

Publications

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New Section 232 Investigation on Imports of Copper, Scrap Copper and Derivative Products

On February 25, 2025, President Trump signed an executive order directing the Secretary of Commerce (Secretary) to initiate an investigation under Section 232 of the Trade Expansion Act of 1962 (Section 232) to determine whether imports of copper, scrap copper and copper derivative products threaten to impair national security. This investigation could impact copper availability in the U.S. in the short term, while potentially leading to new investments in U.S. smelting long-term.

To discuss the impacts on or opportunities for your business under this new Section 232 investigation, please reach out to Deanna Okun or Lydia Pardini.

In the order, the President noted that a single foreign producer controls over 50% of global copper smelting capacity and owns four of the top five largest refining facilities. U.S. smelting and refining capacity lags significantly behind despite ample domestic copper reserves.

The investigation will focus on the effects on national security of imports of copper in all forms, including but not limited to: (1) raw mined copper; (2) copper concentrates; (3) refined copper; (4) copper alloys; (5) scrap copper; and (6) derivative products. For the investigation, the Secretary will assess the factors set forth in 19 U.S.C. § 1862(d) such as domestic production needed for projected national defense requirements, the capacity of domestic industries to meet such requirements, and the availability of the resources essential to the national defense. In addition to those statutory factors, the executive order further directs the Secretary to evaluate the following nine (9) factors:

1. The current and projected demand for copper in United States defense, energy and critical infrastructure sectors;
2. The extent to which domestic production, smelting, refining and recycling can meet demand;
3. The role of foreign supply chains, particularly from major exporters, in meeting United States demand;
4. The concentration of United States copper imports from a small number of suppliers and the associated risks;

Related People

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5. The impact of foreign government subsidies, overcapacity and predatory trade practices on United States industry competitiveness;
6. The economic impact of artificially suppressed copper prices due to dumping and state-sponsored overproduction;
7. The potential for export restrictions by foreign nations, including the ability of foreign nations to weaponize their control over refined copper supplies;
8. The feasibility of increasing domestic copper mining, smelting and refining capacity to reduce import reliance; and
9. The impact of current trade policies on domestic copper production and whether additional measures, including tariffs or quotas, are necessary to protect national security.

Within 270 days of the date of the executive order (*i.e.*, by November 22, 2025), the Secretary will submit a report to the President that incorporates findings on whether U.S. dependence on copper imports threatens national security and recommendations for mitigating such threats and strengthening the U.S. copper supply chain. The Administration will subsequently determine appropriate action, if any.

Section 232 continues to be a preferred import adjustment tool for the Trump Administration. Under President Trump's first term he revived the long-dormant statute, conducting eight (8) Section 232 investigations on imports such as steel, aluminum and uranium ore. Of these various investigations, only the investigations of steel and aluminum imports resulted in new tariffs – but, those tariffs remain in place today, nearly seven years after issuance.

The U.S. Department of Commerce typically invites interested parties to submit written comments or information relevant to the products subject to Section 232 investigations. If your business needs strategic guidance or anticipates potential impacts resulting from the new investigation, contact Polsinelli's International Trade Team.