



Shape the future  
with confidence

# Indirect Tax Alert



## EU and US reached a trade and tariff deal

■ ■ ■  
The better the question. The better the answer. The better the world works.

On 27 July 2025, the White House and the President of the European Commission reached a trade agreement that includes tariff arrangements, as well as other trade measures relating to energy, trade cooperation and more. Specifically:

### Tariffs

- Despite Trump's letters regarding the original intention to impose a 30% tariff on imports from the EU, the actual tariffs on these imports will be set at 15% (currently, it seems to come into effect from 07.08.2025).
- This rate will serve as a ceiling and will apply to most of EU exports to the US, including pharmaceutical products, automobiles, semiconductors and more.
- It was further agreed that tariffs on strategically important products—such as aircraft and parts, selected generic pharmaceuticals, agricultural goods, and critical raw materials—would be eliminated.
- As for steel and aluminum, according to the White House, the 50% tariff appears to be maintained by the US.

- In contrast, the President of the EU Commission stated that these tariffs are expected to be reduced through tariff quotas, aiming to address global overproduction and promote fair competition.
- Furthermore, on 30 July, the President of the US signed a proclamation for the immediate imposition of a 50% tariff on all copper imports, including those from the EU.
- Finally, the trade agreement aims to establish and enforce strict rules of origin, to ensure that its benefits are limited to the US and the EU, excluding third countries.

### **Additional measures and trade points**

Beyond the above, which relate to customs and tariff policy measures, the agreement sets out measures and actions primarily aimed at liberalizing trade between the EU and the US and strengthening cooperation between the parties. Indicatively:

- The EU is committed to reducing/eliminating bureaucratic obstacles that American exporters, especially small and medium-sized businesses, face when shipping goods to the EU.
- Cooperation between the EU and the US to simplify the requirements for sanitary certificates for US pork and dairy products.
- A joint commitment to reduce barriers to digital trade, including a specific provision that the EU will not maintain or introduce network usage fees in the future.
- Finally, further goals and commitments are declared, such as enhanced cooperation in the energy sector (such as the increased EU purchases of US energy products such as LNG and oil), as well as in Technology & Artificial Intelligence (use of American AI chips).

### **Conclusions - Next Steps**

Despite this first step –namely, the conclusion of an agreement between the EU and the US– the agreement primarily defines the framework within which the (trade) relationship between the parties will now be governed, rather than setting out in detail every aspect of that relationship.

For example, legislative initiatives and ratifications will be required on both sides of the Atlantic to address key gaps in this framework agreement—such as the level of EU tariffs on US products, or at least their applicable range.

It is also worth noting that the EU and US appear to assign different interpretations to several goals and actions—such as the level of tariffs on steel and aluminum—based on their respective announcements. Moreover, according to press reports, the agreement is already facing strong internal opposition within the EU, particularly from France.

Consequently, the issues of legal uncertainty in transactions with the US, as well as the operational and strategic challenges businesses face, require the adoption of a holistic approach to managing developments across the entire value and supply chain.

Indicative actions for companies include:

- Identifying the tariff classification (CN) of imported and exported goods to ensure they are subject to the correct duties and measures, allowing businesses to assess their exposure to tariff changes.
- Leveraging customs procedures, special customs regimes and Free Trade Agreements to suspend or exempt the payment of duties and taxes, including Value Added Tax (VAT) and related taxes outside the EU (such as the US Sales and Use Tax-SUT).
- Evaluating the economic impact on the supply chain and implementing necessary measures to mitigate costs, such as adjusting supply chain structures, refining purchasing strategies, and optimizing production planning.
- Reviewing the export/import framework to account for both the financial impact of higher tariffs and the administrative burden of compliance, including reporting obligations and market-specific requirements and restrictions.
- Establishing clear internal responsibilities for monitoring trade developments and fostering cross-departmental collaboration to enhance organizational readiness and flexibility in managing ongoing changes.

## EY | Building a better working world

EY is building a better working world by creating new value for clients, people, society and the planet, while building trust in capital markets.

Enabled by data, AI and advanced technology, EY teams help clients shape the future with confidence and develop answers for the most pressing issues of today and tomorrow.

EY teams work across a full spectrum of services in assurance, consulting, tax, strategy and transactions. Fueled by sector insights, a globally connected, multi-disciplinary network and diverse ecosystem partners, EY teams can provide services in more than 150 countries and territories.

All in to shape the future with confidence.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via [ey.com/privacy](https://ey.com/privacy). EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit [ey.com](https://ey.com).

### About EY's Indirect Tax services

Indirect taxes affect the supply chain and the financial system. Our network of dedicated indirect tax professionals combines technical knowledge with industry understanding and access to technologically advanced tools and methodologies. We identify risk areas and sustainable planning opportunities for indirect taxes throughout the tax life cycle, helping you and meet your compliance obligations and your business goals around the world. Our globally integrated teams give you the perspective and support you need to manage indirect taxes effectively. It's how EY makes a difference.

For more information, please contact:

#### **Nikoletta Merkouri**

Partner, Indirect Tax, EY Greece

Tel: +30 210 2886 572

email: [nikoleta.merkouri@gr.ey.com](mailto:nikoleta.merkouri@gr.ey.com)

#### **Vassilis Papakostas**

Partner, Consulting, Supply Chain & Operations

Tel: +30 210 2886 698

email: [vassilis.papakostas@gr.ey.com](mailto:vassilis.papakostas@gr.ey.com)

#### **Efthymios Konstantinidis**

Manager, Indirect Tax, EY Greece

Tel: +30 210 6171 437

email: [efthymios.konstantinidis1@ey.com](mailto:efthymios.konstantinidis1@ey.com)

© 2025 EY

All Rights Reserved.

[ey.com](https://ey.com)



EY



EY Greece



eygreece



@EY\_Greece



EY Greece

Legal Name: ERNST AND YOUNG Single Member Societe Anonyme for the Provision of Advisory Services

Distinctive title: ERNST & YOUNG BUSINESS ADVISORY SOLUTIONS

Legal form: Societe Anonyme

Registered seat: Chimarras 8B, Maroussi, 15125

General Commercial Registry No: 001576101000