

ICC Global Trade Update

19 August 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

90-day tariff pause extension between US and China

- On 11 August, the US and China issued a [joint statement](#) announcing a further 90-day extension of the suspension of reciprocal tariffs that has been in place since May. Unless another extension or a deal is agreed by 10 November, reciprocal tariffs of 34% will be introduced on both sides. Currently, Chinese exports to the US are subject to a 30% tariff (a 10% baseline tariff plus a 20% 'fentanyl' tariff), along with any product-specific tariffs under Section 301 (e.g. Chinese EVs) and Section 232 tariffs (steel and aluminium). China, for its part, will continue to apply a 10% tariff on US products, subject to certain exemptions.

Additional 25% tariff on India

- On 6 August, President Trump signed an [Executive Order](#) imposing an additional 25% tariff on Indian products in response to India's purchases of Russian oil. This second tariff, which would raise total tariffs on Indian goods to 50%, is set to take effect on 27 August 2025.
- The Executive Order also directs the Secretary of Commerce to determine if any other country is directly or indirectly importing Russian oil and recommend whether additional tariffs should be imposed.

New steel and aluminium tariffs

- The U.S. Commerce Department [added](#) 407 steel and aluminium derivative products to the Section 232 tariff list effective from 18 August 2025. The list includes cutlery, deodorants, blister packs, and wind turbine parts.
- Of these, 91 tariff classifications are subject to both steel and aluminium tariffs. The tariff applies only to the steel or aluminium portion of an item's value. The rest of the item (plastic, electronics, other metals, etc.) is still subject to normal MFN, reciprocal, or other applicable duties.
- Businesses should be aware that the Section 232 inclusion process is not a one-off exercise but a recurring one, scheduled to take place three times per year. The next review and inclusion round will begin in September 2025. The only exclusions in the August update were products already subject to other ongoing Section 232 investigations.

De minimis rules published

- U.S. Customs and Border Protection has published additional [guidance](#) for international mail on the payment of duties following the Executive Order suspending de minimis treatment. The guidance covers notification requirements, qualified party bond requirements, payment due dates, and detailed worksheet guidelines.

New support from Brazilian government

- The Brazilian government has [introduced](#) new support for businesses impacted by the U.S. 50% tariffs on Brazilian goods. The "Sovereign Brazil Plan" allocates funds from the Export Guarantee Fund and includes measures such as adjustments to export credit insurance and public procurement support for tariff-impacted products. In parallel, Brazil has [initiated](#) a WTO dispute regarding the U.S. tariff measures.

UPDATES ON FREE TRADE AGREEMENTS

Indonesia-Peru sign FTA

- On 11 August, Peru and Indonesia signed a Comprehensive Economic Partnership Agreement. According to a [statement](#) by Peru's Ministry of Foreign Trade and Tourism, 56% of exports will be tariff-free upon entry into force, rising to 86% after 10 years.

CRITICAL MINERALS

US announces new funding

- On 13 August, the U.S. Department of Energy [issued](#) several notices of intent to develop a Critical Minerals and Materials Accelerator, which aims to create a more secure supply of critical minerals. The funding will total nearly \$1bn and cover development of rare-earth magnets, supply of critical minerals, expansion of mines, battery processing and manufacturing, and recycling opportunities. Separately, the U.S. Environmental Technologies Trade Advisory Committee [recommended](#) creating a review regime, similar to the Committee on Foreign Investment in the United States (CFIUS), to screen Chinese investments in critical minerals.

APEC

Senior officials meet in South Korea

- APEC Senior Officials met on 15 August in Incheon, South Korea where they reviewed progress on this year's APEC priorities — [Connect, Innovate, Prosper](#). The meeting also included a dialogue with the APEC Business Advisory Council, which issued its [Open Markets Statement](#) containing recommendations on trade, sustainability, and digital transformation.

