PROTECTING THE ACRE
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TRUMP TARIFFS: WEATHERING THE STORM

A recap of where we have been, where are we likely going and the impact on the business of Crop Protection.

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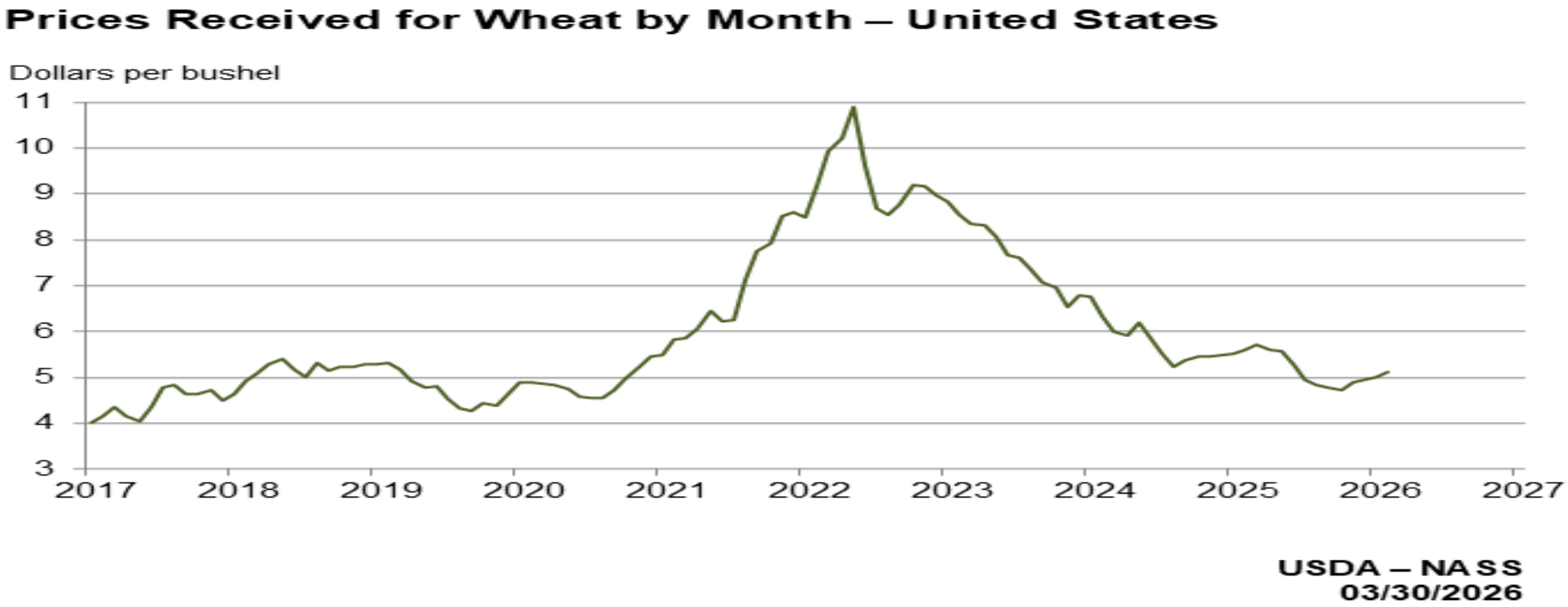
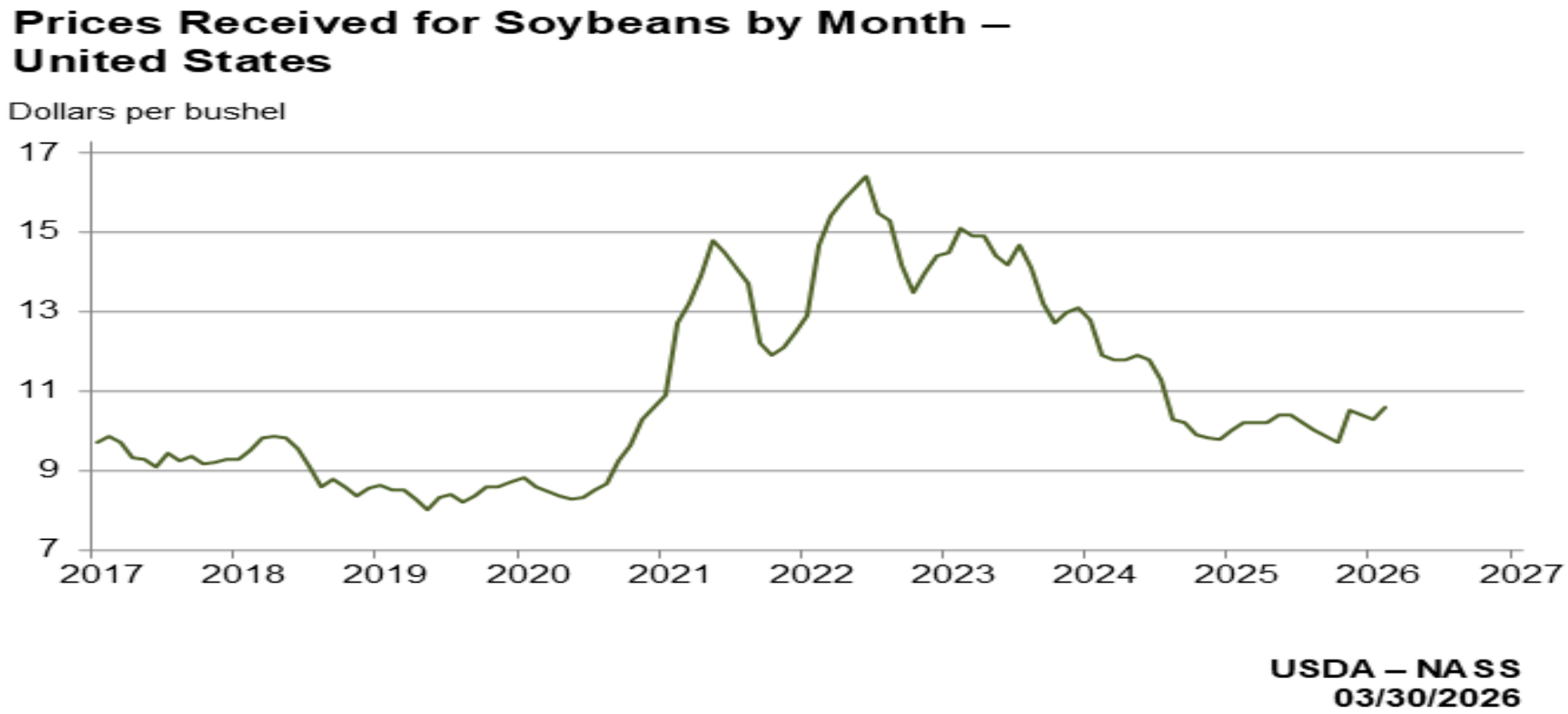
Corn Prices

