Trade Law Update



HIGHLIGHTS FROM JULY 2025

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<u>Special Provisions Go Into Effect for UK Autos, Auto Parts and Civil Aircraft Products Under the United States – U.K. Economic Prosperity Deal</u>

On June 30, 2025, the U.S. Department of Commerce published in the Federal Register a <u>notice</u> to modify the Harmonized Tariff Schedule of the United States (HTSUS) to conform with General Terms of the United States of America-United Kingdom Economic Prosperity Deal (<u>Executive Order 14309</u>) with respect to automobiles, automobile parts, civil aircraft and civil aircraft parts from the United Kingdom.

Reciprocal Tariff Rates Pushed Back to August 1st

On Monday, July 7th, President Trump issued an Executive Order extending the deadline to re-impose higher reciprocal tariff rates on other countries from July 9, 2025 to August 1, 2025. This extension does not apply to the reciprocal tariff rates imposed on China pursuant to Executive Order 14298 of May 12, 2025.

Petition Summary: Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, from the Republic of India, the Republic of Indonesia, and the Lao People's Democratic Republic

On July 17, 2025, the Alliance for American Solar Manufacturing and Trade ("the Alliance"), filed a petition for the imposition of antidumping and countervailing duties on U.S. imports of crystalline silicon photovoltaic cells whether or not assembled into modules ("c-Si PV cells and modules") from the Republic of India ("India"), the Republic of Indonesia ("Indonesia") and the Lao People's Democratic ("Laos").

Petition Summary: Certain Freight Rail Couplers and Parts Thereof from the Czech Republic and the Republic of India

On July 23, 2025, the Coalition of Freight Coupler Producers ("Petitioners"), filed a petition for the imposition of antidumping duties on U.S. imports of Certain Freight Rail Couplers and Parts Thereof from the Czech Republic and the Republic of India and countervailing duties on the Republic of India.

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<u>The US and EU Reach A Trade Deal—EU Goods</u> Subject to 15% Tariff

On July 27, 2025, President Trump announced that the U.S. and European Union ("EU") have reached a trade deal. Pursuant to the Fact Sheet released by the White House on July 28th, the U.S. will impose a 15% tariff on all EU goods, including auto parts, pharmaceuticals, and semiconductors. The Fact Sheet further stated that the sectoral tariffs on steel, aluminum, and copper will remain unchanged at the 50% rate. It is not year clear how the different applicable tariffs will stack on top of one another. We expect further guidance on this from U.S. Customs and Border Protection.

<u>Petition Summary: Unwrought Palladium from</u> the Russian Federation

On July 30, 2025, Sibanye-Stillwater and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO, CLC ("USW) referred to together as "Petitioners", filed a petition for the imposition of antidumping and countervailing duties on U.S. imports of Unwrought Palladium from the Russian Federation.

President Trump Imposed 50% Tariff on Brazil

On July 30, 2025, President Trump issued an Executive Order pursuant to the International Emergency Economic Powers Act ("IEEPA") imposing an additional forty percent (40%) ad valorem rate on certain products from Brazil. This rate shall be in addition to the existing ten percent (10%) tariff rate currently imposed on goods from Brazil.

<u>President Trump Issues Executive Order</u> Suspending Duty-Free De Minimis Treatment

On July 30, 2025, President Trump issued an Executive Order, suspending the duty-free de minimis treatment for imports from all countries to address national emergencies related to illicit drug trafficking and trade deficits. The suspension will take effect starting August 29, 2025. President Trump had previously suspended the duty-free de minimis treatment for Mexico, Canada, Hong Kong, and China, based on the declared national emergencies related to fentanyl and illicit drug trafficking. The initial suspension was paused until a process was put in place to collect duties for such articles. Pursuant to this Executive Order, that process is now available and therefore, President Trump is reimposing the suspension of the de minimis treatment for those countries—as well as the rest of the world. For the rest of the world, President Trump stated that the suspension of the de minimis treatment is necessary to deal with President Trump's declared emergency regarding the U.S. trade deficits.

