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Eucolait condemns the additional 10% tariff applied by the United States on EU dairy products

Eucolait strongly condemns the new temporary global tariff of 10% introduced by the United States under Section 122 of the 1974 Trade Act. This measure replaces the "reciprocal tariffs" previously imposed pursuant to the International Emergency Economic Powers Act (IEEPA) which were withdrawn following the US Supreme Court ruling of 20 February 2026.

This new import surcharge, in force since 24 February 2026 and applying to goods entering the United States from 28 February onwards, is cumulative with existing duties. As a result, most EU dairy exports to the United States — notably cheese and butter — are now subject to tariffs that are 10 percentage points higher than before. This brings us back to the situation we had between April and August last year, prior to the Turnberry agreement.

Under the EU-US framework agreement concluded on 21 August 2025, the US committed to applying the higher of either the US Most Favored Nation (MFN) tariff rate or a tariff rate of 15%. The additional Section 122 tariff effectively breaches this commitment whenever the MFN rate exceeds 5%, as it pushes the total applied tariff beyond the agreed ceiling.

This development undermines the predictability and legal certainty that the framework was intended to provide to businesses on both sides of the Atlantic.

The United States is the third-largest market globally for EU dairy products, with exports reaching nearly € 2,5 billion in 2025. For decades, European dairy companies have invested significantly in building long-term commercial relationships in the US market, driven by strong demand for high-quality products such as specialty cheeses, butter and casein.

The new tariffs will disproportionately impact the dairy sector, which is already burdened with some of the highest tariff levels up to 2,200 USD per ton, even within preferential tariff rate quotas. The additional surcharge further erodes competitiveness, increases costs for importers and consumers, and disrupts established supply chains.

Eucolait calls on the European Commission to take urgent action to ensure that EU dairy products are not subjected to supplementary tariff increases beyond the previously agreed ceiling. While the Section 122 tariff may be temporary, experience shows that temporary trade measures risk becoming prolonged or replaced by new restrictive actions. Businesses require stability, predictability and a rules-based framework to plan investments and maintain transatlantic trade flows.

Eucolait has consistently advocated for stronger EU–US trade relations, including meaningful tariff reductions and streamlined import procedures. Despite ongoing challenges, it is essential to move beyond repeated cycles of economic damage control and instead engage in a structured, forward-looking dialogue aimed at deepening and modernising the transatlantic trade partnership.