Fact sheet: U.S. tariff measures concerning Canadian goods

Last updated Aug. 26, 2026

Trade rules and tariff measures continue to shift rapidly, creating new costs, risks and planning challenges for Canadian exporters. Since 2025, the United States has introduced a series of tariff actions affecting a growing range of sectors and products, while Canada has responded with counter-tariffs and new support measures for businesses. To help exporters adapt, Export Development Canada (EDC) has strengthened its Trade Impact Program (TIP), which has already deployed $3 billion to support more than 800 Canadian companies as they navigate trade disruption and economic uncertainty.

This fact sheet provides a snapshot of the current tariff landscape affecting Canadian exporters. It outlines key U.S. tariff measures, affected products and sectors, available exemptions, Canada's response and the resources available to help businesses navigate ongoing trade uncertainty.

The guide below explains how the information is organized and how to quickly find the tariff information and resources most relevant to your business.

How to use this document

- **In-force** and **announced** tariff actions are organized alphabetically in the table of contents.
    - Each tariff measure has its own summary table.
    - Unless otherwise cited, the information in each table comes from the sources listed in the **key documents** row.
- **Expired or cancelled** tariff actions are outlined separately.

- See **Appendix** for definitions of terms and acronyms used throughout.

New since last edition (July 31, 2026)

- **Section 232—Pharmaceuticals:** U.K. rate reduced to zero.
- **Section 232—Polysilicon**: Announced Aug. 6; entry into force Dec. 4.
- **Section 232—Unmanned aircraft systems (UAS or drones)**: Announced Aug. 13; entry into force Sept. 3, 2026 or Feb. 9, 2027, depending on the situation.
- **Section 338—Various Canadian goods:** In force as of Aug. 22. U.S. Customs and Border Protection (CBP) guidance available.
- **Canada's response to U.S. tariff measures:** Information on Canada's counter-tariffs and government supports for affected businesses.

These updates are covered in detail below. Headings of new sections, as well as updated content within existing sections, are preceded by "**New**" or "**Updated** "

Table of contents

Current and proposed tariff measures

Section 232 tariffs on the automotive sector

Key dates	• **April 3, 2025**: Entry into force for automobiles (passenger vehicles and light trucks (PVLT) • **May 3, 2025**: Entry into force for PVLT parts • **Nov. 1, 2025**: Entry into force for medium- and heavy-duty vehicles (MHDV), their parts and buses
Countries affected	• All
Tariff rates and products affected	**PVLT and parts** • **25%**: Passenger vehicles and light trucks and their parts • HTSUS codes listed in Annex I to Proclamation 10908 **MHDV, MHDV parts, buses:** • **25%**: Medium- and heavy-duty trucks and their parts • **10%**: Buses • HTSUS codes listed in Annex I to Proclamation 10984
Exemptions or reduced rates	• **Vehicles that are more than 25 years old:** 0% • **Canada-United States-Mexico Agreement (CUSMA)-qualifying vehicles** (PVLT and MHDV; buses excluded): 0% for U.S. portion, subject to prior approval • **CUSMA-qualifying vehicle parts** (PVLT): 0%, other than automobile knock-down kits or parts compilations • **CUSMA-qualifying vehicle parts** (MHDV): 0% (other than automobile knock-down kits or parts compilations) until the U.S. government establishes a process to apply tariffs to the non-U.S. content of the parts • **Domestic assembly offsets:** U.S.-assembled PVLT and MHDV are eligible for an offset of a portion of the tariffs for automobile parts used in these vehicles (2.5% or 3.75% of the MSRP of a manufacturer's U.S. production).
Special considerations	• **Aluminum and steel used in automotive production:** Tariffs reduced from 50% to 25% for aluminum and steel smelted and cast/melted and