<u>President Trump Issues Executive Order Imposing a 50%</u> <u>Tariff on Semi-Finished Copper Products and Intensive</u> Copper Derivatives

On July 30, 2025, President Trump issued a <u>Presidential Proclamation</u> announcing the imposition of a fifty percent (50%) tariff on "all imports of semi-finished copper products and intensive copper derivative products" as set forth in the Annex to the Proclamation. The tariff is effective "with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern daylight time on August 1, 2025." The tariff is in addition to any other duties, fees, exactions, or other applicable charges. Duty drawback is not available for duties imposed under this Proclamation.

Federal Actions and Impacts

In the weeks since President Trump began his second term, the administration has issued dozens of executive orders and other actions that are reshaping trade policies across various sectors. To help you stay informed, Husch Blackwell's International Trade & Supply Chain team has launched a dedicated series tracking these new actions and their implications for your business.

U.S. DEPARTMENT OF COMMERCE DECISIONS

Investigations

- Active Anode Material From the People's Republic of China: On July 2, 2025, Commerce issued its Amended Preliminary <u>Determination</u> of Countervailing Duty Investigation.
- Wooden Cabinets and Vanities and Components Thereof From the People's Republic of China: On July 2, 2025, Commerce issued its Notice of Court Decision Not in Harmony With the Final Determination of Countervailing Duty Investigation; Notice of Amended Final <u>Determination</u>; Notice of Amended Countervailing Duty Order, In Part.
- Certain Tungsten Shot From the People's Republic of China: On July 11, 2025, Commerce issued its Final Affirmative Countervailing Duty <u>Determination</u>.
- Certain Vertical Shaft Engines Between 99cc and 225cc, and Parts Thereof, From the People's Republic of China: On July 11, 2025, Commerce issued its <u>Initiation</u> of Circumvention Inquiry on the Antidumping and Countervailing Duty Orders.
- Certain Tungsten Shot From the People's Republic of China: On July 11, 2025, Commerce issued its Final Affirmative <u>Determination</u> of Sales at Less Than Fair Value.
- Float Glass Products From Malaysia: On July 15, 2025, Commerce issued its Preliminary Affirmative <u>Determination</u> of Sales at Less Than Fair Value, Preliminary Affirmative Determination of Critical Circumstances, in Part, Postponement of Final Determination, and Extension of Provisional Measures.
- Float Glass Products From the People's Republic of China: On July 15, 2025, Commerce issued its Preliminary Affirmative <u>Determination</u> of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures.
- Overhead Door Counterbalance Torsion Springs From the People's Republic of China: On July 16, 2025, Commerce issued its Preliminary Affirmative <u>Determination</u> of Critical Circumstances, in Part, in the Countervailing Duty investigation.

- Erythritol from People's Republic of China: On July 16, 2025, Commerce issued its Preliminary Affirmative <u>Determination</u> of Sales at Less Than Fair Value, Postponement of Final Determination and Extension of Provisional Measures.
- Hexamethylenetetramine From the People's Republic of China: On July 18, 2025, Commerce issued its Final Affirmative Countervailing Duty <u>Determination</u>.
- Hexamethylenetetramine From the People's Republic of China: On July 18, 2025, Commerce issued its Final Affirmative Determination of Sales at Less Than Fair Value.
- Circular Welded Carbon Quality Steel Pipe From the People's Republic of China: On July 22, 2025, Commerce issued its Preliminary Affirmative <u>Determination</u> of Circumvention of the Antidumping Duty and Countervailing Duty Orders.
- Oleoresin Paprika From India: On July 22, 2025, Commerce issued its <u>Initiation</u> of Countervailing Duty Investigation.
- Active Anode Material From the People's Republic of China: On July 22, 2025, Commerce issued its Preliminary Affirmative <u>Determination</u> of Sales at Less Than Fair Value, Postponement of Final Determination and Extension of Provisional Measures.
- Oleoresin Paprika From India: On July 22, 2025, Commerce issued its <u>Initiation</u> of Less-Than-Fair-Value Investigation.
- Overhead Door Counterbalance Torsion Springs From India: On July 29, 2025, Commerce issued its Preliminary Affirmative <u>Determination</u> of Critical Circumstances in the Countervailing Duty Investigation.
- Overhead Door Counterbalance Torsion Springs From India and the People's Republic of China: On July 29, 2025, Commerce issued its Preliminary Affirmative <u>Determinations</u> of Critical Circumstances, in Part, in the Less-Than-Fair Value Investigations.

