Global Tariff Impact

2025–2026

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U.S. Tariffs: Timeline of Key Events (2025–2026)

Key events, court rulings, and legislative actions

11.0%

current avg. effective tariff rate

Highest since 1943

TIMELINE OF KEY EVENTS

Early 2025	**IEEPA tariffs imposed**	25% on Canada & Mexico, 20% on China, plus “reciprocal” tariffs.
Q1 2025	**Section 232 expanded**	25% on all steel and aluminum imports from every country.
April 2025	**“Liberation Day”**	Raised tariffs to 10% for nearly every country, larger for major trading partners.
Aug 2025	**Federal Circuit ruling**	Federal Circuit rules IEEPA tariffs unlawful.
Feb 20, 2026	**SCOTUS strikes IEEPA tariffs**	Learning Resources v. Trump — 6–3 decision (Roberts).
Feb 20, 2026	**Section 122 invoked**	10% global tariff under §122 (expires Jul 24, 2026). §232 remains.
May 7, 2026	**CIT strikes §122**	State of Oregon v. Trump; government appealed May 8.

CAPE system launched Apr 20, 2026. Refunds 60–90 days after acceptance. Potentially $150 billion dollars available for refunds.

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Canada: Tariff Impact Overview

U.S. duties on Canadian exports and macroeconomic effects

KEY TARIFF MEASURES

Steel & Aluminum
Auto Parts
Lumber
Copper

Most Recent Changes

April 6, 2026: new duties on derivatives and processed goods

Reciprocal Tariffs

Canada imposes counter-tariffs; CUSMA auto sector review Jul 1, 2026

ECONOMIC IMPACT

6%

higher prices

25% passed on to consumers

1.5–2.0%

lower GDP

6.9%

unemployment rate

Modest

growth outlook

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Canada: Response & Mitigation Strategies

Government programs and business strategies for tariff adaptation

GOVERNMENT PROGRAMS

Regional Tariff Response Initiative (RTRI)

Manufacturing & agri-food: $1B (Sept 2025) + $500M (May 4, 2026)

Business Development Bank

$1B in loans for working capital; min $5M revenue requirement

RTRI FUNDING TIMELINE

Sept 2025: $1B initial allocation
May 4, 2026: $500M supplemental funding

BUSINESS STRATEGIES

Importer of Record (IOR)

Restructure import relationships to optimize tariff exposure

Market Diversification

“Buy Canadian” campaigns; redirect exports to non-U.S. markets

Contractual Review

Force majeure, frustration, good faith renegotiation clauses

Supply Chain Redesign

Relocate production; source alternatives outside tariff scope

Sources: Allan D.J. Dick, Sotos LLP (IDI Conference 2026); Government of Canada; Business Development Bank of Canada.

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Brazil: Tariff Evolution (2025–2026)

From product-specific duties to broad-based surcharges

+50%

peak tariff (Aug 2025)

+10% baseline + 40% surcharge

TARIFF EVOLUTION TIMELINE

Pre-April 2025

Varies

Product-specific tariffs only; no broad surcharge

April 2025

+10%

Baseline 10% tariff applied to all Brazilian imports

August 2025

+50%

+40% Brazil-specific surcharge (total up to +50%)

November 2025

+10%

Key sectors exempted from +40% surcharge

February 2026

+10%

+10% temporary global surcharge (Section 122)

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Brazil: Most Impacted Sectors

Sector-by-sector tariff progression and current status

SECTOR IMPACT ANALYSIS

Coffee

- Pre-2025: Product-specific
- Aug 2025: Up to +50%
- Nov 2025: Back to +10%
- Feb 2026: Remain at +10% (Section 122)

Beef

- Pre-2025: Product-specific
- Aug 2025: Up to +50%
- Nov 2025: Back to +10%
- Feb 2026: Remain at +10% (Section 122)

Footwear

- Pre-2025: Product-specific
- Aug 2025: Up to +50%
- Nov 2025: NOT removed; remain +50%
- Feb 2026: Reset to +10% (Section 122)

Steel

- Pre-2025: ~25% (Section 232)
- 2025: Up to 50% (Section 232)
- NOT affected by SCOTUS
- Current: ~50% (Section 232)

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United Kingdom: Impact on Distribution & Franchise Networks

Tariff-driven disruption to UK-linked international distribution

CASE STUDIES

Jaguar Land Rover — Automotive

U.S. auto tariffs increased export costs, pressuring U.S. dealer networks.

Diageo — Spirits & Beverage

Retaliatory tariffs on Scotch whisky forced repricing; margin compression.

Tata Steel UK / British Steel — Steel & Metals

25% U.S. steel tariffs reduced UK steel exports.

UK Exporters (General) — Cross-Sector

Tariff-driven price renegotiations; distributors demanding cost absorption or exit.

KEY THEMES

OVERALL IMPACT

- Margin compression across UK export sectors
- Renegotiation of distribution terms with U.S. partners
- Withdrawal from U.S. markets where tariffs make trade unviable
- Pressure on franchise networks to absorb or pass through costs

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