

Customs Alert

February 2025

THE TARIFF LANDSCAPE UNDER THE NEW TRUMP ADMINISTRATION – POTENTIAL IMPACTS AND HOW TO PREPARE

President Trump's second administration places a major focus on trade policies and tariffs, including the use of tariffs as an instrument of trade policy. As anticipated, the US President passed Executive Orders to impose higher tariffs on all products coming into the US from Canada, Mexico and China. More tariffs are anticipated in respect of goods imported into the US from other countries. These result in retaliations, petitions and substantial disruptions to global supply chains.

While there is a degree of uncertainty around whether Vietnam would be included in the list of countries facing increased tariffs, or whether the origin of products exported from Vietnam would be questioned and investigated under President Trump's second administration, goods imported from countries benefiting from "unfair trade practices" or subsidies will likely be at risk of higher US tariffs, including anti-dumping and countervailing duties (AD/CVD). We recommend that Vietnamese manufacturers (exporting to the US) proactively monitor relevant trade regulations, consult with professional trade and tariff experts to understand the potential tariff impacts and implement strategies to mitigate the effects of increasing tariffs and entailing disruptions.

How KPMG can help

KPMG Vietnam has a dedicated and specialised Trade & Customs team of professionals with local and international experience and well-established credentials. We are a part of and work closely with the KPMG regional and global Trade & Customs network, especially our US Trade & Customs colleagues to help you stay abreast of the potential disruptions and manage the potential tariff impacts effectively. We can do that by:

- **Monitoring and providing you with essential insights** to navigate the evolving trade and tariff landscape and proactively deal with the AD/CVD threats.
- **Country of origin and impact analysis** – Vietnam and the US have different rules of origin. We will review your supply chain (material traceability), analysing your production processes (substantial transformation analysis) to determine whether your products meet the rules of origin. We can advise you of the potential impacts and how to mitigate risks associated with country of origin of your products.

Contact us

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