



IMPOSING ADDITIONAL DUTIES TO OFFSET CANADIAN DISCRIMINATION
AGAINST THE COMMERCE OF THE UNITED STATES WITH RESPECT TO DAIRY
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BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

1. Section 338 of the Tariff Act of 1930 (19 U.S.C. 1338) (section 338) empowers the President to, among other things, impose duties on imports of a foreign country to offset the burden or disadvantage from a foreign country's discrimination against or unequal imposition on the commerce of the United States.

2. Canada, through discrimination or an unreasonable and unequal imposition, treats the commerce of certain foreign countries more favorably than commerce of the United States with respect to dairy and in turn, places a burden and disadvantage on the commerce of the United States. Specifically, Canada denies the commerce of the United States benefits that Canada affords to materially similar dairy commerce from certain other foreign countries and thus unreasonably burdens and disadvantages U.S. commerce compared to the commerce of certain other foreign countries.

3. Canada maintains a tariff-rate quota (TRQ) on cheeses of all types under the United States-Mexico-Canada Agreement (USMCA) as well as a TRQ on cheese of all types under the Canada-European Union (EU) Comprehensive Economic and Trade Agreement (CETA). The TRQs provide duty-free access for the covered dairy products up to specified annual quantities (in-quota quantities) and apply a customs duty to imports that exceed the respective in-quota quantities.

4. To access the TRQs under the USMCA and the CETA, Canada's dairy TRQ allocation measures establish eligibility

criteria. But Canada does not have the same eligibility criteria for the USMCA and the CETA, disfavoring the commerce of the United States. While Canada's eligibility criteria for the USMCA dairy TRQs -- and specifically, the cheeses of all types TRQ -- do not allow retailers to obtain and use TRQ quantities, the eligibility criteria for the CETA do grant retailers access to the TRQ quantity for cheese of all types.

5. By making retailers ineligible to use the USMCA TRQ for cheeses of all types, Canada discriminates against U.S. goods that are similar to EU goods that are entered pursuant to the CETA cheese of all types TRQ. Canada thus denies to the United States the favorable treatment that Canada provides to the EU and its member States. This discrimination impedes market access into Canada and results in lost sales or revenues for U.S. dairy producers and exporters, among other things. The United States, U.S. businesses and workers, and U.S. commerce are negatively affected by Canada's discriminatory practices.

6. Accordingly, pursuant to section 338, I find as a fact that Canada is discriminating in fact against the commerce of the United States through Canada's TRQ allocation measures imposed on U.S. cheeses of all types under the USMCA, as compared to Canada's TRQ allocation measures imposed on EU cheese of all types under the CETA. I also find as a fact that this discrimination places the commerce of the United States at a disadvantage compared to the commerce of the EU and its member States. And I find as fact that Canada's imposition is unreasonable, is not equally enforced upon the like articles of every foreign country, and places a burden on the commerce of the United States.

7. Further, I find that imposing additional *ad valorem* duties on certain products of Canada to address the burden or

disadvantage from this discrimination or unequal and unreasonable imposition is in the public interest, will serve the public interest, and is consistent with the interests of the United States. When U.S. producers are unfairly denied export opportunities by Canada's TRQ allocation measures, they lose sales or revenues that support production in the United States, among other things. This suppresses U.S. agricultural output as well as investment and thereby undermines employment and economic vitality in American communities. Imposing additional duties on certain products of Canada will, among other things, expand opportunities for U.S. producers to compete within the U.S. market, enhancing American production and bringing attendant economic and societal benefits, and may spur Canada to remove the discrimination against U.S. cheeses of all types.

8. Accordingly, I find that it is necessary and appropriate and in the public interest to impose an additional *ad valorem* duty of 50 percent on certain products of Canada, as identified in Annex II to this proclamation, effective as of 12:01 a.m. eastern time on August 19, 2026. I determine that the additional *ad valorem* duties imposed in this proclamation, as described below, will offset the burden or disadvantage on U.S. commerce from Canada's discrimination or unreasonable and unequal imposition. In my judgment, the action in this proclamation is consistent with the public interest, will serve the public interest, and is consistent with the interests of the United States.

9. Section 338 authorizes the President, if he determines it will serve the public interest, to offset any burden or disadvantage placed on the commerce of the United States by an unequal imposition or discrimination by a foreign country by specifying and declaring additional duties not to exceed

50 percent *ad valorem* (or its equivalent) and not to take effect earlier than 30 days after the President's proclamation finding that a foreign country imposes an unreasonable charge, exaction, regulation, or limitation that is not equally enforced on the like articles of every foreign country, or discriminates in fact against U.S. commerce in a way that places the commerce of the United States at a disadvantage compared to the commerce of any foreign country. Section 338 also authorizes the President to suspend, revoke, supplement, or amend any proclamation under section 338 whenever the President deems that the public interests require such action. Further, section 338 authorizes the President to exclude products of the foreign country if the foreign country maintains or increases the discrimination against the commerce of the United States and the President deems the exclusion to be consistent with the public interests and the interests of the United States.

