INTERNATIONAL FRESH PRODUCE ASSOCIATION

Tariff Fact Sheet August 6, 2025

Overview

On July 31, 2025, U.S. President Trump issued an Executive Order adjusting the country-specific reciprocal tariffs originally announced on April 2. The order outlines new tariff rates for countries listed in Annex I, while all other nations not explicitly listed will face a default tariff rate of 10%. These revised duties reflect the current state of negotiations between the U.S. and its trading partners. The tariffs will take effect at 12:01 a.m. on August 7, 2025, applying to goods arriving after that time or to goods already in transit that arrive after 12:01 a.m. on October 5, 2025. For specific HTS codes impacted, refer to Annex II of the Executive Order. For more information please see the White House fact sheet.

On July, 31, 2025, after a call between Mexican President Sheinbaum and U.S. President Trump it was announced that Mexico will get a 90-day extension on its current tariff rates to allow more time for negotiations, keeping in place a 25% levy on fentanyl and cars and a 50% tariff on steel, aluminum, and copper. **Goods qualifying under USMCA, including fresh produce, remain exempt from the U.S. tariffs, at this time.**

On August 1, 2025, U.S. President Trump also signed an Executive Order raising tariffs on Canadian exports to the U.S. not covered under the US-Canada-Mexico (USMCA) Agreement from 25% to 35% tariffs. **Importantly, goods qualifying under USMCA, including fresh produce, remain exempt from the tariffs.** For more information on the Canadian tariffs please see the White House fact sheet.

Selected Country Tariff Adjustments

Below are selected examples from the full list of countries assigned tariffs above the 10% default rate:

Brazil	50% (adjusted)
Canada	35%
European Union	15%
India	25%
Indonesia	19%
Japan	15%
New Zealand	15%
Philippines	19%
South Africa	30%
South Korea	15%
Switzerland	39%
Syria	41%
Taiwan	20%
Thailand	19%
United Kingdom	10%
Venezuela	15%
Vietnam	20%

On August 4, the U.S. Customs and Border Protection issued further guidance on the application of reciprocal tariffs taking effect on August 7.

U.S.–Brazil Tariff Developments

On July 31, 2025, U.S. President Trump signed an Executive Order delaying the implementation of a 50% tariff on Brazilian exports by seven days, now set to take effect at 12:01 a.m. on August 6. The duties will apply to goods arriving after that time or to goods in transit that arrive after 12:01 a.m. on October 5. Brazil will be subject to an additional 10% tariff, in addition to a separate 40% tariff, bringing the total to 50%. Some exemptions were granted, including orange juice and certain civil aircraft and parts, while major agricultural exports such as coffee, meat, mangoes, and other fruits remain subject to the full tariff rate.

Brazilian President Lula's Administration welcomed the narrowed scope of the tariffs and stated Brazil continues to seek a negotiated resolution to avoid further escalation. Meanwhile, on July 15, the Office of the United States Trade Representative initiated an investigation on unfair trade practices by Brazil under Section 301 of the Trade Act of 1974. USTR will hold a hearing on September 3, 2025, and interested parties have until August 18 to request an opportunity appear, along with a summary of their testimony. Among the areas USTR seeks public comment on is deforestation in Brazil and any adverse impacts it may have on the competitiveness of U.S. agricultural products.

Bilateral Trade Agreements

Since the initial tariffs were announced on April 2, the Trump Administration has prioritized negotiating additional trade agreements. While several frameworks and deals have been announced, few details have been released publicly, and many agreements remain incomplete or pending finalization.

U.S.-UK Economic Prosperity Deal

On June 16, 2025, the U.S. and the United Kingdom signed an agreement to enhance trade access and address U.S. national security concerns. Under the agreement, the U.S. will allow up to 100,000 UK-manufactured vehicles annually to enter the U.S. market at a reduced 10% tariff rate, with higher tariffs applying beyond that quota. The UK, in turn, will establish a preferential duty-free quota of 13,000 metric tonnes per year for U.S. beef and eliminate a 20% tariff on an existing quota. Both countries committed to reducing non-tariff barriers and aligning on sanitary and phytosanitary standards. The deal also includes provisions for future cooperation on sectors subject to national security reviews, such as steel, aluminum, and aerospace.

