

ICC Global Trade Update

23 January 2026

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US TRADE POLICY

Greenland tariff threat

Tariff threat and EU escalation

- On 17 January, President Trump threatened on social media to impose a 10% tariff effective February 1 – rising to 25% on June 1 – on goods from Denmark, Norway, Sweden, France, Germany, the UK, the Netherlands and Finland, linking the measure to U.S. pressure over Greenland.
- European governments and the European Union strongly criticised the threat, condemning it as coercive and issuing a [joint statement](#), affirming solidarity with Denmark and Greenland, and emphasising sovereignty and territorial integrity. Key elements of the response included:
 - **Maintaining European unity:** Ensuring a coordinated EU response, in light of the perceived US strategy to fragment EU member states by targeting only some of them – an approach that would be contrary to the EU's customs union rules but could nevertheless still be pursued by the U.S.
 - **US-EU trade deal vote put on hold:** Manfred Weber [confirmed](#) that the European People's Party (EPP) would not vote to implement the EU-US trade deal in current circumstances, effectively placing the deal on hold. This was also the [position](#) of S&D Group Chair Iratxe García Pérez. The European Parliament subsequently paused the approval process for the EU-US trade agreement.

- **Anti-Coercion Instrument.** Discussions took place on possible retaliatory tools, including the never-used Anti-Coercion Instrument (ACI). France had [indicated](#) that it would request the Commission to activate the ACI.

Trump-Rutte meeting in Davos on 21 January

- Following Trump's meeting with NATO Secretary General Mark Rutte at the World Economic Forum in Davos, the administration withdrew the planned tariffs, citing progress toward a broader Arctic framework agreement, though details remain limited.



Based upon a very productive meeting that I have had with the Secretary General of NATO, Mark Rutte, we have formed the framework of a future deal with respect to Greenland and, in fact, the entire Arctic Region. This solution, if consummated, will be a great one for the United States of America, and all NATO Nations. Based upon this understanding, I will not be imposing the Tariffs that were scheduled to go into effect on February 1st. Additional discussions are being held concerning The Golden Dome as it pertains to Greenland. Further information will be made available as discussions progress. Vice President JD Vance, Secretary of State Marco Rubio, Special Envoy Steve Witkoff, and various others, as needed, will be responsible for the negotiations — They will report directly to me. Thank you for your attention to this matter!

DONALD J. TRUMP
PRESIDENT OF THE UNITED STATES OF AMERICA

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Jan 21, 2026, 7:27 PM

European Council meeting on 22 January

- European leaders held an extraordinary summit on 22 January. President Antonio Costa delivered [oral conclusions](#) stating:

“Against this backdrop, yesterday’s announcement that there will be no new US tariffs on Europe is positive. The imposition of additional tariffs would have been incompatible with the EU-US trade deal. Our focus must now be on moving forward on the implementation of that deal. The goal remains the effective stabilization of the trade relations between the European Union and the US.

At the same time, the European Union will continue to stand up for its interests and will defend itself, its member states, its citizens and its companies, against any form of coercion. It has the power and the tools to do so and will do so if and when necessary.”

Section 232 Semiconductors

- On 14 January, President Trump imposed a [25% tariff on certain AI chips](#) effective from 15 January 2026. This includes semiconductors which contain a logic integrated circuit or products that contain a logic integrated circuit meeting certain technical parameters associated with advanced AI chips. The tariffs will not cover chips imported to support *"the buildout of the US technology supply chain and the strengthening of domestic manufacturing capacity for derivatives of semiconductors"* with a wide variety of use cases set out in the proclamation, including start-ups, data centres, public sector and others.
- The proclamation states that the US would prioritise ongoing deals that would strengthen the US semiconductor industry, but notes that, in a second phase, broader tariffs on semiconductors at a 'significant' rate could be imposed, including for derivative products, as well as a tariff offset programme to further incentivise domestic manufacturing.
- Alongside the Section 232 tariff announcement, the US Bureau of Industry and Security (BIS) [revised](#) the licence review policy for semiconductors exported to China. Instead of a blanket ban, the revised procedures mean that BIS will now review export license applications for the Nvidia H200, AMD MI325X, and similar chips on a case-by-case basis, provided certain security requirements are met.

Section 232 Critical Minerals

- President Trump also issued a [proclamation](#) on the outcome of the ongoing Section 232 national security investigation into critical minerals and their derivative products. Rather than imposing tariffs on imports, he instructed his administration to negotiate agreements with trading partners to ensure that such imports do not threaten to impair US national security.
- The investigation found that the US is overly dependent on foreign sources of critical minerals and their derivatives and lacks sufficient domestic manufacturing capacity - conditions deemed to pose a national security risk. If negotiations are unsuccessful, Trump stated that he could consider other measures, including minimum import prices for specific types of critical minerals.

