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Trade Lines

Policy Intelligence for Global Business Leaders

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Trade Lines brings you timely updates from DC on global trade and regulatory policy. Curated for business leaders and decision-makers, this newsletter highlights key shifts in trade policy –from tariff shifts and supply chain disruptions to legislative developments and compliance trends. Stay ahead, evaluate impact, and make informed decisions in a rapidly changing environment.

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Global Signals

Trump 'not looking to renew' USMCA

President Trump told reporters at the White House on June 10 that he is "not looking to renew" the U.S.-Mexico-Canada-Agreement (USMCA). The agreement, which does not expire until 2036, is set for joint review on July 1 and is eligible for 16-year early renewal.

Referring to Canada and Mexico, the President said, “We don’t need their cars, we don’t need their lumber, we don’t need their energy, we don’t need anything that they have ...They need everything that we have, and they have to treat us better.” Notably, the President did not say whether he would withdraw the U.S. from the agreement before its expiration. There will likely be months of negotiations over USMCA provisions, and the agreement is likely to undergo rolling annual reviews.

Meanwhile, on June 9 the Ontario Premier Doug Ford urged a quick renewal of USMCA, and said, “Let’s get a deal done. Let’s create more jobs, more opportunities, more investment for both sides of the border. And if we get this deal done, both economies are going to boom.”

Greer urges EU action to reduce non-tariff barriers

In a Fox Business interview on June 9, U.S. Trade Representative (USTR) Ambassador Jamieson Greer spoke about the non-tariff barrier commitments in the U.S.-EU trade agreement reached in July 2025, which is currently under consideration by the EU Parliament. Greer said “That deal is very precise and the expectation is that the United States is allowed to have a 15 percent tariff on the EU and the EU in return is going to reduce their tariffs on industrial goods to zero, give American farmers some duty-free quotas for key agricultural products and importantly change a bunch of burdensome EU regulations that in some cases have targeted U.S. companies or really just made trade very difficult on the EU.” However, Greer added that “with respect to some of the non-tariff barriers or burdensome regulations, we haven’t seen a lot of flexibility on that yet, even though they’ve promised it.” Greer specified the “EU Deforestation Regulation” as an example and said the U.S. “should not be the target of these regulations that the EU is using to slow down business in America.”

Policy Pulse

CBP sets June 29 date for ‘Phase 2’ of IEEPA refund system

On June 9, U.S. Customs and Border Protection (CBP) told the Court of International Trade (CIT) that it plans to upgrade the Consolidated Administration and Processing of Entries (CAPE) system to accept claims for IEEPA duties paid under the International Emergency Powers Act (IEEPA) on entries flagged for reconciliation. CBP estimates that approximately \$28.7 billion in IEEPA duties fall into this category. The agency expects that CAPE will be ready to accept these claims on June 29. CBP estimates that these entries represent about \$28.7 billion of the IEEPA duties paid.

CBP also provided an [update](#) on the status of processing IEEPA refunds. In a June 10 declaration, CBP said that as of 3pm on June 5, “approximately \$94.94 billion in both potential and certified refunds have been accepted for processing in CAPE” and that of this amount approximately \$23.68 billion in refunds have

been completed. Further, that 125,576 CAPE declarations passed file validations of the 181,155 that were filed in CAPE.

CBP issues new guidance on forced labor enforcement

On June 12, CBP issued new guidance for importers concerning the enforcement of U.S. forced labor laws - including 19 U.S.C. § 1307, the Uyghur Forced Labor Prevention Act (UFLPA), and the Countering America's Adversaries Through Sanctions Act (CAATSA). According to CBP, the guidance includes a number of enhancements designed to "give importers greater transparency across CBP's enforcement landscape," including new enforcement process maps, guidance for responding to detentions or exclusions of merchandise, as well as recommended supply-chain documentation, due diligence examples, and sample detection and exclusion notices. The updated guidance can be found [here](#).

