



27 February 2026

# Trade Lines

## Policy Intelligence for Global Business Leaders

---

*Published by Blake Harden and Evan Giesemann  
Washington Council EY*

Welcome to Trade Lines, your view from DC on the evolving landscape of international trade and regulatory policy. Curated for business leaders and decision-makers, this newsletter delivers timely insights into the issues shaping global commerce—from tariff shifts and supply chain disruptions to legislative developments and compliance trends. Our goal is to help you anticipate change, assess impact, and act with confidence in a fast-moving policy environment.

### Global Signals

#### ***Pause on U.S.-EU trade deal post Supreme Court ruling***

The European Commission released a [statement](#) on February 21 requesting “full clarity on the steps the United States intends to take following the recent Supreme Court ruling on the International Emergency Economic Powers Act (IEEPA).” In an August [joint statement](#) on the U.S.-EU trade deal, the U.S. pledged to cap tariffs on most EU goods at 15%. In its latest statement, the Commission says that the “current situation is not conducive to delivering ‘fair, balanced, and mutually beneficial’ transatlantic trade and investment, as agreed to by both sides” and that “the EU expects the U.S. to honour its commitments set out in the Joint Statement.”

The European Parliament’s trade committee was scheduled to vote this week on legislation that would remove import duties on U.S. industrial goods - a commitment required by the U.S.-EU trade deal. That vote was postponed. EU lawmakers will meet again on March 4 to consider whether to move forward.

#### ***India seeking further clarification from U.S. on implications of the recent Supreme Court ruling***

After the Supreme Court’s IEEPA ruling on February 20, India’s Ministry of Industry and Commerce said on February 21 that it has “noted the U.S. Supreme Court judgement on tariffs yesterday” and that “we are studying these developments for their implications.” Indian officials have postponed a trip to the U.S. intended to finalize a previously negotiated interim trade deal. Earlier in February, India and the U.S. agreed to a framework trade agreement in which the U.S. eliminated the additional 25% tariffs imposed on Indian imports in connection to India’s purchases of Russian oil.

## Policy Pulse

### ***Trump administration levies broad tariffs under Section 122***

On February 20, the Trump Administration invoked Section 122 of the Trade Act of 1974 to impose 10% tariffs on all trading partners via proclamation. Section 122 allows ad valorem tariffs of up to 15% for no more than 150 days, unless extended by Congress. U.S. Customs and Border Protection (CBP) released a [bulletin](#) on February 23 stating that it would collect the Section 122 10% tariffs from February 24 until the tariffs expire on July 24, 2026.

On February 21, Trump [posted](#) on Truth Social to announce that he would be increasing this 10% “worldwide Tariff on Countries” to the “legally tested, 15% level.” A White House official told *Inside U.S. Trade* that the 15% rate is “being worked on still,” but so far, the administration has not issued an order to enact the 15% rate.

### ***New expedited section 301 investigations and section 232 investigations are expected***

After the Supreme Court’s IEEPA ruling on February 20, U.S. Trade Representative (USTR) Jamieson Greer said in a [statement](#) that the administration would “initiate several investigations under Section 301” and that these investigations are expected “to cover most major trading partners and to address areas of concern such as industrial excess capacity, forced labor, pharmaceutical pricing practices, discrimination against U.S. technology companies and digital goods and services, digital services taxes, ocean pollution, and practices related to the trade in seafood, rice, and other products.” USTR also said that it intends “to conduct these investigations on an accelerated timeframe.”

On February 24, William Kimmitt, Under Secretary of Commerce for International Trade said at a Washington International Trade Association conference that, “It’s certainly likely that more 232s will come out” and would be driven by national security concerns. Kimmitt disagreed that there was a “relationship to the Supreme Court decision” but rather that the Commerce Department is “constantly evaluating these, and we’re continuing to pursue different investigations, and we probably will have more to come.”

### ***Trump says countries are sticking to trade deals during State of the Union***

During his State of the Union speech on February 24, President Trump said that he expects trading partners will remain committed to the trade deals that were negotiated under the IEEPA tariff regime. Trump said “almost all companies and corporations want to keep the deal that they already made ... the legal power that I as president have to make a new deal could be far worse for them, and therefore they will continue to work along the same successful path that we had negotiated before the Supreme Court’s unfortunate involvement.” Trump said that he would replicate the tariffs he had imposed under IEEPA “under fully approved and tested alternative legal statutes,” adding that “[c]ongressional action will not be necessary.”

### ***USTR requests public comments on design of critical minerals agreements***

On February 26, USTR published a [notice](#) in the Federal Register requesting comments on the *Design of a Plurilateral Agreement on Trade in Critical Minerals and Policy Actions to Strengthen the Resilience of Critical Mineral Supply Chains*. USTR requests written comments by March 19 on “trade policies necessary to increase the domestic availability of mined, refined, and processed critical minerals; incentivize reshoring of the mining, processing, refining and production of critical minerals and their derivatives; and diversify the sources of mined, refined, and processed critical minerals and their derivatives among like-minded trading partners.” The notice specifies that comments are particularly requested which discuss “the commitments necessary to establish a resilient and non-distorted marketplace among aligned trading partners, including in the context of a legally binding plurilateral agreement.”