10. Section 604 of the Trade Act of 1974, as amended (19 U.S.C. 2483) (section 604), authorizes the President to embody in the Harmonized Tariff Schedule of the United States (HTSUS) the substance of statutes affecting import treatment, and actions thereunder, including the removal, modification, continuance, or imposition of any rate of duty or other import restriction.

NOW, THEREFORE, I, DONALD J. TRUMP, President of the United States of America, by the authority vested in me by the Constitution and the laws of the United States, including section 338; section 301 of title 3, United States Code; and section 604, do hereby proclaim as follows:

(1) Except as otherwise provided in this proclamation, certain products of Canada, as set forth in Annex II to this proclamation, imported into the United States shall be subject

to an additional *ad valorem* duty of 50 percent, effective for goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern time on August 19, 2026.

(2) Except as otherwise provided in this proclamation and in Annex I to this proclamation, the duties imposed in this proclamation are in addition to any other duties, taxes, fees, exactions, and charges applicable to such products. The duties imposed in this proclamation shall not apply to articles subject to duties pursuant to section 232 of the Trade Expansion Act of 1962, as amended (19 U.S.C. 1862), or articles, excluding unmanned aircraft, subject to the World Trade Organization Agreement on Trade in Civil Aircraft.

(3) The HTSUS is modified as provided in Annex II to this proclamation, effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern time on August 19, 2026, and the modifications shall continue in effect, unless this action is expressly reduced, modified, or terminated.

(4) Any product subject to the duties imposed in this proclamation, except those eligible for admission under "domestic status" as described in 19 CFR 146.43, that is subject to the duties imposed in this proclamation and that is admitted into a United States foreign trade zone on or after the effective date of this proclamation must be admitted as "privileged foreign status" as described in 19 CFR 146.41, and will be subject upon entry for consumption to any *ad valorem* rate of duty related to the classification under the applicable HTSUS subheading.

(5) The head of each executive department and agency (agency) is authorized to and shall take all appropriate

measures within the agency's authority to implement this proclamation. The head of each agency may, consistent with applicable law, including section 301 of title 3, United States Code, redelegate the authority to take such appropriate measures within the agency.

(6) The Commissioner of U.S. Customs and Border Protection (CBP), in consultation with the Secretary of the Treasury, the Secretary of Commerce, and the United States Trade Representative, is authorized to issue such rules, regulations, guidance, instructions, or determinations as may be necessary to implement this proclamation and is authorized to take any necessary measures to administer the duties imposed in this proclamation.

(7) The Commissioner of CBP, in consultation with the Secretary of the Treasury, the Secretary of Commerce, the United States Trade Representative, the Chairman of the United States International Trade Commission, and any other senior official he deems appropriate, shall determine whether any additional modifications to the HTSUS are necessary to effectuate this proclamation and shall make such modifications to the HTSUS through notice in the *Federal Register*, including any technical correction to the annexes to this proclamation.

(8) For any rule or regulation the Commissioner of CBP makes to implement this proclamation, the Commissioner of CBP shall, to the extent required by law, obtain the approval of the President or the United States Trade Representative. The United States Trade Representative is delegated the President's approval authority in 19 U.S.C. 1338(h).

(9) Any provision of previous proclamations and Executive Orders that is inconsistent with this proclamation is superseded

to the extent of such inconsistency. If any provision of this proclamation or the application of any provision to any individual or circumstance is held to be invalid, the remainder of this proclamation and the application of its provisions to any other individuals or circumstances shall not be affected.

IN WITNESS WHEREOF, I have hereunto set my hand this twentieth day of July, in the year of our Lord two thousand twenty-six, and of the Independence of the United States of America the two hundred and fifty-first.

Annex I

Note: A 50% *ad valorem* Section 338 tariff shall apply to the following articles, unless they are subject to import restrictions imposed pursuant to section 232 of the Trade Expansion Act of 1962, as amended (18 U.S.C. 1862), or articles of civil aircraft or aircraft parts that meet the criteria of General Note 6 of the HTSUS. The product descriptions that are contained in this Annex are provided for informational purposes only and are not intended to delimit in any way the scope of the action. Any questions regarding the scope of particular HTSUS provisions should be referred to U.S. Customs and Border Protection. In the product descriptions, the abbreviation “nesoi” means “not elsewhere specified or included.”

