



EUROPEAN
COMMISSION

Brussels, **XXX**
[...] (2025) **XXX** draft

SENSITIVE*
UNTIL PUBLICATION

COMMISSION IMPLEMENTING REGULATION (EU) .../...

of **XXX**

**on commercial rebalancing measures concerning certain products originating in the
United States of America and amending Implementing Regulation (EU) 2018/886**

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COMMISSION IMPLEMENTING REGULATION (EU) .../...

of **XXX**

on commercial rebalancing measures concerning certain products originating in the United States of America and amending Implementing Regulation (EU) 2018/886

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 654/2014 of the European Parliament and of the Council¹, and in particular Article 4(1) and Article 7(3) thereof,

Whereas:

- (1) On 8 March 2018 the United States of America (“the United States”) introduced, on the basis of section 232 of the United States’ Trade Expansion Act of 1962, tariffs at a level of 25 % and 10 % *ad valorem* on imports of certain steel and aluminium products, respectively, effective from 23 March 2018 and with an unlimited duration. After two deferrals of the effective date of application with respect to the Union, on 1 June 2018, the tariff became effective with respect to imports originating in the Union, with an unlimited duration (“the 2018 safeguard measures”). On 24 January 2020, the United States introduced, on the basis of section 232 of the United States’ Trade Expansion Act of 1962, tariffs at a level of 25 % and 10 % *ad valorem* on imports of certain derivative aluminium products and certain derivative steel products, respectively, effective from 8 February 2020, including with respect to the Union, with an unlimited duration (“the 2020 safeguard measures”).
- (2) The measures introduced by the United States are objectively safeguard measures because they consist of a departure from United States’ obligations flowing from the Agreement Establishing the World Trade Organization (‘WTO’) in the form of restrictions on imports for the purpose of protecting a domestic industry against competition from imports, for the sake of that industry's commercial prosperity and without determination of dumping or subsidisation within the meaning of anti-dumping or countervailing duties. The United States’ alleged justification of its measures as action necessary for the protection of its essential security interest, taken in time of emergency in international relations, is manifestly unfounded and does not detract from the fact that its measures are objectively safeguard measures.
- (3) On 20 June 2018, the Commission adopted Implementing Regulation (EU) 2018/886² (“the 2018 rebalancing measures”). The 2018 rebalancing measures aim at counter-

¹ Regulation (EU) No 654/2014 of the European Parliament and of the Council of 15 May 2014 concerning the exercise of the Union’s rights for the application and enforcement of international trade rules and amending Council Regulation (EC) No 3286/94 laying down Community procedures in the field of common commercial policy in order to ensure the exercise of the Community’s rights under international trade rules, in particular those established under the auspices of the World Trade Organization (WTO), (OJ L 189, 27.6.2014, p. 50, ELI: <http://data.europa.eu/eli/reg/2014/654/oj>).

² Commission Implementing Regulation (EU) 2018/886 of 20 June 2018 on certain commercial policy measures concerning certain products originating in the United States of America and amending

balancing the United States' 2018 safeguard measures and applied as from 22 June 2018. On 6 April 2020, the Commission adopted Implementing Regulation (EU) 502/2020³ ("the 2020 rebalancing measures"). The 2020 rebalancing measures aim at counter-balancing the United States' 2020 safeguard measures and applied as from 8 May 2020.

- (4) The Commission has been suspending the application of the 2018 and 2020 rebalancing measures until 14 April 2025 included⁴. The suspensions aimed at taking into account the positive developments in the trade relations with the United States and the alternative arrangements to the United States' safeguard measures in relation to the Union⁵.
- (5) On 10 February 2025, the United States adopted, on the basis of section 232 of the United States' Trade Expansion Act of 1962, adjusted tariffs on imports into the United States of steel and aluminium products and steel and aluminium derivative products originating *inter alia* in the Union, with effect from 12 March 2025⁶, with an unlimited duration, by introducing or reintroducing:
 - (a) the 2018 and 2020 safeguard measures in the form of additional customs duties on imports of the initial scope of steel and aluminium products and steel and aluminium derivative products originating *inter alia* in the Union, at the initial levels of 25 % and 10 % *ad valorem*, respectively;
 - (b) an increase in the rate of the 2018 and 2020 safeguard measures to 25% *ad valorem* on imports of aluminium products and aluminium derivative products that were initially subject to 10% *ad valorem* and originating *inter alia* in the Union (the "extended safeguard measures"); and
 - (c) new tariffs at a level of 25% *ad valorem* on imports of additional steel and aluminium products and additional steel and aluminium derivative products originating *inter alia* in the Union ("the 2025 safeguard measures").

