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EU and U.S. Reach Provisional Tariff Deal

The agreement would remove remaining duties on U.S. industrial goods and expand European access for selected seafood and farm products.

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The European Union and the United States reached a provisional deal on Wednesday to put into law the tariff parts of their joint statement, a move that would remove remaining import duties on U.S. industrial goods and open the European market more widely to selected seafood and non-sensitive farm products from the United States.

The agreement, announced by the Council of the European Union and the European Parliament, is meant to give both sides a more stable and predictable framework for trade while preserving safeguards that allow Brussels to respond if imports rise sharply or if Washington does not honor its commitments. The deal still needs formal approval by both institutions before it can take effect.

For Germany, where importers, distributors and retailers closely watch transatlantic trade rules, the decision could matter for prices and margins in categories that include wine and other beverages, as well as food products that compete with U.S. supply. The broader aim is to reduce friction in one of the world’s largest commercial relationships at a time when both sides are trying to avoid new trade disputes.

Under the first regulation covered by the deal, the EU would eliminate the remaining tariffs on industrial goods from the United States. It would also grant preferential access through tariff-rate quotas and reduced duties for certain seafood products and for some agricultural goods that are not considered sensitive. A second regulation

would extend the suspension of tariffs on lobster imports, including processed lobster.

Officials said the package was designed not only to lower barriers but also to protect European producers if conditions change. The agreement includes a special safeguard mechanism that would let the European Commission open an investigation if imports from the United States increase significantly and cause, or threaten to cause, serious harm to EU manufacturers. That review could be triggered by a reasoned request from at least three member states, from industry representatives or labor unions in the bloc, or by the commission acting on its own.

The text also strengthens suspension rules. The commission could suspend all or part of the measures if the United States fails to meet its obligations under the joint statement, undermines its goals in another way or harms trade and investment ties with the EU, including by discriminating against or targeting European businesses. The mechanism could also be used if there are sufficient signs that such actions are about to happen.

In addition, Brussels would be able to suspend concessions on steel and aluminum products if Washington continues to impose tariffs above 15% on derivative steel and aluminum goods imported from the EU through Dec. 31, 2026.

The regulations would not be open-ended. Lawmakers inserted a sunset clause under which they would expire at the end of 2029 unless further action is taken. The commission would also have to monitor the economic effects closely, reporting after six months and then every three months on trade volumes and values for goods covered by the measures. Six months before expiration, it would have to submit a broader assessment of how the rules affected trade flows, patterns, tariff revenue and small and medium-size companies.

The deal comes after months of work following a joint EU-U.S. statement reached on Aug. 21, 2025. The European Commission proposed the two regulations on Aug. 28, 2025, as part of an effort to carry out tariff reductions promised in that statement.

The EU said its trade relationship with the United States remains its largest bilateral economic link, with goods and services trade reaching about €1.7 trillion in 2024.