Product	Description
0402.10.05	Milk and cream, concentrated or sweetened, in powder, granules or other solid forms, with a fat content by weight not exceeding 1.5%, subject to General Note 15 of the HTSUS
0402.10.10	Milk and cream, in powder, granules or other solid forms, with a fat content by weight not exceeding 1.5%, whether or not sweetened, described in additional U.S. note 7 to chapter 4 of the HTSUS
0402.10.50	Milk and cream, in powder, granules or other solid forms, with a fat content by weight not exceeding 1.5%, whether or not sweetened, nesoi
0402.21.02	Milk and cream, concentrated, not sweetened, in powder, granules or other solid forms, with a fat content by weight exceeding 1.5% but not exceeding 3%, subject to General Note 15 to the HTSUS
0402.21.05	Milk and cream, concentrated, not sweetened, in powder, granules or other solid forms, with a fat content by weight exceeding 1.5% but not exceeding 3%, subject to additional U.S. note 7 to chapter 4 of the HTSUS
0402.21.25	Milk and cream, concentrated, not sweetened, in powder, granules or other solid forms, with a fat content by weight exceeding 1.5% but not exceeding 3%, not subject to General Note 15 or additional U.S. note 7 to chapter 4 of the HTSUS
0402.21.27	Milk and cream, concentrated, not sweetened, in powder, granules or other solid forms, with a fat content by weight exceeding 3% but not exceeding 35%, subject to General Note 15 of the HTSUS
0402.21.30	Milk and cream, concentrated, not sweetened, in powder, granules or other solid forms, with a fat content by weight exceeding 3% but not exceeding 35%, subject to additional U.S. note 7 to chapter 4 of the HTSUS
0402.21.50	Milk and cream, concentrated, not sweetened, in powder, granules or other solid forms, with a fat content by weight exceeding 3% but not exceeding 35%, not subject to General Note 15 or additional U.S. note 7 to chapter 4 of the HTSUS
0402.21.73	Milk and cream, concentrated, not sweetened, in powder, granules or other solid forms, with a fat content by weight exceeding 35%, subject to HTSUS General Note 15
0402.21.75	Milk and cream, concentrated, not sweetened, in powder, granules or other solid forms, with a fat content by weight exceeding 35%, subject to additional U.S. note 9 to chapter 4 of the HTSUS
0402.21.90	Milk and cream, concentrated, not sweetened, in powder, granules or other solid forms, with a fat content by weight exceeding 35%, not subject to General Note 15 or U.S. note 9 to chapter 4 of the HTSUS
0402.91.03	Milk and cream, concentrated, in non-solid forms, not sweetened, in airtight containers, subject to General Note 15 of the HTSUS
0402.91.06	Milk and cream, concentrated in non-solid forms, not sweetened, not in airtight containers, subject to General Note 15 of the HTSUS
0402.99.68	Milk and cream (except condensed milk), concentrated in non-solid forms, sweetened, subject to General Note 15 of the HTSUS
0404.10.05	Whey protein concentrates
0404.10.08	Modified whey (except protein concentrates), subject to General Note 15 of the HTSUS

0404.10.11	Modified whey (except protein concentrates), whether or not concentrated or sweetened, subject to additional U.S. note 10 to chapter 4 of the HTSUS
0404.10.15	Modified whey (except protein concentrates), whether or not concentrated or sweetened, not subject to General Note 15 of the HTSUS
0404.10.20	Fluid whey, whether or not concentrated or containing added sweeteners
0404.10.48	Whey (except modified whey), dried, whether or not concentrated or sweetened, subject to General Note 15 of the HTSUS
0404.10.50	Whey (except modified whey), dried, whether or not concentrated or sweetened, subject to additional U.S. note 12 to chapter 4 of the HTSUS
0404.10.90	Whey (except modified whey), dried, whether or not concentrated or sweetened, not subject to General Note 15 or additional U.S. note 12 to chapter 4 of the HTSUS
0404.90.10	Milk protein concentrates
0404.90.28	Dairy products of natural milk constituents (except protein concentrates), described in additional U.S. note 1 to chapter 4 of the HTSUS and subject to General Note 15 of the HTSUS
0404.90.30	Dairy products of natural milk constituents (except protein concentrates), described in additional U.S. note 1 to chapter 4 of the HTSUS and subject to additional U.S. note 10 of that chapter
0404.90.50	Dairy products of natural milk constituents (except protein concentrates), described in additional U.S. note 1 to chapter 4 of the HTSUS and not subject to General Note 15 or additional U.S. note 10 to chapter 4
0404.90.70	Products consisting of natural milk constituents (except protein concentrates), whether or not sweetened, not described in additional U.S. note 1 to chapter 4 of the HTSUS
0506.90.00	Bones and horn-cores, unworked, defatted, simply prepared (but not cut to shape) or degelatinized; powder and waste of these products
1210.20.00	Hop cones, fresh or dried, ground, powdered or in the form of pellets; lupulin
1301.90.91	Lactose, natural gums, resins, gum-resins and oleoresins (e.g., balsams), nesoi
1702.11.00	Lactose and lactose syrup, containing by weight 99% or more lactose, calculated on the dry matter
1702.19.00	Lactose and lactose syrup, containing by weight less than 99% lactose, calculated on the dry matter
1702.30.28	Glucose and glucose syrup, not containing or containing in dry state less than 20% fructose; blended syrups described in additional note 4 to chapter 17 of the HTSUS, nesoi
1702.40.28	Blended syrups described in additional U.S. note 4 to chapter 17 of the HTSUS, containing in dry state 20% to 50% by weight fructose, nesoi
1702.60.28	Other fructose and fructose syrups, containing in dry state more than 50% by weight fructose, blended syrups (see additional U.S. note 4 to chapter 17 of the HTSUS), nesoi
1702.90.35	Invert molasses
1702.90.58	Blended syrups described in additional U.S. note 4 to chapter 17 of the HTSUS, nesoi, not subject to additional U.S. note 9 to that chapter
1702.90.68	Sugars nesoi containing over 65% by dry weight sugar, described in additional U.S. note 2 to chapter 17 of the HTSUS, not subject to additional U.S. note 7 to that chapter
1703.10.30	Cane molasses imported for the commercial extraction of sugar or human consumption
1703.10.50	Cane molasses, nesoi
1703.90.30	Molasses, other than cane, imported for the commercial extraction of sugar or human consumption
1703.90.50	Molasses, nesoi
1901.20.35	Mixes for bakers' wares, containing over 25% by weight butterfat, not retail, described in additional U.S. note 1 to chapter 19 of the HTSUS, not subject to additional U.S. note 3 to chapter 19 of the HTSUS, nor to General Note 15
2202.91.00	Nonalcoholic beer
3301.24.00	Essential oils of peppermint (<i>Mentha piperita</i>)
3501.10.10	Casein, milk protein concentrate

