

Washington Tariff & Trade Letter

Vol. 45, No. 11

wttonline.com

March 17, 2025

TARIFFS

Trade War Widens

On the same day that he slapped 25 percent tariffs on all imported steel and aluminum, President Trump made clear he is turning his sights on the European Union as his next target. Mr. Trump told reporters that he is “of course” going to raise tariffs even more on the EU after Brussels announced it is retaliating against the US steel and aluminum tariffs. [READ MORE](#)

Steel & Aluminum Retaliation Roundup

On March 12, 2025, the United States implemented a 25% tariff on all steel and aluminum imports, adding some \$22 billion to the cost of steel and aluminum imports, according to one estimate.. This action has elicited varied responses from key international partners. While the EU and Canada responded with immediate countermeasures, The US and Mexico held back retaliatory tariffs to see if negotiations could bear fruit. [READ MORE](#)

President Calls for More Tariffs on Canada, Annexation

The President called for a sharp escalation in trade measures against Canada, citing Ontario's imposition of a 25% tariff on electricity exported to the U.S. Tuesday he declared that the administration will implement a 50% tariff on Canadian steel and aluminum, set to take effect on March 12. Beyond trade concerns, the statement criticized Canada's defense spending and asserted that Canada should become part of the United States. [READ MORE](#)

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House Leadership Shirks Owning Tariffs

In a predictable move, Speaker Johnson rejected efforts by Democrats to force a vote on the legitimacy of the President's tariff actions as an abuse of the International Emergency Economic Powers Act (IEEPA). The action creates a standing waiver to the requirements of the National Emergency Act, for the duration of the 119th Congress, ensuring members will avoid the embarrassment of going on record in the event of future executive overreach. [READ MORE](#)

POLITICS AND POLICY

GOP Bulldozes Funding Bill; Ten Democrats Go Along

In another step towards irrelevance, ten Democratic senators backed the GOP's six month continuing resolution, effectively forgoing the budget process for fiscal year 2025. The 62-38 vote to invoke cloture permitted a 54-46 vote to pass the bill. The vote will give the President unprecedented authority to direct spending, though Minority Leader Chuck Schumer (NY) insisted the alternative would be worse. "I believe allowing Donald Trump to take even much more power via a government shutdown is a far worse option." [READ MORE](#)

Senator Murray Warns of National Security Risks in CR

Senator Patty Murray (D-Wash) has raised serious concerns over the potential consequences of the Trump-Johnson full-year Continuing Resolution (CR), particularly its impact on U.S. export controls and the Bureau of Industry and Security (BIS). The proposed legislation, set for a vote this week, grants the Trump administration broad discretion over federal spending, eliminating congressional directives that typically ensure funding for critical national security priorities, including sanctions, export controls, non-proliferation and emerging technology policy. [READ MORE](#)

Rubio to be the Boss of Everything?

With little fanfare, the Secretary of State has assumed authority over a broad swath of trade and immigration policy, potentially setting up even more confusion and opacity as the new administration reshapes the federal government. [READ MORE](#)

Farmers Bear the Brunt of Tariffs

Congressional Democrats are challenging President Trump's authority to impose tariffs on Mexico and Canada without congressional approval, warning that retaliatory measures could severely impact American farmers. [READ MORE](#)

Trade Crimes Act Reintroduced

A bipartisan group of lawmakers has reintroduced legislation aimed at combating trade crimes committed by companies based in the People's Republic of China (PRC) that violate U.S. trade laws and harm American workers and businesses. The Protecting American Industry and Labor from International Trade Crimes Act seeks to establish a new task force within the U.S. Department of Justice (DOJ) to investigate and prosecute trade-related offenses. [READ MORE](#)

Report Highlights Decline in AGOA Trade

A recent Congressional Research Service (CRS) report on the African Growth and Opportunity Act (AGOA) reveals a decline in U.S. trade with sub-Saharan Africa (SSA). In 2024, U.S. imports under AGOA totaled \$8.0 billion, a 13% decrease from 2023. The decline reflects shifting trade dynamics, policy uncertainties, and changes in the global energy market. [READ MORE](#)

