

Issue	What does the joint statement say, and what does it mean?	What changed since the July 28 announcement?
Tariff rates	<ul style="list-style-type: none"> A baseline tariff of 15% applies to EU exports to the United States. If the MFN tariff¹ is higher than 15%, the MFN rate applies. Some products, such as steel, aluminum, and copper, have higher tariff rates. Other goods will receive “zero for MFN” treatment. The EU will apply 0% tariffs in return for the United States’ applying MFN tariffs. These goods include natural resources unavailable in the United States (including cork), aircraft and aircraft parts, and generic pharmaceuticals and their chemical precursors. For some of these goods, the MFN tariff is 0%. The MFN, higher tariffs, and baseline tariff cannot be stacked. 	The statement clarifies that EU exports to the United States will face a minimum tariff of 15% and that tariffs on EU exports cannot be stacked.
Future tariff reductions	<ul style="list-style-type: none"> Goods under Section 232 investigations will get a maximum 15% tariff when the investigations conclude. The list of goods includes pharmaceuticals, semiconductors, and lumber. Negotiations will continue to try and reduce the 15% tariff rate. The EU will seek to eliminate tariffs on all US industrial goods (down from MFN tariffs averaging 1.35%) and provide preferential market access for other goods. 	<p>Several items that the EU mentioned in July, including semiconductor equipment, certain chemicals, certain agricultural products, and wine and spirits, did not make the final “zero for MFN” list.</p> <p>The statement confirms that tariffs on US goods entering the EU will also be lowered. EU tariffs on US imports are already quite low: In 2023, 73% of imports from the United States faced 0% tariffs.</p>
Goods		
Aircraft and aircraft parts	<ul style="list-style-type: none"> Starting September 1, the United States will apply the MFN tariff to EU aircraft and aircraft parts. This is typically 0%, which is what the EU will apply to similar US imports. 	No change.
Aluminum, steel, copper, and derivative products	<ul style="list-style-type: none"> 50% US tariffs on EU aluminum, steel, and their derivative products remain in place. A 50% tariff also applies to some copper products. The EU continues to apply tariff-rate quotas to US steel shipments. <ul style="list-style-type: none"> US steel enters duty-free up to the quota, then faces a 25% rate on amounts over that. For aluminum, the EU applies an MFN tariff of 0%–7.5%, depending on the product type. The United States and EU are to work together to prevent global overcapacity (i.e., from China). They will explore tariff rate quota mechanisms to strengthen bilateral aluminum and steel supply chains. No timeline was given for these discussions. 	No change. A 50% rate on copper, alongside aluminum and steel, was explicitly mentioned in the July 28 statement. Copper is not mentioned in the August statement, so the July 50% rate remains in effect.
Automobiles and auto parts	<ul style="list-style-type: none"> Tariffs on EU automobiles, light trucks, and auto parts will be 15%, down from 27.5%. This rate will take effect once the EU passes legislation to eliminate tariffs on US industrial goods and to improve market access for US agriculture and seafood. Current EU tariffs on US cars vary between 10% and 22%. EU Trade Commissioner Maroš Šefčovič has said that the EU will aim to adopt new legislation by the end of the summer to allow retroactive application of the US 15% tariff from August 1. The United States and EU will work to reduce/eliminate non-tariff barriers by mutually recognizing automobile standards and conformity assessments, enhancing cooperation between standards bodies. 	The August framework agreement clarifies when the new 15% rate on auto and auto parts takes effect.
Pharmaceuticals	<ul style="list-style-type: none"> Tariffs on EU pharmaceutical products will not exceed 15%. 	No change.
Seafood and agriculture	<ul style="list-style-type: none"> The EU will grant preferential market access for various US agricultural goods and seafood (including lobster), but not chicken or beef. In 2024, the EU’s average MFN tariff on agricultural imports was 11.4%, compared to about 5% levied by the United States. EU tariffs on some fish and seafood reached 26%. Both sides will reduce agricultural trade barriers, including by simplifying sanitary certificate requirements, for US pork and dairy exports. US tariffs on EU agriculture and food exports (including 15% on wine and spirits) remain unchanged. EU Trade Commissioner Šefčovič indicated that wine and spirits tariffs could be revisited in future negotiations. 	The statement makes clear that, for now, EU exports of agriculture and food, including wine and spirits, continue to face higher tariffs.
