

Industry Input Is Key As EU Weighs New Tariffs On US Trade

By **Vassilis Akritidis and Jean-Baptiste Blancardi** (June 9, 2025, 12:15 PM EDT)

On May 8, the European Commission published new lists of products potentially subject to European Union rebalancing measures in retaliation to U.S. tariffs.[1]

The proposed measures would apply if EU-U.S. trade negotiations fail. They are designed to stand alongside countermeasures that were adopted on April 14,[2] which are currently suspended until July 14.

This article explains why participating in the ongoing public consultation on such EU measures may be very important if your industry is concerned and your trade with the U.S. is substantial.

Experience has shown that these lists are shaped to a large extent on the basis of feedback from stakeholders and political high-level contacts between member states and the commission.

Since the EU began working on countermeasures to steel and aluminum tariffs, placed on the basis of Section 232 of the U.S. Trade Expansion Act in March, the Trump administration has imposed additional tariffs. In particular, in April 2025, the administration issued U.S. International Emergency Economic Powers Act, or IEEPA, tariffs on products originating in the EU,[3] as well as Section 232 and Section 301 tariffs on automobiles and automobile parts,[4] and it has extended Section 232 tariffs on steel and aluminum to cover beer and empty aluminum cans.[5]

In response to these additional U.S. tariffs, the commission proposes that the new EU countermeasures take the form of import customs duties on U.S. products, but also restrictions on export of certain EU products to the U.S.

Several more Section 232 investigations are underway at the U.S. Department of Commerce — including for products such as lumber, semiconductors, trucks and parts, critical minerals, commercial aircraft and parts, pharmaceutical ingredients, and copper — which introduces the potential for further increased trade tensions.

In the context of negotiations between the EU and the U.S., these new countermeasures complement the EU's response to the entire set of U.S. tariffs on EU products. As such, it is expected that the new countermeasures will also be suspended until July 14. Thereafter, everything will depend on the course



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of ongoing EU-U.S. trade negotiations, the outcome of which is uncertain.

How does the consultation work?

From a procedural standpoint, this consultation follows a similar framework to the previous EU countermeasures. Once again, the commission has launched a survey in which it asks stakeholders from all jurisdictions (the EU, U.S. and other countries) to provide information on how the proposed lists and measures, as well as the U.S. tariffs to which it is retaliating, affect EU economic interests, which is the key question.

Participation is not mandatory, and respondents have the option of requesting confidential treatment of the information they supply, provided that they accompany it by a nonconfidential summary of the relevant information or a statement of the reasons why the information cannot be summarized.

This is standard procedure, as the commission encourages participation in the consultation to gather as much and as detailed information as possible. When responding to the survey, stakeholders have the opportunity to submit supporting documents.

The commission warns participants that the submission of detailed data and supporting information is a prerequisite for their written contribution to receive full consideration from the commission.

Based on the information gathered, the commission will finalize the lists of products and submit them to the EU member states. Internal negotiations will follow, and a final decision will be taken on the nature and level of the EU countermeasures and the scope of the products affected.

Why should I participate in this consultation?

Past Success

First, participating in the information gathering procedure has proven to be an effective way for certain industries to exclude products from the list of goods affected by EU countermeasures.

This was the case, for example, for wine and spirits, as well as for dairy and woodworking products, to name but a few, which were excluded from the final list of U.S. products subject to additional countermeasures.

To maximize chances of excluding products, the response to the survey should be as detailed as possible and highlight certain elements that demonstrate that the EU economic interests would be negatively affected by the EU countermeasures.

In its post-consultation report, the commission acknowledged that it had excluded products based on the following factors: "insufficient domestic and alternative supply, irreplaceability or critical supply; critical or key input for among others high-end or highly specialised products; intermediate product; relatively high share of US imports; potential implementation difficulties; and/or broader trade implications and effectiveness of the envisaged measures." [6]

However, the commission kept a product on the list of those subject to import customs duties when it considered that the EU was a net exporter, or that there was sufficient domestic production capacity or sufficient alternative sources of supply, or the share of U.S. imports was relatively low.

Furthermore, political support at the member state level plays an important role. In the latest package of countermeasures, this was clearly evident in the media campaign led by the wine and spirits industries, which rallied multiple member states — namely France, Italy and Ireland.[7]

Stakeholders should therefore contact the governments of the member states in which they operate to seek active support.

The decision on EU countermeasures follows a two-step process. The first phase is internal within the commission, which draws up a list of goods while taking account of the feedback from stakeholders. However, in the second phase, stakeholders are less involved, despite continued negotiations between member states and the commission.

To ensure that your views and interests are reflected at every phase of the decision-making process, it is important that member states are well-aware of your concerns.

Negative Effect of Ongoing Trade Dispute

Second, this package of EU countermeasures covers a much larger volume of trade than the previous one. The April 14 countermeasures covered €21 billion (\$24 billion) of U.S. exports to the EU. In contrast, the latest package still subject to consultation covers €95 billion of U.S. exports for retaliatory import duties, and €4.4 billion of EU exports to the U.S. for export restrictions.

In addition, these products were not already subject to EU countermeasures in 2018 in response to the initial imposition of U.S. Section 232 tariffs on steel and aluminum.

The scope is broad and encompasses agricultural products like live animals, foodstuffs and beverages; chemicals like herbicides and chemical wastes; and industrial goods like machinery and motor vehicles, and tools made of metal.

