



Canada, Mexico not subject to new global rates as fentanyl tariff still in place

ReutersBy Emily Green and David LjunggrenBy: Reuters | Apr 02 2025 at 10:05 PM | [International Trade](#)

Mexico and Canada avoided fresh tariffs on Wednesday with President Donald Trump exempting the United States' top trading partners from his new 10% global tariff baseline, although previous duties remain in place.

Goods from Mexico and Canada that comply with the USMCA trade agreement between the three countries will largely remain exempt from tariffs, except for auto exports and steel and aluminum which fall under separate tariff policies.

Trump previously imposed 25% tariffs on Mexico and Canada for not doing enough to curb migration and fentanyl trafficking, but later issued a carve out for USMCA compliant goods.



Containers are stacked on the deck of cargo ship Porto Cheli under the Verrazzano-Narrows Bridge to enter New York Harbor as seen from Manhattan in New York City, U.S., April 2, 2025. REUTERS/Jeenah Moon

"For Canada and Mexico, the existing fentanyl/migration ... orders remain in effect, and are unaffected by this order," the White House fact sheet said.

"In the event the existing fentanyl/migration ... orders are terminated, USMCA compliant goods would continue to receive preferential treatment, while non-USMCA compliant goods would be subject to a 12% reciprocal tariff." Some analysts said Canada and Mexico appeared to have avoided the worst-case scenario. "Mexico and Canada are almost certainly sighing relief after today's

announced tariffs," said Michael Camunez, chief executive of Monarch Global Strategies, which advises firms doing business in Mexico.

"The North American partners were shielded from what clearly could have been a very bad day."

Candace Laing, president and CEO of the Canadian Chamber of Commerce, said in a statement: "We hope that today's positioning regarding Canada by the U.S. is part of a path to real negotiation, ultimately leading to long-term partnership."

Speaking after Trump's announcement, Canada's Prime Minister Mark Carney said he still planned to respond with countermeasures.

"We are going to fight these tariffs with countermeasures, we are going to protect our workers, and we are going to build the strongest economy in the G7 (group of nations)," he said.



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