Administrative Reviews

- Circular Welded Carbon Steel Pipes and Tubes From Thailand: On July 3, 2025, Commerce issued its Final <u>Results</u> of Antidumping Duty Administrative Review; 2023–2024.
- Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes From the Republic of Korea: On July 8, 2025, Commerce issued its Final Results of Antidumping Duty Administrative Review; 2022–2023.
- Certain Steel Racks and Parts Thereof From the People's Republic of China: On July 10, 2025, Commerce issued its Final <u>Results</u> of Antidumping Duty Administrative Review; 2022–2023.
- Certain Oil Country Tubular Goods From the Republic of Tu "rkiye: On July 11, 2025, Commerce issued its Final <u>Results</u> of Countervailing Duty Administrative Review; 2022.
- Certain Passenger Vehicle and Light Truck Tires From the People's Republic of China: On July 11, 2025, Commerce issued its Final <u>Results</u> of Countervailing Duty Administrative Review; 2023.

- Certain Aluminum Foil From the Republic of Tu "rkiye: On July 14, 2025, Commerce issued its Final <u>Results</u> of Countervailing Duty Administrative Review; 2022.
- Diffusion-Annealed, Nickel-Plated Flat- Rolled Steel Products From Japan: On July 22, 2025, Commerce issued its Preliminary <u>Results</u> and Partial Rescission of Antidumping Duty Administrative Review; 2023–2024.
- Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes From Mexico: On July 24, 2025, Commerce issued its Final <u>Results</u> of Antidumping Duty Administrative Review; 2022–2023.
- Forged Steel Fluid End Blocks From the Federal Republic of Germany: On July 28, 2025, Commerce issued its Final Results of the Countervailing Duty Administrative Review; 2023.
- Certain Softwood Lumber Products From Canada: On July 29, 2025, Commerce issued its Final <u>Results</u> of Antidumping Duty Administrative Review, Partial Rescission of Administrative Review, and Final Determination of No Shipments; 2023.

Changed Circumstances Reviews

- Certain Crystalline Silicon Photovoltaic Products, Whether or Not Assembled into Modules, From Taiwan: On July 24, 2025, Commerce issued its Final Results of Changed Circumstances Reviews, and Revocation of the Antidumping and Countervailing Duty Orders, in Part.
- Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, From the People's Republic of China: On July 24, 2025,
 Commerce issued its Final Results of Changed Circumstances Reviews, and Revocation of the Antidumping and Countervailing Duty Orders, in Part.
- Crystalline Silicon Photovoltaic Products, Whether or Not Assembled Into Modules, From the People's Republic of China: On July 24, 2025,
 Commerce issued its Final Results of Changed Circumstances Reviews, and Revocation of the Antidumping and Countervailing Duty Orders, in Part

Sunset Reviews

- Small Diameter Graphite Electrodes From the People's Republic of China: On July 2, 2025, Commerce issued its Final Results of the Expedited Third Sunset Review of the Antidumping Duty Order.
- Wooden Cabinets and Vanities and Components Thereof From the People's Republic of China: On July 2, 2025, Commerce issued its Final Results
 of the Expedited First Sunset Review of the Countervailing Duty Order.
- Wooden Cabinets and Vanities and Components Thereof From the People's Republic of China: On July 2, 2025, Commerce issued its Final Results
 of the Expedited First Sunset Review of the Antidumping Duty Order

Scope Ruling

None

Circumvention

None

INTERNATIONAL TRADE COMMISSION

Investigations

- Steel Propane Cylinders From China and Thailand (Review); On July 1, 2025, the ITC issued its <u>determination</u> to continue the countervailing and antidumping orders as revocation would lead to the recurrence or continuation of material injury within a reasonably foreseeable time.
- Refined Brown Aluminum Oxide From China (Fourth Review); On July 8, 2025, the ITC issued its <u>determination</u> to continue the antidumping order as revocation would lead to the recurrence or continuation of material injury within a reasonably foreseeable time.

