

ICC Global Trade Update

22 July 2025

DISCLAIMER: Given the fast-moving trade policy environment, please ensure that latest developments have been taken into account in your operations and communications.

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U.S. TARIFFS LATEST

Deal announced with Indonesia

- On 15 July, President Trump announced that an agreement had been reached with Indonesia to lower the U.S. "reciprocal" tariff on Indonesian goods from 32% to 19%. A White House [joint statement](#) and [fact sheet](#) on July 22 confirmed the 19% tariff rate. Under the deal, Indonesia committed to eliminate tariffs and non-tariff barriers on 99% of U.S. exports, including a pledge to support a permanent WTO E-commerce Moratorium without any conditions. The agreement also unlocks over \$20 billion in Indonesian purchases of U.S. energy, agriculture, and aircraft.

Deal announced with Japan and the Philippines

- On 22 July, President Trump announced that a deal had been reached with Japan, which will reduce reciprocal tariffs on Japanese imports, including automobiles, to 15% (down from planned 25–27.5%). In exchange Japan committed to invest approximately \$550 billion in the U.S. and to open its markets to American goods such as cars, trucks, rice, and agricultural products. Also on 22 July, President Trump announced that a deal had been reached with the Philippines with a tariff of 19% (down from 20%).

EU response

- Following receipt of a letter from President Trump notifying the European Union of a 30% “reciprocal” tariff, the EU issued a [Statement by President von der Leyen on EU-U.S. trade](#) expressing disappointment and reiterating their commitment to pursuing a trade deal with the US ahead of the 1 August deadline.
- On 14 July, EU trade ministers met in Brussels and agreed to suspend the first set of EU countermeasures (additional tariffs on U.S. imports worth about EUR 21 billion) in response to the U.S. Section 232 tariffs of 50% on steel and aluminium. The suspension will apply from 15 July to early August and was formalised in Commission Implementing Regulation [2025/1446](#). EU trade ministers also discussed a potential second package of retaliatory tariffs on additional U.S. goods covering trade worth up to EUR 70 billion, which should only be presented if “circumstances require”.

Mexico response

- On 11 July, during a high-level meeting in Washington, a Mexican ministerial delegation met with U.S. officials and announced the establishment of a [permanent bilateral US-Mexico working group](#) to address key issues in the relationship. During the same meeting, they were informed of a tariff letter, issued on 12 July, notifying Mexico of a 30% “reciprocal” tariff to take effect on August 1. Mexican officials described the move as an “unfair deal” and said they disagreed with the decision, while expressing hope that the new working group could help avert the tariffs through continued dialogue.
- Separately, the U.S. Commerce Department terminated a US-Mexico suspension agreement and announced it would be applying anti-dumping duties of 17.09 percent on fresh tomatoes from Mexico.

Section 301 investigation on Brazil

- Following President Trump’s tariff letter to Brazil notifying them of a 50% tariff effective 1 August 2025, the U.S. Trade Representative [initiated](#) an investigation under Section 301 of the 1974 Trade Act into Brazil’s alleged unfair trading practices. The investigation covers a broad range of issues, including barriers to digital trade and electronic payment services, preferential tariffs, anti-corruption enforcement, intellectual property protection, ethanol, and illegal deforestation. Businesses have until 18 August to [submit](#) comments.

Brazil responds

- Brazilian President Lula da Silva issued a [decree](#) under the Economic Reciprocity Law which establishes the criteria for suspending trade concessions, investment and obligations relating to intellectual property protections in response to “unilateral measures”.
- The decree sets out the process by which an Interministerial Committee for Economic and Trade Negotiations and Countermeasures will deliberate on the application of potential countermeasures and their implementation.

Tackling tariff fraud

- On 10 July, the U.S. Department of Justice announced a shift in its strategy for fraud enforcement, with the creation of a new Market, Government, and Consumer Fraud Unit (MGCF Unit) within the Criminal Division’s Fraud Section.
- The new MGCF Unit will focus resources on investigation and prosecution of trade fraud and tariff evasion, in addition to its historic focus on market manipulation and government procurement fraud. Businesses should expect increased scrutiny of their customs arrangements and focus on related audits in the coming months.

New US guidance on Section 232 tariffs on automobiles

- U.S. Customs and Border Protection issued additional [guidance](#) for traders looking to apply the 25% Section 232 duty on non-U.S. content in automotive imports which qualify for preferential tariff treatment under USMCA. The guidance includes reporting instructions for applying special tariff treatment approved by the U.S. Department of Commerce.

More Section 232 investigations

- On 14 July, the US launched two new Section 232 investigations: [Polysilicon and its derivatives](#) and [Unmanned aircraft](#). Businesses have until 6 August 2025 to respond to each investigation respectively.

