

# Washington Tariff & Trade Letter

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## **President OKs US Steel 'Partnership' with Nippon**

President Donald Trump has approved the acquisition of United States Steel Corporation by Japan-based Nippon Steel Corp., marking what he described as the "largest investment in the history of the Commonwealth of Pennsylvania." The deal, described as a "strategic partnership," will see U.S. Steel retain its American identity and Pittsburgh headquarters "will create at least 70,000 jobs, and add \$14 Billion Dollars to the U.S. Economy. The bulk of that Investment will occur in the next 14 months," according to Mr. Trump. [READ MORE](#)

## **Syria Sanctions Eased**

Treasury's Office of Foreign Assets Control (OFAC) has issued Syria General License (GL) 25, formally lifting sanctions imposed under the Syrian Sanctions Regulations and initiating a broad rollback of U.S. economic restrictions against Syria. GL 25 authorizes new investment, financial services, trade in petroleum products, and other commercial transactions previously prohibited under U.S. sanctions law. [READ MORE](#)

## **Tariffs on Cranes and Foreign-Flagged Ships Blasted**

The USTR is encountering significant resistance from key maritime and trade stakeholders regarding its proposed tariffs on Chinese-manufactured ship-to-shore (STS) cranes and fees on foreign-flagged vessels. One witness at a USTR hearing last week noted that no U.S. manufacturer currently produces STS cranes, and with limited global supply outside China, the tariffs would raise costs for ports by an estimated \$6.68 billion over the next decade [READ MORE](#)

## **U.S.-Vietnam Trade and Real Estate Diplomacy**

The United States and Vietnam have commenced a second round of trade negotiations in Washington this week, as both sides work to avert the imposition of a punitive 46% tariff that could severely impact Vietnam's export-driven economy. Meanwhile, Eric Trump came to town to develop a golf community and discuss a Trump Tower in Ho Chi Minh City.

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## POLICY & POLITICS

### Canada Proposal to Penalize Foreign Investment?

A controversial proposal to penalize Canadian firms for shifting production abroad using the Foreign Extraterritorial Measures Act (FEMA) has drawn sharp legal and economic criticism. [READ MORE](#)

### G-7 Finance Ministers Meet in Banff

The G7 Finance Ministers and Central Bank Governors concluded their three-day summit in Banff, issuing a joint communiqué that reaffirmed their commitment to global economic stability, support for Ukraine, and an intensified crackdown on financial crime. [READ MORE](#)

### JP Morgan Chief in Beijing

Chinese Vice Premier He Lifeng met with JPMorgan Chase & Co. CEO Jamie Dimon on Thursday evening in Beijing, highlighting recent progress in China-U.S. economic and trade negotiations, according to the Xinhua News Agency. [READ MORE](#)

### Hawks Harangue Hotels for Calling Taiwan China

Rep. John Moolenaar (R-MI), Chairman of the House Select Committee on the Chinese Communist Party, and Sen. Marsha Blackburn (R-TN) sent a letter today to the CEOs of Hilton, Marriott, and Hyatt, urging the companies to cease using the term "Taiwan, China" in corporate materials. The official name of Taiwan is the Republic of China (ROC). [READ MORE](#)

### China Hawks Pile on Harvard

A group of House Republicans is demanding detailed records and testimony from Harvard University over what they characterize as troubling connections to sanctioned Chinese and Iranian entities. [READ MORE](#)

### Blame Game at WTO: "Time is not on Our Side"

The World Trade Organization's (WTO) General Council has become a focal point for member states' growing frustration with the United States' unilateral tariff regime. Over the course of the two-day meeting, members including China, the European Union, and the so-called "Friends of the System" coalition led by Singapore and Switzerland, strongly criticized the Trump Administration's tariffs as violations of core WTO principles, while the U.S. defended its actions by pointing to longstanding systemic failings within the organization. [READ MORE](#)

## WTO Dispute Settlement Body Still Stuck

At Friday's meeting of the World Trade Organization's (WTO) Dispute Settlement Body (DSB), chaired by Ambassador Clare Kelly of New Zealand, members addressed multiple active disputes, procedural developments, and the persistent impasse over the Appellate Body appointments. [READ MORE](#)

## TARIFF UPDATE

### Ricardian Cudgel

Under President Trump's second term, the administration has expanded the use of tariffs not as bargaining tools but as instruments of industrial policy—designed to compel U.S. companies to alter global supply chains and relocate production to the United States. [READ MORE](#)

### Blunderbuss

President Trump, reset trade negotiations with our former allies Friday, recommending "a straight 50% Tariff on the European Union, starting on June 1, 2025." [READ MORE](#)

### Smartphone Tariffs of 25% Floated

President Donald Trump on Friday intensified pressure on global smartphone makers, announcing plans to impose a 25% tariff on imported devices unless companies, including Apple and Samsung, relocate ... [READ MORE](#)

### Stacked Tariff Rules Published

The Department of Homeland Security has issued modifications to the Harmonized Tariff Schedule of the United States (HTSUS) to implement President Trump's Executive Order 14289, "Addressing Certain Tariffs on Imported Articles," which aims to end the overlapping application of certain national security-related tariffs. [READ MORE](#)

