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AI: million-dollar partnership and investment announcements

A number of multi-million dollar investment announcements and strategic partnerships between large US companies related to the development of artificial intelligence (AI) took place in November.

OpenAI and Amazon announced that they have reached an agreement for USD 38 billion, which states that OpenAI will be able to use Amazon's cloud services for the next seven years, while Amazon is committed to providing the former with hundreds of thousands of graphics processors produced by the company Nvidia to run artificial intelligence models.

On the other hand, Anthropic announced that it will invest USD 50 billion in infrastructure dedicated to the development of artificial intelligence. In particular, this is related to the construction of two data centres in Texas and New York that, together with other works, will contribute to meeting the demand of its AI chatbot, Claude.

Finally, Anthropic has also announced a deal with Nvidia and Microsoft. According to the commitment, Claude's developer will buy up to USD 30 billion in Microsoft cloud capacity, and also commit to hiring Nvidia processors that allow it to have additional computing capacity of up to one gigawatt. In return, Nvidia and Microsoft (which owns 27% of OpenAI, Anthropic's competitor) will invest up to USD 10 billion and USD 5 billion, respectively, in Anthropic.

Frictions between the US and the EU due to European digital regulations

The European Commission ruled out making changes to its digital regulatory framework following statements by US Secretary of Commerce Howard Lutnick, who suggested that a reduction in US tariffs on European steel and aluminium could be made effective if Brussels modified the regulations that apply to large technology companies.

In a statement, the Vice President of the Commission, Teresa Ribera, said that the European digital regulation "is not subject to negotiation" and defended the regulation on the grounds that it guarantees fair markets and protects consumers.

US authorities held meetings in Brussels with their European counterparts, in which they insisted on the need to resolve the legal cases opened against large American technology companies like Google, Microsoft, and Amazon. However, the Commission reiterated the relevance of the Digital Services Act and the Digital Markets Act, pillars of the European regulatory scheme for digital platforms. After the meetings, the EU's Commissioner for Trade, Maros Sefcovic, expressed that the European digital rules "are not discriminatory and are not intended for US companies".

The EU also continues to apply its antitrust regulations, which recently resulted in fines of 500 million euros to Apple and 200 million euros to Meta, in addition to previous processes that make up multimillion-dollar sanctions against Google.

Toyota announces investments in the US

The Japanese automotive company Toyota announced that it will invest more than USD 900 million in five production plants in southern United States (located in West Virginia, Kentucky, Mississippi, Tennessee and Missouri), within the framework of a plan that will take the amount invested in the North American country up to USD 10 billion in 2030.

The main objective of the company is to increase the production of hybrid vehicles, in a market in which it is the second largest seller of new cars after the local General Motors Company. Toyota has approximately 50,000 employees working in 11 production plants throughout the country.

Toyota currently imports about half of the vehicles it sells in the US, most of which come from Mexico and Canada. Likewise, half of the vehicles sold in the US market are electric vehicles (including hybrid ones).

EUROPE

EU postpones Deforestation Regulation coming into force

EU bodies decided to postpone once again the entry into force of the EU regulation on deforestation. In October, the European Commission (EC) proposed modifications to the text of the regulation, which included its postponement until December 2026 in order to “avoid operational difficulties for interested parties” (see CEI Global Report, October 2025).

The mandate for negotiations was passed to the European Council, which set its negotiating position in a text that introduces changes to that of the Commission, in line with reducing the administrative burden only for small operators, with a focus on Europeans. The Council’s document promotes simplification of the due diligence compliance process and submission of the corresponding Declaration; one-year postponement for all operators with an extra 6-month period for small operators; and a review of simplification measures by the end of April 2026.

With those changes, the Council took the proposal to the European Parliament, where a political agreement was reached to simplify the implementation of the rules and postpone their application. The amendments were approved by 402 votes to 250, with eight abstentions. As a result, the obligations of the Regulation will apply as of 30 December 2026, except that small operators will have an additional term in application until 30 June 2027.

Impact of AI on European economies

Improvements in labour productivity derived from the use of artificial intelligence in European countries might be modest. According to a research by the IMF, labour productivity in Europe would grow 1.1% cumulatively over 5 years, in the scenario that is estimated to be the most feasible. The lowest growth is quite likely to occur in Eastern European countries, like the cases of Romania (0.4%), Poland (0.5%) and the Czech Republic (0.6%). The best performance might take place in Norway (2.3%), Switzerland (2.2%) and Denmark (1.9%). Among the main economies, Germany might improve 1.5%, France 1.4% and Italy 0.9%.

