TRADE NEWS WEEKLY

October 19-October 23, 2026

A summary of international business news prepared by the Hawaii Foreign-Trade Zone 9 with the collaboration of the Research and Economic Analysis Division of the Department of Business, Economic Development & Tourism, and based on research and information from various trade publications, which track news and events related to global trade. Other information sources may occasionally be included when appropriate.

U.S.-China Board of Trade

On September 27, 2026, the U.S. Trade Representative (USTR) announced that the U.S.-China Board of Trade recommended approximately $30 billion in U.S. exports to China and $30 billion in Chinese exports to the U.S. for potential future tariff relief under a new "30-for-30" framework. According to USTR, the recommendations cover a broad range of products, including agricultural goods, medical devices, household products, and toys, and are intended to improve market access while promoting balanced and reciprocal trade. The Board's recommendations do not immediately reduce tariffs but identify products for potential reduced tariff treatment.
Source: Miller & Company P.C.

USMCA 2027 Review

USTR is seeking public comments in advance of its 2027 USMCA review. Comments and requests to testify at a future public hearing on the USMCA's operation are due by January 12, 2027. 91 Fed. Reg. 63379 (Oct. 5, 2026).
Source: Miller & Company P.C.

301 Forced Labor Case

On October 2, 2026, a Court of International Trade (CIT) three-judge panel issued an Order in the consolidated Section 301 Forced Labor Cases that directed the parties to submit additional briefing by October 16, 2026, on the statutory basis for the U.S. Trade Representative's (USTR) determination, whether it was required to consider countries' economic development levels when making its "unreasonableness" determination, the statutory basis for USTR's determination, and whether the plaintiffs have standing to challenge USTR's actions for all affected countries or only those from which they import merchandise. The Order suggests the Court is closely examining both the legal foundation of USTR's forced labor actions and jurisdictional issues.
Source: Miller & Company P.C.

China 301 Exclusions

Based on requests for continuation from domestic industries, USTR has continued two 2018 actions excluding certain machinery parts classified under HTSUS subheading 8479.90.9591 from the China Section 301 tariffs. The exclusions will now remain in effect until November 9, 2026. 91 Fed. Reg. 64211 (Oct. 7, 2026).
Source: Miller & Company P.C.

Customs Requests

Importers appear to be experiencing a surge in CBP Form 28 Requests for Information and CBP Form 29 Notices of Action. Importers are reminded of the importance in responding to these CBP requests timely and with care. Otherwise, CBP may take action to modify and liquidate Customs entries without additional opportunity for importer input.
Source: Miller & Company P.C.

A Different Kind of Tariff Relief Envisioned by New Bill

Rep. John James, R-Mich., recently introduced the Tariff Relief for American Development and Employment Act of 2026—the TRADE Act.

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In essence, this bill would create a compensation fund for U.S. manufacturers, farmers, and workers harmed by tariffs or foreign retaliation, provided they maintain U.S. jobs.

Eligible entities could seek four forms of assistance.

- refundable tariff impact credits for documented injury, including tariffs paid on inputs or losses from retaliation
- low-interest working capital loans of up to 10 years for liquidity problems caused by tariff costs, supply chain disruptions, or sourcing shifts
- American investment credits for U.S. expansion, reshoring, domestic sourcing, facility modernization, worker training, and strategic manufacturing
- emergency bridge financing for entities facing closure, major layoffs, or critical supply chain disruptions from tariff-related financial stress

North American supply chains operating under the U.S.-Mexico-Canada Agreement could receive additional tailored relief.

Under this bill, applicants for relief would need records of tariffs paid, retaliation-driven export losses, higher production costs, jobs at risk, delayed domestic investments, and reshoring plans needing support.

The bill seeks a middle ground between Trump administration tariff policies and their effects on U.S. companies. It seems reminiscent of the Byrd Amendment—the Continued Dumping and Subsidy Offset Act of 2000—which redistributed collected AD/CVD duties to U.S. companies that supported the underlying trade remedy petitions. The World Trade Organization (WTO) found that program inconsistent with WTO rules, while the Court of Appeals for the Federal Circuit rejected a constitutional challenge to limiting distributions to petition supporters. Congress repealed the measure in 2005 before the courts resolved the issue.