- Hardwood and Decorative Plywood From China, Indonesia, and Vietnam (Preliminary); On July 9, 2025, the ITC issued its affirmative determination of less-than-fair-value investigations.
- Steel Threaded Rod From China (Third Review); On July 16, 2025, the ITC issued its <u>determination</u> to continue the antidumping order as revocation would lead to the recurrence or continuation of material injury within a reasonably foreseeable time.
- L-lysine From China (Preliminary); On July 17, 2025, the ITC issued its affirmative determination of less-than-fair-value investigations.
- Vanillin From China (Final); On July 23, 2025, the ITC issued its affirmative determination of less-than-fair-value investigations.
- Steel Concrete Reinforcing Bar From Algeria, Bulgaria, Egypt, and Vietnam; On July 24, 2025, the ITC issued its affirmative <u>determination</u> of less-than-fair-value investigations.

U.S. CUSTOMS AND BORDER PROTECTION

Enforce and Protect Act

EAPA Cons. Case 8112: Ribest USA and TriMar – Narrow Woven Ribbons with Woven Selvedge from China

On July 11, 2025, U.S. Customs and Border Protection (CBP) issued its determination as to evasion regarding Ribest Ribbons & Bows USA (Ribest USA) and TriMar Ribbon LLC (TriMar) in Enforce and Protect Act (EAPA) consolidated investigation 8112. Ribest USA and Trimar were suspected of evading antidumping duty (AD) order A-570-952 and countervailing duty (CVD) order C-570-953 on narrow woven ribbons with woven selvedge (woven ribbon) from the Peoples Republic of China (China).

Based on the application of adverse inferences, CBP found that Ribest USA and Trimar entered covered merchandise for consumption into the customs territory of the United States through evasion. Specifically, Ribest USA and Trimar imported Chinese-origin woven ribbon via transshipment through India. As a result, applicable duties were not collected for the merchandise.

Customs Bulletin Weekly

On July 31, 2025, CBP issued guidance on the application of new Section 232 tariffs, announcing it will closely monitor entries to ensure correct duty values for semi-finished copper and intensive copper derivative products. CBP warned that insufficient documentation to substantiate the reported copper content value will result in duties assessed on the entire value of the good. Importers who underreport may face significant penalties, loss of import privileges, or criminal liability. For goods composed only of copper, the duty is based on the total entered value. For goods containing both copper and non-copper content, the values must be reported on separate entry summary lines. Goods subject to Section 232 auto tariffs are exempt from the copper tariff. CBP also clarified that imported merchandise under these copper tariffs is not eligible for drawback.

On July 28, 2025, CBP published a Federal Register <u>notice</u> seeking public comments on extending its Section 321 e-commerce data collection pilot program. CBP stated that continuing the pilot will allow the agency to explore new technologies to streamline the data collection process, and that insights from the pilot could inform future regulatory updates. Public comments are due by September 29, 2025.

On July 17, 2025 CBP <u>launched</u> an enhanced Withhold Release Orders ("WROs") and Findings Dashboard, offering a user-friendly, interactive tool for tracking enforcement actions related to forced labor. The dashboard displays all active WROs and Findings issued by CBP from 1950 to the present, with real-time updates as new actions are taken. Users can easily view the latest statistics by country, industry, and merchandise, filter results by various criteria, download data for analysis, and access related press releases and Federal Register notices. The dashboard is available at <u>cbp.gov</u>, with additional resources and data sets found on the <u>CBP Data Portal</u>. Users can contact <u>forcedlabor@cbp.dhs.gov</u> with any questions or feedback.

