



## 2025 Global Trade Timeline

### January 20th, 2025

- **President Trump Takes Office**

### January 26th, 2025

- **Colombia Trade Tensions**

President Trump threatened a 25% tariff on Colombian imports, which could increase to 50% in one week over a dispute regarding the deportation of Colombian migrants. President Petro opposed accepting the deportees, protesting their treatment. In response to Trump's tariff threats, Colombia announced retaliatory tariffs of 25% on U.S. goods. The situation de-escalated when Colombia agreed to accept deportees on civilian flights.

### January 31st, 2025

- **Announcement of New Tariffs**

The White House announced plans to impose:

- **25% tariff** on imports from Canada and Mexico
- **10% tariff** on Canadian energy resources
- **10% tariff** on imports from China

These tariffs were justified as responses to illegal immigration and the influx of illicit drugs, constituting a national emergency under the **International Emergency Economic Powers Act (IEEPA)**.

**Canada** retaliated by announcing **25% tariffs** on U.S. goods.

### February 1st, 2025

- **Executive Orders Signed**

President Trump signed executive orders to implement these tariffs, set to take effect on February 4th, 2025.

- **Executive Order on Synthetic Opioids**

A separate order targeted the synthetic opioid supply chain in China, highlighting Chinese chemical companies' role in exporting fentanyl and related precursors. This order also eliminated duty-free de minimis treatment for Chinese imports. The abrupt policy shift caused logistical issues, leading to a backlog of over a million packages at JFK airport. The exemption was temporarily reinstated on **February 5th, 2025**, until the Secretary of Commerce can confirm a system for collecting applicable duties on low-value shipments.

### February 3rd, 2025

- **Tariff Implementation Paused for Canada & Mexico**

Following negotiations, the administration delayed tariffs on Canada and Mexico until **March 4th, 2025**. However, tariffs on Chinese imports proceeded as planned.

Canadian Prime Minister **Justin Trudeau** and Mexican President **Claudia Sheinbaum** argued that the proposed tariffs violated the **USMCA** free trade agreement and could lead to retaliatory actions. Both countries agreed to send additional troops to their borders to assist with border security and to curtail the flow of fentanyl.

### February 4th, 2025

- **Tariffs on Chinese Imports Enforced**

The additional **10% tariff** on Chinese imports took effect. These tariffs, imposed under **IEEPA**, are not eligible for Duty Drawback like tariffs imposed under Section 301 are.

Importers must use three separate HTS codes: one for the regular HTS code, one for the Section 301 duty, and one for the new extra **10% duty**. Section 301 exemptions that haven't expired remain in place.

### February 5th, 2025

- **Amendment to the Synthetic Opioids Order**

The administration clarified that duty-free de minimis treatment for certain Chinese imports would remain in place until the Secretary of Commerce confirmed a system for collecting applicable duties.

### February 10th, 2025

- **Steel & Aluminum Tariffs Reimposed**

A **25% tariff** on steel and **10% tariff** on aluminum imports was reinstated immediately with no exceptions for allied countries.

These tariffs, initially imposed under **Section 232** in 2018, apply to a wide range of steel products, both raw materials and finished goods. Section 232 allows tariffs to be imposed on imports deemed a threat to national security, such as steel and aluminum, which are critical to military infrastructure. It was also argued that foreign imports were undermining the U.S. steel and aluminum industries. The original 2018 tariffs included exemptions for Canada, Mexico, and the EU, but these reinstated tariffs have no such exceptions.

### February 13th, 2025

- **Introduction of Reciprocal Tariffs**

President Trump introduced a plan for a **reciprocal tariff system** to match tariffs imposed by other countries on U.S. exports. This policy aims to address trade imbalances and protect U.S. domestic industries. For example:

- **Brazil** charges an **18% tariff** on U.S. ethanol, while the U.S. charges only **2.5%** on Brazilian ethanol.

- **India** imposes a **100% tariff** on U.S. motorcycles, while the U.S. charges only **2.4%** on Indian motorcycles.

#### February 14th, 2025

- **European Union Trade Negotiations**

The European Commission called the U.S. proposed **reciprocal tariffs** "unjustified" and a "step in the wrong direction," suggesting potential countermeasures.

The U.S. and the EU held discussions to reduce and possibly eliminate tariffs on car imports. EU Trade Commissioner **Maroš Šefčovič** reported positive momentum in resolving trade tensions and avoiding further economic harm.

