



Regulatory News Alerts & Updates

Regulatory Alert: IEEPA Brazil Trade Remedy Action

August 08, 2025

CURRENT ACTION

On July 30, 2025, President Trump issued an Executive Order (EO), titled "Addressing Threats to the United States by the Government of Brazil." The EO establishes a new 40% additional duty for Brazilian origin goods under the International Emergency Economic Powers Act (IEEPA).

Effective August 6, 2025, goods of Brazilian origin, unless exempt, will be subject to an additional 40% IEEPA duty rate under the Harmonized Tariff Schedule of the United States (HTS) tariff number 9903.01.77.

- The IEEPA – Brazil trade remedy stacks with the existing IEEPA – Reciprocal trade remedy (10%) for Brazil, for a total of 50% additional IEEPA duties on covered imports of Brazilian origin.
- Brazilian origin products subject to a Section 232 trade remedy are **NOT** subject to the IEEPA – Brazil trade remedy action. Additional information on Section 232 and IEEPA – Reciprocal trade remedy actions can be found on the [FedEx Regulatory News](#) webpage.

EXEMPTIONS

The EO provides exemptions for certain products. These exemptions apply only to the IEEPA Brazil trade remedy action and do not cover IEEPA Reciprocal duties that also apply to goods of Brazilian origin. The HTS has been updated to provide the following IEEPA Brazil exemption provisions:

- **9903.01.78** – Goods loaded on a vessel and in transit on the final mode of transport prior to 12:01 am Eastern Time on August 6, 2025. The goods must be entered for consumption or withdrawn from warehouse prior to October 5, 2025.

- **9903.01.79** – Donations of food, clothing, and medicine intended to relieve human suffering.
- **9903.01.80** – Informational materials such as publications, films, posters, photographs, and the like.
- **9903.01.81** - Articles classified with an HTS number listed in [Annex 1](#) to the EO such as Brazil nuts, certain energy products, certain paper goods, orange juice, pig iron, silicon metal, wood pulps, etc.
 - Products covered by subdivision (x)(iii) of U.S. note 2 to subchapter III of chapter 99 of the HTS.
- **9903.01.82** – Engines, parts, and components of civil aircraft and ground flight simulators classified with an HTS number listed in [Annex 1](#) to the EO.
 - Products covered by subdivision (x)(iv) of U.S. note 2 to subchapter III of chapter 99 of the HTS.
- **9903.01.83** – Items subject to existing Section 232 trade remedy action. Section 232 currently applies to certain aluminum, copper, iron, steel, light truck (including parts), and passenger vehicle (including parts) imports.

Q & A

Q 1 – How will this impact goods classified in Chapter 98?

A 1 – The additional duties will not apply to most goods entering the U.S. under a duty-free Chapter 98 provision. The following Ch. 98 HTS numbers will be subject to the additional IEEPA – Brazil duty rate:

- **9802.00.40, 9802.00.50, 9802.00.60** - Additional duties apply to the value of repairs, alterations, or processing performed in Brazil.
- **9802.00.80** – Additional duties apply to the value of the article assembled in Brazil minus the cost or value of such products of the United States.

Q 2 – Does the exemption for civil aircraft goods (9903.01.82) apply to all products classified in one of the HTS numbers listed under subdivision (x)(iv) of U.S. Note 2 to subchapter III of chapter 99 (Annex 1)?

A 2 – No, the HTS listed for potential application of the civil aircraft goods exemption cover products that may not specifically be for civil aviation use. To apply this exemption, the goods must be:

- classified in one of the HTS listed, **AND**
- used for a civil aviation purpose.

Note: The EO allows this exemption to be applied even if the covered HTS classification does not allow for the application of the “C” special program indication (SPI).

FedEx recommends that clients with products qualifying for this exemption review their entry documents and/or clearance instructions to ensure goods for civil aviation use are clearly identified.

Q 3 – Will I still be able to admit Brazilian origin goods to a Foreign Trade Zone (FTZ)?

A 3 – Yes. Goods admitted to an FTZ should be admitted using “privileged foreign status.” Upon entry for consumption, the goods will be subject to the additional duty and rates in place at the time the goods were admitted to the zone.

Q 5 – Where can importers find official updates?

A 5 – Importers can find official updates in the [Federal Register](#), on the [CBP Trade Remedies website](#), and through CBP’s [Cargo Systems Messaging Service \(CSMS\)](#).

REFERENCES

CSMS # 65807735 - GUIDANCE – Additional Duties on Imports from Brazil

https://content.govdelivery.com/bulletins/gd/USDHSCBP-3ec2577?wgt_ref=USDHSCBP_WIDGET_2

Executive Order – Addressing Threats to the United States by the Government of Brazil

<https://www.whitehouse.gov/presidential-actions/2025/07/addressing-threats-to-the-us/>

FedEx Regulatory Alert: Updated Guidance on Section 232 Duty Application for Aluminum and Steel

https://www.fedex.com/content/dam/fedex/us-united-states/International/Regulatory_News_Updated_Guidance_on_Section_232_Duty_Application_for_Aluminum_and_Steel.pdf

FedEx Regulatory Alert Update: New Section 232 Tariffs on Automobiles and Parts Imports

https://www.fedex.com/content/dam/fedex/us-united-states/International/upload/Regulatory_News_Update_-_New_Section_232_Tariffs_on_Automobiles_and_Parts_Imports.pdf

FedEx Regulatory Alert: U.S. Reciprocal Tariffs; Amendments and Exclusions

https://www.fedex.com/content/dam/fedex/us-united-states/International/upload/US_Reciprocal_Tariffs_Amendments_and_Exclusions.pdf

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