vinetur

The U.S. proposed 15% tariffs on European Union goods under Section 301

The plan, open for public comment, would cover European wine but exempt French Champagne if it survives consultations

Thursday, November 26, 2026



On Wednesday, November 25, the Office of the U.S. Trade Representative said it had found that the acts, policies and practices of 14 economies tied to structural excess capacity and manufacturing overproduction are unreasonable and restrict U.S.

commerce under Section 301 of the Trade Act of 1974, and it proposed new trade actions that include a 15% tariff plan for goods from the European Union.

The USTR said the proposed measures are being issued for public comment and are not yet in effect. Along with the European Union, the determinations cover China, Singapore, Switzerland, Indonesia, Malaysia, Cambodia, Thailand, South Korea, Vietnam, Taiwan, Bangladesh, Japan and India. The agency said it has not made determinations on Mexico or Norway at this time.

For the beverage industry, the EU proposal is likely to draw particular attention. According to the USTR proposal and its annexes, European wine shipped to the United States would be subject to a total tariff burden of 15%, taking existing duties into account, while French Champagne would be excluded from the new measure. If that treatment survives the consultation process, it could pressure margins for importers, distributors and retailers of European wine, raise consumer prices and affect order patterns in the U.S. market. It would also give Champagne different treatment from other European sparkling wines.

The USTR said it also released economy-specific reports to support the determinations. In the EU case, the agency said the bloc uses industrial plans to expand manufacturing, policies that promote production and exports, market access barriers, preferential lending through centralized investment banks and a failure to address global excess capacity, including through imports and foreign direct investment from non-market economies. The USTR said those practices reduce opportunities for U.S. producers in the EU and in third-country markets, hurt U.S. production, exports, jobs and investment, and increase economic security risks. It said those concerns are especially visible in sectors such as autos, chemicals and pharmaceuticals.

U.S. Trade Representative Jamieson Greer said the administration sees long-running industrial strategies among major trading partners as a threat to American manufacturing. He said repeated statements in international forums had not produced change and that President Donald Trump was proposing action to push for what the administration calls the elimination of unfair practices.

The European Union was not the only target of proposed tariffs. In the case of China, the USTR proposed tariffs of up to 20% on certain goods, net of duties already applied under a separate Section 301 investigation tied to goods produced with forced labor, and tariffs of up to 10% on other goods listed in a separate annex, with some exemptions. For Bangladesh and Cambodia, the USTR proposed tariffs of up to 18% on all goods, net of existing Section 301 tariffs, also with exemptions for certain products.

The agency said the tariff proposals take account of other trade actions already in place, including existing Section 301 and Section 232 duties, as well as ongoing consultations and commitments in other bilateral trade arrangements. In the EU case, the USTR said the proposal also reflects commitments relevant to a United States-European Union framework agreement on reciprocal, fair and balanced trade.

The findings themselves are broad and reach well beyond food and drink. In country-by-country summaries, the USTR accused the targeted economies of using different combinations of industrial planning, export promotion, financial repression, weak labor protections, support for favored sectors, market access barriers and reliance on non-market economy inputs. It argued that those policies have contributed to excess manufacturing capacity that distorts global trade and weakens U.S. industry.

Still, the wine provision stands out because it touches a consumer category with established trade flows and strong brand positions in the United States. A tariff increase on EU wine could quickly flow through to wholesalers, restaurant buyers and retailers, especially in higher-volume imported categories where price competition is tight. The proposed exemption for Champagne could also shift purchasing decisions inside the sparkling wine segment if buyers try to avoid higher costs on other European products.

The USTR’s announcement does not mean the new duties will be imposed immediately. The agency said the responsive actions are proposals and directed interested parties to the Federal Register notices, which lay out product annexes, exemptions and the process for public comment. That leaves room for importers, foreign governments, industry groups and U.S. companies to argue for changes before any final decision is made.