

# ICC Global Trade Update

6 February 2026

**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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## APEC

### ***APEC kicks off 2026 agenda***

- APEC has kicked off discussions on its 2026 agenda in Guangzhou, with officials from the 21 member economies gathering from 1 to 10 February for the First Senior Officials' Meeting and Related Meetings (SOM1). The [Committee on Trade and Investment](#) will discuss its priorities for 2026, including cooperation in support of the multilateral trading system, trade facilitation and economic integration in the region. The agenda includes advancing the Free Trade Area of the Asia Pacific (FTAAP) process, promoting paperless trade cooperation and cross-border e-commerce, and deepening cooperation in green and low-carbon transformation of industrial and supply chains.

## US TRADE POLICY

### ***US–Argentina reciprocal trade and investment agreement***

- On 5 February 2026, the United States and Argentina signed [the Agreement on Reciprocal Trade and Investment](#) (ARTI), which lowers long-standing trade barriers and expands market access for firms on both sides. The deal cuts or eliminates hundreds of tariffs, with Argentina agreeing to reduce levies on U.S. goods — including machinery, chemicals, medical devices, motor vehicles and agricultural products —

while the U.S. will apply reciprocal zero or revised tariff rates on a range of Argentine exports. The pact also includes commitments to address non-tariff barriers and enhance regulatory cooperation.

### ***Trade agreement with India announced***

- On 2 February, President Trump announced via [social media](#) that the US and India had reached an agreement that would reduce US tariffs on Indian goods to 18%, down from the current 50% rate, “effective immediately”. According to the social media post, India has committed to halt purchases of Russian oil, to “move forward” with removing tariffs on US goods, to address non-tariff barriers, and to purchase \$500 billion of US products including energy (which could include Venezuelan oil), coal, and tech and agricultural goods. Prime Minister Modi also confirmed the deal in a [social media post](#), although he did not provide details of the agreement. At time of writing, neither side has published official confirmation of the agreement or its details.

### ***Trade agreements with El Salvador and Guatemala***

- On 29-30 January, the US announced that two new Reciprocal Trade Agreements had been signed with [Guatemala](#) and [El Salvador](#) following the fraalthmework announcements agreed in late 2025, alongside Ecuador and Argentina. This brings the total number of signed agreements to four, including Malaysia and Cambodia. The agreements lock in a “reciprocal” rate of up to 10% but also include a large number of exemptions and zero tariffs on many products, including foodstuffs and textiles, that are not sufficiently produced in the United States. The agreements build on the existing Dominican Republic-Central America-US Free Trade Agreement (CAFTA-DR), which El Salvador and Guatemala joined in 2006.

### ***New executive order targeting Cuba***

- On 29 January, Trump issued an [Executive Order](#) providing for tariffs on US imports of goods from countries that provide oil to Cuba on or after 30 January. The Executive Order is similar to those that authorised secondary tariffs on countries that purchased Venezuelan and Russian oil, except that it targets oil flowing to Cuba. The Executive Order does not specify a specific tariff rate.

### ***New trade court case***

- A new court case has been filed in the US Court of International Trade by [Express Fasteners Ltd.](#) challenging US Customs and Border Protection's decision to apply Section 232 steel tariffs to the entire value of certain fasteners, rather than only the value of the steel content. The challenge centres on CBP's reliance on an unpublished guidance memo, despite existing rules allowing for tariff calculations based on steel content. The case could have significant implications for the application of Section 232 tariffs to steel and aluminium derivatives.

### ***US-Mexico talk trade***

- The United States and Mexico have [agreed](#) to begin preparatory discussions on the review process of the US-Mexico-Canada Agreement (USMCA), which is mandated to take place this year. These discussions will cover possible structural and strategic reforms in the context of the upcoming USMCA review, including potentially stronger rules of origin for key industrial goods, enhanced collaboration on critical minerals, and increased external trade policy alignment to combat dumping of manufactured goods in the region. The two sides also agreed to continue "intensive engagement" to address bilateral non-tariff barriers.

### ***US carbon border study***

- On 23 January, President Trump signed US appropriation legislation ([PROVE It Act](#)), which includes provisions directing the Department of Energy to commission a product-level carbon emissions study for the United States and other countries from the National Energy Technology Laboratory. The laboratory must complete the study no later than one year after enactment of the bill. The study must cover all the products within the scope of the EU Carbon Border Adjustment (CBAM) and must examine the product-level carbon intensity of U.S. and foreign goods.