For the most part, this is the first time that the products included on the list are being discussed in the context of EU countermeasures. This suggests that stakeholders have a better chance of influencing the outcome of the final list. Moreover, the unprecedented number of products selected gives the commission greater leeway to exclude products and potentially add others to the list.

Furthermore, all companies active in the EU that are affected by the U.S. universal 10% IEEPA tariffs should also take this opportunity to bring their concerns to the commission's attention in a structured and detailed fashion.

Indeed, part of the U.S. tariffs considered by the commission during this consultation apply to all EU products exported to the U.S. Unlike the last consultation on countermeasures, the scope of EU companies affected is much broader. Some industries may, therefore, have been insufficiently considered by the commission. That is particularly true of industries that are not a typical focal point of trade defense investigations and that are less resilient to abrupt supply chain disruptions.

Such a wide scope also means that more companies should voice their opinion on the current state of EU-U.S. trade relations to allow the commission to draw both the bigger picture and also zoom in upon the industry submitting the comments.

For reference, more than 700 respondents submitted their views on the previous EU countermeasures,[8] a number that is expected to increase in the ongoing latest consultation. In other words, operators should consider that if they do not participate, their competitors may do so and present things as they deem fit, which could harm their position in the EU market.

Export Restrictions Included For First Time

Finally, and importantly, the EU countermeasures aim to impose export restrictions on certain EU products to the U.S. This would be the first time that the EU decides to impose export restrictions on the U.S. in retaliation for U.S. tariffs. Therefore, this is a meaningful milestone.

The proposal of measures other than import duties should be the subject of intense debates among member states upon finalization of the list of products affected.

For this reason, operators should not consider the use of export restrictions as definitive and may still oppose it. As with the EU sanctions on Russia, escalation is a concern for member states. The finalization of the lists is also a solidarity and unity test for member states.

Continuing with the EU sanctions on Russia, the export restrictions contemplated as part of the EU countermeasures would follow a different logic and legal basis.

The EU is adding potential export restrictions as a means of retaliating proportionately to the very high level of U.S. tariffs — at least 10% on all EU products, with a higher IEEPA duty of 20% looming around the corner, as it is currently suspended until July.

However, the idea is surely not to harm the U.S. economy with the same intensity as Russia, nor to deprive the U.S. of EU equipment that could be used for military purposes. EU retaliation is rather a matter of reciprocating with the same or similar level of intensity of the restrictive measures imposed by the Trump administration.

In this sense, it is clear that the commission is open to other means of achieving this result if export restrictions prove too counterproductive for the EU economy. In general, the commission has been very reluctant to adopt an offensive stance, as China has done since the imposition of the U.S. universal 10% IEEPA tariffs.

The EU immediately suspended its countermeasures to match the 90-day suspension period set by the U.S. for the second wave of country-specific IEEPA tariffs[9] and has always indicated that it favored finding a diplomatic solution.

EU Trade Commissioner Maroš Šefčovič confirmed this on May 15. He said that "countermeasures are not [the] first choice" and that upon consultation with stakeholders on the rebalancing measures the commission "will gather input, analyze it thoroughly and proceed carefully." He added that "nothing is automatic." [10]

In conclusion, operators have every interest in participating in the ongoing consultation on EU countermeasures, before the June 10 deadline. In doing so, they should ensure that they provide a very detailed submission highlighting why a scope exclusion is warranted based on the factors identified as particularly relevant by the commission in its post-consultation report.

However, this is only part of the work needed to maximize the chances of securing a much-sought scope exclusion, as it will also be essential to contact member states and obtain their support.

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[1] https://ec.europa.eu/commission/presscorner/detail/en/ip_25_1149.

[2] https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L_202500778.

[3] <https://www.federalregister.gov/documents/2025/04/07/2025-06063/regulating-imports-with-a-reciprocal-tariff-to-rectify-trade-practices-that-contribute-to-large-and>.

[4] <https://www.federalregister.gov/documents/2025/04/03/2025-05930/adjusting-imports-of-automobiles-and-automobile-parts-into-the-united-states>.

[5] <https://www.federalregister.gov/documents/2025/04/04/2025-05884/implementation-of-duties-on-aluminum-derivatives-beer-and-empty-aluminum-cans-pursuant-to>.

[6] Report on the information gathering under the EU Enforcement Regulation regarding the United States's new safeguard measures on steel and aluminum products, and regarding possible EU rebalancing measures, 15 April 2025, page 2.

[7] https://www.lemonde.fr/en/international/article/2025/04/09/tariffs-european-union-finally-deploys-its-first-set-of-countermeasures_6739989_4.html.

[8] Report on the information gathering under the EU Enforcement Regulation regarding the United States's new safeguard measures on steel and aluminum products, and regarding possible EU rebalancing measures, 15 April 2025, page 1.

[9] <https://www.federalregister.gov/documents/2025/04/15/2025-06462/modifying-reciprocal-tariff-rates-to-reflect-trading-partner-retaliation-and-alignment>.

[10] https://content.mlex.com/#/content/1654301/us-outlines-demands-to-eu-in-ongoing-trade-deal-talksreferrer=email_dailycontentset&dailyId=6e84b8b24b4946789a3ddd3d5235ef0f&paddleid=201&paddleaois=2006.