US-Taiwan Trade Deal

- The US and Taiwan [announced](#) a new trade deal on 16 January. Key elements of the deal include significant semiconductor investment from Taiwan into the US, including \$250 billion in direct investments from Taiwanese semiconductor and technology enterprises to build and expand advanced semiconductor, energy, and artificial intelligence production and innovation capacity in the US, as well as a further \$250 billion of credit guarantees provided by Taiwan to support additional investment in the semiconductor supply chain/ecosystem. The Section 232 duties applied to Taiwanese semiconductors will provide exemptions to the 25% tariff for qualifying producers:

- Taiwanese companies building new U.S. semiconductor capacity may import up to 2.5 times their planned capacity without paying Section 232 duties during the approved construction period, with a lower preferential Section 232 rate for above-quota imports.
- Taiwanese companies that have completed new chip production projects in the United States will still be able to import 1.5 times their new U.S. production capacity without paying Section 232 duties.
- The US also committed to lowering the reciprocal tariff rate (which does not include Section 232 tariffs) to a maximum of 15% (from 20%), with a 0% rate for generic pharmaceuticals, their generic ingredients, aircraft components, and unavailable natural resources.

IEEPA emergency extended

- On 14 January, President Trump [extended](#) the national emergency which enabled the imposition of tariffs under IEEPA for another year, until 1 February 2026.

Court of International Trade rules

- The US Court of International Trade has [issued](#) a paperless order denying the Administration's request to overhaul case-management procedures for lawsuits challenging tariffs imposed under IEEPA. The panel rejected the government's request to stay all pending IEEPA tariff cases under a newly proposed procedure. Existing and future cases will instead remain subject to the framework established in Administrative Order 25-02.

President Trump threatens tariffs on countries doing business with Iran

- On 13 January, President Trump threatened that any country doing business with Iran would pay an additional 25% tariff. At the time of writing, no formal White House or CBP documents have been published.



President Trump expresses concern over Supreme Court ruling

- On 12 January, President Trump posted on social media about the potential disruption caused by having to repay the IEEPA tariffs if the Supreme Court rules against the administration. White House Economic Council Director Kevin Hassett [said](#) in media interviews that the administration is prepared to replace the majority of the tariffs using alternative tariff powers.



Donald J. Trump  
@realDonaldTrump

The actual numbers that we would have to pay back if, for any reason, the Supreme Court were to rule against the United States of America on Tariffs, would be many Hundreds of Billions of Dollars, and that doesn't include the amount of "payback" that Countries and Companies would require for the Investments they are making on building Plants, Factories, and Equipment, for the purpose of being able to avoid the payment of Tariffs. When these Investments are added, we are talking about Trillions of Dollars! It would be a complete mess, and almost impossible for our Country to pay. Anybody who says that it can be quickly and easily done would be making a false, inaccurate, or totally misunderstood answer to this very large and complex question. It may not be possible but, if it were, it would be Dollars that would be so large that it would take many years to figure out what number we are talking about and even, who, when, and where, to pay. Remember, when America shines brightly, the World shines brightly. In other words, if the Supreme Court rules against the United States of America on this National Security bonanza, WE'RE SCREWED!

PRESIDENT DONALD J. TRUMP

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Jan 12, 2026, 6:11 PM

House of Representatives passes AGOA and Haiti bills

- The House of Representatives on 12 January voted to extend for three years two trade preference programs, the African Growth and Opportunity Act (HR 6500) and the Haiti Economic Lift Program Extension Act (HR 6504). Both acts had received strong bipartisan support in the Ways and Means Committee. The bills provide for the extensions to be retroactive to 30 September 2025, the date on which the two programs expired. The bills must now be considered by the Senate.

US withdraws from several trade-related multilateral agencies

- President Donald Trump has [issued](#) an Executive Order instructing the US to withdraw from 66 international organisations and treaty-based bodies, including the United Nations Conference for Trade and Development (UNCTAD) and the International Trade Centre (ITC).

CANADA

Canada and China agree new strategic partnership

- On 16 January, Canada and China [agreed](#) to a new strategic partnership during a visit to Beijing by Canadian Prime Minister Mark Carney. The agreement included several new trade commitments, including a new Tariff Rate Quota (TRQ) for Chinese electric vehicles, as well as a new Canada-Chinese joint venture investment, and the removal of trade barriers in China on Canadian canola seed, seafood, and peas.

Canada issues compliance verification priorities list

- The Canadian Border Services Agency [issued](#) its 2026 list of verification and compliance priorities. These include TRQs, USMCA origin requirements, ongoing surtax orders on electric vehicles, steel and aluminium.

CHINA

China reduces export tax rebates on solar panels and batteries

- China has [announced](#) that it will change export tax rebates for a range of products, including photovoltaic and battery products, according to China Daily. The announcement, jointly issued by the Ministry of Finance and the State Taxation Administration, said that export tax rebates for the value-added tax of photovoltaic products will be cancelled from 1 April 2026. Meanwhile, the export tax rebate rate for the value-added tax of battery products will be reduced from 9% to 6% from 1 April 2026, and will be eliminated from 1 January 2027.

China extends export controls on dual-use items to Japan

- On 6 January, China [announced](#) that it has strengthened controls on the export of dual-use items to Japan and is prohibiting all exports of dual-use items for military end-users.

