

Publications

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USTR Initiates New Multi-Country Section 301 Investigations

Key Takeaways

- USTR has launched two new multi-country Section 301 investigations, one focused on excess manufacturing capacity and the other on forced labor.
- Written comments are due by **April 15, 2026**. Public hearings will begin on **April 28, 2026** for the forced labor investigations and **May 5, 2026** for the excess manufacturing capacity investigations.
- Any actions taken under Section 301 could align with the July 24, 2026 expiration of the global 10 percent tariff imposed under Section 122.

On March 11 and 12, the U.S. Trade Representative (USTR) initiated two multi-country investigations under Section 301 of the Trade Act of 1974 — one focusing on excess manufacturing capacity in 16 economies and the other on forced labor in 60 economies. Section 301 authorizes USTR to investigate and address any act, policy or practice of a foreign country that is unreasonable or discriminatory and burdens or restricts U.S. commerce.

USTR has indicated that these investigations will proceed on an accelerated timetable. Any resulting actions will likely coincide with the July 24 expiration of the temporary global tariffs imposed under Section 122 of the Trade Act of 1974. Unlike Section 122 tariffs, which are statutorily limited in duration (150 days unless extended by Congress) and magnitude (15%), Section 301 remedies can remain in place indefinitely until terminated and are not subject to a percentage cap.

Section 301 Investigations on Excess Manufacturing Capacity

The first set of Section 301 investigations examines structural excess capacity and production in manufacturing sectors. According to USTR, “key trading partners have developed production capacity untethered from the incentives of domestic and global demand,” and that “this capacity leads to, among others, overproduction and large or persistent trade surpluses, as well as underutilized and unused capacity, in manufacturing sectors.”

The investigations cover the following 16 economies that USTR identified as exhibiting

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Related Capabilities

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large or persistent trade surpluses or underutilized or unused capacity to determine whether action can be taken under Section 301: **China, the European Union (EU), Singapore, Switzerland, Norway, Indonesia, Malaysia, Cambodia, Thailand, Korea, Vietnam, Taiwan, Bangladesh, Mexico, Japan and India.**

USTR is seeking written comments on all issues covered by the investigations, with particular interest in:

- The acts, policies and practices of each investigated economy creating or maintaining structural excess capacity or production in specific sectors.
- Whether the acts, policies and practices are unreasonable or discriminatory.
- Whether the acts, policies and practices burden or restrict U.S. commerce, and if so, the nature and level of the burden or restriction. This would include economic assessments of the burden or restriction.
- Whether the acts, policies and practices are actionable under section 301(b) of the Trade Act, and what action, if any, should be taken, including tariff and non-tariff actions.
- Whether there are additional considerations for assessing acts, policies and practices that contribute to structural excess capacity or production in manufacturing sectors.

Written comments are due by **11:59 p.m. EST on April 15, 2026**. A public hearing will be held in the main hearing room of the U.S. International Trade Commission (USITC) beginning at **10:00 a.m. EST on May 5, 2026** and will continue as necessary through May 8. Requests to appear at the hearings, along with a summary of testimony, must also be submitted by **11:59 p.m. EST on April 15, 2026**. Any post-hearing rebuttal comments must be filed within seven days after the last day of the public hearing.

Section 301 Investigations on Forced Labor

The second set of investigations focuses on the failure to impose and effectively enforce a prohibition on the importation of goods produced with forced labor. USTR emphasized that U.S. law has long “prohibited the importation of goods mined, produced or manufactured in whole or in part with forced labor” and additionally pointed to “universal recognition under international law that forced labor is a practice that should not be tolerated.”

Against that backdrop, USTR is examining whether the failure of 60 economies to prohibit the importation of goods produced wholly or in part with forced labor is unreasonable or discriminatory and burdens or restricts U.S. commerce. These economies include: **Brazil, Canada, China, the EU, Hong Kong, India, Indonesia, Mexico, Oman and the United Kingdom**. A full list of the economies covered is provided in **Annex A** of USTR’s initiation notice.

USTR is seeking written comments on all issues covered by the investigations, but particularly on the following points:

- Whether any economy subject to these investigations maintains or is in the process of establishing a forced labor import prohibition and whether any such import prohibition is being effectively enforced.
- The extent to which the failure of any economy to establish and effectively enforce a forced labor import prohibition is unreasonable, discriminates against U.S. goods, or constitutes a persistent pattern of conduct that permits any form of forced or compulsory labor.
- The extent to which the failure of any economy to establish or effectively enforce a forced labor import prohibition has negatively affected U.S. commerce, such as through lost U.S. exports or economic output, lower prices for U.S. goods or lower

wages for U.S. workers.

- What action, if any, should be taken to address these issues, including:
 - The level and scope, if any, of duties on products of any economy subject to these investigations.
 - The level and scope, if any, of import restrictions on products of any economy subject to these investigations.
- The appropriate aggregate level of trade to be covered by any additional duties on products of any economy subject to these investigations.

Written comments are due by **11:59 p.m. EST on April 15, 2026**. A public hearing will be held in the USITC's main hearing room beginning at **10:00 a.m. EST on April 28, 2026** and will continue as necessary through May 1. Requests to appear at the hearings, along with a summary of testimony, must also be submitted by **11:59 p.m. EST on April 15, 2026**. Any post-hearing rebuttal comments must be filed within seven days after the last day of the public hearing.

What This Means for Importers

These investigations signal increasing reliance on Section 301 as a trade remedy tool in 2026. If USTR finds that the investigated acts, policies or practices are actionable, it will then determine whether action is appropriate and if so, what action to take, including imposing tariffs or other import restrictions.

Importers should closely monitor both proceedings, particularly if their supply chains involve any of the economies under review. Given the breadth of covered economies and the possibility that any Section 301 action could take effect as the temporary Section 122 duties expire, businesses should begin evaluating their potential exposure now.

We regularly advise on trade policy matters, including Section 301 investigations. If your business needs legal guidance with respect to written submissions, hearing participation, or strategic responses to potential trade actions related to these investigations, contact Deanna Okun, Lydia Pardini, Dominic Bianchi, Polsinelli's Executive Action Working Group or your Polsinelli contact.