These changes would be the result of task automation, labour cost savings, and advancements in all types of occupation and in particular, they would impact knowledge-based areas such as financial, administrative, and R&D.

European Commission imposes safeguards on imports of ferroalloys

In order to protect the ferroalloy industry, the EC imposed definitive safeguard measures on imports of these products from all origins. After an 11-month investigation, a tariff-rate quota was imposed by product type, and the volume of imports that can enter the EU duty-free was limited. Extra-quota purchases will not pay duties if the import price exceeds a certain threshold. If the price is lower, a fee equal to the difference between the price at the border and the threshold price will apply for each type of product.

The measure will be applied to ferromanganese, ferrosilicon, ferro-silicon-manganese and ferro-silicon-magnesium. These alloys are used to improve the strength and resistance of steel and are used in the construction, automotive, aerospace and military industries.

The investigation concluded that the increase in imports was due to productive overcapacity, trade defence measures of other countries and, in particular, the restrictions imposed by the United States. This measure will last for 3 years.

SOUTH AND CENTRAL AMERICA

Argentina and other countries in the region reach framework agreement with the US

The Argentine government reported having reached a Framework for an Agreement on Reciprocal Trade and Investment with the United States, aimed of strengthening bilateral economic ties, promoting trade and stimulating new investment flows.

The agreement includes the US commitment to apply specific tariff reductions for Argentine-origin goods, which includes the elimination of the 10% reciprocal duties for certain natural resources unavailable in the US and non-patented articles for pharmaceutical use (among those included in Annex III of Executive Order 14346). On the other hand, it is noted that the US may positively consider the effect of the Agreement on national security in adopting trade measures by virtue of Section 232.

They also agreed to significantly expand the access of Argentine beef to the US market and work together to eliminate non-tariff barriers to agri-food trade in both directions.

Argentina, in turn, will extend some tariff preferences to particular goods, such as certain medicines, chemicals, machinery, information technology products, medical devices, vehicles and agricultural products. This will entail having capital goods and intermediate supplies necessary for the development of national production and the improvement of the supply of goods in the country.

Similarly, Argentina will not require consular formalities for US exports and will phase out the statistical rate for products of said origin. It will also allow entry of US products that meet US or international regulations in force, and will accept the imports of vehicles manufactured in the United States that meet US safety and emission standards, as well as US Food and Drug Administration (FDA) certificates for medical devices and pharmaceuticals.

Both countries also take on a series of joint commitments through which they will work collaboratively. These include working together to facilitate investment and trade in critical minerals, and to stabilise the global soybean trade. They also pledged to identify tools to align approaches on export control, investment security, tariff evasion, and other relevant issues.

Likewise, the US government announced on 13 November that it had signed frameworks for agreements with Ecuador, El Salvador and Guatemala, with similar characteristics. The reciprocal tariff for the products affected will be 10% for El Salvador and Guatemala, and 15% in the case of Ecuador. In the four bilateral commitments, the parties must agree on a final text for the signing and subsequent completion of their respective internal procedures before entry into force.

Agreements signed to export LNG from Argentina

Argentina advances its positioning as a key exporter of liquefied natural gas (LNG). Southern Energy, a consortium that encompasses YPF, Pan American Energy, Pampa Energía, Harbour Energy and Golar LNG, signed a framework agreement with Securing Energy for Europe (SEFE), owned by the federal government of Germany, to export 2 million tonnes of LNG annually for eight years, starting at the end of 2027, for an estimated value of over USD 7 billion. The business consortium will invest more than USD 15 billion to liquefy gas on two ships off the Rio Negro coast, starting in 2027.

In turn, Camuzzi Gas Inversora announced the launch of the "LNG del Plata" project, with an investment of USD 3.9 billion to export more than 2.4 million tonnes of LNG annually, incorporating a liquefaction vessel from the port of La Plata. The project, which includes the construction of an underwater gas pipeline and an offshore platform for the mooring of the ship, will also contribute to the internal supply during peaks in demand and will generate 500 direct job positions.

Uruguay to start process of accession to the Trans-Pacific Partnership

Uruguay was accepted by the countries comprising the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) to start the process of accession to the bloc. Once it is concluded, Uruguay will have access to eight new markets that, according to its government, represent an opportunity to access 595 million consumers in a bloc that encompasses 15% of the global GDP.

