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Evaluating the impacts of the U.S. April 2 reciprocal tariffs

Countries around the world continue to respond to U.S. President Trump's global "reciprocal tariffs". Contrary to many predictions, however, Canada and Mexico are not subject to additional measures at this time.

Torys released [a brief](#) following President Trump's April 2 announcement, authored by partners [John Terry](#), [T. Ryan Lax](#), and [Robin Asgari](#), which was picked up by [Daily Oil Bulletin](#) exploring the impacts of the U.S. tariffs on Canada.

"Energy, energy products and certain critical minerals, not defined in the executive order, are exempt," Torys' brief explained. "These are goods that President Trump has previously treated as preferential and subject to a lower tariff when imposing tariffs on Canada and Mexico, owing to their strategic nature."

Read: [We are providing regular briefs on the legal ramifications of the tariffs and other cross-border policy developments on the horizon](#)

Pharmaceuticals, semiconductors and lumber are also exempted from the reciprocal tariff order, though these are likely to be subject to sector-specific tariffs according to previous indications made by President Trump, the brief explains.

Tariffs on CUSMA/USMCA-compliant goods also currently remain exempt from tariffs.

"Since March 6, Canadian goods that are CUSMA/USMCA-compliant have been exempt from the tariffs that entered into force on March 4," Torys' brief explains. "Non-CUSMA/USMCA-compliant Canadian goods continue to be tariffed at 25%; but the vast majority of Canadian goods are or could become CUSMA/USMCA compliant."

According to President Trump's announcement, CUSMA/USMCA-compliant goods will continue to be tariffed at 0% if the existing fentanyl-related emergency order in respect of Canada is terminated. Non-CUSMA/USMCA compliant goods will be subject to a reduced reciprocal tariff of 12%, instead of the current 25%.

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