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Trade Lines

Policy Intelligence for Global Business Leaders

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Welcome to Trade Lines, your view from DC on the evolving landscape of international trade and regulatory policy. Curated for business leaders and decision-makers, this newsletter delivers timely insights into the issues shaping global commerce—from tariff shifts and supply chain disruptions to legislative developments and compliance trends. Our goal is to help you anticipate change, assess impact, and act with confidence in a fast-moving policy environment.

Global Signals

Awaiting Supreme Court decision on IEEPA tariffs

On January 14, the Supreme Court released three rulings in pending cases but did not release their ruling in *Learning Resources, Inc. v. Trump* and *Trump v. V.O.S. Selections, Inc.* concerning whether the International Emergency Economic Powers Act (IEEPA) authorizes the president to impose tariffs. Additional opinion days are anticipated in the upcoming weeks but have not yet been announced by the Court.

US announces trade deal with Taiwan

On January 15, the Trump Administration announced that the United States has reached a trade deal with Taiwan. As part of the arrangement, the United States has agreed to reduce Taiwan's country-specific tariff rate from 20 percent to 15 percent. In addition, the U.S. has committed to limit Section 232 tariffs on Taiwanese auto parts, timber, lumber, and wood derivative products to no more than 15 percent. The U.S. also agreed to a 0 percent tariff rate for "generic pharmaceuticals, their generic ingredients, aircraft components, and unavailable natural resources." Further, the U.S. has agreed to preferential duty rates and other import benefits on semiconductors imported by Taiwanese semiconductor producers who invest in the United States.

According to the Commerce Department [Fact Sheet](#), Taiwan has agreed to invest "at least \$250 billion to build and expand advanced semiconductor, energy, and artificial intelligence production and innovation capacity in the United States." Taiwan also agreed to provide at least \$250 billion in credit guarantees to Taiwanese enterprises who invest in the semiconductor supply chain and ecosystem in the United States.

The two countries also agreed to establish industrial parks in the United States that will position is "as the global center for next-generation technology, advanced manufacturing, and innovation."

Trump suggests 25% tariff on countries 'doing business with' Iran

On January 12, President Trump declared that new tariffs would be imposed on countries that do business with Iran, in response to civil unrest and the response from the Iranian government. Specifically, Trump [posted](#) on Truth Social, "Effective immediately, any Country doing business with the Islamic Republic of Iran will pay a Tariff of 25% on any and all business being done with the United States of America."

The Administration has not yet taken formal action to enact new tariffs following President Trump's post.

Policy Pulse

USTR Ambassador Greer Speaks with David Rennie on the administration's trade policies

On January 9, Ambassador Greer spoke with David Rennie on *Inside Geopolitics* by *The Economist* to discuss the role that the administration's trade policies are playing in strengthening the U.S. industrial base. Greer said the "rest of the world is better off when America has a strong manufacturing base" and that "we can come to arrangements with these countries where they can protect their interests, and we can protect ours in a way that is constructive." Regarding the possibility that the Supreme Court strikes down tariffs imposed under IEEPA, Greer said "our goal, if we have to find a way to set up a replacement system ... would be to have as much continuity as possible ... For certain things that are subject to tariffs, or things that aren't, our goal would be to preserve that as much as possible."

See the full interview [here](#).

U.S. Customs and Border Protection modernizes refund process

On January 6, U.S. Customs and Border Protection (CBP) announced two upgrades to the agency's data portal to facilitate an electronic refunds process. Beginning on February 6, the Treasury Department will discontinue the issuance of paper checks for most CBP refunds, which will instead be disbursed electronically via CBP's ACE portal. According to Acting Executive Assistant Commissioner for CBP's Office of Trade, Susan S. Thomas, "Enhancing ACE enables secure electronic refunds, faster payments, fewer errors and a simplified process for importers, brokers and refund recipients."

The upgrades to the ACE system and the transition to electronic disbursements are detailed in an [Interim Final Rule](#) released by CBP and the Department of Homeland Security.

Hill Highlights

House passes AGOA and Haiti HOPE/HELP extension bills

On January 13, House lawmakers passed the AGOA Extension Act ([H.R.6500](#)) by a 340-54 vote and passed the *Haiti Economic Lift Program Extension Act* ([H.R.6504](#)) by a 345-45 vote.

The AGOA Extension Act extends through 2028 the *African Growth and Opportunity Act* (AGOA), retroactive to the program's expiration on September 30, 2025. AGOA provides duty-free access to the US market for goods from eligible sub-Saharan African countries. The *Haiti Economic Lift Program Extension Act* extends through 2028 duty-free treatment for certain textile and apparel goods under the *Haitian Hemispheric Opportunity through Partnership Encouragement Act* (HOPE) and *Haiti Economic Lift Program Act* (HELP).