	poured in Canada or Mexico, if used in automotive, MHDV, or bus manufacturing. • **Tariff stacking:** If an article is subject to tariffs under Section 232 (automotive), it won't be subject to additional tariffs such as Section 232 (steel and aluminum) tariffs. • **FTZ:** Privileged foreign status only • **Drawback:** Limited allowances under Proclamation 10984, paragraph (15)
Key documents	**Presidential proclamations and White House fact sheets:** • **March 2025**: Automobiles and parts: Proclamation 10908 and fact sheet • **April 2025:** Amendments: Proclamation 10925 and fact sheet • **October 2025:** MHDV: Proclamation 10984 and fact sheet **Notices by International Trade Administration, Department of Commerce** • **May 2025:** Procedures for Submissions by Importers of Automobiles Qualifying for USMCA To Determine U.S. Content • **June 2025:** Procedures to Administer Import Adjustment Offset Amounts for Certain Imports of Automobile Parts Under Proclamation 10908, as Amended • **February 2026:** Procedures for Submissions by Importers of MHDV Qualifying for USMCA To Determine U.S. Content • **April 2026:** Procedures for Submissions by Certain Steel and Aluminum Producers Committing to New U.S. Steel or Aluminum Production To Obtain Tariff Adjustments Under Proclamation 10984 • **May 2026:** Amending the Procedures to Administer Import Adjustment Offset Amounts for Certain Imports of Automobile Parts Under Proclamation 10908 To Include Medium- and Heavy-Duty Vehicle Parts • **July 2026:** Procedures to Administer Import Adjustment Offset Amounts for Certain Imports of Automobile and Medium- and Heavy-Duty Vehicle Parts for Automobile and Medium- and Heavy-Duty Vehicle Engine Manufacturers **CBP** (U.S. Customs and Border Protection) **guidance:** • **April 2025:** CSMS # 64624801 - Automobiles • **May 2025:** CSMS #64916652 - Automobile Parts • **July 2025:** CSMS # 65649652 - USMCA-Qualifying PVLT • **October 2025:** CSMS # 66665333 - MHDV • **May 2026:** CSMS # 68559236 - USMCA-Qualifying MHDV • **June 2026:** CSMS # 69087399 - Duty Offset for Automobile and MHDV Parts

Section 232 tariffs on patented pharmaceutical products

Key dates	• **April 2, 2026**: Proclamation issued • **July 31, 2026**: Entry into force for companies listed in Annex III • **Sept. 29, 2026**: Entry into force for all other companies
Countries affected	• All
Tariff rates and products affected	• **100%**: Patented pharmaceutical products and ingredients Annex I: List of HTSUS codes subject to the tariff
Exemptions or reduced rates	• **20% through April 2030:** Companies that enter into onshoring agreements with the Department of Commerce (periodic reporting required) • **15%:** European Union (EU), Japan, Korea, Switzerland, Liechtenstein • **New rate: 0%:** United Kingdom (U.K.) • **0% through January 2029:** Companies with onshoring agreements that also enter into MFN (most-favoured-nation) pricing agreements with the Department of Health and Human Services (Annex II) **No tariff:** • HTSUS codes listed in Annex IV • Generic pharmaceutical products, biosimilars and associated ingredients (to be reassessed by April 2027) • Specialty pharmaceutical products (including orphan drugs and drugs for animal health) if they're from trade deal countries or meet an urgent U.S. health need • Imports of U.S.-origin pharmaceutical products
Special considerations	• **FTZ:** Privileged foreign status only, unless eligible for domestic status • **Drawback:** Available
Key documents	**Presidential proclamation and White House fact sheet:** • **April 2026:** Proclamation 11020 and fact sheet; also searchable PDF version of Annexes I-IV **CBP guidance:** • **July 2026:** CSMS # 69395344 • **New:** August 2026: CSMS # 69415934 - Reduction of U.K. tariffs

New: Section 232 tariffs on polysilicon

Key dates	• **Aug. 6, 2026:** Proclamation issued • **Dec. 4, 2026**: Entry into force
Countries affected	• All

Tariff rates and products affected	• **Minimum import price (MIP)** (subject to adjustment), with related documentation requirements:
	    ○ $21/kg for polysilicon
	    ○ $100/kg for polysilicon ingots and wafers
	    ○ $0.22/watt for solar cells
	    ○ $0.38/watt for solar modules
	• **MIP tariff:** Products sold below MIP will be subject to a tariff equal to the difference between the declared value and the MIP. Importers that fail to submit documentation are subject to a tariff equal to the full MIP.
	• **15% tariff** (in addition to MIP tariff, if applicable) for polysilicon ingots and wafers, solar cells and solar modules.
	Affected HTS codes are listed in Annexes I and II.