On July 9, 2025 CBP modified a ruling letter concerning tariff classification of certain women underwear. It is now CBP's position that certain women underwear are properly classified under HTSUS subheading 9619.00.64 instead of 6108.21.00.

On July 2, 2025 CBP modified a ruling letter concerning tariff classification of certain wireless headphones and earphones. It is now CBP's position that certain women underwear are properly classified under HTSUS subheading 8518.30.20 instead of 8517.62.00.

On July 3, 2025, CBP in a CROSS Ruling clarified that e-tailing franchise fee payments made by a buyer to a seller should not be included in the customs value of imported goods, even if added as a statutory addition. However, in situations in which the buyer hasn't established that the transaction value is acceptable for related party transactions, an alternate method of appraisement must be used to establish the customs value of the imported merchandise. The ruling was issued in response to a case involving a buyer paying franchise fees to its parent company and seeking guidance on proper customs valuation.

COURT OF INTERNATIONAL TRADE

Summary of Decisions

Slip Op. 25-82: Bridgestone Americas Tire Operations, LLC v. United States

The Court granted Plaintiff Bridgestone Americas Tire Operations, LLC's motion to supplement the record in its challenge to Commerce's final determination in the antidumping duty investigation on certain truck and bus tires from Thailand. Ruling in favor of the Plaintiff, the Court directed Commerce to include three affidavits that were submitted during the verification phase but inadvertently omitted from the administrative record, finding that these documents constitute evidence "presented to or obtained by" Commerce during the administrative proceeding. In issuing its decision, the Court rejected Commerce's argument that its discretion during the verification process allowed it to exclude these affidavits from the record for judicial review. In addition, the Cour denied Commerce's motion to consolidate this case with a related lawsuit on the ground that they present distinct legal and factual issues and that resolution of one case would not affect the outcome of the other.

Slip Op. 25-83: Newtrend USA Co., Ltd. v. United States

The Court affirmed CBP's determination in an EAPA investigation that Plaintiffs-Newtrend USA Co., Ltd.; Starille, Ltd.; and Nutrawave Co., Ltd. (collectively, "PT Newtrend")—evaded antidumping and countervailing duties by misrepresenting the country of origin of glycine imported into the United States. Plaintiffs argued that the glycine was manufactured in Indonesia by PT Newtrend Nutrition Ingredient, a subsidiary of the China-based Newtrend Group, and thus was not subject to duties imposed on Chinese-origin glycine. However, the Court found that Plaintiffs failed to offer a credible explanation for how PT Newtrend obtained or produced the glycine in question, stressing that glycine is a complex product requiring a multi-step manufacturing process and could not have been produced at the claimed volume without sufficient production capacity. Specifically, the Court highlighted that CBP conducted on-site verification of PT Newtrend's Indonesian facility, which revealed that the factory lacked the necessary capacity to manufacture the quantities of glycine claimed. Furthermore, CBP submitted evidence of substantial financial and personal ties between Plaintiffs and the China-based Newtrend Group. Based on these findings, the Court held that the glycine was, in fact, produced in China, and accordingly sustained CBP's evasion determination

Slip Op. 25-84: OCP S.A. v. United States

The Court granted in part and denied in part the International Trade Commission's ("ITC") motion seeking the issuance of a redacted public version of the opinion in *OCP S.A. v. United States*, 49 CIT ____, Consol. Ct. No. 1:21-cv-00219 (Apr. 22, 2025) ("OCP Merits Decision"). The ITC requested that the Court file a public version of its opinion with five specific redactions, arguing that these were necessary to protect alleged confidential business information. However, in two instances, the ITC sought redactions without the support of the party that originally submitted the purportedly confidential material. For the remaining three instances, the requested redactions related only to general statements made by the Court and did not disclose any underlying confidential information.

The Court denied all five redaction requests, concluding that granting them would violate Congressional mandates and the Commission's own regulations concerning public disclosure. Nonetheless, in deference to the Federal Circuit's ongoing review of the Commission's mandamus petition, the Court permitted the public version of the OCP Merits Decision to be issued with the requested redactions temporarily in place.

