

DHL EXPRESS FREQUENTLY ASKED QUESTIONS (FAQs)

2025 UNITED STATES OF AMERICA (US) REGULATORY CHANGES

Last Update: Feb 5, 2025

NOTE: This is a fluid situation subject to changes at any time, and DHL may release future updates.

GENERAL

1. What is the regulatory change?

On February 1, 2025, U.S. President Trump signed an **Executive Order (EO) to impose additional tariffs on products with Country of Origin (COO) China and Hong Kong (Made in China/Hong Kong)**, invoking emergency economic powers under the International Emergency Economic Powers Act (IEEPA) with an effective date of **12:01 a.m. Eastern time on February 4, 2025**.

The **Executive Order (EO)** also **suspends De Minimis (DM) treatment** for all products with **Country of Origin (COO)** China and Hong Kong impacted by these actions. Further, **no duty drawback** shall be available with respect to the duties imposed under IEEPA.

<u>IMPORTANT:</u> all products with Country of Origin (COO) China and Hong Kong, regardless of where they are shipped from, will no longer be eligible for De Minimis (DM) entry and require informal or formal entry processing. These products will be subject to import customs duties based on the Harmonized Tariff Schedule of the United States (HTSUS), which may include up to three different duties, including General Duty Rate (majority range from 2.5% to 6%), Section 301 (range from 7.5% to 100%), and the newly implemented IEEPA (10%).

EXCLUSIONS: The following products with **Country of Origin (COO) China and Hong Kong** are exempted from the additional duties under IEEPA EO. However, these products must be processed through informal or formal entry, according to the appropriate HTSUS: 1) Donations, 2) Informational Materials (such as publications, films, posters, phonograph records, photographs, microfilms, CDs, etc.)

| Summary of changes for shipments from Rest of World to USA containing products with Country of Origin (COO) China and Hong Kong | | |
|---|---|--|
| Category | Before February 4 th , 2025 | From February 4, 2025 |
| De Minimis | Shipments up to \$800 (based on value of the goods) Duty & Tax Free Release from Manifest | NO De Minimis available |
| Informal Entry | Shipments valued above \$800 and up to \$2,500 (based on value of the goods) except for shipments containing products subject to tariffs under Section 301, in which case require Formal entry. Duties & Taxes based on HTSUS. | Informal entry only for shipments up to \$250 Duties & Taxes based on HTSUS (all applicable duties, including General duty rate, Section 301, and IEEPA) |
| Formal Entry | Shipments valued above \$2,500 (based on value of the goods) and Shipments valued above \$800 containing products subject to tariffs under Section 301 Duties & Taxes based on HTSUS (all applicable duties, including General duty rate, and Section 301) Requires Ultimate consignee Tax ID | Shipments valued above \$250 (based on value of the goods) Duties & Taxes based on HTSUS (all applicable duties, including General duty rate, Section 301, and IEEPA) Requires Ultimate consignee Tax ID |



NOTE:

 U.S. President Trump also signed two Executive Orders (EO) to impose additional tariffs on products with Country of Origin (COO) Canada and Mexico. However, on February 3, 2025, after reaching agreements with the governments of Canada and Mexico regarding actions to address border security concerns, U.S. President Trump issued two EOs to suspend the imposition of additional tariffs on products with COO Canada and Mexico until March 4, 2025. Therefore, there are no changes for products with Country of Origin (COO) Canada and Mexico at this time.

2. Why is this regulatory change happening?

The U.S. President declared that the extraordinary threat posed by illegal aliens and drugs, including fentanyl, constitutes a national emergency under the International Emergency Economic Powers Act (IEEPA). Therefore, until the crisis is alleviated, the U.S. President is looking to impose tariffs on imports from Canada, Mexico, and China, subject to the concrete actions that these countries take to address the border security concern.

IMPACT FOR SHIPPERS

3. What is the impact for shippers from rest of world to US?

Shippers from rest of the world to the United States shall be aware that all products with **Country of Origin (COO) China and Hong Kong (regardless of where they are shipped from)** are no longer eligible for **De Minimis (DM)** clearance and subject to new import duties under IEEPA.

4. What can shippers from rest of world to US do to avoid delays?

To avoid delays, shippers from the rest of the world to the US, shall provide complete and accurate Commercial Invoice data for all products, including detailed goods description, to the extent possible the HTSUS classification, **Country of Origin (COO)** of the goods (**where goods are manufactured**), and ultimate consignee's Tax ID/Social Security number (for shipments above \$250). This information shall ideally be provided when creating the shipment via the DHL Electronic Shipping solutions/integrations.

IMPACT FOR IMPORTERS / CONSIGNEES

5. What is the impact for importers/consignees in the US?

Consignees in the United States shall be aware of the new regulations and understand that shipments containing products **Made in China or Hong Kong (regardless of where they are shipped from**), are no longer eligible for **De Minimis (DM)** clearance and are subject to new import duties under IEEPA. These shipments will require informal or formal entry.

Consignees must also be aware that additional information or supportive documentation may be required for clearance purposes. Additional information may include a proof of **Country of Origin (COO)** of the goods, ultimate consignee's Tax ID/Social Security number (required for shipments above \$250) with supportive documentation, if necessary.

6. What can importers/consignees in the US do to avoid delays?

To avoid delays, importers/consignees in the US, shall:

- Be ready to provide additional information or supportive documentation that may be required for clearance purposes. Additional information may include additional product information, a proof of **Country of Origin (COO)** of the good, and ultimate consignee's Tax ID/social security number (with supportive documentation).
- Ensure that the shipper provides complete and accurate data in the air waybill and commercial invoice when creating a shipment with DHL Express, ideally via one of the DHL Electronic Shipping Solutions/integrations.

ADDITIONAL INFO



7. Where can I find additional information?

For additional information, please consult the website below:

- EOs on CN:
 - <u>https://www.whitehouse.gov/presidential-actions/2025/02/imposing-duties-to-address-the-synthetic-opioid-supply-chain-in-the-peoples-republic-of-china/</u>
- How to Navigate Section 301:
 - https://ustr.gov/issue-areas/enforcement/section-301-investigations/search

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