Exemptions or reduced rates	• **15% cap (Column 1 duty rate[1] + Section 232 polysilicon):** EU, Japan, Korea, Taiwan, Switzerland, Liechtenstein • **10%:** U.K. • Possible duty relief for companies with approved onshoring plans
Special considerations	• **Tariff stacking:** Duties apply in addition to any other applicable duties • **FTZ:** Privileged foreign status only, unless eligible for domestic status • **Drawback:** Available under conditions of clause 8 of Proclamation 11052 • **Stockpiling:** CBP is given authority to restrict imports by companies found to be stockpiling prior to the December 4 entry into force[2]
Key documents	**Presidential proclamation and White House fact sheet:** • **August 2026:** Proclamation 11052 (includes Annexes I and II) and fact sheet

[1] Clause (5)(b) of Proclamation 11052 refers to "the applicable rate of duty under Column 1 of the HTSUS". The Harmonized Tariff Schedule of the U.S. (HTSUS) provides for two types of duty rates under Column 1 of each chapter: General (the MFN rate) and Special (preferential rates under free trade agreements).

[2] See Clause (11) of Proclamation 11052.

	CBP guidance: pending

Section 232 tariffs on semiconductors and their derivative products

Key dates	• **Jan. 15, 2026**: Entry into force
Countries affected	• All
Tariff rates and products affected	• **25%**: Certain advanced computing chips such as the NVIDIA H200 and AMD MI325X. HTSUS codes: 8471.50, 8471.80 and 8473.30
Exemptions or reduced rates	This tariff doesn't apply to chips that are imported to support the buildout of the U.S. technology supply chain and the strengthening of domestic manufacturing capacity for derivatives of semiconductors. This includes semiconductor articles imported for: • Use in U.S. data centres • Repairs or replacement in the U.S. • Research and development in the U.S. • Use by startups in the U.S. • Use in non-data centre consumer electronics and civil industrial applications • Use in U.S. public sector applications
Special considerations	• **Tariff stacking:** Semiconductor articles covered under this tariff action aren't subject to other Section 232 tariffs (i.e., automotive, metals) • **FTZ:** Privileged foreign status only • **Drawback:** Not available
Key documents	**Presidential proclamation and White House fact sheet:** • **January 2026:** Proclamation 11002 and fact sheet **CBP guidance:** • **January 2026:** CSMS # 67400472

Section 232 tariffs on steel, aluminum and copper products

Key dates	• **March 12, 2025**: Entry into force for steel and aluminum • **June 4, 2025**: Tariff increases; new classification and valuation rules • **Aug. 1, 2025**: Entry into force for copper • **April 2, 2026:** Significant modifications—tariffs now apply to full customs value (previously, only to metal content); products in Annex II, as well as motorcycle parts, removed from scope • **June 8, 2026**: Additional temporary duty reductions and modifications • **July 20, 2026:** New incentive program for onshoring of aluminum production into the U.S., allowing 50% reduction in Section 232 duties for companies with approved onshoring plans
Countries affected	• All
Tariff rates and products affected	• **50%**: Articles made entirely, or almost entirely, of aluminum, steel and copper (Annex I-A) • **25%**: Aluminum, steel and copper derivative articles (Annex I-B)
Exemptions or reduced rates	• **0%**: Products made with ≤15% steel, aluminum, or copper by weight (Annex IV; excludes articles of Chapters 72, 73, 74, or 76; must report aggregate weight of applicable metal(s) in CBP entry) • **10%**: Products made with U.S. metal (≥ 85% U.S. content by weight) • **U.K. special rates:** 25% for Annex I-A (metals) and 15% for Annex I-B (derivatives) • **Russia special rates:** 200% for aluminum articles or aluminum derivatives with any Russian-origin content; 50% for steel and copper articles and steel derivatives of Russia **Temporary reductions through Dec. 31, 2027:** • **All countries:** 15% cap on certain industrial and agricultural equipment (Annex III) • **CUSMA-compliant products of Annex I-C:** 0% rate for U.S. content (up to 40% of product value) and 25% rate for non-U.S. content; total effective duty rate must be at least 15% • **Other trade deal countries** (EU, Korea, Japan, U.K. and others): 15% cap for products of Annex I-C