### Commerce Seeks Alternative Dumping Price Test

The U.S. Department of Commerce has issued a formal request for public comment on potential alternatives to its long-used Cohen's d test in detecting patterns of differential pricing in antidumping investigations. This action follows a recent Federal Circuit ruling that found Commerce's application of the d-test unreasonable when used on datasets that fail to meet critical statistical assumptions. [READ MORE](#)

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## **Bill to End De Minimis**

Sens. Sheldon Whitehouse (D-RI) and Lindsey Graham (R-SC) are introducing legislation to end the “de minimis” exemption, which allows packages valued at less than \$800 to be imported to the United States without facing any tariffs or inspection. The de minimis exemption is being abused by Chinese e-commerce giants and criminals and cartels, according to the senators. [READ MORE](#)

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## **WTO/IMF Tariff Data Tool Launch**

The WTO Secretariat and IMF's Tariff Tracker is now live on the new "Tariff actions" section of the WTO Tariff & Trade Data portal. The downloadable dataset provides the "applied effective tariff" imposed by customs authorities on various products since 1 January 2025. [READ MORE](#)

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## **Brookings: Tariffs Reshape USMCA Review**

A Brookings report examines the impacts of President Donald Trump's expanded tariff regime on Rules of Origin and the USMCA renegotiation next year. [READ MORE](#)

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# **SANCTIONS AND ENFORCEMENT**

## **Iranian Gas Tanker Stranded in Houston OK'd for Sale**

Treasury's Office of Foreign Assets Control (OFAC) has issued Iran-related General License Q, titled “Authorizing Limited Safety, Environmental, and Sale Transactions Involving the Blocked Vessel M.V. Tinos I While Located in the United States.” Tinos I, a VLGC has been anchored off Houston since June 2024, when it attempted to load a cargo of Liquid Petroleum Gas for sale to China. [READ MORE](#)

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## **Iran Sanctions: Construction Sector, Strategic Materials**

The Deputy Secretary of State has issued two new determinations expanding U.S. sanctions on Iran's construction sector and restricting strategic materials exports. [READ MORE](#)

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## **OFAC Maintains Focus South of the Border**

As part of its intensified focus on border security, the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) today sanctioned two high-ranking members of the Cartel del Noreste (CDN), a designated Foreign Terrorist Organization (FTO) and successor to Los Zetas. [READ MORE](#)

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## [FinCEN: Shell Banks, Foreign Agencies](#)

The Financial Crimes Enforcement Network (FinCEN) is seeking comments on existing Bank Secrecy Act (BSA) regulations regarding foreign correspondent accounts. [READ MORE](#)

## [SEC Playing "Regulatory Jenga"](#)

In a pointed and urgent address titled "A Reckless Game of Regulatory Jenga," SEC Commissioner Caroline A. Crenshaw sharply criticized recent deregulatory moves by the Commission, warning that they undermine institutional integrity, ignore market risks, and erode protections for investors and the financial system. [READ MORE](#)

## [OFAC Guidance Video Released](#)

Treasury's Office of Foreign Assets Control (OFAC) is releasing the fourth video in its "OFAC Basics" video series, "Requesting OFAC Guidance." This video provides a tutorial on how to contact the OFAC Compliance Hotline with questions about how to comply with OFAC-administered sanctions programs or where to find helpful guidance on OFAC's website. [READ MORE](#)

## **EXPORT CONTROL**

### [Commerce Softens Tone on Huawei Ban](#)

The U.S. Department of Commerce's Bureau of Industry and Security (BIS) has revised its public guidance on Huawei's Ascend chips, removing language that initially stated their use "anywhere in the world" would constitute a violation of U.S. export control laws. As the Trump Administration balances maintaining an export control regime with accommodating Gulf State allies and western chipmakers, this language may permit a more nuanced interpretation of what is permissible. [READ MORE](#)

## [BIS Denies Export Privileges to Seven](#)

The Bureau of Industry and Security (BIS), U.S. Department of Commerce, has issued denial orders against seven individuals for violating U.S. export control laws. The actions, signed by Acting Director of the Office of Export Enforcement Dan Clutch, follow criminal convictions for smuggling, export conspiracies, and transactions with sanctioned entities. [READ MORE](#)

## [RAPTAC and Materials & Equipment TACs](#)

Rules & Procedures Technical Advisory Committee will meet June 10 at 9AM  
Materials and Equipment Technical Advisory Committee will meet June 5th at 10AM [READ MORE](#)

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## SUPPLY CHAIN & LOGISTICS

### [Info Security Considerations at CBP Checkpoints](#)

Seyfarth Shaw has published a note highlighting the corporate security implications of the increased inspection of electronic devices by US Customs. U.S. citizens cannot be denied reentry for refusal, but devices may be seized. Foreign nationals may be refused entry. [READ MORE](#)

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### [CBP Warns Pharma on Price Reporting](#)

U.S. Customs and Border Protection reminds the trade community that under the Trump Administration's Executive Order, "Delivering Most-Favored-Nation Prescription Drug Pricing to American Patients," the U.S. Department of Health and Human Services has published price targets for prescription drugs to lower health care costs for Americans. [READ MORE](#)

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