Implementing Regulation (EU) 2018/724 (OJ L 158, 21.6.2018, p. 5, ELI: http://data.europa.eu/eli/reg_impl/2018/886/oj).

³ Commission Implementing Regulation (EU) 2020/502 of 6 April 2020 on certain commercial policy measures concerning certain products originating in the United States of America, OJ L 109, 7.4.2020, p. 10–13 ELI: http://data.europa.eu/eli/reg_impl/2020/502/oj.

⁴ Implementing Regulation (EU) 2021/866 of 28 May 2021 suspending commercial policy measures concerning certain products originating in the United States of America imposed by Implementing Regulation (EU) 2018/886 (OJ L 190, 31.5.2021, p. 94), http://data.europa.eu/eli/reg_impl/2021/866/oj; Commission Implementing Regulation (EU) 2021/2083 of 26 November 2021 suspending commercial policy measures concerning certain products originating in the United States of America imposed by Implementing Regulation (EU) 2018/886 and (EU) No 2020/502 (OJ L 426, 29.11.2021, p. 41), http://data.europa.eu/eli/reg_impl/2021/2083/oj; Implementing Regulation (EU) 2023/2882 of 18 December 2023 suspending commercial policy measures concerning certain products originating in the United States of America imposed by Implementing Regulations (EU) 2018/886 and (EU) 2020/502, OJ L, 2023/2882, 19.12.2023 (ELI: http://data.europa.eu/eli/reg_impl/2023/2882/oj) and Implementing Regulation (EU) 2025/664 of 31 March 2025 amending Implementing Regulation (EU) 2023/2882 suspending commercial policy measures concerning certain products originating in the United States of America imposed by Implementing Regulations (EU) 2018/886 and (EU) 2020/502 (OJ L, 2025/664, 31.3.2025, ELI: http://data.europa.eu/eli/reg_impl/2025/664/oj).

⁵ On 1 January 2022, the United States temporary replaced, among others, the existing 25 % and 10 % duties on steel and aluminium, respectively, with tariff-rate quotas ("TRQs") as far as imports originating in the Union were concerned.

⁶ Presidential Proclamation no. 10896 of 10 February 2025, Adjusting Imports of Steel into the United States, and the Annexes to it; Presidential Proclamation no. 10985 of 10 February 2025, Adjusting Imports of Aluminium into the United States, and the Annexes to it.

- (6) The measures introduced by the United States continue to be safeguard measures because they consist of a departure from the United States' obligations, flowing from the Agreement Establishing the WTO, in the form of restrictions on imports for the purpose of protecting a domestic industry against competition from imports, for the sake of that industry's commercial prosperity and without determination of dumping or subsidisation within the meaning of anti-dumping or countervailing duties.
- (7) The WTO Agreement on Safeguards provides any exporting WTO Member affected by a safeguard measure with the right to suspend the application of substantially equivalent obligations under the General Agreement on Tariffs and Trade ('GATT') 1994 to the trade of the WTO Member applying a safeguard measure, provided that no satisfactory solution is reached in consultations with that Member and that the WTO Council for Trade in Goods does not disapprove of the suspension. The United States cannot thwart the right of other WTO Members to such suspension of equivalent obligations by refusing to declare as safeguard measures its measures if they are objectively safeguard measures.
- (8) No satisfactory solution was found further to the Union's request for consultations with the United States, as envisaged in Articles 8 and 12.3 of the WTO Agreement on Safeguards⁷.
- (9) The Union should notify the suspension of the application of substantially equivalent obligations in response to the United States' extended safeguard measures and to the 2025 safeguard measures to the Council for Trade in Goods and the measures should take effect upon the expiration of 30 days after this notification, unless the Council for Trade in Goods disapproves of the suspension. The Union notified the application of substantially equivalent obligations in response to the United States' 2018 and 2020 safeguard measures already and accordingly the suspension took effect at the time⁸.
- (10) The WTO Agreement on Safeguards allows for the suspension to be exercised immediately where the safeguard measure has not been taken as a result of an absolute increase in imports or when the safeguard measure does not conform to the relevant provisions of the WTO Agreement on Safeguards. The United States' extended safeguard measures and the 2025 safeguard measures do not conform to the WTO Agreement on Safeguards because, among other things, the United States made no determination that the products in question are being imported in such increased quantities as to cause or threaten to cause serious injury to the domestic industry producing the like or directly competitive product. Accordingly, the Union is entitled to suspend substantially equivalent GATT obligations immediately.
- (11) The United States' safeguard measures are capable of having a considerable negative economic impact on the Union industries concerned. They significantly limit Union exports of the relevant steel and aluminium products and steel and aluminium derivative products to the United States. The Union imports of the relevant products