	• **Automotive reductions:** See table in this document, Section 232 tariffs on the automotive sector.
Special considerations	• **Reporting countries of melt/pour and smelt/cast:** Required by CBP for aluminum, steel and copper. Copper smelt and cast reporting became available in the Automated Commercial Environment (ACE) as of July 30, 2026 • **Tariff stacking:** Goods listed as articles of derivatives of more than one metal (steel, aluminum, copper) are subject to duties only once. • **FTZ:** Privileged foreign status only, unless eligible for domestic status • **Drawback:** Available under conditions outlined in Proclamation 11021, paragraph (13)
Key documents	**Presidential proclamations and White House fact sheets:** • **February 2025:** Proclamation 10895: Adjusting Imports of Aluminum and fact sheet • **February 2025:** Proclamation 10896: Adjusting Imports of Steel and fact sheet • **June 2025:** Proclamation 10947: Adjusting Imports of Aluminum and Steel • **July 2025**: Proclamation 10962: Adjusting Imports of Copper and fact sheet • **April 2026**: Proclamation 11021: Strengthening Actions Taken to Adjust Imports of Aluminum, Steel, and Copper and fact sheet • **June 2026**: Proclamation 11032: Further Adjusting the Tariff Regimes for Imports of Aluminum, Steel, and Copper and fact sheet; *Links to searchable PDF versions of the updated annexes are available at the bottom of* this page. • **July 2026:** Proclamation 11045: Further Strengthening Actions Taken to Adjust Imports of Aluminum and fact sheet **U.S. Department of Commerce** • **April 2026**: Notice of Technical Corrections to the HTSUS for Duties Imposed by Proclamation 11021 **CBP guidance:** • **March 2025:** CSMS # 64348411 - Steel and Steel Derivative Products and CSMS # 64348288 - Aluminum and Aluminum Derivative Products • **June 2025**: CSMS # 65340246 - Section 232 Aluminum Import Instructions for Reporting Unknown for the Country of Smelt and Cast • **April 2026:** CSMS # 68253075 - Section 232 Duties - Aluminum, Steel, and Copper • **May 2026:** CSMS # 68554727 - Technical Corrections to Section 232 Duties - Aluminum, Steel, and Copper

	• **June 2026:** CSMS # 68855869 - Further Adjusting the Tariff Regimes for Imports of Aluminum, Steel, and Copper • **July 2026:** CSMS # 69252300 - Section 232 Copper Smelt and Cast Reporting

Section 232 tariffs on timber, lumber and related wood products

Key dates	• **Oct. 14, 2025**: Entry into force • **Jan. 1, 2027**: Planned increases to tariff rates, unless agreements are reached with trading partners
Countries affected	• All
Tariff rates and products affected	• **10%**: Softwood timber and lumber • **25%**: Certain upholstered furniture (increasing to 30% on Jan. 1, 2027) • **25%**: Completed kitchen cabinets and vanities and parts (increasing to 50% on Jan. 1, 2027) **Full HTSUS list:** Lumber and Timber 232 Annex and searchable PDF version
Exemptions or reduced rates	• **U.K.:** 10% tariff • **EU and Japan:** Combined Section 232 and MFN rate not to exceed 15%
Special considerations	• **Tariff stacking:** For wood products also covered under Section 232 tariffs related to the automotive sector, only the automotive tariffs apply • **FTZ:** Privileged foreign status only • **Drawback:** Available
Key documents	**Presidential proclamations and White House fact sheets:** • **September 2025**: Proclamation 10976 and fact sheet • **December 2025**: Amendments: Proclamation 11000 and fact sheet **CBP guidance:** • **October 2025**: CSMS # 66492057

New: Section 232 tariffs on unmanned aircraft systems (UAS) and their components

Key dates	• **Aug. 13, 2026:** Proclamation issued • **Sep. 3, 2026:** Entry into force for goods listed in Annex I and Annex II • **Feb. 9, 2027**: Entry into force for goods listed in Annex III and for companies on the Department of War's Blue UAS Cleared List, the Blue UAS Framework, or the Federal Communications Commission's (FCC) Conditional Approval List on Sep. 2, 2026
Countries affected	• All
Tariff rates and products affected	• **100%**: UAS and UAS components listed in Annex I (includes UAS with maximum takeoff weight above 25 kg or with thermal imaging capabilities) • **25%:** UAS listed in Annex II (UAS with maximum takeoff weight up to 25 kg) • **25%:** UAS components listed in Annex III
Exemptions or reduced rates	• **15% cap (Column 1 duty rate[3] + Section 232 UAS):** EU, Japan, Korea, Taiwan, Switzerland, Liechtenstein[4] • **10%:** U.K.[5] • Possible duty relief for companies with approved onshoring plans
Special considerations	• **Tariff stacking:** Duties apply in addition to any other applicable duties • **FTZ:** Privileged foreign status only, unless eligible for domestic status • **Drawback:** Available under conditions outlined in clause (8) of Proclamation 11055
Key documents	**Presidential proclamation and White House fact sheet:** • **August 2026:** Proclamation 11055 (includes Annexes I, II, III and IV) and fact sheet **CBP guidance:** pending

