



August 4, 2025

Tariff Update – August 4, 2025

President Trump continues to take significant action concerning international trade. **Please see the below updates on reciprocal tariff rates, Canada tariffs, Mexico tariffs, the South Korea trade deal, copper imports, Brazil tariffs, and de minimis.**

President Donald J. Trump Further Modifies the Reciprocal Tariff Rates

- Countries listed in Annex I of the Executive Order will be subject to the tariff specified therein.
- Countries not listed in Annex I will be subject to a 10% tariff.
- [Executive Order](#)
- [Annex II](#)

Imposition of Additional Duties on Canada

- President Trump has **increased the tariff on Canada from 25% to 35%** in response to the existing fentanyl crisis.
- Goods qualifying for preferential tariff treatment under the United States-Mexico-Canada Agreement (USMCA) continue to remain not subject to the IEEPA Canada tariffs.
- Goods transshipped to evade the 35% tariff will be subject, instead, to a transshipment tariff of 40%.

Extension of Trade Talks with Mexico

- President Trump has agreed to continue trade discussions with **Mexico for another 90 day period. In the meantime, Mexico will continue to pay a 25% Fentanyl Tariff, 25% Tariff on Cars, and 50% Tariff on Steel, Aluminum, and Copper. Additionally, Mexico has agreed to immediately terminate its Non-Tariff Trade Barriers.**

Trade Deal with South Korea

- The deal between the U.S. and the Republic of Korea is valued at **\$350 Billion Dollars for Investments** owned and controlled by the United States. Additionally, South Korea will purchase **\$100 Billion Dollars of LNG**, or other Energy products. South Korea has agreed to additional unspecified U.S. investment, which will be announced within the next two weeks when the President of South Korea, Lee Jae Myung, comes to the White House for a Bilateral Meeting. Lastly, the **tariff for South Korea will be 15% and Zero for the U.S.**

Copper Tariff Proclamation

- On July 29, 2025, President Trump issued a formal proclamation under **Section 232 of the Trade Expansion Act of 1962 that will significantly reshape the U.S. copper trade landscape.** This proclamation follows the President's comments on July 8 where he first said he would increase tariffs on copper to 50 percent. This proclamation imposes **universal 50% tariffs on imports of semi-finished copper products (such as copper pipes, wires, rods, sheets, and tubes) and copper-intensive derivative products (such as pipe fittings, cables, connectors, and electrical components), effective August 1.**
- Upon the President's initial announcement, **NECA conducted direct engagement** with senior officials at the White House, the Department of Commerce, and Congressional leaders to raise serious concerns about the pace and structure of proposed tariff actions. In our discussions, we emphasized the **real-world consequences these policies could have on construction and infrastructure**



NECA Regulatory Alert

FROM THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION

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delivery—particularly in terms of increased material costs, tighter supply availability, and delayed project timelines.

- NECA also put forward **constructive recommendations** to mitigate harm while supporting the administration's goal of strengthening the domestic copper sector. These included implementing a tiered tariff structure with longer lead times, creating carve-outs or waivers for essential construction-grade copper products, and investing in domestic recycling and refining infrastructure to reduce dependence on foreign sources over time. We stressed that **any tariff action should be paired with incentives and investment in domestic supply to avoid triggering downstream cost spikes** that would impact contractors and public works projects.
- It is clear our engagement ensured that contractor perspectives were clearly part of the policymaking conversation. Notably, the proclamation includes a commitment to monitor market impacts and provides a mechanism for future policy adjustment—both of which are critical for maintaining industry stability.
- Going forward, **NECA will continue working with federal agencies** to ensure fair implementation, pursue opportunities for targeted relief, and advocate for greater investment in domestic copper production, processing, and recycling that supports the electrical construction industry and national infrastructure priorities.
- [Proclamation](#)

President Donald J. Trump Addresses Threats to the United States from the Government of Brazil

- President Donald J. Trump signed an Executive Order implementing **an additional 40% tariff** on Brazil, **bringing the total tariff amount to 50%**, to deal with recent policies, practices, and actions by the Government of Brazil.
- [Executive Order](#)

President Donald J. Trump Suspends the De Minimis Exemption for Commercial Shipments Globally

- Effective August 29 imported goods sent through means other than the international postal network that are **valued at or under \$800** and that would otherwise qualify for the de minimis exemption will be subject to all applicable duties.
- [Executive Order](#)

As this situation evolves, NECA will continue to monitor and provide updates on trade developments, including any new tariffs, retaliatory measures, or international trade rulings that may impact our industry.

For questions, or to share your concerns, please contact NECA Government Affairs at necagovtaffairs@necanet.org.

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