⁷ Consultations as envisaged in Articles 8 and 12.3 of the WTO Agreement on Safeguards were requested by the Union on 16 April 2018 concerning the 2018 safeguard measures, on 6 March 2020 concerning the 2020 safeguard measures, and on 12 March 2025 concerning the 2025 safeguard measures. No agreement was reached and the 30-day period for consultations referred to in Article 8 of the WTO Agreement on Safeguards expired.

⁸ G/L/1237, G/SG/N/12/EU/1, of 18 May 2018, <https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/G/L/1237.pdf&Open=True>; G/L/1356, G/SG/N/12/EU/2, of 7 April 2020, <https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/G/L/1356.pdf&Open=True>.

into the United States affected by the 2018 and 2020 safeguard measures, comprising the extended safeguard, are worth of EUR 8 billion in 2024, and those affected by the 2025 safeguard measures: EUR 17.6 billion in 2024.

- (12) Therefore, a suspension of trade obligations of the Union, which reflect and do not exceed the amount that would result from the application of the United States' customs duties to imports of the relevant steel and aluminium products and derivative steel and aluminium products originating in the Union, represents an appropriate suspension of the application of substantially equivalent obligations in accordance with the WTO Agreement on Safeguards.
- (13) The appropriate action should take the form of commercial rebalancing measures under Regulation (EU) No 654/2014, which should consist of the suspension of tariff concessions and the imposition of new or increased customs duties on imports of selected products originating in the United States into the Union.
- (14) In designing and selecting the appropriate measures and their respective dates of application, the Commission has applied objective criteria in accordance with Article 4(2), point (c) and (3) of Regulation (EU) No 654/2014, including as relevant the proportionality of any measures, their potential to provide relief to the Union industries affected by the United States' safeguard measures, and the aim of minimising the negative economic impact on the Union. The Commission has provided an opportunity for stakeholders to express their views and submit information regarding the relevant Union's economic interests in accordance with Article 9 of Regulation (EU) No 654/2014 and has taken the provided input into account⁹.
- (15) The Commission has ensured that the additional customs duties are proportionate to the effect of the United States' safeguard measures and not excessive, as described in recitals (19), (20) and (21).
- (16) The selected measures have the potential to provide some relief to the Union industries affected by the United States' safeguard measures.
- (17) The measures concern imports of products originating in the United States on which the Union is not substantially dependent for its supply. That approach and the applicable dates of application avoid as much as possible a negative impact on the various actors on the Union market, including consumers.
- (18) Accordingly, as regards the 2018 safeguard measures, which the United States is applying again in full on imports from the Union from 12 March 2025 with unlimited duration, the Union should amend the level of the *ad valorem* duty and the scope of products in relation to several CN codes, to account for the period of time that has lapsed since their introduction in 2018, the evolution of trade flows and to render the rebalancing measures as a whole more balanced while ensuring that the Union's interest is safeguarded as provided under Regulation (EU) No 654/2014.

