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Trade Lines

Policy Intelligence for Global Business Leaders

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Trade Lines brings you timely updates from DC on global trade and regulatory policy. Curated for business leaders and decision-makers, this newsletter highlights key shifts in trade policy –from tariff shifts and supply chain disruptions to legislative developments and compliance trends. Stay ahead, evaluate impact, and make informed decisions in a rapidly changing environment.

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Global Signals

President Trump and President Xi discuss market access and purchase commitments

President Trump travelled to China this week for a scheduled meeting with Chinese President Xi Jinping. The White House said that the two sides “discussed ways to enhance economic cooperation between our two countries, including expanding market access for American businesses into China and increasing Chinese investment into our industries” on an X [post](#). Trump said on Fox News that Xi committed to purchasing 200 U.S.-made airplanes.

Meanwhile, news outlets in China reported that the U.S. and China agreed “to establish trade and investment councils, addressing each other’s concerns about market access for agricultural products, and promoting the expansion of bilateral trade under the framework of reciprocal tariff reductions.” Before leaving Beijing, U.S. Trade Representative (USTR) Jamieson Greer said the administration will solicit public comments on its proposal to establish a “Board of Trade” with China.

Ahead of the scheduled meeting with President Xi, Senators Tammy Baldwin (D-WI), Mark Kelly (D-AZ), Todd Young (R-IN), and Tim Scott (R-SC) sent a [letter](#) to the Trump administration regarding China’s shipbuilding sector. In the letter, the Senators urged the President “to stand strong during these negotiations as we work together to enact trade remedies and advance the SHIPS for America Act to level the playing field and create a strong commercial and military shipbuilding ecosystem in the United States.”

Policy Pulse

CBP has processed \$35 billion in IEEPA tariff refunds

U.S. Customs and Border Protection (CBP) provided an [update](#) to the Court of International Trade (CIT) on May 12 regarding the status of processing refunds for tariffs paid under the International Emergency Economic Powers Act (IEEPA). After receiving 126,237 applications, the declaration said that “As of 7am eastern time on Monday, May 11, 2026, the anticipated duty refund and interest amount for the 8,338,081 liquidated and/or reliquidated entries is approximately \$35.46 billion.” Regarding the remaining entries, “anticipated refunds and interest payments ...continue to be consolidated by the CAPE Refund component, based on the entries’ importer of record (IOR) or authorized CBP Form 4811 designee and date of liquidation and/or reliquidation.”

Following this declaration, the CIT [ordered](#) CBP to file its next progress report on the progress of processing refund claims in the Consolidated Administration and Processing of Entries (CAPE) by midnight on May 26. During a closed conference on May 12, the court was made aware that CBP is in contact with representatives of sureties regarding their refund claims. Also discussed at the conference was the subsequent functionality of CAPE, including processing refunds for entries flagged for reconciliation.

In addition, CBP will hold two webinars designed to assist small businesses with navigating the IEEPA duty refunds process. One webinar titled “IEEPA Duty Refunds for Small Businesses” will take place on Wednesday, May 20, at 1 p.m. ET. Register [here](#). The other webinar titled “ACE Reports for CAPE Claims - A Guide for Small Businesses” will be held on Thursday, May 21, at 1:00 p.m. ET. Register [here](#).

U.S. Court of Appeals stays CIT decision on Section 122 tariffs

After the CIT ruled that President Trump’s actions to impose a global 10% tariff under Section 122 of the Trade Act of 1974 exceeded his statutory authority on May 7, the U.S. Court of Appeals for the Federal

Circuit granted a short term [stay](#) on May 12. This order blocks the “permanent injunction entered by the CIT ...until further notice while this court considers the motions for a stay pending appeal.”

Commerce amends procedures for import adjustment offsets on autos

On May 15, the Commerce Department published a [notice](#) on *Amending the Procedures to Administer Import Adjustment Offset Amounts for Certain Imports of Automobile Parts Under Proclamation 10908 to Include Medium- and Heavy Duty Vehicle Parts*. This amends the procedures from Proclamation 10925 on adjusting imports of medium-and heavy-duty vehicles (MHDV), medium-and heavy-duty vehicle parts, and buses. The latest notice “amends those procedures to allow domestic manufacturers of MHDVs to claim import adjustment offsets for imports of MHDV ...and automobile parts in a manner consistent with Proclamation 10984.” Certain heavy-duty vehicles determined to be “limited production operations” are excluded from being considered when calculating offsets. The offset process will be later amended to “to establish an equivalent process for domestic manufacturers of automobile engines and MHDV engines.”