[3] Clause (4) of Proclamation 11055 refers to "the applicable rate of duty under Column 1 of the HTSUS". The Harmonized Tariff Schedule of the U.S. (HTSUS) provides for two types of duty rates under Column 1 of each chapter: General (the MFN rate) and Special (preferential rates under free trade agreements).

[4] According to clause (4) of Proclamation 11055, "These duty rates shall apply only if substantially all the critical components and technology are certified by importers to be products of the United States, Japan, the Republic of Korea, Taiwan, Switzerland, Liechtenstein, a member nation of the European Union, or the United Kingdom."

[5] Ibid.

Section 301 forced labour import duties

Key dates	• **July 24, 2026:** Entry into force
Countries affected	• 60 economies, including Canada (countries listed in the memorandum)
Tariff rates and products affected	• **10%**: 17 markets, including Canada • **10% net of MFN rate**[6]: EU, Taiwan • **12.5% net of MFN rate**: Japan, Korea, Switzerland • **12.5%**: All other investigated economies
Exemptions or reduced rates	**Exemptions include:** • Product-specific exemptions: HTSUS codes listed in the Annex • CUSMA-qualifying goods • Goods subject to Section 232 duties • Other economy-specific exemptions listed in the Annex
Special considerations	• **Tariff stacking:** For goods already subject to Section 232 duties, Section 301 forced labour duties won't apply • **FTZ:** Privileged foreign status only, unless eligible for domestic status • **Drawback:** Not specified
Key documents	**Memorandum for the United States Trade Representative (USTR):** • **July 2026:** Actions by the United States in the Investigations under Section 301 Related to Forced Labor; also searchable PDF version of the Annex **Notice by the Office of the USTR** • **June 2026**: Notice of Determinations and Request for Comments Concerning Actions in Section 301 Investigations Related to Forced Labor **CBP guidance:** • **July 2026**: CSMS # 69326983

[6] As described by GHY International in its article, Section 301 Forced Labor Tariffs on 60 Economies, Effective July 24 (CBP Guidance Available), "net of MFN" means that the combined MFN and Section 301 tariff totals 10% (or 12.5% for Japan, Korea, and Switzerland). No additional Section 301 tariff is applied in cases where the MFN rate already meets or exceeds 10% or 12.5%.

Updated: Section 338 tariffs on Canadian goods

Key dates	• **July 20, 2026**: Three proclamations signed • **Aug. 18, 2026:** Proclamation signed for temporary suspension of duties • **Aug. 22, 2026**: Entry into force
Countries affected	• Canada

Tariff rates and products affected	• **50%: Products listed in [Annex I of Proclamation 11046](#)**, including beer, wine, spirits, certain wood and paper products, hockey equipment
	  ○ Includes HTSUS codes from Chapters 22, 33, 44, 46, 48, and 95
	• **50%: Products listed in [Annex I of Proclamation 11047](#)**, including dairy products, hops, sugars, molasses
	  ○ Includes HTSUS codes from Chapters 4, 5, 12, 13, 17, 19, 22, 33, 35
	• **50%: Products listed in [Annex I of Proclamation 11048](#)**, including a wide range of: plant and animal products; cement, chemical, plastic and rubber products; wood and paper products; consumer goods; machinery
	  ○ Includes HTSUS codes from Chapters 4, 5, 6, 12, 13, 14, 19, 22, 25, 29, 32, 33, 34, 35, 38, 39, 40, 41, 42, 43, 44, 47, 48, 49, 50, 51, 52, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 67, 68, 70, 71, 72, 78, 81, 82, 83, 84, 85, 87, 89, 90, 94, 95, 97
	• CUSMA-qualifying goods **aren't** exempt.