The CPTPP is an economic integration agreement comprising Australia, Brunei Darussalam, Canada, Chile, Malaysia, Mexico, Japan, New Zealand, Peru, United Kingdom, Singapore and Vietnam. It deals with trade-related aspects such as market access for goods, trade facilitation, public procurement, intellectual property, services, e-commerce, investments, environment and labour, among others. Its objectives include promoting economic integration, establishing predictable legal frameworks for trade, facilitating regional trade, and fostering sustainable growth, among others.

NORTH AMERICA

US announces framework for trade agreement with Switzerland and Liechtenstein

On 14 November, the United States government published a joint statement on a "Framework for an Agreement on Fair, Balanced and Reciprocal Trade" with Switzerland and Liechtenstein.

The Trump administration promised that the sum of the reciprocal tariff and the most favoured nation (MFN) tariff faced by the two European countries would not exceed 15%, which is the same tariff treatment granted to the EU. Previously, Switzerland had been subject to an additional reciprocal duty of 39% and Liechtenstein to one of 15%. Likewise, the US government will ensure that the tariff imposed pursuant to Section 232 of the Trade Expansion Act of 1962 does not exceed 15% for pharmaceuticals and semiconductors coming from both European partners.

Switzerland and Liechtenstein, meanwhile, will eliminate tariffs on various agricultural and industrial products from the US, including nuts, fish, alcoholic beverages and chemicals. In addition, Switzerland will establish duty-free tariff-rate quotas for US beef (500 tonnes), bison meat (1,000 tonnes), and poultry (1,500 tonnes).

They will also address non-tariff barriers affecting US dairy and poultry products, open their markets to US medical devices, acknowledge US federal automobile safety standards, and close loopholes in central government procurement for suppliers from partners that are not parties to free trade agreements. Texts also include provisions on digital trade, including restraint from taxing digital services.

Both countries are also committed to expanding intellectual property cooperation, adopting high levels of environmental protection and addressing forced labour in supply chains. Likewise, both parties reaffirmed their commitment to expanding cooperation on export control, sanctions and investment selection.

It should be noted that these commitments require additional regulatory procedures in order to take effect.

According to the White House statement, Swiss companies have committed to investing at least USD 200 billion in the United States (over the next five years), while Liechtenstein announced its intention to promote and facilitate at least USD 300 million of investment in the North American country. One-third of those investments are expected to be made by 2026. Pharmaceuticals, machinery, medical devices, aerospace, construction, high-tech products, gold manufacturing and energy infrastructure are among the sectors that would benefit.

This framework agreement adds to those also reached this month with four Latin American countries (see South America section).

US eliminates reciprocal tariffs on agricultural products

The White House issued an Executive Order that excluded certain agricultural products from the scope of the reciprocal tariffs imposed under the International Emergency Economic Powers Act (IEEPA).

As a consequence, nearly 250 tariff lines were added to the list of products that are not covered by the additional tariff. These include bovine meat, certain nuts, tropical fruits and juices, bananas, oranges and tomatoes, coffee and tea, spices, cocoa and some fertilisers.

It should be noted that this measure in turn, modifies the list of products covered by the Executive Order on "Potential Tariff Adjustments for Aligned Partners" (see CEI Global Report, September 2025), which lists those products that could be taxed only with the MFN tariff for trading partners that conclude a trade agreement with the United States that helps mitigate the national emergency related to trade deficit. Thus, the list of eligible products is reduced from 1908 tariff lines at 8 digits of the HS to 1734 tariff lines.

In addition, many of these products were exempt from the 40% surcharge applied by the US to imports from Brazil, imposed in July this year, under Executive Order 14323 (see CEI Global Report, August 2025).

According to a report of the National Confederation of Industry (NCI) of Brazil, the expansion of products exempt from the 40% tariff surcharge means that 37.1% of Brazilian exports to the US market (USD 15.7 billion) are free of additional tariffs, while 32.7% of sales to the US continue to be taxed by this surcharge (40%) in addition to the 10% reciprocal tariff (the remaining 30.2% corresponding to products that will pay tariffs other than 50%).

Canada strengthens measures for steel and lumber industries

At the end of November, Canadian Prime Minister Mark Carney announced new support measures for the steel and wood sectors, in addition to those implemented in July and August. Through these, they seek to make these strategic industries adaptable and competitive in the new global environment.

The measures include, but are not limited to, a reduction in tariff-rate quota levels for steel products from trade agreement partners, from 100% to 75% of 2024 import levels (except for USMCA members). For those countries that do not have a free trade agreement, the quota will be reduced from 50% of imports in 2024 to 20%.

Carney also announced the setting of 25% tariffs on imports of certain steel products, applicable to all trading partners. In addition, the exemption from import duties on the steel used in Canadian manufacturing, food and beverage packaging and agricultural production will end on 31 January 2026.