Each of these trade preference programs have long enjoyed bipartisan support but expired last September amid a broader government shutdown fight. During debate on H.R.6504, Ways and Means Committee Chairman Jason Smith (R-MO) said that "Renewing HOPE and HELP supports nearshoring and more resilient supply chains, benefitting American workers and businesses while reducing reliance on distant and unreliable sources." Smith also commented on the AGOA reauthorization bill, stating, "Our nation's economic, strategic, and national security interests are front and center in AGOA. Think about it: This program strengthens our critical supply chains and helps us counter the harmful global influence of nations like China and Russia." Opponents of the AGOA bill voiced support for making reforms to the program, including Ways and Means member Rep. Lloyd Doggett (D-TX) commenting that "While I support AGOA, I do not support extending it to countries with serious human rights abuses, nor to those engaging in serious environmental destruction."

The Trump administration has previously expressed skepticism at extending AGOA beyond a one-year extension and USTR Jamieson Greer said during a Senate appropriations hearing that a one-year extension would be a better approach to allow for negotiations to improve the program. The future of the bills in the Senate remains unclear.

Ways and Means Trade Subcommittee holds hearing on digital trade

On January 13, the House Ways and Means Trade Subcommittee held a hearing entitled "Maintaining American Innovation and Technology Leadership." Members and witnesses discussed the absence of protections abroad for U.S. intellectual property, issues related to USMCA, artificial intelligence, and digital services taxes.

In his opening remarks, Trade Subcommittee Chairman Adrian Smith (R-NE) said that "Numerous countries continue to maintain or introduce harmful DSTs [digital services taxes] that discriminate against U.S. companies ... We cannot accept foreign discrimination under the guise of regulation. As it relates to intellectual property, I welcome the commitments countries have made that strengthen IP protection for U.S. rights holders. Such commitments must also be paired with strong enforcement to ensure that American companies are treated fairly and rights are protected. We must ... make sure that foreign

governments know that unfair and discriminatory policies that harm U.S. innovators will not be tolerated in the United States any longer."

Ranking Member Linda Sanchez commented that, "We have long supported strong copyright and intellectual property protections in our trade agreements, which have fueled American innovation. We have also fought to level the playing field for American companies competing abroad, including by opposing digital services taxes and other discriminatory measures." She and other Democratic members of the also suggested that the Subcommittee should prioritize the impact of President Trump's tariffs on consumers and affordability.

Note: Washington Council EY published a more detailed alert on this hearing dated January 13.

House lawmakers pressure Korea to loosen digital policies

The House [Report](#) on the Commerce, Justice, Science and related agencies appropriations bill for 2026 says that the committee is "concerned about online platform legislation under consideration in the Republic of Korea that targets U.S. technology companies in relation to their non-U.S. competitors and would advantage competitors domiciled in the People's Republic of China. The Committee directs the USTR, within 60 days of enactment of this Act, to brief the Committee on efforts taken to counteract the proposed legislation's negative effects on U.S. technology companies and U.S. foreign policy interests."

Rep. Darrell Issa (R-CA) wrote on a January 12 [X post](#) that while "I had a good discussion today with Korea's trade minister Yeo Han-koo," the "unjustified targeting of American technology companies" is "not acceptable." Rep. Issa vowed to "work with my colleagues in Congress and the Trump Administration to ensure that U.S. companies are not mistreated, that American exporters have access to foreign markets, and that countries like Korea keep the commitments they have made in recent trade and investment agreements."

Scott Fitzgerald (R-WI), the Chairman of the House Judiciary Subcommittee on the Administrative State, Regulatory Reform, and Antitrust, included Korea on a list of foreign governments adopting "anti-American" antitrust policies.

Bipartisan critical minerals bill introduced

Reps. Young Kim (R-CA) and Ami Bera (D-CA) on January 13 introduced the DOMINANCE [Act](#) which would replace the Bureau of Energy Resources at the State Department that administration shut in 2025 with the newly created Bureau of Energy Security and Diplomacy. In effect, it would expand the State Department's diplomatic efforts to compete with China for critical minerals. This proposal is similar to [H.R.5248](#) which was introduced by Rep. Kim and advanced out of the Foreign Affairs Committee last year. Rep. Kim said that the DOMINANCE Act would "align our diplomacy, financing, and partnerships with allies to build trusted, resilient supply chains." The bill also codifies the Mineral Security Partnership—an initiative to boost mineral supply chains outside China.

See Rep. Kim's press release [here](#).

Rep. Van Duyne introduces bill to impose additional duties on U.S. imported goods

On January 8, Ways and Means Committee member Rep. Beth Van Duyne (R-TX) introduced the *Fair Trade Act of 2026* ([H.R.6991](#)), a bill codifying certain Trump Administration tariff policies and tying tariff rates directly to bilateral trade deficits. Specifically, the legislation would codify a 10% tariff rate on countries with whom the United States has a trade surplus and a 15% tariff rate on countries with whom the United States has a trade deficit following consultation between the President, the House Ways and Means Committee, and the Senate Finance Committee. The legislation does not currently have additional cosponsors.

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