⁹ As regards the extended safeguard measures and as regards the 2025 safeguard measures, the information gathering took place from 12 March to 26 March 2025, see http://trade.ec.europa.eu/consultations/index.cfm?consul_id=253 and [Information gathering notice under Regulation \(EU\) No 654/2014 on the new US tariffs on steel and aluminium products, and possible EU rebalancing measures in response - European Commission](#). As regards the 2018 and 2020 safeguard measures, the information gathering took place in 2018 and 2020 accordingly, see recital 8 of Regulation (EU) No 724/2018, and recital 10 of Regulation (EU) No 2020/502.

- (19) An additional *ad valorem* duty of 10 % and 25 % on imports of the products specified in Annex I should be applied from the date of entry into force of this Regulation, and the products described in the four CN codes 22083011, 22083019, 22083082, and 22083088 set out in Implementing Regulation (EU) 2018/886, should be removed. The total amount of *ad valorem* duties for this part of the Union rebalancing reflects the United States' 2018 safeguard measures in the form of additional customs duties on imports of steel and aluminium products originating *inter alia* in the Union, at the initial levels of 25 % and 10 % *ad valorem*, respectively (EUR 1.6 billion total value of theoretically collected duties on Union imports into the United States in 2017).
- (20) As regards the extended safeguard measures, which the United States is applying from 12 March 2025 with unlimited duration, the Union should apply an additional *ad valorem* customs duty of 25 % on imports of the products specified in Annex II, from 16 May 2025, which is in line with the notification period described in recital (9). The total amount of *ad valorem* duties of that second part of the Union rebalancing reflects the United States' increased tariffs from 10 % to 25 % *ad valorem* on imports of aluminium products and aluminium derivative products, originating in the Union (EUR 355 million total value of theoretically collected duties on Union imports into the United States in 2024).
- (21) As regards the 2025 safeguard measures, which the United States is applying from 12 March 2025 with unlimited duration, the Union should apply an additional *ad valorem* customs duty of 25 % on imports of the products specified in Annexes III and IV, from 16 May 2025 and from 1 December 2025, respectively, which is in line with the notification period described in recital (9). The total amount of *ad valorem* duties of that third part of the Union rebalancing reflects the United States' 2025 safeguard measures on the imports of additional steel and aluminium products and additional steel and aluminium derivative products from the Union into the United States originating in the Union (EUR 4.5 billion total value of theoretically collected duties on Union imports into the United States in 2024).
- (22) The Commission will, if necessary, amend this Regulation to account for any amendment or changes to the United States' safeguard measures, as well as to account for the manner in which the United States will apply its safeguard measures.
- (23) In light of the applicable WTO time limits, this Regulation should enter into force on the day following that of its publication in *the Official Journal of the European Union*.
- (24) The measures provided for in this Regulation are in accordance with the opinion of the Trade Barriers Committee,

HAS ADOPTED THIS REGULATION:

Article 1

The Commission shall no later than 15 April 2025 give written notice to the WTO Council for Trade in Goods that, absent disapproval by the Council for Trade in Goods, the Union suspends, from 16 May 2025, the application to the trade of the United States of obligations under GATT 1994 in relation to import duty concessions and most-favoured-nation treatment in respect of the products listed in Annexes II, III and IV.

Article 2

The Union shall apply the following additional customs duties on imports into the Union of products originating in the United States of America:

- (1) additional *ad valorem* duty of a rate of 25 % on imports of products listed in Annex II and specified therein, from 16 May 2025;
- (2) additional *ad valorem* duty of a rate of 25 % on imports of products listed in Annex III and specified therein, from 16 May 2025;
- (3) additional *ad valorem* duty rate of 25 % on imports of products listed in Annex IV and specified therein, from 1 December 2025.

Article 3

Implementing Regulation (EU) 2018/886 is amended as follows:

- (1) Article 1 is replaced by the following:

‘Article 1

The Union shall apply additional customs duties on imports into the Union of the products listed in Annex I to this Regulation and originating in the United States of America (‘United States’).’;

- (2) Article 2 is replaced by the following:

‘Article 2

An additional *ad valorem* duty of a rate of 10% and 25% shall be applied on imports of products listed in Annex I, and specified therein, from 15 April 2025’;

- (3) Annexes I and II are replaced by the text in Annex I to this Regulation.

Article 4

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Commission
The President
Ursula VON DER LEYEN