

# Navigating Additional Tariffs - What to Anticipate

# **Trade Disruption Overview**



President-Elect Trump's second administration will be characterized by increasingly restrictive trade regulations and tariff increases.



President-elect Trump has announced that upon his inauguration punitive tariffs would be imposed on certain countries



Retaliatory tariffs are anticipated from Mexico, Canada and China in response to US tariffs



These potential tariff increases are in additional to normal tariffs and existing punitive tariffs (e.g. 25% Section 301 tariffs on China).

# **Anticipated Trade Policy Actions**

China

- **Tariff:** 10-60% additional tariff on most imports
- **Export controls:** Significant expansion of listed entities/ restricted parties across major industries
- Investment bans: Investment bans on Foreign Direct Investment with China

**Mexico** 

- Tariff: 25%-100% rate on all MX goods
- Auto: Specific action against MX automotive sector

Canada

**Tariff:** 25% duty on all Canada goods

EU

- Tariff: 10% duty on all EU-origin goods
- Tariff: 25% duty on steel, 10% on aluminum
- Section 301: Investigation into CBAM impairments on US companies



# **How to Prepare**

#### **ANTICIPATE**

Leverage your trade data to gain a clear picture of impact and opportunities...

## **PREPARE**

Make proactive strategic adjustments to improve compliance and resilience...

#### **RESPOND**

Unlock opportunity through operational efficiencies and duty saving programs...

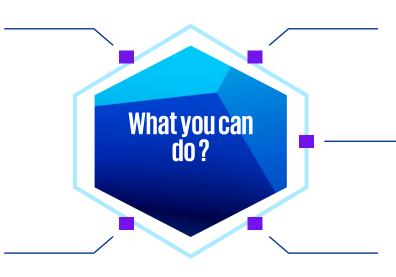
## **Areas to Consider**

### "What If" Planning

- Trade Data Analysis
- · Supply Chain Visibility Mapping
- Impact Assessment: Section 321, Tariff and Supply Chain, FTA
- AD/CVD order monitoring
- Strategic tax planning and transfer pricing assessment
- · Alternative Supplier Strategy and Sourcing
- Strategic "country of origin" and manufacturing

#### **Trade Transformation**

 Evaluating current state model and tariff impact to design and implement future state



#### **Tariff Mitigation**

- First Sale for Export
- Foreign Trade Zones
- Valuation and Methods of Appraisement
- Eliminating non-dutiable charges from value
- Free Trade Agreements

## **Tariff Recovery**

- Duty Drawback
- · Tariff Exclusions
- Downward Transfer Pricing adjustments

# **Country of Origin Determination**

- · Material traceability
- Substantial Transformation Analysis





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DAS-2024-15524