### ***Canadian aircraft threat***

- On 29 January, President Trump posted on Truth Social that he would revoke FAA certification for Bombardier jet aircraft in the US and start imposing tariffs on Bombardier's aircraft sold to the US unless Canada certifies recent model Gulfstream executive jets for use in Canada. There have been no official announcements issued by the US government to date.



Donald J. Trump    
@realDonaldTrump

Based on the fact that Canada has wrongfully, illegally, and steadfastly refused to certify the Gulfstream 500, 600, 700, and 800 Jets, one of the greatest, most technologically advanced airplanes ever made, we are hereby decertifying their Bombardier Global Expresses, and all Aircraft made in Canada, until such time as Gulfstream, a Great American Company, is fully certified, as it should have been many years ago. Further, Canada is effectively prohibiting the sale of Gulfstream products in Canada through this very same certification process. If, for any reason, this situation is not immediately corrected, I am going to charge Canada a 50% Tariff on any and all Aircraft sold into the United States of America. Thank you for your attention to this matter!

DONALD J. TRUMP  
PRESIDENT OF THE UNITED STATES OF AMERICA

11.5k ReTruths 50.2k Likes

Jan 29, 2026, 11:29 PM

### ***South Korea tariffs***

- In a post on Truth Social on 26 January, President Trump said that South Korea has not enacted the tariff cuts on US products that it committed to in the trade agreement reached last July. President Trump said he will raise tariffs on South Korean products to 25% from the current 15%. No official announcements have been made at the time of writing.

## **UNITED KINGDOM**

### ***UK-China visit***

- UK Prime Minister Keir Starmer visited China on 28-29 January. While there, several multi-billion pound export deals and new investments were [announced](#). China agreed to cut tariffs on UK whisky from 10% to 5% and to allow UK nationals to enter China visa-free. Both sides agreed to establish a Bilateral Services Partnership and to launch a joint feasibility study for a UK-China Trade in Services Agreement. Further cooperation on conformity assessment and sanitary and phytosanitary measures were also discussed.

## EUROPEAN UNION

### ***Commission establishes task force on food safety import controls***

- On 26 January, the European Commission [established](#) a task force to maintain and reinforce the EU's ability to ensure imports meet EU standards. The task force will focus in particular on food and feed safety, pesticide residues, and coordinated EU monitoring actions on specific imported products.

### ***Russian gas imports to the EU***

- On 26 January, the 27 EU Member States [adopted](#) the regulation on phasing out Russian imports of both pipeline gas and liquified natural gas (LNG) into the EU. The new rules also include measures on effective monitoring and diversification of energy supply.

## WORLD TRADE ORGANIZATION

### ***WTO Mini-Ministerial in Davos***

- At the [invitation](#) of Swiss President Guy Parmelin, 21 trade ministers and high officials responsible for WTO issues and WTO Director-General Ngozi Okonjo-Iweala met in Davos on 22 January. They discussed the role of the WTO in addressing global trade policy challenges. In particular, they discussed possible avenues for compromise on certain negotiating topics and priorities for WTO reform. The Chair of the meeting [published a summary](#) of discussions under their own responsibility.

### ***EU submission on WTO reform***

- The EU has [made a submission](#) to the WTO on WTO reform, which includes a draft WTO Ministerial Decision and a Work Programme on WTO Reform. The Work Programme proposes the following work tracks (fairness, flexibility and additional topics), each supported by its own facilitator to commence in April 2026:
  1. Fairness, covering the following topics: (i) the balance of rights and obligations, (ii) level playing field issues and (iii) development;
  2. Flexibility, covering the following topics: (i) governance and decision-making, (ii) plurilateral agreements and variable geometry;
  3. Additional topics, as agreed by Members.
- In a separate [FT op-ed](#), EU Trade Commissioner Maroš Šefčovič warned that the WTO is facing its most serious crisis, as trade becomes increasingly weaponised and existing rules fail to ensure fair outcomes. He argued that outdated frameworks and structural

imbalances make reform urgent to preserve a predictable, rules-based global trading system and prevent severe economic consequences.

### ***E-Commerce Work Programme***

- At a meeting on the [Work Programme on E-Commerce](#) on 28 January, WTO members shared perspectives on achieving an e-commerce outcome at the 14th Ministerial Conference (MC14), which will take place on 26 to 29 March in Yaoundé, Cameroon. Members continued discussions on the Moratorium on customs duties on electronic transmissions, as well as the future of the Work Programme.