Prices Received for Corn by Month – United States
Dollars per bushel
8
7
6
5
4
3
2017
2018
2019
2020
2021
2022
2023
2024
2025
2026
2027
USDA – NASS
03/30/2026

Wheat Prices



Soybean Prices



Where have we been?

President Trump declared “liberation” day on April 4, 2025. Since that date, we have been on a dizzying ride of tariffs based on a little-known statute – IEPPA (International Emergency Economic Powers Act). It is now evident, as shown by the recent Supreme Court decision striking down these levies, that the President over-stepped his authority.

Unfortunately, the Court did not include in the ruling a requirement for refunds. However, the CIT (Court of International Trade) has ruled that refunds are in order, and Customs is trying to figure out how to accomplish this enormous task. $170 B dollars are at stake.

On April 20, last Monday, CAPE (Consolidated Administration and Processing Entries refund system) began accepting submissions for refunds. See https://www.cbp.gov/trade/programs-administration/trade-remedies/ieepa-duty-refunds.

Request can be filed by the importer of record or the Custom Broker that filed the entries.

Refunds should start to flow within 60-90 days for entries that have not yet been liquidated.

Still working on a procedure for liquidated entries. Complicated entries may need to be handled manually.

It is expected that the U.S. importer of record will receive these finds. How the receiver handles these funds will be at their discretion.

Existing section 301 (unfair trade practices) and section 225 tariffs (domestic defense) are not impacted by this ruling.