Likewise, a "Buy Canadian" policy for public procurement and a series of incentives to increase the construction of homes with wood of Canadian origin will be established.

ASIA AND OCEANIA

Further details of the South Korea-US Agreement published

The governments of South Korea and the United States released a joint fact sheet after the bilateral meeting held in Gyeongju on 29 October. The declaration reaffirms the Strategic Trade and Investment Agreement reached in July and outlines a series of commitments by both countries.

With respect to import tariffs, the US undertakes to apply a rate that does not exceed the highest among the tariff of the FTA with South Korea, the MFN or 15% to products originating in the Asian country. In addition, certain Korean products identified in the list of potential tariff adjustments for aligned partners (Annex III of Executive Order 14346, see CEI Global Report, September 2025) will be exempt from reciprocal tariffs, as well as certain aircraft and parts thereof.

Moreover, the US government will reduce the additional Section 232 tariffs on imports of autos and auto parts and wood and their Korean by-products to 15%. In the event that the MFN tariff or that corresponding to the FTA between both countries is greater than 15%, the highest will govern. The same treatment will be ensured for imports of pharmaceutical products when the investigation for national security issues is concluded.

South Korea's commitments include removing the 50,000-unit limit for US vehicles that meet federal motor vehicle safety standards, streamlining approval processes for US agricultural and biotech products, and taking steps to ensure non-discriminatory treatment of US companies in digital services and related regulatory areas. South Korea also compromised itself to improving procedural fairness in competition enforcement, continue its process of accession to the Patent Law Treaty, strengthen labour and environmental enforcement, and cooperate with the United States on broader economic security issues, such as combating non-market-based policies, customs enforcement, and supply chain resilience.

The agreement includes USD 150 billion of Korean investment in the US-approved shipbuilding sector and USD 200 billion of additional investment committed pursuant to the Strategic Investment Memorandum of Understanding, which representatives from the United States and the Republic of Korea are expected to sign.

India grows 8.2% quarterly despite slowing exports

The Indian economy grew by 8.2% in the July-September quarter, the fastest pace in six quarters. This rally was driven by domestic consumption and manufacturing, which went up by 9.1%. The government of Narendra Modi implemented tax cuts in September to encourage spending in the festive season, thus triggering private consumption, accounting for about 60% of GDP.

However, Indian exports are being hit by tariffs of up to 50% imposed by the US since August, especially in sectors such as textiles, jewellery and marine products, which are labour-intensive. Although these sectors do not represent a large portion of GDP, their weakening could affect employment and overall growth.

On the other hand, inflation in India unexpectedly slowed down throughout October, reaching only 0.25%. This has fuelled expectations of further interest rate cuts by the Reserve Bank of India, although inflation is expected to pick up in 2026. Despite the challenges, the economy continues to show signs of strength, even though the risks of a slowdown remain due to global trade tensions.

Japanese government introduces fiscal stimulus package

Japan's new Prime Minister, Sanae Takaichi, who took office on 21 October, presented a fiscal stimulus package of USD 135.4 billion (the largest since the COVID-19 pandemic) to boost economic growth and alleviate the negative effect of inflation on Japanese households.

Apart from the increase in spending, Takaichi announced that there will be a tax reduction, such as that levied to petrol oil and diesel, which by 1 April 2026 will have been eliminated. To cover the deficit of rising outflows and falling tax revenues, the Japanese executive branch plans to finance itself through the issuance of government bonds.

The package includes the granting of gas and electricity subsidies for households through January 2026, child-rearing allowances, and a support package for medical, nursing, and related services, among other measures.

The Japanese government also expects to increase defence spending to 2% of GDP.

AFRICA

LNG project in Mozambique re-launched

In November, the specialised media reported the decision of the Mozambican government to approve the preliminary re-launch of the Mozambique LNG project, operated by the company TotalEnergies in the Cabo Delgado region, located in the north of the country.

In a resolution, adopted by the Council of Ministers at its 39th Ordinary Session of 18 November, the government ordered the carrying out and validation of an audit on the costs incurred during the period of *force majeure* affecting the project since 2021.

The official measure responds to the recent decision of the company –disseminated by numerous means of specialised press media– to lift the state of emergency due to *force majeure* declared by the consortium in April 2021, which has kept the project paralysed since that date as a result of the attacks committed in the region in March of said year.

According to the local press, TotalEnergies claims from the Mozambican government an amount ranging from USD 4 billion to USD 5 billion for additional expenses to the initially agreed upon budget and an extension of ten years in the concession, stemming from the forced interruption of operations during these years.