Slip Op. 25-85: Ad Hoc Shrimp Trade Action Comm. v. United States

The Court upheld Commerce's final results of redetermination in the administrative review of the antidumping duty order on certain frozen warmwater shrimp from India. Plaintiffs, a coalition of domestic shrimp producers, contested Commerce's decision to include certain home market sales in the calculation of normal value for the mandatory respondent. The central issue was Commerce's use of its "knowledge test," which determines whether a respondent knew or should have known the ultimate destination of its sales. Plaintiffs claimed that Commerce misapplied the test by improperly demanding direct evidence of export intent. The Court, however, concluded that Commerce's methodology and findings were reasonable and supported by substantial evidence on the record. Accordingly, the Court affirmed Commerce's classification of the disputed sales as home market sales.

Slip Op. 25-86 & 25-88: Kingtom Aluminio S.r.L. v. United States

In two related cases involving separate plaintiffs, the Court sustained Commerce's final results of redetermination in the antidumping duty order on aluminum extrusions from China. Because Commerce's remand findings were uncontested, the Court, upon review of the record, found that Commerce had fully complied with its remand instructions. Accordingly, the Court upheld Commerce's redetermination in both cases.

Slip Op. 25-87: American Pacific Plywood, Inc. v. United States

The Court upheld CBP's redetermination in an EAPA investigation, finding that Plaintiffs had evaded antidumping and countervailing duties by misclassifying plywood from China as a product of Cambodia. In addressing Plaintiffs' challenges, the Court determined that CBP adhered to proper procedures and that its redetermination was not arbitrary, capricious, an abuse of discretion, or otherwise contrary to law. Consequently, the Court sustained CBP's redetermination.

The Court also denied Plaintiffs' motion for judicial notice. Plaintiffs had sought judicial notice of documents from related cases, arguing that CBP should be judicially estopped from taking a contrary position in this matter because, in prior litigation, CBP had conceded that similar plywood was of Cambodian origin. The Court found that judicial estoppel did not apply, noting that CBP had merely settled or confessed error in the earlier cases, rather than having prevailed on an inconsistent position. Accordingly, the Court concluded that judicial notice was unwarranted and denied Plaintiffs' motion.

Slip Op. 25-89 Green Farms Seafood Joint Stock Co. v. United States

The Court upheld Commerce's redetermination regarding the calculation of Green Farms Seafood's separate rate in the 17th administrative review of the antidumping order on catfish imports from Vietnam. The Court found that substantial evidence supported Commerce's determination that East Sea Seafoods was independent of Vietnamese government control, thus eligible for a separate rate. Commerce's analysis of de jure and de facto criteria demonstrated East Sea's independence, and Green Farms failed to effectively challenge this finding.

Additionally, the Court agreed with Commerce's decision to assign Green Farms a dumping margin based on the simple average of NTSF Seafoods' zero margin and East Sea's adverse-inference rate, as it reasonably reflected Green Farm's commercial behavior. The Court rejected Green Farm's argument that Commerce should have used margins from previous reviews, noting the agency's method was reasonable under the circumstances.

Slip Op. 25-90; Giorgio Foods, Inc. v. United States

The Court upheld Commerce's decision on the dumping margin for mushrooms from the Netherlands. Previously, the Court asked Commerce to reconsider using Germany as the third-country market due to concerns about the accuracy of the sales data. On remand, Commerce gathered more data to better estimate Prochamp B.V.'s sales in Germany compared to other German-speaking countries. They assumed 90% of sales labeled for Germany were consumed there, despite conflicting data. Giorgio Foods challenged this, but the Court found Commerce's methodology and use of new evidence provided a reasonable basis for its decision. The Court agreed that Germany was the appropriate comparison market due to its larger sales volume, even after adjusting for non-German sales and upheld Prochamp B.V.'s zero dumping margin.