#### February 19th, 2025

- **Retail Industry Concerns**

Walmart's CEO, **C. Douglas McMillon**, expressed concerns over potential price increases due to the new tariffs on imports from China, Mexico, and Canada. He emphasized the uncertainty these trade policies bring to supply chains and pricing strategies.

- **Expansion of Tariff Plans**

President Trump announced the following changes:

- Increased **aluminum tariffs** from **10% to 25%**, effective **March 12th, 2025**.
- Plans to impose a **25% tariff** on **lumber and related products**, semiconductors, automobiles, and pharmaceuticals effective as soon as **April 2nd, 2025**.

#### February 20th, 2025

- **Proposal to Abolish the IRS**

Commerce Secretary Howard Lutnick unveiled President Trump's proposal to abolish the Internal Revenue Service (IRS) and replace traditional income taxes with revenue generated from tariffs. Under the plan, a new agency, the External Revenue Service (ERS), would be established to collect tariffs. Proponents argue that this shift could restructure the U.S. tax system. However, concerns have been raised about the feasibility of this plan, as the U.S. imports approximately \$3 trillion worth of goods annually, while the IRS currently collects around \$3 trillion in income taxes each year. For tariffs to replace income taxes, tariff rates would need to be significantly higher, potentially increasing consumer prices and impacting demand. U.S. Customs has long been responsible for collecting tariffs, which raises questions about the necessity of creating a new agency.

#### February 24<sup>th</sup>, 2025

- **Tariffs on Canada and Mexico Confirmed Despite Border Security Efforts**

- President Trump said that the tariffs on Canada and Mexico are on schedule to take place as scheduled on March 4, 2025.
- These tariffs include a 25% duty on most imports from both countries, and a 10% tariff specifically on Canadian energy products.

- The initial implementation of these duties was postponed for a month to allow Canada and Mexico to enhance border security and to combat the flow of fentanyl into the United States. Despite these efforts, President Trump stated that the tariffs are “on time and on schedule.” In response, leaders of both Canada and Mexico have expressed their desire to continue negotiations to prevent the tariffs from taking effect.

## February 25<sup>th</sup>, 2025

- **Section 232 Investigation into Copper Imports**
  - President Trump has directed a national security investigation into copper imports
  - This could result in an additional tariff being levied on imports of copper, copper concentrates, refined copper, copper alloys, scrap copper, and copper derivative products.

## February 26<sup>th</sup>, 2025

- **President Trump announces a 25% tariff on EU imports**
  - In a press conference, President Trump remarked, ““We have made a decision, we'll be announcing it very soon, and it'll be 25%, generally speaking, and it'll be on cars and all other things," Trump said. "They don't accept our cars, they don't accept, essentially, our farm products, they use all sorts of reasons why not, and we accept everything of them, and we have about a \$300 billion deficit with Europe." These tariffs are expected to begin on April 2<sup>nd</sup>.

## February 27<sup>th</sup>, 2025

- **Chinese Tariffs Doubled**
  - A new tariff plan was announced to double the fentanyl-related tariff on Chinese goods to 20% under the International Emergency Economic Powers Act (IEEPA).
- **Tariffs on Canada and Mexico**
  - President Trump stated again that tariffs on Canada and Mexico are still on track for implementation on March 4<sup>th</sup>, despite recent confusion and delays. He emphasized that these tariffs would remain in place until the fentanyl crisis is “stops, or is seriously limited.”
- **Reciprocal Tariffs**
  - President Trump also reaffirmed that the April 2<sup>nd</sup> Reciprocal Tariff date would remain in effect.

## March 2<sup>nd</sup>, 2025

- **Addressing De Minimis Treatment of Canadian and Mexican Origin Goods**
  - Two Executive Orders were released that state that goods of Canada and Mexico will remain eligible for de minimis treatment on March 4<sup>th</sup> when the additional 25% tariffs are levied on goods of these countries. However, when the Secretary of Commerce advises that adequate systems are in place to collect revenue for these

shipments, goods of Canada and Mexican origin will no longer be eligible for de minimis treatment.

**March 3<sup>rd</sup>, 2025**

- **25% Tariffs on Steel and Aluminum Derivatives on March 12<sup>th</sup>**
  - These tariffs will apply to 19 new subheadings for aluminum and derivatives in Chapter 76 and 157 new subheadings for steel derivatives in Chapter 73.
  - Tariffs on derivatives outside Chapters 73 and 76 will be implemented upon notification by the Secretary of Commerce. These tariffs will apply to only the aluminum or steel content of the article.

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