FREE TRADE AGREEMENTS

EU-MERCOSUR sign trade agreement

- On 9 January, the Council of the EU [adopted](#) two decisions authorising the signature of the EU-Mercosur Partnership Agreement (EMPA) and the Interim Trade Agreement (ITA) between the EU and Mercosur. Ratification by all EU member states will be required for the EMPA to enter into force. The agreements were formally [signed](#) in Panama on 17 January.
- On 21 January, the European Parliament adopted a [resolution](#) - by 334 votes in favour, 324 against and 11 abstentions - requesting a legal opinion from the European Court of Justice (ECJ) on the agreement. Such a procedure can take 18-24 months, although the Court has indicated it could explore ways to expedite the process. A [second resolution](#) also calling for a legal assessment was rejected, with 225 votes for, 402 against and 13 abstentions.

Peru joins the Digital Economy Partnership Agreement

- On 14 January, Peru [announced](#) that it had completed negotiations to join the Digital Economy Partnership Agreement (DEPA), a framework that promotes e-commerce, digital cooperation, and the use of new technologies to facilitate trade. The DEPA, initially signed by New Zealand, Singapore, and Chile, was joined by South Korea in 2024. The aim of the agreement is to promote modern, inclusive, and transparent rules for digital trade.

United Arab Emirates signs two new CEPAs

- On 13 January, Nigeria and the United Arab Emirates [signed](#) a Comprehensive Economic Partnership Agreement.
- On 13 January, the Philippines and the United Arab Emirates [signed](#) a Comprehensive Economic Partnership Agreement.

TRADE REMEDIES

Turkish safeguards

- On 6 January 2026, Türkiye notified the WTO's Committee on Safeguards that it had initiated several safeguard investigations on:
 - Imports of [polyethylene terephthalate \(PET\) resin](#).
 - Imports of [other paper and paperboard](#).
 - Imports of [terephthalic acid](#).

Madagascar safeguards

- On 6 January 2026, Madagascar [notified](#) the WTO's Committee on Safeguards that it had initiated a safeguard investigation into imports of plastic pipes and tubes and accessories thereof, as well as a separate [investigation](#) into imports of dry pastries and breakfast cereals.

UK measures

- The UK TRA has [opened](#) a new anti-subsidy investigation into imports of creamy/white limestone from Portugal, following an application from a UK producer.

EU measures

- China and the EU have agreed on price undertaking guidelines for Chinese electric vehicles. Following multiple rounds of negotiations, they have provided general guidance on price undertakings for Chinese exporters of battery electric vehicles for passenger use to the EU. The EU issued the [Guidance Document on Submission of Price Undertaking Offers](#). The Chinese statement can be found [here](#).
- The EU has [imposed](#) anti-dumping duties on imports of fused alumina from China. The definitive anti-dumping duties imposed range from 88.7% to 110.6%. Alongside these duties, the Commission introduced a duty-free tariff rate quota that allows a limited volume of Chinese imports to enter the EU without duties. All imports beyond that quota are subject to anti-dumping duties, which will apply for an initial period of five years.

Chinese measures

- On 7 January, China [announced](#) the launch of an anti-dumping investigation to examine dichlorosilane imported from Japan between July 1, 2024 and June 30, 2025. It will also investigate any damage done to the Chinese dichlorosilane industry between Jan. 1, 2022 and June 30, 2025. Dichlorosilane is primarily used in semiconductor manufacturing.
- China will [continue](#) to impose anti-dumping duties on solar-grade polysilicon from the US and South Korea, starting on 14 January 2026 for another five years. US companies are subject to rates ranging from 53.3% to 57%, while South Korean producers face duties ranging from 4.4% to 113.8%, depending on the company.

ICC NEWS & PUBLICATIONS

- [Global maritime piracy and armed robbery increased in 2025](#), 15 January 2026.

WHAT WE'RE READING

- [Global Economic Prospects](#) report from the World Bank that shows the global economy is proving more resilient than anticipated despite “persistent trade tensions and policy uncertainty”.
- [Electronic Commerce at the WTO: State of play ahead of MC14](#) from IISD
- [Presidential 2025 Tariff Actions: Timeline and Status](#) from the US Congressional Research Service that includes a helpful timeline of the administration’s actions thus far.
- A new reading of the [Global Supply Chain Pressure Index](#) from the Federal Reserve Bank of New York.
- [Trade and domestic effects of export restrictions](#) from the OECD using case studies of cobalt, lithium and nickel and an in-depth look at [subsidies and the solar panel industry](#).
- [Trade Trends to Watch in 2026](#) from the Council on Foreign Relations.
- [2025 National Trade Survey](#) from the Australian Chamber of Commerce and Industry (ACCI), which reveals that more than half of Australian exporters have expanded their sales into new markets over the past year.

FOR MORE INFORMATION CONTACT:

VALERIE PICARD
HEAD OF TRADE
VALERIE.PICARD@ICCWBO.ORG