WTO / GENEVA

DOGE Trains Sights on Geneva

Geneva's international organisations and NGOs have expressed alarm over a recent questionnaire issued by the U.S. State Department, revealing a fundamental misunderstanding of the multilateral system, Le Temps reports. The document, which was distributed to recipients of U.S. funding, includes a series of politically charged questions, raising concerns about the future of American engagement in global governance. [READ MORE](#)

Canada Files WTO Dispute Over Metals Tariffs

Canada has formally initiated dispute settlement proceedings at the World Trade Organization (WTO) against the United States concerning additional import duties imposed on Canadian steel and aluminum products. The request for WTO consultations was circulated to members on March 13, following the termination of Canada's exemption from these tariffs. [READ MORE](#)

Tariffs Creating Global Trade Uncertainty

Trade policy uncertainty and the prospect of more tariffs could disrupt global goods trade, according to a World Trade Organization report released this week. Global goods trade was steady in the fourth quarter of last year and appear to continue growing in the first months of 2025, but that could be undone by a looming global trade war. [READ MORE](#)

SANCTIONS / ENFORCEMENT

KleptoCapture Goes Out with a Splash

Despite the Justice Department's dismantling of inter-agency cooperation to enforce sanctions and combat corruption, cases begun before the change of regime continue to wend their way through the courts. March 10, The U.S. District Court for the Southern District of New York granted the government's motion to strike the ownership claim of Eduard Khudainatov and Millemarin Investments Ltd. concerning the Motor Yacht Amadea. [READ MORE](#)

FinCEN to Focus on Southwest Border

Continuing the redirection of federal anti-money laundering resources towards the Mexican border, Treasury's Financial Crimes Enforcement Network (FinCEN) has issued a Geographic Targeting Order (GTO) to curb illicit financial activities and money laundering by Mexico-based cartels and other criminal entities along the southwest U.S. border. [READ MORE](#)

Swedish Network Sanctioned

Treasury's Office of Foreign Assets Control (OFAC) has sanctioned the Foxtrot Network, a Sweden-based transnational criminal organization (TCO), along with its fugitive leader, Rawa Majid. The network, involved in drug trafficking and violent crimes across Europe, orchestrated an attack on the Israeli Embassy in Stockholm in January 2024 on behalf of Iran. [READ MORE](#)

EXPORT CONTROL

Jeffrey Kessler BIS Chief

March 13 the Senate confirmed Jeffrey Kessler as Under Secretary of Commerce for Industry and Security by a mostly party-line vote of 54 to 45. Upon taking office, Kessler has pledged to review and reform BIS operations, particularly its role in preventing China and other adversaries from accessing advanced U.S. technologies. He has expressed skepticism about the AI Diffusion Rule, questioning its effectiveness in addressing national security risks and signaling his intent to revisit its implementation. [READ MORE](#)

Bipartisan Bills for BIS Transparency

Senators Jim Banks (R-Ind.) and Mark Warner (D-Va.) have introduced the Maintaining American Superiority by Improving Export Control Transparency Act, a bipartisan measure aimed at enhancing ... [READ MORE](#)

Foreign Access to Supercomputers?

Rep. John Moolenaar (R-MI), Chairman of the House Select China Committee has written Commerce Secretary Howard Lutnik asking for a briefing on export controls on access to American universities' supercomputing resources. [READ MORE](#)

DDTC Seeks Comments on Form DSP-85

The Department of State is seeking public comment and submission to the Office of Management and Budget (OMB) regarding the proposed collection of information related to Form DSP-85. "Application/License for Permanent/Temporary Export or Temporary Import of Classified Defense Articles and Related Classified Technical Data." [READ MORE](#)

SUPPLY CHAIN

Medical Supply Chain Bill

Legislation being championed by a bipartisan group of senators would encourage the Administration to engage in trade negotiations to ensure secure supply chains for medical goods and services. [READ MORE](#)

Requests for Comment: Copper & Wood Products

Commerce has launched two separate investigations to assess the impact of copper and wood product imports on national security. Initiated under Section 232 of the Trade Expansion Act of 1962, these investigations will evaluate the reliance on foreign supply chains, potential risks to critical industries, and the feasibility of expanding domestic production. The Bureau of Industry and Security is soliciting public comments, with submissions due by April 1, 2025. [READ MORE](#)