### ***U.S. International Trade Commission initiates two China-related investigations on PNTR and biotech***

On February 26, the U.S. International Trade Commission (USITC) [announced](#) that it has initiated a new factfinding investigation under section 332(b) of the Tariff Act of 1930 to assess the effects on the U.S. economy of revoking permanent normal trade relations (PNTR) treatment for all products of China. The ITC has initiated the investigation at the direction of the House of Representatives Committee on Appropriations in its report accompanying the Commerce, Justice, Science; Energy and Water Development; and Interior and Environment Appropriations Act, 2026 (Act), which was signed into law on January 23, 2026. As part of its investigation, the ITC invites public comments to be submitted no later than April 13, 2026. The Commission will publish a public report no later than August 21, 2026.

Also on February 26, the ITC [announced](#) that it has initiated a new factfinding investigation under section 332(b) “that will examine China state support and pricing practices in the biotechnology sector and assess how these practices may be affecting the market share and competitiveness of U.S. industry.” The investigation was also directed by the House Committee on Appropriations in the Act. The ITC will hold a public hearing in connection with the investigation on May 27-28. Requests to appear at the hearing are due by May 11, 2026. The deadline for all written submissions is July 17, 2026. Additional deadlines can be found [here](#). Finally, the ITC said it will publish its report in the investigation by January 22, 2027

## **Hill Highlights**

### ***Senate Democrats call for tariff refunds***

After the Supreme Court’s IEEPA ruling, Sen. Ron Wyden (D-OR), Sen. Ed Markey (D-MA), Sen. Jeanne Shaheen (D-NH) and other democrats introduced the *Tariff Refund Act of 2026*. This bill would direct CBP to disperse tariff refunds with interest to importers within 180 days of enactment. Specifically, the bill instructs CBP to “reliquidate the entry at the rate of duty applicable to the article in the absence of any duty imposed under [IEEPA] in order to pay a refund.” The bill also specifies prioritizing refunds for small businesses. In a [statement](#), Sen. Wyden said “Now that the Supreme Court has made it clear that the President did not have the authority to unilaterally impose sweeping emergency tariffs, it’s critical that

American families and small businesses get the relief they need. That starts by President Trump refunding the illegally collected tariff taxes that Americans were forced to pay.”

On February 20, Rep. Mike Thompson (D-CA) introduced the *Illegal Tariff Refund Act* which would create an “individual tariff refund credit” to return money directly to American households via an IRS rebate calculated per person in each household. In a [statement](#), Thompson said, “refunds should flow back to families who actually bore the cost.”

### Upcoming Deadlines

**March 1:** The President’s 2026 Trade Agenda is due to Congress.

**March 19:** Deadline to submit comments to USTR on critical minerals agreements.

**March 26:** 14<sup>th</sup> World Trade Organization Ministerial Conference convenes in Cameroon.

**March 27:** Deadline for President to decide whether to act in the section 232 investigation concerning pharmaceuticals and pharmaceutical ingredients.

**March 28:** Commerce Department to send the President its findings on its section 232 investigations into drones and polysilicon and derivative products by this date.

**April 13:** Deadline to submit comments to the ITC in its investigation concerning economic impacts of revoking China’s PNTR status.

**April 26:** Deadline for President to decide whether to act in the section 232 investigation concerning commercial aircraft and jet engines.

**May 10:** Commerce Department to send the President its findings on its section 232 investigation into wind turbines by this date.

**May 11:** Deadline to request to appear at ITC’s public hearing in its investigation concerning China’s state support and pricing practices in the biotechnology sector.

**May 17:** The ITC holds a public hearing in the ITC’s investigation concerning China’s state support and pricing practices in the biotechnology sector.

**May 30:** Commerce Department to send the President its findings on its section 232 investigations into robotics and industrial machinery and PPE, medical consumables, and medical equipment, including devices by this date.

If you have questions, please contact Blake Harden ([blake.harden@ey.com](mailto:blake.harden@ey.com)) or Evan Giesemann ([evan.giesemann@ey.com](mailto:evan.giesemann@ey.com)).

### Washington Council Ernst & Young

Washington Council Ernst & Young (WCEY) is a group within Ernst & Young LLP that combines the power of a leading professional services organization with on-the-ground knowledge, personal relationships and attention to detail of a boutique policy firm. We provide our clients with timely, relevant Washington insight and legislative advisory services customized to their needs. To learn more, contact [wcey@ey.com](mailto:wcey@ey.com).