

A photograph of a city skyline with various skyscrapers and buildings under a blue sky with scattered white clouds. The foreground shows a green lawn and some trees.

**WELCOME TO THE BREAKOUT SESSION**

# **NAVIGATING SUPPLY CHAIN TRENDS IN NORTH AMERICA:**

**THE IMPACT OF GEOPOLITICAL AND EMERGING CHALLENGES**

**ROGER LIBBY**  
DHL



## **GENERAL POLICY RISKS**

## POLICY RISKS – Strategic Competition With China

### RESETTING THE ECONOMIC RELATIONSHIP

- New tariffs and reduced trade facilitations
- Sanctions, export controls, and investment restrictions
- Domestic content and labelling
- Domestic investments in innovation and strategic sectors
- Targeting sectors like Semiconductors
- Repealing PNTR status – international acceptance
- Encourage ally and partner collaboratively (TTC, IPEF, APEP)



## POLICY RISKS – Trade



## POLICY RISKS – Trade – USMCA

**2026 mandatory ‘Joint revision of the parties,’  
is NOT a ‘renegotiation.’**

With potentially all new leaders, the outcome is unclear. Two options exist:

1. An extension of the existing deal for 16-years or
2. yearly reviews until 2036 tackling irritants.



# POLICY RISKS – Customs

## 21st Century Customs Framework

- Data Requirements (HTS and ACAS data)
- Data Sharing (maybe new liabilities for shippers)
- “Customs business” may require more brokers
- Increased Enforcement & Fines
- New Subpoena authorities
- Summary Forfeiture and Abandonment
- Changes to de minimis



## POLICY RISK – Customs Reauthorization – DE Minimis



### Reduction in Value

As the average value for de minimis entry is \$56 USD, simply lowering the value does little to address the underlying concerns.



### Country Specific

Elimination for “Non-Market Economies” - China, Vietnam, Russia – is appealing, but CBP opposes it as it would drive routing changes.



### Reciprocity Treatment

The resultant complexity of rules is not administrable and would drive transit routing. This effectively kills de minimis.



### Impose 301 / 232 duties

De minimis is exempt from ALL duties including Trump’s China tariffs. Many want to see this as a “loophole,” but this requires an HTS code.



### Eliminate Entry Type 86

70% of 321 entries are **not** Express or Post. Ending ET86 would hit smaller freight consolidators.



### Bad Actors List

Similar to the Forced Labor “Entities List,” CBP could establish a list of entities barred from entry, or at least not eligible to use 321.

## POLICY RISKS – Tax Reform

### *“Superbowl of tax”*

#### **The Trump Tax Cuts and Jobs Act (TCJA)**

- Many provisions expiring in 2025 require major revisions
- 21% corporate rate and expansion of some deductions / tax credits depend on international “pay-fors” (BEAT, CAMT, etc.)

#### **Inflation Reduction Act (IRA)**

- Several tax provisions still need to be implemented
- Green transport and energy related provisions up for grabs

***Corporations – especially multi-nationals – are a primary target for higher rates to cover other credits.***





## POLICY RISKS – Technology & AI

**Cyber security, data breaches, California’s Consumer Privacy Act and competition with China all bring tech issues :**

### **Data Privacy:**

- State action (California law)
- Federal framework proposal with state preemption
- Increased FTC and State AG enforcement authority

### **Artificial Intelligence:**

- White House Executive Order on AI
- Several bills introduced focused on ethics and privacy
- Expect more comprehensive bills to be unveiled

### **5G Deployment:**

- Congress/Administration national strategy

***“History has shown, in the absence of regulation and strong government oversight, some technology companies choose to prioritize profit over the wellbeing of their customers, the safety of our communities, and the stability of our democracies.”***

*- Vice President Harris*



# PRESIDENTIAL PRIORITIES: HARRIS VS. TRUMP



## Harris Priorities – Highlights



- Corporate rate 28%
- Stock buyback 4%.
- Minimum tax of 25% on wealthy
- Tax unrealized gains.



- Maintain all tariffs
- Expand forced labor & fentanyl initiatives
- Add restrictions on the “de minimis loophole”



- Direct investments in strategic goods (Chips, EVs, batteries, critical minerals,)
- Domestic content requirements



- Reduce emissions 50% by 2030
- 100% carbon-free power by 2035.
- EV support, esp. MHDVs & charging
- SAF Facilitation

# Trump Priorities – Trump’s Second Term Agenda 47 Blueprint Highlights



- Extend tax reform – 18% corporate rate and 15% capital gains & dividends
- New rules to prevent outbound investment in China – keep investments here



- Raise China tariffs from 25% to 60%
- 10% tariff on ALL imports
- End De Minimis
- Repeal PNTR
- Reciprocal trade



- Withdraw from treaties or other international organizations
- Hold NATO partners to a high standard



- Build the wall
- Deportation of illegal immigrants
- Establish a “merit-based immigration system”

# PANEL DISCUSSION



# THANK YOU



## WHAT IS NEXT ON THE AGENDA?

4.30 – 5.00 pm

Shifting Gears - The 70-year-old start up and the new age of F1

*From 7.00 pm*

*Networking Dinner*

# THANK YOU



## WHAT IS NEXT ON THE AGENDA?

**11.00 – 11.30 am** *Networking Break & Exhibition*

**11.30 – 12.30 pm** **AI in Logistics** - Pitching competition

# 2025 U.S. POLICY OUTLOOK

POLITICAL RISK COMPARISON

Roger Libby

Corporate Public Affairs – Americas

16-17 October 2024

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