3501.10.50	Casein, other than milk protein concentrate
3501.90.20	Casein glues
3501.90.60	Caseinates and other casein derivatives, nesoi
3502.20.00	Milk albumin, including concentrates of two or more whey proteins
3504.00.50	Peptones and their derivatives; protein substances and their derivatives, nesoi; hide powder

Annex II

A. Effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern time on August 19, 2026, subchapter III of chapter 99 of the Harmonized Tariff Schedule of the United States (HTSUS) is modified as follows:

1. Subdivision (a) of U.S. note 51 is modified by:

a. deleting “heading 9903.03.12 imposes” and inserting “headings 9903.03.12–9903.03.13 impose” in lieu thereof; and

b. deleting “imposed by this heading” in each place it appears and inserting “imposed by these headings” in lieu thereof;
2. Subdivision (b) is modified by:

a. deleting “in the heading” and inserting “in these headings” in lieu thereof; and

b. inserting new subdivision (b)(2) to U.S. note 51:

“2. Heading 9903.03.13 applies to articles classifiable in the following provisions of the tariff schedule:

0402.10.05	0402.10.10	0402.10.50	0402.21.02
0402.21.05	0402.21.25	0402.21.27	0402.21.30
0402.21.50	0402.21.73	0402.21.75	0402.21.90
0402.91.03	0402.91.06	0402.99.68	0404.10.05
0404.10.08	0404.10.11	0404.10.15	0404.10.20
0404.10.48	0404.10.50	0404.10.90	0404.90.10
0404.90.28	0404.90.30	0404.90.50	0404.90.70
0506.90.00	1210.20.00	1301.90.91	1702.11.00
1702.19.00	1702.30.28	1702.40.28	1702.60.28
1702.90.35	1702.90.58	1702.90.68	1703.10.30
1703.10.50	1703.90.30	1703.90.50	1901.20.35
2202.91.00	3301.24.00	3501.10.10	3501.10.50
3501.90.20	3501.90.60	3502.20.00	3504.00.50”

3. Subdivision (c) of U.S. note 51 is modified by deleting “heading 9903.03.12 shall” and inserting “headings 9903.03.12–9903.03.13 shall” in lieu thereof;
4. Subdivision (d) of U.S. note 51 is modified by deleting “heading 9903.03.12 shall” and inserting “headings 9903.03.12–9903.03.13 shall” in lieu thereof;
5. The following new heading is inserted in numerical sequence, with the material in each new heading inserted in the columns of the HTSUS labeled “Heading/Subheading”, “Article Description”, “Rates of Duty 1-General”, “Rates of Duty 1-Special” and “Rates of Duty 2”, respectively:

Heading / Subheading	Article Description	Rates of Duty		
		1		2
		General	Special	
“9903.03.13	Articles the product of Canada as provided in subdivision (b)(2) of U.S. note 51 to this subchapter	The duty provided in the applicable subheading + 50%	The duty provided in the applicable subheading + 50%	No change”

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