All “Fentanyl tariffs”, “Russia Oil Tariffs”, & “Reciprocity Tariffs” should eventually be refunded.

Where are we going?

It is clear that President Trump will not abandon his favorite word: "tariffs".

First step: 10% across the board tariffs under section 122 which is related to balance of trade issues. Maximum allowable tariff under this section is 15%, and such action can not last longer than 150 days without **Congressional approval**. (Expires July 24, 2026)

- President had indicated that he wanted to increase the rate to 15%. This has not happened.
- Exception list is the same as the list that was used under IEPPA.
- This is causing issues in cases where maximum tariffs were agreed under signed or promised ARTS agreements (Agreements on Reciprocal Trade) with a 15% cap since this levy "breaks" such agreement. It will be interesting to see how many countries hold to their deals, especially as it relates to investment the U.S.
  - EU and Switzerland are negotiating.
  - Japan and South Korea have announced that they will carry on with the agreement.
  - Impossible to believe that Congress would approve an extension.
  - There is a case being heard by the Court of International Trade protesting the use of this authority under these circumstances.

Next Step

Additional 301 investigations. Two have been announced:

- Addressing over capacity issues – 15 countries plus the EU have been targeted.
  - This investigation has serious overtones for Crop Protection as there can be no doubt that China has significantly overbuilt production capacities for many important generic Agrochemicals.
- Addressing forced labor issues - 59 countries plus the EU have been targeted.
- Goal is to get these investigations, which require notice, comments and hearings to be concluded before the section 122 tariffs expire. This will be a difficult task.
- This is an enormous undertaking for USTR, a rather small agency, to manage!

There is also an on-going 301 investigation, begun in November of last year, into China concerning their compliance with the 2020 "Phase One Agreement".

- This investigation should have taken "20 minutes" since there has been clear statistical evidence, since shortly after this agreement was reached that China was not going to meet its commitments.
- Could result in an increase in the tranche 3 tariffs from 25% to 30%, tranche 4a tariffs from 7.5% to 15% and the imposition of tariffs in tranche 4b at a rate of 15%.

In the event that there is a lapse between the expiration of the 122 authority and the imposition of 301 authorities, it may be possible to import materials with no incremental tariffs payable.

- Storing imported merchandise in a bonded warehouse could prove to be a very fruitful decision since that gives an importer maximum leverage to "time" their imports.

REFUNDS!!!!

- $170,000,000,000 to be refunded!!!!!!!!!!
- Need to be cognizant of the fact that Customs has been shutdown for months!
- Funds will be returned to the U.S. importer of record who paid the tariffs.
- It is likely that imports that have not yet been liquidated will be handled efficiently, electronically.
  - If you have not already done so – suggest that you sign up for the "ACE Secure Data Portal" and their new tool called "CAPE" (Consolidated Administration and Processing Entries) which was launched on April 20, 2026. This should hopefully result in a seamless refund of duties paid.
  - They may need to manually process refunds on entries that included a product subject to a dumping order (2,4-D).
- Entries that have been liquidated are much more complicated – they are working on how to handle.
  - Hopefully, will find a way to avoid having to file protests for each individual entry.
- Business issues:
  - There is no doubt that some exporters "ate" some of the tariffs. Therefore, what is the price going forward?
  - Downstream consumers will be expecting refunds – how to "fairly" calculate will be a huge issue.
  - With this much money at stake there will surely be fraud.
  - There are firms that will "buy" your refund at a discount.

Impact on Free Trade Agreement Partners

- Impact is variable:
  - USMCA – imports that meet the rules of origin criteria have not been impacted so far and likely will not be impacted in the future.
  - All other FTA partners are subject to the section 122 tariffs, as they were to reciprocity tariffs, even if the product met the applicable rule of origin.
    - Exception is Dominican Republic who signed an ARTS agreement. Textiles and several other categories (not including chemicals) that meet the rules of origin are exempted from additional duties.
    - It remains to be seen how other FTA partners will be treated.