But the TRADE Act arises in a different legal and factual context, so the WTO and U.S. courts could reach different conclusions. It might be something Congress could support in a lame duck session, absent the administration taking a broader approach to providing some tariff relief to U.S. companies first.
Source: Sandler, Travis & Rosenberg, P.A.

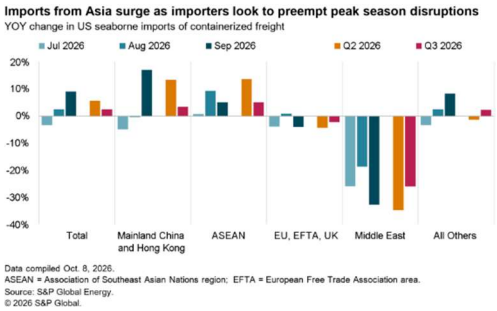
Rebound in the U.S.

U.S. seaborne imports surged 9.1% year-over-year in September 2026, bringing the third-quarter total to a 2.5% improvement. The AI investment boom is partly to thank for the surge, with rising imports of electrical components, power equipment and telecom equipment contributing to improving growth. Consumer goods growth continues to lead the way when compared with the tariff-affected third quarter of 2025.

The expansion in consumer goods reflects a normalization of peak season deliveries, shown by imports of consumer electronics and leisure goods in September rising by 8.0% compared with August, versus a 10-year average of 6.2% for the same period and a 2.0% drop for the same period of 2025.

Supplier delivery times in the U.S. slowed in September to their worst since August 2022, with continued delays in basic materials and industrial goods resulting from the ongoing Middle East war. Imports from the Middle East only fell by 26.0% year-over-year in the second quarter, in part due to increased use of shipments from Salalah (Oman) to displace the loss of access to Jebel Ali.

U.S. manufacturing output and purchases have continued to rise as a result of stronger domestic orders, although a pickup in stocks of finished goods may be an indicator of a slowdown to come. Containerized freight imports are expected to grow by 6.5% in the fourth quarter of 2026, before slowing to a decline in the second quarter of 2027 and rising by just 1.5% for 2027 as a whole.



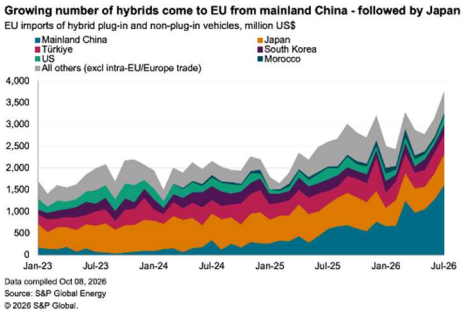
Source: S&P Global Intelligence

EU Dealmaking with Mainland China

The EU and mainland China have come to a preliminary agreement that is aimed at stabilizing their bilateral trade relationship and containing further escalation across multiple sectors.

The centerpiece of the new agreement sees a cap of 350,000 hybrid cars per year to be allowed into the bloc from mainland China at a time where plug-in electric vehicle (EV) imports from mainland China to the EU surged 178.3% year-over-year to about 620,000 vehicles, prompting EU requests to restrict exports and proposals from France and Germany for stronger trade defense mechanisms.

Other measures in the new deal include lower tariffs for a range of products as well as facilitating easier export licenses for access to mainland China's critical minerals after a number of trade investigations have been opened on both sides.
Domestically, mainland China's anti-involution measures, such as ending tax breaks for lithium-ion batteries, aim to curb excess capacity, although weak demand is likely to sustain export pressure



Source: S&P Global Intelligence

New Informal Entry Type for International Mail Pushed Back

U.S. Customs and Border Protection (CPB) has extended from October 22, 2026, to January 20, 2027, the compliance date for new informal entry procedures for international mail shipments.

As previously announced in a June 2026 interim final rule, all international postal shipments subject to Section 201, 232, or 301 tariffs, or that are under the jurisdiction of a partner government agency, will be required to be filed electronically in the Automated Commercial Environment (ACE) through the new entry type 13 process for purposes of informal entry (otherwise, formal entry is required).