Exemptions or reduced rates	• Goods subject to Section 232 duties • Civil aircraft (see Annex II of Proclamation 11046) • Notable categories not covered: Energy, potash, fish, critical minerals
Special considerations	• **Tariff stacking:** For goods already subject to Section 232 duties, Section 338 duties won't apply. • **FTZ:** Privileged foreign status only, unless eligible for domestic status • **Drawback:** Available
Key documents	**Presidential proclamations and White House fact sheets:** • **July 2026**: Proclamation 11046: Imposing Additional Duties To Offset Canadian Discrimination Against the Commerce of the United States With Respect to Alcoholic Beverages; see also PDF versions of Annex I and Annex II

	• **July 2026**: Proclamation 11047: Imposing Additional Duties To Offset Canadian Discrimination Against the Commerce of the United States With Respect to Dairy; also PDF version of Annex I • **July 2026**: Proclamation 11048: Imposing Additional Duties To Offset Canadian Discrimination Against the Commerce of the United States With Respect to Motor Vehicles; also PDF version of Annex I • **July 2026:** Fact sheet summarizing the three proclamations • **New:** August 2026: Proclamation 11056: Temporary Suspension of Additional Duties **CBP guidance** • **New:** August 2026: CSMS # 69606660, including consolidated Section 338 Canada HTS List with applicable Chapter 99 codes

Cancelled or expired measures

Section 122 tariffs

On Feb. 24, 2026, the U.S. imposed an additional global tariff on all imports at the rate of 10%.[7] These tariffs applied to all HS classifications, with certain exemptions, including goods already subject to Section 232 duties and goods that qualified for CUSMA treatment.[8]

Section 122 tariffs were eliminated on July 24, 2026.[9] & [10]

On May 7, 2026, in a 2-1 ruling, the U.S. Court of International Trade (CIT) found the 10% tariffs imposed under Section 122 to be unlawful.[11] The injunction only applied for the three plaintiffs named in the CIT ruling. The ruling was appealed by the Trump administration to the U.S. Court of

[7] The key documents relating to Section 122 tariffs and their implementation include:

- **Presidential proclamation:** February 2026: Proclamation 11012 and fact sheet.
- **CBP guidance:** February 2026: CSMS # 67844987 - Imposing Temporary Section 122 Duties.

[8] The White House, Feb. 20, 2026. Presidential Proclamation, Imposing a Temporary Import Surcharge to Address Fundamental International Payments Problems. See par. (14).

[9] Ibid. See par. (7).

[10] Flexport's July 23, 2026, article, New Section 301 Forced Labor Tariffs: What Importers Need to Know, also refers to the expiration of Section 122 tariffs.

[11] GHY International, updated June 12, 2026. U.S. Can Keep Collecting 10% Tariffs for Now; Appeals Court Allows.

Appeals for the Federal Circuit.[12] Importers who paid Section 122 tariffs may wish to follow developments should the court action result in tariff refunds becoming available.[13]

International Emergency Economic Powers Act (IEEPA) tariffs

On Feb. 20, 2026, the U.S. Supreme Court issued an opinion, which held that the *International Emergency Economic Powers Act* (IEEPA) doesn't authorize President Donald Trump to impose tariffs. These tariffs ceased to be collected as of Feb. 24.[14] The U.S. president's executive order on this subject affects IEEPA duties only and doesn't affect any other duties.[15]

IEEPA tariff refund process

In March 2026, the U.S. Court of International Trade (CIT) issued an order directing CBP to process IEEPA tariff refunds. In April, CBP launched the Consolidated Administration and Processing of Entries (CAPE) tool in the Automated Commercial Environment Secure Data Portal (ACE Portal). CAPE is being implemented in phases based on customs entry liquidation status:

- **Phase 1:** Unliquidated entries and entries within the 80 days of liquidation—active[16]
- **Phase 2:** Entries flagged for reconciliation—active[17]
- **Phase 3:** Entries more than 90 days past liquidation—launch date TBD[18]

On July 14, CBP reported that more than $121 billion in potential and certified IEEPA refunds have been accepted for processing in CAPE and $86 billion in refunds have been sent for

[12] Flexport, Inc., May 13, 2026. The CIT's Section 122 Tariff Ruling: Key Takeaways, Refund Outlook, and Next Steps for Importers.