Slip Op. 25-91: CME Acquisitions, LLC v. United States

The Court denied CME Acquisitions' ("CME") motion for judgment on the agency record, thereby sustaining Commerce's final determination in the 2021-2022 administrative review of the antidumping duty order on stainless steel sheet and strip in coils from Taiwan. The Court reasoned that Commerce properly applied the "expected method" by calculating a simple average of the adverse facts available rates assigned to the mandatory respondents, which resulted in the same rate as a weighted average. The Court noted that CME did not provide substantial evidence to demonstrate that the expected method was not feasible or that the 21.10% rate was not reasonably reflective of the non-selected companies' potential dumping margins. Additionally, the Court concluded that CME had sufficient notice and opportunity to submit evidence to challenge the rate, as the expected method is the standard approach.

Slip Op. 25-92: United States v. Rayson Glob., Inc.

The Court awarded mandated the payment of all outstanding duties, taxes, and fees, with interest, due to negligent false declarations of the country of origin of imported innersprings by Rayson Global and its CEO Doris Cheng. The Court granted the government's motion for a default judgment, accepting the well-pled facts that Rayson Global and Cheng declared Chinese-origin innersprings as Thai origin, resulting in a revenue loss of \$2,431,225.93. The Court found the defendants liable for a civil penalty of \$3,381,607.03, the domestic value of the merchandise, as the false declarations were material and unrebutted due to the defendant's default. The Court also ordered the defendants to pay all unpaid duties, taxes, and fees, with interest, on both liquidated and unliquidated entries.

Slip Op. 25-93: Jiangsu Dingsheng New Materials Joint-Stock Co. v. United States

The Court upheld Commerce's selection of Romania as the primary surrogate country in the antidumping duty administrative review of aluminum foil from China. The decision was supported by substantial evidence as Romanian financial statements were deemed superior and more specific to Dingsheng's production level compared to those from Bulgaria to Malaysia. The Court determined, however, that Commerce's denial of a double remedies offset was not supported by substantial evidence, as Commerce failed to adequately address record evidence that could detract from its determination, particularly regarding the subsidy-to-cost and cost-to-price links. The Court remanded the denial of the double remedies offset for further explanation or reconsideration.

Slip Op. 25-94: Hanon Sys. Alabama Corp. v. United States

The Court denied Hanon's motion for judgment on the agency record, sustaining Commerce's final determination regarding the circumvention of antidumping and countervailing duty orders on aluminum foil from China. Hanon contended that Commerce's application of the "minor or insignificant" standard was overbroad and inconsistent with the record. Commerce found that the processing done in Korea was minor, emphasizing the nature of production and value added in Korea. Commerce also determined that the trade patterns indicated circumvention, noting a significant increase in U.S. imports of aluminum foil from Korea and a decrease from China. The Court found that the record evidence supported Commerce's determination as it was supported by data reflecting the patterns of trade and sourcing that indicate possible circumvention.

Slip Op. 25-95: Hindalco Indus. Ltd. v. United States

The Court upheld Commerce's final results in the administrative review of the countervailing duty order on common alloy aluminum sheet from India. Hindalco argued that Commerce's grouping of the "power (utility)" and "power (captive)" classifications as it relates to coal subsidies was unreasonable and not supported by substantial evidence because these classifications should not be group. Hindalco emphasized the differences between the two programs, especially outputs, as utility companies have a monopoly on electricity. Commerce found that these industries were predominant users of coal and thus specific, based on their substantial coal consumption. The Court found that the grouping was consistent with the statutory framework that allows analysis of predominant use by a group of enterprises or industries.

Additionally, Hindalco challenged Commerce's benchmark calculation for the coal subsidies. Hindalco proposed using ICMW and McCloskey data, arguing more specificity to the coal grades it purchased. Commerce rejected these sources due to limited country coverage and lack of detailed data, opting instead for U.N. Comtrade data, which it stated provided a broader, more reliable dataset. The Court found that Commerce logically favored data that was reliable, transparent, and representative, even if it lacked granular product specificity.

Slip Op. 25-96: Axle of Dearborn, Inc. v. Dep't of Com.