CBP has now granted a 90-day extension of this requirement to provide "importers, brokers, and logistics providers additional time to update their processes while helping avoid disruptions to certain international postal shipments destined for the United States."
Source: Sandler, Travis & Rosenberg, P.A.

India in Solar Cell Shortage

India is experiencing a solar cell shortage that has prompted manufacturers including Solex Energy Ltd. to cut operations significantly, while simultaneously driving import growth of 22.2% year-over-year in the 12 months to June 2026. This import surge has been accompanied by a notable geographic shift away from mainland China, whose share fell from 72.6% to 36.0%, toward Indonesia and Thailand, with imports from those countries growing 586.8% and 459.0%, respectively. The government will likely need to introduce additional production incentives to sustain solar growth as domestic reshoring and supply chain diversification efforts continue.
Source: S&P Global Intelligence

Reshoring Efforts to Cambodia Faces Headwinds

Cambodia's reshoring momentum is facing headwinds in higher-value manufacturing amid a number of challenges. Nidec Corp.'s

production stoppage marks a tangible setback, while engine exports fell 4.7% in the 12 months to July 2026, despite wider machinery exports rising 22.5%.

Total exports from Cambodia rose 15.1%, led by metals, toys and apparel, while apparel still accounted for 45.5% of exports, highlighting Cambodia's continued reliance on labor-intensive sectors.

Tire and rubber product exports rose 26.2%, supported by new mainland China-linked investment — yet the Cambodia-Thailand border dispute could limit rail connectivity, regional logistics integration, and thereby future reshoring inflows.

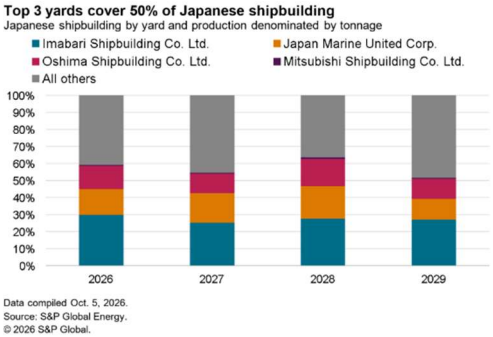
Source: S&P Global Intelligence

Building More Boats

Mitsubishi Heavy Industries Ltd. plans to invest US$638 million to raise commercial vessel capacity by 25% in 2028, supported by Japanese Transport Ministry subsidies.

The move aligns with Japan's goal to double shipbuilding capacity to 18 million gross tons by 2035 and mobilize US$6 billion in public and private investment. However, Japan remains behind mainland China and South Korea in shipbuilding capacity, while Mitsubishi accounts for just 7.9% of Japan's current gross tonnage on order.

The expansion comes as Japanese yard orders already exceed 24 million gross tons through 2029, but capacity absorption could become challenging if maritime disruption eases: 40.7% of current container ship capacity is on order, while container trade demand is forecast to grow only 2.1% in 2027 against expected fleet growth of 10%.



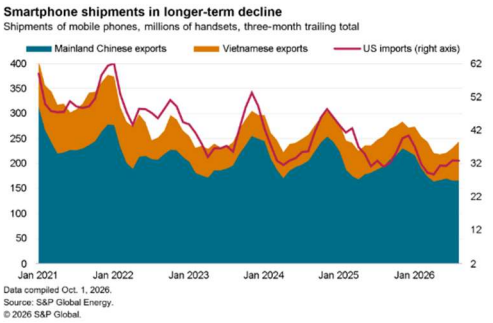
Source: S&P Global Intelligence

Smartphone Shipment Slide

Global smartphone shipments fell by 20% year-over-year in the third quarter of 2026. That partly reflects a demand response to higher prices as phone makers attempt to pass through higher component costs that are unlikely to decline until at least 2028.

Much of the weakness was in the mainland Chinese market, with exports from mainland China and Vietnam dipping by 6.4% year over year in the three months to August. 31, 2026.

The U.S. market has been stronger, with imports rising 0.4% year-over-year, while average import prices per device soared 36.8%, highlighting the impact of higher pricing as well as new, premium devices. Costs are unlikely to fall until at least 2028.



Source: S&P Global Intelligence