USTR requests input in Section 201 safeguard investigation into quartz surface products

The administration is now in the remedy phase of its safeguard investigation on quartz surface products under Section 201 of the Trade Act of 1974 after the U.S. International Trade Commission (USITC) found that rising imports harm domestic industry. The USITC will recommend remedies to the President by May 18, 2026, based on further testimony and evidence. Possible actions include tariffs, quotas, or export restraints. Imports from Canada, Mexico, and free trade agreement (FTA) partners were not deemed major contributors to the injury, which may affect the scope of relief. The President must decide within 60 days of receiving the USITC report whether to impose safeguards.

The Office of the U.S. Trade Representative (USTR), through the interagency Trade Policy Staff Committee, is now [soliciting stakeholder input](#) to inform its remedy recommendation to the President. Stakeholders are encouraged to address the public interest and the economic effects of potential measures—including impacts on downstream industries and the consequences of inaction.

Written comments, requests to testify, and summaries of written testimony are due to USTR by June 1. Rebuttal comments are due to USTR by June 8. A public hearing will take place on June 16.

Hill Highlights

Lawmakers urge USTR to act on specialty crops during USMCA joint review

Approximately 80 bipartisan members of the House of Representatives sent USTR Jamieson Greer a [letter](#) arguing U.S. specialty crops are facing “unsustainable pressure from growing volumes of products unfairly entering U.S. markets,” particularly from Mexico. The letter urges Greer to “implement trade measures that will allow our specialty crop producers to continue to feed the nation and remain viable against unfair foreign competition” during the upcoming review of the United States-Mexico-Canada Agreement (USMCA).

The lawmakers write “Without measures to restore competitive balance, specialty crop production will increasingly move to foreign countries” and “we urge you to evaluate trade actions that can safeguard U.S. growers from unfair pressures from Mexico. This work is essential to maintaining U.S. competitiveness in the specialty crop sector and to ensuring Americans continue to have access to high-quality, domestically grown food—an issue fundamental to our national security.”

Lawmakers urge USTR to initiate new Section 301 investigation into seafood

Representatives Clay Higgins (R-LA) and Troy Carter (D-LA) and 18 other bipartisan House members sent USTR Greer a [letter](#) calling for an investigation into “unfair acts, policies, and practices affecting trade in seafood and seafood products” under Section 301 of the Trade Act of 1974. Specifically, the letter urges an examination into “all unfair acts, policies, and practices across the full seafood supply chain from countries including, but not limited to: Argentina, Canada, Chile, China, Ecuador, Egypt, Iceland, India, Indonesia, Japan, Mexico, the Netherlands, Norway, Peru, Spain, Thailand, and Vietnam.”

Democratic lawmakers introduce resolution calling for fair trade

On May 14, Representative Rosa DeLauro (D-CT) introduced a [resolution](#) calling for U.S. trade policy that, “supports workers, consumers, independent farmers, small businesses, and the environment.” [According to DeLauro](#), “A new worker-centered approach to trade is urgently needed. That is what we are presenting today, a new vision for fair and flourishing trade organized around 10 key principles.” The resolution, cosponsored by 28 House Democrats, outlines trade policy principles related to labor and environmental standards, trade enforcement, Made in America policies, and job offshoring.

Key Dates

May 17: The USITC holds a public hearing in the USITC’s investigation concerning China’s state support and pricing practices in the biotechnology sector.

May 25: The U.S. and Mexico will hold their first official bilateral negotiating round for the USMCA joint review in Mexico City.

May 26: Deadline for CBP to update CIT on the progress of Phase 1 of processing IEEPA tariff refunds.

May 27: The USITC holds a public hearing in its factfinding investigation concerning China’s state support and pricing practices in the biotechnology sector.

June 1: Commerce Department to send the President its findings on its Section 232 investigations into robotics and industrial machinery and PPE, medical consumables, and medical equipment, including devices by this date.

June 16: USTR holds a public hearing in the Section 201 safeguard investigation into quartz surface products.

June 26: President to announce any actions on Section 232 investigations into drones and polysilicon and derivative products, as well as unmanned aircraft systems and their parts and components.

July 1: On six-year anniversary of entry into force, the USMCA joint review takes place.

July 17: Deadline for written submissions in the USITC's factfinding investigation concerning China's state support and pricing practices in the biotechnology sector.

July 21: USTR to brief Congress by this date on the negotiating positions of Mexico and Canada.

July 24: The 10% tariff imposed under Section 122 expires.

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