[13] Flexport's May 13, 2026, article, The CIT's Section 122 Tariff Ruling: Key Takeaways, Refund Outlook, and Next Steps for Importers, provides insights as to what the next steps might entail and whether refunds might be provided in the future. Keep in mind that this analysis remains speculative.

[14] U.S. Customs and Border Protection (CBP), Feb. 22, 2026, CSMS # 67834313—Ending Collection of International Emergency Economic Powers Act Duties.

[15] The White House, Feb. 20, 2026. Executive Order, Ending Certain Tariff Actions. See Section 2 (c).

[16] U.S. CBP, updated July 20, 2026. International Emergency Economic Powers Act (IEEPA) Duty Refunds.

[17] U.S. CBP, June 29, 2026. CSMS # 69066837 - DEPLOYED – Consolidated Administration and Processing of Entries (CAPE) for IEEPA Refunds - Entries Flagged for Reconciliation.

[18] In its Webinar: Tariff Trends 2026 on Aug. 19, Flexport provided an IEEPA/CAPE update and mentioned that the launch date of Phase 3 was delayed (see slide 18 of the webinar slide deck). For an earlier commentary on Phase 3, see Flexport, July 17, 2026. A Court Update on IEEPA Duty Refunds: Why Filing at the CIT Now Matters.

disbursement.[19] The CIT also ordered CBP to reliquidate certain finally liquidated entries for approximately 3,700 IEEPA cases currently assigned to the court, in anticipation of the launch of CAPE Phase 3.[20]

The Department of Justice filed an appeal on May 29 arguing that "CBP lacks authority to refund finally liquidated entries without an importer-specific court order."[21] CBP continues to process refunds while the appeal is pending.

For more information, see GHY's article, CBP Launches CAPE for IEEPA Duty Refunds (Updated), which provides an overview and compilation of resources related to CAPE, ACE and IEEPA refunds.

New: Canada's response to U.S. tariff measures

On Aug. 25, 2026, the Government of Canada announced counter-tariffs covering $27.6 billion in U.S. imports. These tariffs are scheduled to take effect on Sept. 8, 2026. Product categories covered include dairy, pulp and paper, steel, electronics and certain consumer goods. For details, see the List of products from the United States subject to counter-tariffs effective Sept. 8, 2026.

If your company is affected by U.S. tariff measures, the Government of Canada and EDC are here to support you:

- On Aug. 25, the federal government announced a $7.5-billion package of new and enhanced measures to support Canadian workers and businesses (see announcement for details on the changes). Visit the Support for workers and employers impacted by tariffs landing page to access the websites for each of the available programs.
- EDC's Trade Impact Program (TIP) continues to be available to eligible Canadian exporters. To help more Canadian exporters respond to these pressures, within the existing $5 billion commitment, the program will now include a dedicated $700-million envelope in direct financing with flexible terms and conditions designed to complement those offered by customers' financial institutions. In doing so, we're strengthening the TIP to support a greater number of businesses, including small- and medium-sized businesses anticipated to be most affected by the new U.S. tariffs. We'll take on more risk to give more businesses

[19] U.S. Court of International Trade, July 2026. Euro-Notions Florida, Inc. v. United States (Court No. 25-00595). Accessed via GHY International, updated July 17, 2026. CBP Launches CAPE for IEEPA Duty Refunds.

[20] Ibid.

[21] Flexport, June 11, 2026. Flexport Market Update | Global Logistics Update: June 11 2026.

access to TIP support as they adapt to the state of international trade. Changes to the program will take effect Sept. 1, 2026.

- Companies can access EDC's U.S. market intelligence hub for insights, market information and resources to help navigate tariffs and trade uncertainty.
- **Need support?** Contact your EDC relationship manager or call 1-800-229-0575 to learn more about EDC's financing, insurance and advisory solutions for navigating current trade and market conditions.

What's next?

Please note that the situation regarding U.S. trade measures is constantly evolving and subsequent announcements may be issued that could amend, expand or supersede the provisions outlined in earlier orders or proclamations. As a result, the information provided in this document reflects the most current developments at the time of publication. Exporters should stay informed about changes that may impact their business operations.

Visit our United States market intelligence webpage for ongoing insights and analysis on Canada's largest export market.

