

# EU digs in with €100 bn no-deal plan to counter US' 30% tariffs

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**THE EUROPEAN UNION (EU)** plans to quickly hit the US with 30% tariffs on some €100 billion (\$117 billion) worth of goods in the event of no deal and if US President Donald Trump carries through with his threat to impose that rate on most of the bloc's exports after August 1.

As a part of a first wave of countermeasures, the EU would combine an already approved list of tariffs on €21 billion of US goods and a previously proposed list on an additional €72 billion of American products into one package, a European Commission spokesman said on Wednesday.

The US exports, which include industrial goods such as Boeing Co. aircraft, US-made cars and bourbon whiskey, would face a levy that matches Trump's 30% threat, according to people familiar with the matter. The threatened retaliation from Brussels would hit about one-third of American exports to the EU, based on the €335 billion worth of US goods shipped to the bloc last year.

The tariffs would be prepared to come into force next

month but only if there is no deal and the US implements its levies after the August deadline, said the people, to discuss private deliberations.

The euro extended a fall after the report, down 0.3% at \$1.1723, leading losses among major currencies. German bonds trimmed an earlier decline. The plans come as EU

**This comes as EU member states, have hardened their stance against the US**

member states, including Germany, have hardened their positions in response to the US stiffening its negotiating stance.

Berlin would be willing to even support the activation of the EU's anti-coercion instrument, or ACI, in a no-deal scenario, a government official said. This tool would come into play only if a deal fails to materialise.

Trump announced two tariff deals on Tuesday—one with the Philippines and another with Japan, and both featured across-the-board duties on their imports that were lower than initially threatened. Also noteworthy was the 15% US levy on Japanese autos that was lower than the current 25% rate on major car exporters including the EU.

European leaders are in Tokyo and Beijing this week for talks with some of the bloc's biggest trading partners in Asia.

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