Semiconductors	<ul style="list-style-type: none"> Tariffs on EU semiconductor products will not exceed 15%. 	No change.
Other		
Defense and wider investment pledges	<ul style="list-style-type: none"> The EU will procure more US defense equipment to boost NATO interoperability and deepen defense-industrial ties. The statement does not quantify EU defense equipment purchases but mentions that European companies are expected to invest \$600 billion in strategic US sectors by 2028. In contrast to the US-Japan deal, there is no mention of a US-EU profit-sharing proposal for US investments. 	The language has shifted to clarify that the \$600 billion in expected investments will be made by European companies rather than by the EU itself. Additional language has been included regarding AI chips, emphasizing the protective measures that the EU must adopt to prevent technology leakage.
Digital trade, artificial intelligence (AI), technology, and cybersecurity	<ul style="list-style-type: none"> The EU commits to purchasing at least \$40 billion in US AI chips. The United States and EU commit to addressing unjustified restrictions on digital trade. The EU will consult the US government and US traders on digitalization of trade procedures. The EU confirms that it will not adopt network usage fees. The United States and the EU will not impose customs duties on electronic transmissions, in line with World Trade Organization recommendations. US conformity assessment bodies are now authorized for EU-bound cybersecurity checks. The United States and the EU are to negotiate a mutual recognition agreement on cybersecurity that will include alignment of standards. Talks on what are deemed unfair EU digital rules (Digital Services Act, Digital Markets Act) will continue. The EU has not signalled any changes. 	No change.
Economic security	<ul style="list-style-type: none"> The United States and the EU will keep distinct economic security doctrines but take complementary action against unfair market practices, including lack of reciprocity in public procurement tenders. Both sides agree to cooperate on inbound/outbound investment screening, export controls, and duty evasion. In return for greater alignment, the United States will ease rules restricting European companies from exporting advanced chipmaking tools that use US software or components. Both sides will work to address third-country export bans on critical minerals. 	The statement makes clear that there will be no automatic alignment of EU economic security norms with those of the United States.
Energy	<ul style="list-style-type: none"> The EU plans to procure US liquefied natural gas, oil, and nuclear products with an “expected offtake value” of \$750 billion through 2028 (\$250 billion annually for 3 years). EU buyers purchased about \$75 billion of such US energy products in 2024. The United States and the EU will address non-tariff barriers hindering bilateral energy trade, which could include methane rules, gas quality rules, nuclear licensing, permitting, state aid, and customs documentation. 	The language was changed from “\$750 billion in energy purchases” to “the [EU] intends to procure US liquified natural gas, oil, and nuclear energy products with an expected offtake valued at \$750 billion through 2028.”
Environment and sustainability	<ul style="list-style-type: none"> The EU will review the impact of its Carbon Border Adjustment Mechanism (CBAM), Deforestation Regulation (EUDR), and Corporate Sustainability Due Diligence Directive (CSDDD) on US trade, especially for small- and medium-sized enterprises. <ul style="list-style-type: none"> The 2024 CSDDD requires exporters to prove that value chains respect labor and environmental standards. The 2023 EUDR applies to commodities (beef, soy, coffee, rubber) and will come into full effect in December for large firms and June 2026 for small firms. The EU will work to give US companies more flexibility under CBAM in addition to the recently increased de minimis exception, which would see 90% of firms exempted from reporting and certificate obligations. The United States and the EU commit to protecting internationally recognized labor rights, including the elimination of forced labor in supply chains. 	No change.
Rules of origin	<ul style="list-style-type: none"> The United States and the EU will negotiate tighter rules of origin to prevent third countries from routing goods through the EU to secure preferential US tariffs. New regulations could include bilateral cumulation rules to allow US and EU inputs to be counted together, although this would require strong certification and customs enforcement mechanisms to prevent minimal processing or transshipment of qualifying non-EU or non-US goods. 	No change.

¹ The Most Favored Nation (MFN) tariff is the rate a country applies to imports from other World Trade Organization countries unless a trade agreement (such as a free trade agreement) is in place.