Trading Partner Reactions

For the most part, our partners were “subdued”, except for:

- China: Reaction was swift and painful as they tariffed numerous U.S. exports, especially agricultural commodities.
- Canada: Their beginning reaction was also swift and has resulted in a significant realignment with our largest trading partner. They have backed off of most of the actions they took that impacted Chemicals.
  - They have aggressively sought alternate markets – most especially China and the EU.
- India: The U.S. has been seeking to negotiate a full-fledged free trade agreement with India. There have been many starts and stops in this process. The imposition of a 25% tariff over their purchases of Russian Oil was particularly painful to the relationship.
  - Most troubling is their on-again then off-again relationship with Russia.
- You can be assured that other countries, perhaps not as publicly, have also taken steps to reduce their reliance on the U.S.

China Specific Issues

- Changes in China's VAT rebate program have reduced the level of subsidies for many large volume Agrochemicals.
- President Trump was scheduled to visit China on March 31 – April 2
- Trip was delayed because of the war with Iran – now scheduled for May 14 – 15
- It is expected that President Xi will visit Washington later this year.
- Flash points:
  - Existing 301 tariffs.
  - 301 Investigation on 2020 Phase 1 Agreement.
  - 301 Investigation on overcapacity.
  - 301 Investigation on forced labor.
  - If proven, threatened 50% tariffs for suppling weapons to Iran.
  - Rare earth minerals.
  - U.S. Exports of energy products and agricultural commodities.
  - Straight of Hormuz issues.
- Prediction: If the Iran war is not settled before the end of this conference, this trip will again be postponed.

Current Tariff Situation – Key Herbicides

Key Herbicides		China	China	China		India	India
HTS Numbers	Base Tariff	301 Surtax	122 Tariff	China Total	Product	122 Tariff	Total
2918.99.20.10	6.5%	7.5%	10.0%	24.0%	2,4 D	10.0%	16.5%
2924.29.47.00	6.5%	25.0%	10.0%	41.5%	Acetochlor	10.0%	16.5%
2933.69.60.21	3.5%	7.5%	0.0%	11.0%	Atrazine	0.0%	3.5%
2926.90.23.00	6.5%	7.5%	10.0%	24.0%	Bromoxynil	10.0%	16.5%
2926.90.25.00	6.5%	25.0%	10.0%	41.5%	Bromoxynil Octan	10.0%	16.5%
3808.93.15.00	6.5%	25.0%	10.0%	41.5%	Bromoxynil Formualted	10.0%	16.5%
2930.90.10.00	6.5%	25.0%	10.0%	41.5%	Clethodim	10.0%	16.5%
2934.99.15.00	6.5%	0.0%	0.0%	6.5%	Clomazone	0.0%	6.5%
2918.99.20.50	6.5%	7.5%	10.0%	24.0%	Dicamba	10.0%	16.5%
2931.59.00.80	3.7%	0.0%	0.0%	3.7%	Ethephon	0.0%	3.7%
2935.90.75.00	6.5%	0.0%	0.0%	6.5%	Flucarbazone	0.0%	6.5%
2933.39.25.00	6.5%	0.0%	0.0%	6.5%	Fluroxypyr	0.0%	6.5%
2931.49.00.10	3.7%	0.0%	0.0%	3.7%	Glufosinate	0.0%	3.7%
2931.49.00.20	3.7%	0.0%	0.0%	3.7%	Glyphosate	0.0%	3.7%
2918.99.20.15	6.5%	7.5%	10.0%	24.0%	MCPA	10.0%	16.5%
2930.90.10.00	6.5%	25.0%	10.0%	41.5%	Mesotrione	10.0%	16.5%
2933.69.60.21	3.5%	7.5%	0.0%	11.0%	Metribuzin	0.0%	3.5%
2933.39.23.00	6.5%	0.0%	0.0%	6.5%	Paraquat	0.0%	6.5%
2921.49.50.00	6.5%	25.0%	0.0%	31.5%	Pendimethalin	0.0%	6.5%
2924.29.47.00	6.5%	25.0%	10.0%	41.5%	Propanil	10.0%	16.5%
3808.93.15.00	6.5%	25.0%	10.0%	41.5%	Propanil Formulated	10.0%	16.5%
2934.99.90.01	6.5%	0.0%	0.0%	6.5%	Pyroxasulfone	0.0%	6.5%
2924.29.47.00	6.5%	25.0%	10.0%	41.5%	S-Moc	10.0%	16.5%
2935.90.75.00	6.5%	0.0%	0.0%	6.5%	Sulfentrazone	0.0%	6.5%
2921.43.15.00	6.5%	25.0%	10.0%	41.5%	Trifluralin	10.0%	16.5%
most formulated	6.5%	25.0%	10.0%	41.5%	Aromatic	10.0%	16.5%
most formulated	5.0%	25.0%	10.0%	40.0%	Non-Aromatic	10.0%	15.0%

