the date of sale, arguing that the material terms of sale were often not set until the invoice date, as evidenced by frequent post-shipment price changes. The Court found that Commerce's reliance on the shipment date was not supported by substantial evidence, noting that the record showed material terms could change after shipment.

Additionally, the court remanded Commerce's use of the Cohen's d test in its differential pricing analysis. The Court held that, given the evolving legal standards, Toyo Kohan's failure to raise this issue earlier did not preclude review as raising it before the Federal Circuit's opinion in *Marmen Inc. v. United States* would have been futile.

Slip Op. 25-142: Lumimove, Inc. v. United States

The Court affirmed Commerce's final results in the administrative review of the antidumping duty order on strontium chromate from Austria. Plaintiff, WPC Technologies ("WPC"), challenged two main determinations: first, Commerce's finding that respondent Habich GmbH was not affiliated with its U.S. sales agent ("Company X"), and second, Commerce's use of Habich's sales to Mexico as the basis for normal value.

WPC asserted that Commerce failed to conduct a diligent inquiry into the affiliation issue and disregarded evidence supporting affiliation. It also argued that Mexico was an inappropriate comparison market. The Court, however, found that Commerce conducted a thorough investigation, including detailed questionnaires, supplemental requests, and onsite verification, and provided a reasoned explanation that linked its findings to the relevant statutes and regulations. The Court determined that WPC sought a greater level of inquiry than the law requires and did not identify any aspect of the issue that Commerce had ignored.

Regarding the normal value issue, the Court concluded that Commerce's decision to use Mexican sales was supported by substantial record evidence. Accordingly, the Court denied WPC's motion for judgment on the agency record.

COURT OF APPEALS FOR THE FEDERAL COURT

Summary of Decisions

Appeal No. 24-1498: Ag Der Dillinger Huttenwerke v. United States

The CAFC affirmed in part and vacated in part the CIT's decision in the antidumping investigation of certain carbon and alloy steel cut-to-length plate from Germany. The case centered on two main issues: first, whether Commerce properly rejected Dillinger's late-submitted model-match quality code for "sour service" pressure-vessel plate, and second, whether Commerce lawfully used the exporter's likely selling price of non-prime plate as "facts otherwise available" to determine cost of production. The CAFC concluded that Commerce did not abuse its discretion in finding the model-match code submission untimely, and affirmed that portion of the CIT's decision. However, the CAFC found that Commerce's use of the likely selling price as a substitute for cost of production was unreasonable and inconsistent with agency precedent. Accordingly, the CAFC remanded the case for redetermination.

Appeal No. 24-1268: Gujarat Fluorochemicals Ltd. v. US

The CAFC affirmed the CIT's decision rejecting Commerce's application of the cross-ownership attribution rule in its countervailing duty investigation of polytetrafluoroethylene ("PTFE") resin from India. Commerce had imposed a 31.89% countervailing duty rate on Gujarat Fluorochemicals, with 26.50% of that rate stemming from the attribution of a subsidy provided through a land lease to Inox Wind Limited ("Inox"), a non-party company with cross-ownership ties to Gujarat. Commerce argued that this attribution was justified because the wind energy produced by Inox was "primarily dedicated" to Gujarat's production of downstream PTFE resin, reasoning that Gujarat's status as the sole customer warranted attributing the subsidy. The CAFC disagreed, holding that the regulation requires a meaningful production-chain link between the input supplier and the downstream product, not merely that the downstream company is the sole customer. Since only a small fraction of the wind energy was actually used in the production of the subject merchandise and there was no evidence of production-specific dedication, the cross-ownership attribution rule did not apply. Accordingly, the CAFC affirmed the CIT's decision, holding that Commerce's approach was unsupported by substantial evidence

Appeal No. 24-1370: Sweet Harvest Foods v. US

The CAFC affirmed the CIT decision upholding the International Trade Commission's ("ITC") finding of "critical circumstances" in the antidumping investigation of raw honey from Vietnam. Sweet Harvest Foods challenged the timing standard used by the ITC, arguing that it should have evaluated the effectiveness of future antidumping duties after they were imposed, rather than from the date of suspension of liquidation. The CAFC rejected this argument, holding that the ITC properly assessed the impact of the import surge starting at the suspension of liquidation. The CAFC also found that substantial evidence supported the ITC's findings, including increased import volumes, rising inventories, and significant underselling in the U.S. market. Accordingly, the CAFC affirmed the CIT's decision in full.

EXPORT CONTROLS AND SANCTIONS

On October 22, 2025, the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC") announced the immediate imposition of full blocking sanctions on Russian oil giants PJSC Lukoil Oil Company and PJSC Rosneft Oil Company, as well as over two dozen subsidiaries, under Executive Order 14024. These comprehensive sanctions replace the more limited, previously existing sectoral sanctions, and come in response to Russia's lack of progress toward a peace process in Ukraine.

On October 8, 2025, the BIS added 29 entries to the Entity List for supplying Iran with aviation parts, drone components, and electronics. All listed entities now require a license for exports of items subject to the Export Administration Regulations (EAR), which BIS will review under a presumption of denial. The new BIS Affiliates Rule also extends these license requirements to all entities globally that are at least 50% owned by any listed entity. Additionally, license requirements apply to all operations of an entity worldwide, regardless of where the entity is listed.