CUSTOMS DEVELOPMENTS

UK publishes new rules of origin under its Developing Countries Trading Scheme

- The UK government has published new [guidance](#) on rules of origin under its unilateral tariff preference scheme, the Developing Countries Trading Scheme. The updates simplify cumulation rules, allowing materials sourced within a region to qualify for export to the UK under the tariff preferences. Specifically, the new rules:
 - Create a new regional cumulation group of 50 African countries
 - Merge and expand existing Asian regional cumulation groups to create a single new group of 18 countries, now including countries in Central Asia, as well as Mongolia and Timor Leste.

UK consulting on new standard for customs intermediaries

- The British Standards Institution is currently [consulting](#) on the development of a new standard for customs intermediaries, which would specify how they facilitate the preparation and submission of customs declarations on behalf of others. The consultation is open for public comment until 3 October 2025.

EU consults on rules of origin

- The European Commission has launched a [consultation](#) on 12 August on whether the EU's non-preferential rules of origin are still fit for purpose in light of current EU policies and whether they should be modernised. The consultation also assesses implications for rules of origin used in preferences granted unilaterally by the EU (such as the Generalised System of Preferences).

EU Deforestation Regulation

- The European Commission is currently [consulting](#) on ways to simplify and streamline administrative requirements related to the environment. Interested businesses have until 10 September 2025 to submit their comments.
- Separately, on 12 August, the European Commission published a [revised Guidance Document](#) under the EU Deforestation Regulation, which now includes examples of information and due diligence requirements for composite products.

USITC begins process to modify harmonised tariff schedule

- On 12 August, the US International Trade Commission launched an [investigation](#) to recommend any necessary changes to the U.S. Harmonized Tariff Schedule to align it with the World Customs Organization's recent review of the Harmonised System (HS).

WORLD TRADE ORGANIZATION

World trade growth not as bad as expected

- According to the latest [forecasts](#) from the WTO, world merchandise trade is now projected to grow 0.9% in 2025, up from the -0.2% contraction forecasted in April but still below the 2.7% estimate made before the U.S. tariff increases. The upward revision is mostly due to frontloading of U.S. imports. However, higher tariffs are expected to weigh on trade over time, with the next year's growth forecast down to 1.8%, from 2.5% in the April outlook.

ICC IN THE NEWS

- [Business disappointed by failure to secure global plastics treaty](#), 15 August.

WTO PUBLIC FORUM

- **WTO Public Forum 2025**
 - **Last chance to register.** The [Public Forum](#) will take place in Geneva on 17–18 September under the theme “Enhance, Create and Preserve.” The event is in person only. **Registration closes at 23:59 CET on 22 August – [register here](#).**

- **ICC events at WTO Public Forum**

- **16 September (on the eve of the Forum)**

A half-day, in-person, invitation-only event co-hosted by ICC and the Geneva Trade Platform, will take place from 08:00 to 14:00 at Villa Barton, Geneva. The programme will convene business leaders, experts, and WTO policymakers for off-the-record discussions on the global trade landscape, followed by lunch.

In the afternoon, the ICC Global Trade & Investment Commission will hold a commission meeting from 14:00 to 16:00 at the WTO.

- **17 September (WTO Public Forum):**

ICC will host a session on “Addressing Digital Trade Frictions through WTO Mediation” from 13:30–14:45 (Room S1, WTO). The discussion will explore how WTO Members, working with the business community, can activate [mediation, a flexible but unused tool in the WTO rulebook](#), to resolve trade frictions early.

- **18 September:**

ICC, the United States Council for International Business, and BCG will co-host an invitation-only breakfast roundtable on Artificial Intelligence and Trade from 08:00–09:30. The event will bring together business leaders, policymakers, and WTO representatives to discuss how interoperable trade and regulatory frameworks can foster trust, reduce friction, and enable scalable AI development and deployment.

We’d be glad to know if you’ll be in Geneva and able to join us, so we can share further details.

WHAT WE’RE READING

- New [database on investment facilitation](#) by UNCTAD.
- [Generative artificial intelligence for compliance risk analysis: applications in tax and customs administration](#) by the International Monetary Fund.
- [Macroeconomic impact of tariffs and policy uncertainty](#) by the Bank for International Settlements.
- [Climate change and trade in the Philippines: Strategic actions for building resilience](#) by the International Trade Centre.

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