Current Tariff Situation – Key Insecticides & Fungicides

Key Insecticide		China	China	China		India	India
HTS Numbers	Base Tariff	301 Surtax	122 Tariff	China Total	Product	122 Tariff	Total
2932.20.50.50	Free - K list	0.0%	0.0%	0.0%	Abamectin	0.0%	0.0%
2930.90.43.95	6.5%	25.0%	10.0%	41.5%	Acephate	10.0%	16.5%
2933.39.27.00	6.5%	0.0%	0.0%	6.5%	Acetamiprid	0.0%	6.5%
2928.00.25.00	6.5%	25.0%	0.0%	31.5%	Bifenazate	0.0%	6.5%
2916.20.50.00	3.7%	25.0%	0.0%	28.7%	Bifenthrin	0.0%	3.7%
2924.29.28.00	0.0%	25.0%	0.0%	25.0%	Diflubenzuron	0.0%	0.0%
2933.39.27.00	6.5%	0.0%	0.0%	6.5%	Imidacloprid	0.0%	6.5%
2926.90.16.00	free	25.0%	10.0%	40.0%	Lambda Cyhalothrin	10.0%	15.0%
3808.91.25.00	6.5%	25.0%	10.0%	41.5%	Lambda Cy Formulated	10.0%	16.5%
2924.21.45.00	6.5%	25.0%	10.0%	41.5%	Novaluron	10.0%	16.5%
2930.90.43.95	6.5%	25.0%	10.0%	41.5%	Oxamyl	10.0%	16.5%
2916.20.50.00	Free - K list	25.0%	0.0%	25.0%	Permethrin	0.0%	0.0%
2920.90.10.00	6.5%	25.0%	10.0%	41.5%	Propargite	10.0%	16.5%
most formulated	6.5%	25.0%	10.0%	41.5%	Aromatic	10.0%	16.5%
most formulated	5.0%	25.0%	10.0%	40.0%	Non-Aromatic	10.0%	15.0%
Key Fungicides							
2933.59.15.00	6.5%	0.0%	0.0%	6.5%	Azoxystrobin *	0.0%	6.5%
2930.90.43.95	6.5%	25.0%	10.0%	41.5%	Captan	10.0%	16.5%
2926.90.21.00	6.5%	0.0%	10.0%	16.5%	Chlorothalonil	10.0%	16.5%
2833.25.00.00	1.4%	25.0%	0.0%	26.4%	Copper Sulfate	0.0%	1.4%
2933.99.22.00	6.5%	0.0%	0.0%	6.5%	Ipconazole	0.0%	6.5%
3808.92.24.00	0.0%	25.0%	10.0%	35.0%	Mancozeb	10.0%	15.0%
3808.92.50.80	5.0%	25.0%	10.0%	40.0%	Micronized Sulfur	10.0%	15.0%
2934.99.12.00	6.5%	0.0%	0.0%	6.5%	Propiconazole	0.0%	6.5%
2933.99.22.00	6.5%	0.0%	0.0%	6.5%	Tebuconazole	0.0%	6.5%
most formulated	6.5%	25.0%	10.0%	41.5%	Aromatic	10.0%	16.5%
most formulated	5.0%	25.0%	10.0%	40.0%	Non-Aromatic	10.0%	15.0%

Other Things to Watch in the Short Term

USMCA!!!

Terms of the agreement require that it be “re-affirmed” by June 30, 2026

Does not lapse if not “re-affirmed”. However, does than trigger annual gatherings to determine its fate. The termination clause could be triggered in the future.

Chemical Industry, among others, wants the agreement to continue, but will be looking for some changes, especially concerning the duty drawback provisions.

President Trump appears to favor individual bi-lateral agreements. Automobiles will likely be the flash point.

THANK YOU