Hill Highlights

House Republicans urge Section 301 investigation into foreign pharmaceutical pricing

On June 10, 48 Republican lawmakers signed a [letter](#) to USTR Greer and Commerce Secretary Howard Lutnick urging the use of "trade enforcement tools, including a Section 301 investigation" into drug pricing practices of certain trading partners in response to concerns around 'market distorting practices.' The lawmakers argue that "wealthy foreign nations have reaped the benefits of American pharmaceutical innovation while using price controls and other unfair policies to avoid paying their fair share for these technologies" and urge initiation of a Section 301 investigation into pharmaceutical pricing practices "as soon as possible to ensure that American patients are no longer forced to subsidize foreign healthcare systems and price controls."

The letter praises the "landmark U.S.-UK Arrangement on Pharmaceutical Pricing" but criticizes other countries for not taking the administration's drug pricing concerns seriously. In the letter, lawmakers single out Germany, Japan, France, Canada, and Switzerland for market-distorting practices. They conclude by saying that a Section 301 investigation "is urgently needed to prevent further policy deterioration abroad, bring foreign governments to the negotiating table, and secure additional agreements modeled on the successful arrangement with the UK."

Bipartisan resolution introduced opposing digital services taxes

Representatives Ron Estes (R-KS) and Suzan DelBene (D-WA) [co-lead](#) the introduction of a bipartisan resolution "expressing strong opposition to Digital Services Taxes (DSTs) and other extraterritorial tax measures levied by foreign nations that unfairly target and discriminate against American companies and workers" ([H.Res.1340](#)) on June 5. The resolution notes that DSTs have been implemented already by several countries including France, Italy, Spain, Turkey, Austria, and the UK, and expressed support for USTR's Section 301 investigations into DSTs that were launched in 2020. The resolution "calls on the

relevant United States Government agencies to use all appropriate and available methods and resources to protect United States companies from the discriminatory treatment and burdensome effects of DSTs.”

House Agriculture Committee holds hearing ahead of USMCA review

On June 10, the House Committee on Agriculture held a full committee hearing on *Agricultural Perspectives on the Future of the USMCA*. In his opening statement, Chairman Glenn Thomas (R-PA) said in his opening remarks, “USMCA maintains tariff-free treatment for certain agricultural products while expanding market access for a range of U.S. grown commodities. This has proven to be extremely beneficial not only to our U.S. farmers, ranchers, foresters, and agri-businesses, but also to U.S. consumers and the economy as a whole.” Throughout the hearing, committee members voiced bipartisan support for renewing USMCA during a hearing on the agricultural implications of the agreement’s joint review. For more information from the hearing, see [here](#).

Key Dates

June 12: To be assured of consideration, onshoring applications related to Section 232 tariffs on pharmaceuticals due to Commerce.

June 16: USTR holds a public hearing in the Section 201 safeguard investigation into quartz surface products.

June 16: Round 2 negotiations between the U.S. and Mexico take place as part of the USMCA joint review.

June 26: President to announce any actions on Section 232 investigations into drones and polysilicon and derivative products, as well as unmanned aircraft systems and their parts and components.

July 1: On six-year anniversary of entry into force, the USMCA joint review takes place.

July 1: Deadline for written comments on USTR’s proposed 25% tariffs on Brazilian goods.

July 2: Deadline for written comments on USTR’s Section 301 investigation into Vietnam IP.

July 6: Deadline for written comments on USTR’s proposed tariffs on 60 trading partners in connection with Section 301 investigations into forced labor import bans.

July 7: USTR holds a hearing in Section 301 investigations into forced labor import bans.

July 10: Deadline for written comments on USTR’s notice on the U.S.-China Board of Trade.

July 17: Deadline for written submissions in the USITC’s factfinding investigation concerning China’s state support and pricing practices in the biotechnology sector.

July 20: Round 3 negotiations between the U.S. and Mexico take place as part of the USMCA joint review.

July 21: USTR to brief Congress by this date on the negotiating positions of Mexico and Canada.

July 24: The 10% tariff imposed under Section 122 expires.

July 31: Section 232 tariffs on pharmaceuticals take effect for large companies on Annex III.

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