U.S.-Vietnam tariff framework

The U.S.–Vietnam tariff framework, announced on July 2, 2025, establishes a new bilateral trade framework aimed at rebalancing trade between the two countries. Under the agreement, the United States will impose a 20% tariff on Vietnamese exports—down from a previously proposed 46%—while maintaining a 40% tariff on goods transshipped through Vietnam, particularly those originating from China. In exchange, Vietnam has agreed to eliminate tariffs on U.S. goods, granting full market access for American exports, including automobiles and industrial products. Negotiators are in the process of finalizing the details of the agreement.

U.S.-Japan Trade Framework

On July 22, 2025, President Trump announced a new trade framework with Japan that will reduce Japan's baseline tariff on U.S. goods from 25% to 15%, effective August 1, when higher country-specific tariffs were set to take effect. The agreement also includes over $550 billion in Japanese investments directed toward U.S. infrastructure, energy, and manufacturing projects. In addition to lowering tariffs, the framework expands access for some U.S. agricultural, automotive, and automotive parts exports to the Japanese market. For U.S. agricultural products Japan will increase imports of U.S. rice by 75%, with an expansion of import quotas. Additionally, Japan will purchase $8 billion in U.S. goods, including corn, soybeans, fertilizer, bioethanol, and sustainable aviation fuel. Full details have yet to be released.

U.S.-Indonesia Reciprocal Trade Framework

On July 22, 2025, the United States and Indonesia announced a framework for negotiating a Reciprocal Trade Agreement aimed at expanding market access and strengthening bilateral economic ties. Under the framework, Indonesia will eliminate approximately 99% of tariffs on U.S. industrial, agricultural, and food exports, while the United States will apply a 19% reciprocal tariff on Indonesian goods.

A major highlight of the agreement is its commitment to breaking down non-tariff barriers for U.S. agricultural exports. Indonesia will exempt U.S. food and agricultural products from all of its import licensing regimes, provide permanent Fresh Food of Plant Origin (FFPO) designation for all applicable U.S. plant products; and recognize U.S. regulatory oversight, including the listing of all U.S. meat, poultry, and dairy facilities and acceptance of certificates issued by U.S. authorities, among other things. This is a major win for U.S. fresh produce exporters, who will benefit from reduced red tape and greater certainty in accessing the Indonesian market. The agreement also includes provisions to liberalize digital trade, eliminate duties on digital products, and align with WTO-based rules. The framework highlights over $22 billion in upcoming U.S.-Indonesia commercial deals across agriculture, energy, and aviation. Negotiations to finalize the agreement are expected to continue and IFPA will provide updates as more information becomes available.

U.S.-Philippines Tariff Agreement

Following a meeting with Philippine President Ferdinand Marcos Jr., President Trump announced a new tariff agreement on July 22, 2025, setting a 19% tariff on Philippine goods—slightly below the previously threatened 20% but higher than the 17% rate set earlier in the year. Under the deal, U.S. goods will face zero tariffs when entering the Philippine market. While the announcement lacks detailed terms IFPA will provide updates as more information becomes available.

U.S.-EU Trade Framework

Following discussions in Scotland with European Commission President Ursula von der Leyen, U.S. President Trump announced on July 28, 2025, that the U.S. and the European Union have reached a framework for a trade agreement. Under the reported terms, most EU exports to the U.S. would face a 15% tariff—down from the 30% proposed in the July 12 letter from U.S. President Trump to the EU. In return, the EU would commit to purchasing $750 billion in U.S. energy, investing $600 billion in the U.S. economy, opening its markets to U.S. goods at zero tariffs, and buying significant quantities of U.S. military equipment. As reported, the 15% tariff would also apply to automobiles, while pharmaceuticals are excluded from the deal. Steel and aluminum imports remain outside the agreement and will continue to face 50% tariffs. Final details are still forthcoming, and IFPA will continue to monitor developments—particularly around tariffs and non-tariff barriers that could impact fresh produce and floral trade—and provide updates as more information becomes available.