Maputo's approval for the final re-launch of the project will depend on the result of the government audit, prepared as a prelude to the approval of the new conditions proposed by the French consortium, which proposes as a new work horizon the start of production of the plant by 2029.

The Mozambique LNG project –amounting to an estimated investment of USD 20 billion– is one of the largest private investments in African history. This project foresees the offshore exploitation in the Golfinho-Atum field (Rovuma deep-water basin, in the Indian Ocean) and the on-land construction on the Afungi peninsula (Cabo Delgado coast) of a liquefaction plant for more than 13 tonnes of LNG per year in its first phase.

The company TotalEnergies is the operator and main shareholder of the project, with a 26.5% share. Minority shareholders include Mozambique's National Hydrocarbons Company (ENH, for its name in Portuguese), as well as Japanese, Indian and Thai investors.

This initiative integrates a broader portfolio of gas developments in the Rovuma basin that, according to specialised consulting firms, could transform Mozambique into one of the world's top ten gas producers by 2040.

The seventh African Union-European Union Summit held in Luanda

Within the framework of the 25 years of strategic partnership between the African Union (AU) and the European Union (EU), the 7th Summit AU-EU was held in Luanda, the capital of Angola, on 24 and 25 November.

Co-chaired by João Lourenço, President of the Republic of Angola (in charge of the AU *pro tempore* presidency) and António Costa, President of the European Council, the summit was attended by top African authorities, as well as Ursula von der Leyen, President of the European Commission.

This meeting had as an immediate precedent the 3rd EU-AU Ministerial Meeting, held in Brussels in May of this year, which finished outlining the path for this summit.

With a rich bi-regional agenda, which included both political and economic issues and various additional events, this 7th summit culminated in a joint declaration in which both blocs reaffirmed the EU's unconditional support for Africa's growth priorities.

Among other economic issues addressed, the final document highlights the commitment to the deepening of the regional integration process embodied in the African Continental Free Trade Agreement (AfCFTA) (see CEI Global Report, February 2024), as well as to the diversification of exports and the integration of the African continent into various regional and global value chains, among which it mentions that of strategic and critical minerals (see CEI Global Report, May and July 2024).

Along the same lines, the text stresses the boost to investments for energy, digital and local infrastructure development in Africa (see CEI Global Report, September 2025), including the implementation of the Lobito Rail Corridor (see CEI Global Report, January 2025).

Since 2000, AU-EU summits have been held alternately in Africa and Europe on a triennial basis.

Sub-Saharan Africa: growth with persistent challenges, according to IMF

The International Monetary Fund (IMF) recently released the latest Regional Economic Outlook for sub-Saharan Africa with data by October 2025, in which it anticipates stable growth of around 4% in the region for said year, with a slight increase of up to 4.4% for 2026.

The latest biannual report thus identifies a context of resilience for the region, despite the challenges faced by international trade in the last year, marked by instability in commodity prices (low fuel prices and high prices for cocoa, coffee, copper and gold); the tightening of external financing conditions; changes in the international scenario, and the decrease in development aid, all factors that directly affect the economies under analysis. The report also mentions, among the challenges for the future of trade in the region, the expiration of the African Growth and Opportunity Act (AGOA), in force in the United States until 30 September 2025 (see CEI Global Report, November 2025).

According to the IMF, these growth prospects (though moderate) are accounted for by the effort made by several economies in the region to achieve macroeconomic stabilisation through various reforms.

The report warns, however, about the risks that could destabilise this scenario, mainly linked to the persistent indebtedness of several sub-Saharan economies and the continuous political conflicts that affect some of the countries comprising it.

As Abebe Selassie, Director of the IMF's Africa Department, put it Benin, Ivory Coast, Ethiopia, Rwanda and Uganda were among the world's fastest-growing economies in the past year. In turn, Angola and Kenya have recently gained access to the foreign capital market. However, he noted that the increase in per capita income is still modest in the countries under analysis. In closing his speech, Selassie highlighted the permanent presence of the IMF in sub-Saharan Africa, which is among the main regions receiving financial aid from the Fund.

Although the modest but sustained growth in the economies of the region is not new, given that several regional and international financial institutions had been anticipating it (see CEI Global Report, April 2024, June 2024 and July 2024), what is remarkable at this stage is the persistence of favourable forecasts despite the changes in the international trade and financial context. It is this persistence which is summarised by the IMF with the concept of "resilience", guiding the presentation of its latest biannual outlook.

CEI GLOBAL REPORT

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