

NORTH AMERICA

Customs & Trade: Monthly Insights

July 2026

North America Customs and Trade Compliance Insights is a monthly update covering key customs and trade compliance developments across the U.S., Mexico, and Canada.

IEEPA Refund Update: CAPE Phase 2 Go-Live and Scope

U.S. Customs and Border Protection (CBP) has announced the next phases of its CAPE refund process for IEEPA duties. Phase 2 is scheduled to launch on June 29, 2026, for entries flagged for reconciliation that haven't been filed yet. Phase 3 is expected by the end of July 2026, for liquidated entries. Phase 1 remains the only active CAPE refund process covering unliquidated entries and certain recently liquidated entries.

For entries cleared by Omni Trade Services, our team can assist with identifying eligible reconciliation entries, quantifying potential refunds, and supporting CAPE Phase 2 submissions.

For more information regarding IEEPA refunds, visit the [International Emergency Economic Powers Act \(IEEPA\) Duty Refunds website.](#)

Executive Order Strengthens Import Compliance

The U.S. administration issued an **Executive Order** aimed at strengthening U.S. customs enforcement through enhanced requirements for importers of record (IORs), brokers, and other parties involved in the import process.

CBP and DHS are expected to impose stricter IOR requirements through enhanced vetting, expanded reporting and documentation obligations.

They're also imposing increased enforcement actions with import privileges potentially restricted for non-compliant importers. Initial agency recommendations are expected in mid-July with phased implementation measures expected by late November to early December.

USTR Proposes New Tariffs on Brazil and Forced Labor

The USTR has proposed new tariff measures, including a 25% additional duty on certain imports from Brazil and Section 301 tariffs of 10%–12.5% on imports from approximately 60 economies based on forced labor findings.

The proposals are currently under review and do not have definitive effective dates. Public hearing requests were due June 22, 2026, written comments are due in early July, and hearings are scheduled for July 6–7, 2026.

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Relief Measures Take Effect for Steel and Aluminum Derivatives

Earlier this month, the U.S. reduced Section 232 tariff rates on certain steel and aluminum derivative products from 25% to 15%, including select agricultural, HVAC, and industrial equipment. Additional relief includes a new 10% rate for qualifying capital equipment with high U.S.-origin steel or aluminum content and modified duty treatment for USMCA-qualifying imports from Canada and Mexico.

These temporary measures are scheduled to remain in effect through December 31, 2027.

Importers should assess product eligibility and origin requirements to ensure the correct duty rate is applied and identify potential duty-saving opportunities. Contact your OTS representative to review classifications, origin content, and Section 232 applicability.

Mexico Increases Import Duties on Non-FTA Goods

Mexican authorities have extended enforcement of the new Manifestación de Valor Electrónica (MVE) and Manufacturer and Exporter Registry requirements to July 31, 2026. The new rules expand import documentation and recordkeeping requirements.

They require importers to substantiate customs value, origin, payment, and the commercial substance of transactions. Non-compliance may result in fines, shipment delays, and customs clearance disruptions, making preparedness critical for companies importing into Mexico.

Section 122 Tariffs Remain in Effect Pending Litigation

On June 11, the U.S. Court of Appeals for the Federal Circuit ruled in favor of the Trump administration, allowing continued collection of the 10% Section 122 tariffs while legal challenges from several states and small businesses proceed.

The tariffs were imposed in February following a Supreme Court ruling that invalidated the IEEPA-based tariffs and are currently scheduled to expire on July 24, unless extended or revised by Congress.

[Contact Our Customs Experts](#)