U.S.–South Korea Trade Framework

On July 30, 2025, the United States and South Korea reached a trade agreement establishing a 15% tariff on South Korean goods exported to the U.S., including automobiles, which had previously been subject to a 25% Section 232 tariff since April 3. In a reciprocal move, South Korea agreed to eliminate duties on U.S. merchandise exports, although most U.S. goods were already duty-free under the 2011 U.S.–Korea Free Trade Agreement, and tariffs and quotas on U.S. agricultural exports had largely been phased out since 2021.

According to statements from U.S. President Trump, South Korea will commit to $350 billion in U.S.-controlled investments and will purchase $100 billion in liquefied natural gas (LNG) and other energy products. These provisions mirror similar investment and energy purchase commitments made in recent trade deals with Japan and the European Union, though further details have not yet been released. The agreement was announced primarily via social media, and official documentation is pending. IFPA will continue to monitor developments and provide updates as more information becomes available.

Legal Authority and Court Challenges

The U.S. reciprocal tariffs, and country-specific tariffs were enacted under the International Emergency Economic Powers Act (IEEPA). However, the legal foundation for these tariffs has been challenged in court.

On May 28, 2025, the U.S. Court of International Trade (CIT) ruled that IEEPA does not authorize the president to impose broad tariffs, ordering the White House to vacate tariffs issued on "Liberation Day" (April 2), including those on fentanyl imports from Mexico, Canada, and China. The following day, the DC District Court issued a preliminary injunction, asserting that IEEPA lacks the authority to impose tariffs altogether.

Despite these rulings, the Department of Justice appealed and secured an administrative stay, allowing the tariffs to remain in effect during litigation.

On July 31, 2025, all 11 active judges on the U.S. Court of Appeals for the Federal Circuit participated in a hearing in the government's appeal. The appeals process is expected to be lengthy and could ultimately reach the Supreme Court.

Estimated Litigation Timeline:

- **July/August 2025:** Legal briefs submitted to the U.S. Court of Appeals for the Federal Circuit
- **September 2025:** Oral arguments before the Federal Circuit
- **Fall 2025:** Federal Circuit decision; losing party likely to appeal to the Supreme Court
- **Spring 2026:** If accepted, Supreme Court oral arguments expected
- **June 2026:** Supreme Court term concludes; final decision likely by this time

Note: This timeline assumes the case is not taken up on an emergency appeal.

Tariffs imposed under Section 232 and Section 301—including those on autos, steel, and aluminum—remain in effect and are not impacted by the IEEPA litigation.

De Minimis Elimination

Effective August 29, 2025, a new Executive Order issued on July 30 will terminate “de minimis” duty-free treatment for shipments valued at $800 or less from any country, expanding the scope beyond the previous restriction on imports from China and Hong Kong (which took effect on May 2). The White House described the move as closing a loophole and addressing deceptive shipping practices, illegal materials, and duty circumvention.

For packages arriving via international mail, importers will have the option to either pay the applicable duties or a flat fee between $80 and $200 per item, depending on the reciprocal tariff rate assigned to the country of origin. With over 100 million packages entering the U.S. monthly, the elimination of de minimis treatment is expected to have significant economic and logistical impacts.

U.S.–China Tariff Developments

The U.S.–China trade relationship saw significant escalation in April 2025, when the U.S. raised tariffs on Chinese exports—including goods from Hong Kong and Macau—from 34% to 145%. China responded with retaliatory tariffs of 84% on U.S. goods. A temporary truce was reached in May, with both sides agreeing to a 90-day suspension of tariffs until August 12. Under that agreement, China reduced its tariffs to 10%, while the U.S. lowered its rates to 30%, retaining duties imposed before April 2. On June 11, President Trump announced a framework agreement with China, including a 55% U.S. tariff on Chinese imports and a 10% Chinese tariff on U.S. goods. The deal also included commitments on rare earth exports and eased visa access for Chinese students.

As of July 31, 2025, the U.S.–China agreement remains in place, but final ratification is pending further review by both governments. The agreement has not yet been finalized, and an August 12 deadline looms to finalize the agreement.