### ***WTO Government Procurement Agreement***

- The WTO has [published](#) updated government procurement thresholds for individual parties to the Agreement on Government Procurement 2012 (GPA 2012) covering the period 2026–2027. Under the GPA 2012, companies from GPA parties may bid for certain public contracts in other GPA parties if the estimated value of the contract meets or exceeds the relevant threshold set out in each party's schedule.

### ***WTO Disputes***

- At a meeting of the [Dispute Settlement Body](#) on 27 January, WTO Members considered a request from China for the establishment of a dispute panel to review certain Indian measures in the automotive and renewable energy sectors, which include incentives for the production of advanced chemistry cell batteries, automobiles and auto components, and electric vehicles in India.
- On 30 January, the WTO circulated the [panel report](#) in the case brought by China in United States — Certain Tax Credits Under the Inflation Reduction Act (DS623). The U.S. Trade Representative (USTR) has responded criticising the [decision](#) which found against the United States.

### ***Plastics Dialogue***

- At a meeting on 27 January, WTO Members participating in the [Dialogue on Plastics Pollution and Environmentally Sustainable Plastics Trade](#) (DPP) focused their discussions on a revised draft ministerial statement for MC14. The statement was first introduced by the co-coordinators at a meeting in November and has since been updated following intensive consultations over the past two months, with a view to finalising the text in the lead-up to MC14.

## **WTO trade data**

- In the latest [WTO trade data](#), the volume of world merchandise trade plateaued at a high level in the third quarter of 2025, following a strong first-half expansion driven by import frontloading, favourable macroeconomic conditions, and rising demand for AI-related products. At the same time, the US dollar value of merchandise trade rose to an all-time high, lifted by rising export and import prices and a weaker US dollar.
- The WTO has redesigned the [WTO Data Portal](#), which now includes a new catalogue of WTO datasets allowing WTO Members and other users to explore WTO data in one self-contained area rather than navigating various platforms.

## **FREE TRADE AGREEMENTS**

### ***EU-India finalise FTA***

- On 26 January, the EU and India announced the conclusion of negotiations on a free trade agreement after nearly 20 years of talks. The [announcement](#) came during a visit of European Commission President Ursula von der Leyen and European Council President António Costa for India's 77th Republic Day celebrations. The EU has described it as the largest agreement ever concluded by either party.
- The legal text is not yet available. However, several key elements of the deal are already known. The FTA will reduce or eliminate tariffs on an estimated 96.6% of EU goods exports to India and 99.3% of Indian goods exports to the EU. It will also liberalise trade in services in sectors like telecommunications and professional services and include chapters on protection and enforcement of intellectual property (IP) rights, as well as environmental, sustainable development, and labour rights provisions.
- A Commission Q&A document on the deal can be found [here](#), with a longer “memo” [here](#). The Indian press release can be found [here](#).

### ***EU-Vietnam upgrade relationship***

- Following a visit by European Council President António Costa, the EU and Vietnam agreed on a [joint statement](#) upgrading their relationship to a Comprehensive Strategic Partnership. Both sides agreed to explore trade and investment opportunities in sectors of mutual interest. These include, but are not limited to, critical raw materials, energy, including safe and sustainable low-carbon energy and technology, circular economy, logistics, transport and infrastructure, including secure and trusted communications infrastructure, semiconductors, artificial intelligence, and digitalisation, including critical infrastructure and cybersecurity, resilience and diversification of supply chains, as well as sustainable agriculture, forestry and fisheries.

### ***EU-Singapore Digital Trade Agreement enters into force***

- The EU-Singapore [Digital Trade Agreement](#) entered into force on 1 February 2026. Grace Fu, Singapore's Minister for Trade Relations, and Maroš Šefčovič, the EU Commissioner for Trade and Economic Security Measures, issued a [joint op-ed](#) in the Strait Times detailing the benefits of the agreement.

### ***EU-Ecuador conclude negotiations for a Sustainable Investment Agreement***

- The European Commission has [concluded](#) negotiations with Ecuador on a Sustainable Investment Facilitation Agreement (SIFA). The political conclusion marks the end of negotiations for the EU-Ecuador SIFA. The Commission and Ecuador will now follow their respective procedures to work towards the formal signature and conclusion of the agreement.