Canadian measures

- On 16 July, Canada announced new [measures](#) to protect its steel industry as a result of U.S. tariffs on steel and aluminium. New tariff rate quotas (TRQs) will be introduced in the coming days for non-FTA imports, with quota set at 50% of 2024 import levels and a 50% tariff applied to volumes exceeding the quota. These changes do not affect the current arrangements under USMCA. In addition, Canada will impose an extra 25% tariff on steel imports from all non-U.S. countries containing steel melted and poured in China by the end of July.

- Canada has also introduced an [Interim Policy of Reciprocal Procurement](#), which reduces access to Canada's government procurement market to certain trading partners where Canada has an FTA or is a party to the WTO's Government Procurement Agreement.

U.S. reciprocal tariffs state of play

- President Trump's recent announcements adjust several tariff rates under the U.S. reciprocal tariff framework. The table below reflects the current state of play, showing changes between the rates announced on 2 April and those announced in July:

Country	2 April tariff rate	July tariff rate	Change
Algeria	30%	30%	-
Bangladesh	37%	35%	↓
Bosnia and Herzegovina	35%	30%	↓
Brazil	10%	50%	↑
Brunei Darussalam	24%	25%	↑
Cambodia	49%	36%	↓
Canada	25%	30%	↑
European Union	20%	30%	↑
Indonesia	32%	32% 19%	↓
Iraq	39%	30%	↓
Japan	24%	25% 15%	↓
Kazakhstan	27%	25%	↓
Korea	25%	25%	-
Laos	48%	40%	↓
Libya	31%	30%	↓
Malaysia	24%	25%	↑
Mexico	25%	30%	↑
Moldova	31%	25%	↓
Myanmar	44%	40%	↓
Philippines	17%	20% 19%	↑
Serbia	37%	35%	↓
Sri Lanka	44%	30%	↓
South Africa	30%	30%	-
Thailand	36%	36%	-
Tunisia	28%	25%	↓
Vietnam	46%	20%	↓

TRADE REMEDY MEASURES

China imposes tariffs on European brandy

- China's Commerce Ministry has finalised a ruling to impose anti-dumping duties of up to 34.9% on brandy imports from the EU, effective for five years starting 5 July 2025. The move has already triggered a significant downturn in cognac shipments to China, down nearly 70% in recent months, according to France's national cognac agency. Certain cognac producers will be exempted from the duties if they comply with undisclosed minimum pricing commitments for their Chinese-market exports.

European Union steel safeguards

- The EU launched a [consultation](#) on the future of its steel safeguards, aiming to gather views on potential alternatives to the current safeguard regime, which is due to expire on 30 June 2026. Businesses have until 18 August 2025 to respond.

Vietnamese anti-dumping duties on steel

- Vietnam has [introduced](#) new anti-dumping duties of 23.10% to 27.83% on Chinese hot-rolled steel products. The duty was introduced on 6 July and will be in place for five years.

U.S. duties on graphite and low-speed personal transportation vehicles

- The U.S. Commerce Department has proposed to implement anti-dumping duties on graphite from China, a critical component in the production of electric vehicle batteries. The U.S. announced its preliminary determination that imports of active anode material from China are being dumped into the U.S. market at less than fair value with dumping margins of 93.50-102.72%.
- Separately, the U.S. International Trade Commission found U.S. industry is being materially injured by imports of low-speed personal transportation vehicles from China that the Commerce Department has determined are sold in the U.S. at less than fair value and subsidised by the government of China. As a result of the Commission's affirmative determinations, Commerce will issue a countervailing duty order and antidumping duty order. The Commission made affirmative critical circumstances findings with regard to both investigations, meaning that the duties will be applied retroactively.

UK-EU TRADE RESET

EU publishes negotiating mandates

- The European Commission has [published](#) proposed negotiating mandates for improving trading arrangements with the UK, specifically concerning the EU-UK Sanitary and Phytosanitary Agreement and the linking of the UK and EU's Emissions Trading Systems (ETS). This is a necessary step before negotiations on those two arrangements can be launched.

- It is expected that the mandates will be agreed in September 2025 and negotiations launched shortly thereafter.

WORLD TRADE ORGANIZATION

General Council

- On 22-23 July, the WTO holds the last General Council meeting ahead of the August break. While the majority of the General Council agenda relates to regular decisions needing to be taken by the organization such as approving administrative matters relating to the 14th WTO Ministerial Conference, which will be held in March 2026 in Cameroon, and approving various budgetary matters. Several WTO Members, including Brazil, China, and Canada, have also placed on the agenda items relating to the current trading system which have been the targets of recent US tariff actions. The meeting will also receive a state-of-play on recent WTO reform discussions.

