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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

U.S. and Taiwan sign trade framework

The U.S. and Taiwan signed an 'Agreement on Reciprocal Trade' on February 12 in Washington, DC, following an announcement of the trade framework in January. According to a statement from U.S. Trade Representative (USTR) Jamieson Greer, "The Agreement on Reciprocal Trade with Taiwan will eliminate tariff and non-tariff barriers facing U.S. exports to Taiwan, furthering opportunities for American farmers, ranchers, fishermen, workers, small businesses, and manufacturers. This Agreement also builds on our longstanding economic and trade relationship with Taiwan and will significantly enhance the resilience of our supply chains, particularly in high-technology sectors. Notably, the agreement reduces tariffs on Taiwanese exports from 20% to 15%.

See the text of the agreement [here](#).

See the White House fact sheet [here](#).

U.S. and North Macedonia announce trade framework

On February 12, the U.S. and North Macedonia issued a [joint statement](#) announcing a 'Framework for an Agreement on Reciprocal Trade.' According to a statement, the U.S. will maintain a 15% country-specific tariff rate on imports from North Macedonia and 0% tariff on certain products "that cannot be grown, mined, or naturally produced in the United States or grown, mined, or naturally produced in sufficient quantities in the United States to satisfy domestic demand; certain agricultural products; aircraft and aircraft parts; and non-patented articles for use in pharmaceutical applications." In exchange, North

Macedonia will work to address non-tariff barriers, including barriers to U.S. agricultural products; strengthen economic and national security cooperation with the U.S.

See the fact sheet [here](#).

U.S. and Bangladesh announce trade framework

On February 9, the U.S. and Bangladesh released a [joint statement](#) on an “Agreement on Reciprocal Trade.” In the statement, Bangladesh committed to giving preferential market access to U.S. agricultural and industrial goods including “chemicals; medical devices; machinery and motor vehicles and parts; information and communication technology (ICT) equipment; energy products; soy products; dairy products; beef; poultry; and tree nuts and fruit.” The U.S. has committed to reducing the country-specific tariff on imports from Bangladesh to 19% and to establish a mechanism allowing a zero reciprocal tariff rate on certain textile and apparel goods imported from Bangladesh. Other commitments made in the statement include addressing “Bangladesh’s non-tariff barriers” and protecting “internationally recognized labor rights.”

See full text of the U.S.-Bangladesh Agreement [here](#).

See the fact sheet [here](#).

EU Parliament reaches deal on U.S.-EU trade framework details

After meeting on February 10, European Parliament trade lawmakers agreed to a common position on key components of the U.S.-EU trade deal. In the meeting, lawmakers settled on the removal of tariffs on U.S. lobster and industrial goods after much disagreement over safeguards to address if the U.S. “were to threaten Europe’s territorial integrity.” This includes settling on a sunset clause which would place an expiry date of March 2028 on the trade deal. The Parliament’s trade committee is anticipated to vote on the agreed position on February 24.

Trump Administration announces critical minerals framework with the United Kingdom

The Trump administration has announced a critical minerals partnership with Britain which was signed on February 4. The deal has not been publicly released, but according to reports, both countries agree to coordinate investment and use economic policy tools to secure critical mineral supply chains. U.S and UK representatives are expected to continue convening in the next six months to progress the agreement further.

Similar critical minerals agreements with other countries including Mexico, the EU, and Japan have also been announced recently by the Trump administration.

Policy Pulse

Nothing to report.

Hill Highlights

House votes to disapprove national emergency declared on Canada

On February 11, the House of Representatives voted 219-211 to disapprove the national emergency declared with respect to Canada. Six House Republicans joined Democrats in voting for the measure, which now goes to the Senate. Even if the Senate votes in favor of the measure, the President is expected to veto it, and it is unlikely to garner enough support in Congress to overturn a veto.

The House vote comes the day after an attempt by House Republicans to pass a rule that would have prevented it from voting on national emergency disapproval resolutions until at least August. That rule was defeated, with the support of Democrats and three House Republicans.

These latest developments could open the door for additional disapproval resolutions to be brought up for a House vote in the coming days and weeks.

Senate Finance Committee holds hearing on USMCA review

On February 12, the Senate Finance Committee held a hearing on *The U.S.-Mexico-Canada Agreement (USMCA): Evaluating North American Competitiveness*. Witnesses included former Chairman of the House Committee on Ways and Means Kevin Brady, Eric Gottwald from AFL-CIO, Paul McCarthy from The Vehicle Suppliers Association, and Ted Vander Schaaf from Vander Schaaf Farms. The hearing included discussion of potential reforms to the USMCA ahead of the joint review of the 2020 free trade agreement, with recommendations ranging from modest to significant changes to labor, environmental, agricultural, and other provisions. There were concerns expressed on a bipartisan basis regarding tariffs imposed on the other nations under the agreement.

See [here](#) for witness testimony and to watch the hearing.

Senators Whitehouse and Cassidy introduce bill to eliminate the "First Sale" valuation rule

On February 11, Senators Bill Cassidy (R-LA) and Sheldon Whitehouse (D-RI) introduced the [Last Sale Valuation Act](#), which would eliminate the 'first sale' valuation rule that allows U.S. importers to pay duties on a good's initial sale value between a manufacturer and a third party rather than the price importers pay for products. In a [statement](#), Senator Cassidy said the bill "protects Louisiana workers and American businesses, ensuring loopholes don't hold them back."

ITIF and other stakeholders send letter to House Ways and Means Trade Subcommittee

On February 5, numerous organizations including the Information Technology and Innovation Foundation (ITIF), The App Association, and the Software and Information Industry Association (SIIA) sent a [letter](#) to the Ways and Means trade subcommittee Chair Adrian Smith (R-NE) and ranking member Linda Sanchez (D-CA). The letter highlights non-tariffs barriers such as the European Union's Digital Markets Act as "non-tariff

attacks” which are “disguised as legitimate domestic policies but they weaken specific U.S. firms and industries, extract resources from them, and attempt to assert strategic control over their technological capabilities.” The letter urges “the Subcommittee on Trade to build on its January 13 hearing” on digital trade “by undertaking further hearings to investigate the growing wave of non-tariff attacks.”

Upcoming Deadlines

February 18: USTR will hold a public hearing in its 2026 Special 301 Review.

February 25: Post-hearing written comments due to USTR in its 2026 Special 301 Review.

March 1: The President's 2026 Trade Agenda is due to Congress.

March 26: 14th World Trade Organization Ministerial Conference convenes in Cameroon.

March 27: Deadline for President to decide whether to act in the section 232 investigation concerning pharmaceuticals and pharmaceutical ingredients.

March 28: Commerce Department to send the President its findings on its section 232 investigations into drones and polysilicon and derivative products by this date.

March 31: U.S. and Switzerland to finalize their trade agreement by this date.

If you have questions, please contact Blake Harden (blake.harden@ey.com) or Evan Giesemann (evan.giesemann@ey.com).

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