### ***EU-ESA5 EPA makes progress***

- Modernisation negotiations between the [EU and the Eastern and Southern Africa \(ESA5\) EPA](#) are expected to reach a final concluding round in Q1-Q2 2026, after six years of deepening negotiations since their launch in 2019. It has been reported that negotiations on the rules of origin, intellectual property, trade in services and dispute settlement chapters have been concluded.

### ***UK-India FTA***

- The House of Commons Business and Trade Committee has [published](#) a report on the UK-India FTA, as part of the UK's parliamentary scrutiny and ratification process. The report highlights the implementation challenges of the agreement and concerns about remaining barriers to trade.
- Separately, HMRC has published new [guidance](#) on completing and authenticating preferential origin declarations for the UK-India FTA. Businesses can register with HMRC ahead of the agreements entry into force.

### ***UK establishes new Economic Growth Partnership with Indonesia***

- On 20 January, the UK and Indonesia agreed on a new [Economic Growth Partnership](#) aimed at strengthening trade relations in agriculture, food and beverages, clean energy, digital economy, supply chain resilience, and sustainable development.

## ***EU-Canada***

- The EU–Canada Mutual Recognition Agreement (MRA) for architects has [entered into force](#), making it easier for architects to work across both jurisdictions. This is the first MRA agreed under the EU-Canada Comprehensive Economic and Trade Agreement (CETA).

## **CUSTOMS DEVELOPMENTS**

### ***HS 2028 Amendments***

- The [HS 2028 amendments](#) have now been accepted, marking a major milestone in the evolution of the Harmonized System, the international classification of goods that gives every traded product a standardized code, facilitating the implementation of trade regulations and serving as the backbone of international trade statistics.
- The amendments comprise 299 sets of changes, resulting in a nomenclature of 1,229 headings and 5,852 subheadings. Compared with the HS 2022 edition, six new headings and 428 new subheadings have been created, while five headings and 172 subheadings have been deleted to reflect evolving trade patterns, technological progress and growing regulatory needs. Key changes include dietary supplements, pharmaceutical products, and plastic waste.
- The remaining two-year implementation period for entry into force on 1 January 2028 includes the development of the Correlation Tables, updates to HS tools and publications, capacity-building activities, and national implementation measures.

### ***Saudi Arabia's Special Economic Zones***

- On 16 January 2026, the Saudi Council of Ministers' [Resolution No. 468](#) approved the [Implementing Regulations](#) governing Special Economic Zones (SEZs) under the authority of the Economic Cities and Special Zones Authority (ECZA). These Regulations establish a framework for economic activities within designated zones in Saudi Arabia and will enter into force 90 days after publication. ZATCA (Saudi Arabia's tax and customs authority) is expected to issue detailed procedural guidance for customs procedures within the SEZs.

### ***UK Developing Countries Trading Scheme***

- The UK government has updated the Developing Countries Trading Scheme through new rules of origin [now in effect](#) – easing certain requirements and cross-cumulation across developing countries. Further [information](#) has also been published on the

graduation of Indonesia from 1 January 2027. From that date, businesses exporting to the UK from Indonesia will have to apply the UK Global Tariff.

### **Brazil's AEO programme**

- On 8 January 2026, the Brazilian government [published](#) Complementary Law No. 225, establishing the legal framework of the Brazilian Authorized Economic Operator (AEO). As a complementary law, this framework should provide greater legal stability and predictability.

## **ICC NEWS & PUBLICATIONS**

- [ICC Ecoterms® on Circular Economy](#) - 4 February 2026
- [Expedited Procedure Provisions](#), 29 January 2026

## **WHAT WE'RE READING**

- **ECIPE:** [More than just chips: what Europe can learn from Taiwan's industrial strategy.](#)
- **OECD:** [From fakes to forced labour: evidence of correlation between illicit trade in counterfeits and labour exploitation.](#)
- **European University Institute (EUI):** New paper on [data localisation regulations \(2000-2024\)](#), including a dataset listing 331 data localisation measures across 155 countries as of December 2024.
- **UNCITRAL / APEC:** Report on the [UNCITRAL APEC Workshop on Use of International Instruments to Legally Enable End-to-End Digitalization of Trade.](#)
- **ASEAN:** [ASEAN Geoeconomics Report 2025 – This Time It Is Different: ASEAN's Agency in Shaping The New Global Agenda](#)

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