WTO Reform

- On 4 July 2025, the WTO Reform Facilitator, Ambassador Ølberg (Norway) circulated a document to WTO Members examining the role of consensus and decision-making in the WTO.
- ICC Secretary General John Denton as part of the WTO Business Advisory Group met Ambassador Olberg on Friday 18 July, where he emphasised from the ICC's perspective that:

"There is no Plan B. Governments must urgently address the systemic obstacles holding the institution back - from subsidies and dispute settlement to the need for greater transparency and more structured engagement with the private sector. We're working across our global network to bring business perspectives directly into the conversation and we'll continue to do so in the months ahead. The system must change and business is helping to shape how."

- A LinkedIn post about the meeting can be found [here](#).

Trade Negotiations Committee (TNC)

- At the July meeting of the WTO Trade Negotiations Committee (the final one before the WTO's summer break), WTO Director General Okonjo-Iweala said that despite rising trade measures, 74% of global goods trade still flows under most favoured nation tariff terms, "but in today's climate of record trade policy uncertainty, safeguarding the stability and predictability the WTO provides has never been more urgent."
 - **Fisheries subsidies:** Reporting to the TNC, the Chair of the Fisheries Subsidies negotiations (Iceland) said that there was currently no path forward leading to the successful conclusion of negotiations on additional provisions to discipline subsidies contributing to overcapacity and overfishing. The main blockages remain on deepwater fishing fleets.

- **Agriculture:** The Chair (Pakistan) was also not optimistic on unlocking outcomes before the 14th WTO Ministerial Conference. While several members have proposed securing a “mini-package” at MC14 focusing on food security, transparency and development support, the proposal continues to face opposition from some delegations.
- **Trade and Development:** The Chair (Djibouti) said that while negotiations were challenging, recent progress on special and differential treatment provisions in the Agreements on Technical Barriers to Trade and Sanitary and Phytosanitary Measures had been positive.
- **Services:** The Chair (Nigeria) noted that recent discussions have focused on reinvigorating the work of the negotiating group as a priority.
- In the subsequent discussion, WTO members expressed divergent views. Some reaffirmed their commitment to the current basis of WTO negotiating mandates, while others – the so-called “Friends of the System” group – urged that WTO reform discussions cover any issue necessary to the reform of the organisation.

ICC REPORT LAUNCHES

- [ICC and WCO release trade facilitation recommendations for enhanced integrity at borders](#)
- [A new report](#) from the ICC Digital Initiative Standards outlines a practical path to build a more connected and trusted digital trade system. It calls on policymakers, platforms, financiers, and businesses to align data, embed portable trust, and scale beyond pilot projects to create an inclusive digital trade ecosystem.
- A new [ICC policy paper](#) highlights the risk of uneven AI benefits. Another [policy paper](#) on AI governance and standards, highlights how divergent AI regulations across countries can fragment global markets and increase business costs.
- The final instalment of our six-part series, [The Truth About Cross-Cultural B2B Relationships](#), in partnership with Jus Connect and McCann Truth Central, has been published.
- ICC’s expanded [Principles for Sustainable Trade Finance](#) were launched at the 4th International Conference on Financing for Development (FfD4) in Sevilla.

ICC IN THE NEWS

- [Podcast] In roadmaps we trust. Pamela Mar, Managing Director of the ICC DSI. “Everyone agrees on the end goal,” she says. “Seamless data exchange, insights, and financing. But there’s still massive divergence on how to get there.” [Trade Treasury Payments](#), 21 July
- China's supply chain expo highlights global push for cooperation, openness, [Xinhua](#), 16 July
- [Video] Is the U.S. Consumer the biggest loser from Trump’s tariff plan? [Forbes](#), 15 July

- At Ukraine Recovery Conference this year, partners pledged billions but war risks still loom, [Kyiv Independent](#), 11 July
- US tariffs may top 20% —highest in a century, ICC warns, [Big News Network](#), 14 July
- U.S. tariff rates surge to historic highs, raising concerns, [Global Trade Magazine](#), 12 July
- U.S. tariffs surge above 20% as Trump tests market limits, [The Arabian Post](#), 12 July
- US tariff rate may be more than 20% after latest round, global business group says, [Reuters](#), 11 July
- EU awaits Trump letter as markets digest latest tariff salvo, [Reuters](#), 11 July
- [Video] Private sector must fill gaps — but obstacles remain, ICC warns. [Devox](#), 9 July
- Spike in armed robbery incidents raises concerns for vital Singapore Strait trade route, [Baird Maritime](#), 9 July
- Ukraine's minerals fund focus of private investment ahead of major recovery conference. [Kyiv Independent](#), 8 July
- Trump threatens extra 10% tariff on nations siding with BRICS. [BBC World News](#), 8 July
- [ICC champions multilateralism at BRICS Business Forum](#), 7 July

WHAT WE'RE READING

- The IMF has published a new iteration of [PortWatch](#) which tracks global trade tensions through port calls.
- The Jacques Delors Institute has a new report out, [A new era of EU mini-trade deals?](#)

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