

## Tariff on U.S. Aluminum Imports

On March 12, the U.S. Trump Administration imposed a 25% tariff on aluminum products under Section 232 of the Trade Expansion Act. While the tariff previously applied to 9 items, including sheets, bars/shapes, tubes, wires and aluminum foil, 123 items incorporating aluminum have now been included. These newly affected products include derivative items such as parts and materials for semiconductor manufacturing equipment and aircraft-related products.

Aluminum is light, durable, highly conductive, and recyclable material. It is indispensable for advancing renewable energy technologies such as solar cells, wind power generation, storage batteries, and nuclear power, as well as for achieving a circular economy. Aluminum also plays a critical role in key industries, including automotive, semiconductors, and electronic equipment. From a security standpoint, it is an essential material for aviation, space, defense, and other strategic sectors.

In terms of trade between Japan and the United States, Japan exported aluminum rolled products and foil worth 23.5 billion yen to the U.S. in 2024, while imports from the U.S. totaled 27.9 billion yen, resulting in a trade deficit of 4.4 billion yen. Over the decade, the average annual trade deficit has been 3.5 billion yen, highlighting Japan's position of excess imports from the United States.

The export of Japanese aluminum products to the U.S. neither harms the U.S. economy nor compromises its security. On the contrary, Japan's high-quality products, which are difficult to substitute, indispensable for strengthening the competitiveness of U.S. manufacturing. These exports significantly contribute to U.S. industry and employment. The imposition of tariff measures on Japanese aluminum products is, therefore, deeply regrettable.

During METI Minister Muto's recent visit to the United States, both governments agreed to establish a framework for administrative-level consultations. We will closely monitor the developments and continue working closely with the Japanese government to seek exemptions from these measures.

Japan Aluminum Association