Appendix: Definitions and acronyms

Key document types

- **Presidential proclamation:** Can be ceremonial in nature or more substantive, including legal pronouncements on international trade.[22] Posted on Proclamations—The White House and in the Federal Register.
- **Other presidential directives** can include Presidential Memoranda and Executive Orders, both of which are also posted in the Federal Register.[23]
- **White House fact sheet:** Summary of a presidential proclamation. Posted on Fact Sheets—The White House.
- **CBP guidance:** Guidance by CBP relating to implementation of new trade regulations such as those announced in presidential proclamations. Includes details on how to file customs entries. Posted on Cargo Systems Messaging Service—U.S. CBP.

Acronyms and trade terms

- **CBP:** U.S. Customs and Border Protection, the United States' federal customs agency.
- **CUSMA (USMCA):** The Canada-United States-Mexico Agreement is known in the United States as USMCA; the free trade agreement between Canada, Mexico and the U.S.
- **CUSMA-qualifying:** Refers to goods that qualify for preferential treatment (i.e., lower tariff rates) under CUSMA. See EDC's article on Complying with CUSMA rules of origin for an overview. Work with a customs broker for support on confirming whether your goods can qualify for preferential treatment under CUSMA.
- **Domestic status (for FTZ):** Defined on the U.S. CBP page, About Foreign-Trade Zones; applies to U.S.-origin products, or previously imported products, which entered free of duty or for which duty and tax was already paid.[24]
- **Drawback:** The refund of certain duties and fees when goods previously imported to the United States are later exported or destroyed. See Drawback - U.S. CBP for more information and resources.
- **EU:** European Union, which includes 27 member countries.

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[22] Congressional Research Service, 2019. Presidential Directives: An Introduction.

[23] Ibid. See also Federal Register - Presidential Documents.

[24] U.S. CBP, 2011. Foreign-Trade Zones Manual. See p. 55

- **FTZ:** Foreign-Trade Zone. Secure areas under U.S. CBP supervision, located in or near CBP ports of entry. Typically, FTZs allow for the deferral of CBP entry procedures and payment of duties until merchandise exits the FTZ and enters CBP territory for domestic consumption.
- **HTSUS:** Harmonized Tariff Schedule of the United States. This sets out duty rates based on each product's Harmonized System (HS) code. HS codes are standardized internationally up to the six-digit level. Countries can add digits for additional precision. U.S.-specific HS codes are referred to as HTSUS codes.
- **MFN:** Most-favoured nation. The MFN tariff rate (for a given product entering a given market) is the standard, non-preferential tariff rate that applies for products of the World Trade Organization (WTO)'s 166 member countries. It can be considered as the default duty rate, unless a free trade agreement applies that can reduce the MFN rate.[25] In most cases, the special tariff measures described in this document are to be applied in addition to the MFN rate, or the preferential rate provided by a free trade agreement, depending on the situation.
- **MHDV:** Medium- and heavy-duty vehicles. Includes Class 3 through Class 8 vehicles, like large pickup trucks, moving trucks, cargo trucks, dump trucks and tractors for 18-wheelers.[26]
- **MSRP:** Manufacturer's suggested retail price
- **Privileged foreign status (for FTZ):** Defined on the U.S. CBP page, About Foreign-Trade Zones; under privileged foreign status, duties and taxes are determined based on the date of admission into the FTZ, rather than the date of entry for consumption.[27]
- **PVLT:** Passenger vehicles and light trucks. Includes sedans, SUVs, crossovers, minivans, cargo vans and light trucks.[28]
- **Tariff stacking:** Refers to whether multiple tariffs are applied, or "stacked" on top of one another. This concept is most clearly explained in Executive Order 14289 Addressing Certain Tariffs on Imported Articles.
- **U.S.:** United States
- **U.K.:** United Kingdom

[25] Cole International, March 2026. What is the Most-Favoured-Nation (MFN) tariff rate in Canada?

[26] The White House, October 2025. Fact Sheet: President Donald J. Trump Addresses the Threat to National Security from Imports of Medium and Heavy-Duty Vehicles, Parts, and Buses.

[27] U.S. CBP, 2011. Foreign-Trade Zones Manual. See p. 55

[28] The White House, March 2025. Fact Sheet: President Donald J. Trump Adjusts Imports of Automobiles and Automobile Parts into the United States.

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