The Court denied Plaintiff Detroit Axle's motion for a preliminary injunction and expedited partial summary judgment, which challenged the President's rescission of the de minimis exemption for goods imported from China. The Court concluded that the relief Detroit Axle sought had already been granted in *V.O.S. Selections, Inc. v. United States*, No. 1:25-cv-00066 (Ct. Int'l Trade), though that injunction has been stayed by the U.S. Court of Appeals for the Federal Circuit pending appeal. Furthermore, the Court held that, even assuming Detroit Axle was suffering irreparable harm, it still failed to satisfy the requirements for injunctive relief.

Slip Op. 25-97: School Specialty, LLC v. United States

The Court sustained in part and remanded in part Commerce's country of origin determination. At issue was Commerce's scope inquiry determination that concluded that certain pencils exported from the Philippines were subject to the antidumping duty order on Chinese cased pencils. The plaintiff contested this finding, arguing that the processing performed in the Philippines amounted to a substantial transformation, thereby rendering the Philippines as the country of origin and excluding the pencils from the scope of the Chinese order. While the Court determined that Commerce's analysis of each relevant factor was supported by substantial evidence in the record, it nonetheless remanded the case for further explanation. The Court

stated that Commerce had not adequately explained how it weighed and balanced the relevant factors in making its determination. Additionally, the Court found no error in Commerce's decision not to consider a CBP ruling that had found the Philippines to be the country of origin, noting that the ruling lacked sufficient analysis to be persuasive. Accordingly, the Court remanded the case for Commerce to provide a more detailed explanation of its decision-making process.

COURT OF APPEALS FOR THE FEDERAL COURT

Summary of Decisions

Appeal No. 23-2245: Jilin Forest Industry Jingiao Flooring Group CO. v. United States

The Court of Appeals for the Federal Circuit sustained Commerce's policy with respect to the treatment of non-market economies despite the fact that Commerce had not codified its policy in promulgated regulations at the time of the conduct of the administrative review. The Court examined the application of a country-wide NME rate for a cooperative mandatory respondent that had failed to rebut the presumption of de facto and de jure state control. In the 2015-2016 administrative review of the antidumping duty order on multilayered wood flooring from China. Appellant Jilin Forest Industry was assigned a China-wide rate as it could not rebut the presumption that it was not controlled by the Government of China. While the lower court remanded this matter twice on the grounds that Commerce's NME policy was contrary to the statutory language which requires the calculation of individual margins for mandatory respondents, the Federal Circuit reversed the CIT ruling on the grounds that the Federal Circuit had "consistently approved of Commerce's practice of applying the NME presumption."

EXPORT CONTROLS AND SANCTIONS

On July 23, 2025, the U.S. Treasury Department's Office of Foreign Assets Control (OFAC) announced on its website that it is transitioning its Licensing Hotline to a new online platform. OFAC stated that it will fully move to the new online system and retire its callback-only telephone system on August 29, 2025.

On July 23, 2025, the U.S. Senate voted to enact <u>H.R. 1316</u>, the "Maintaining American Superiority by Improving Export Control Transparency Act," following House approval on May 5, 2025. Once signed into law, H.R. 1316 will amend the Export Control Reform Act of 2018 to require the Commerce Department's Bureau of Industry and Security (BIS) to submit an annual report to Congress. The report must detail:

- Information on each license application or authorization request involving export-controlled items to "covered entities," including (i) end users in Country Group D:5, (ii) parties on the EAR Entity List, and (iii) parties on the EAR Military End-User (MEU) List.
- The date, location, and outcome of any end-use checks conducted by BIS with these covered entities.
- Aggregated statistics on such license applications and authorization requests.

On July 14, 2025, Nvidia and AMD announced that the Trump administration will allow Nvidia and AMD to resume sales of certain AI chips to China, signaling a major policy shift after a period of strict export controls. With new assurances from Washington, Nvidia can now export its H20 AI accelerator to China, and AMD has received similar approval for its MI308 chips. This decision reverses previous restrictions under both the Biden and Trump administrations, which had blocked sales of high-performance AI chips to China to limit its technological and military progress.