

On October 13, 2020, the World Trade Organization (WTO) issued its latest ruling in the long-standing Boeing-Airbus dispute, granting the EU the authority to impose compensatory tariffs totaling up to US\$4 billion on US goods in response to allegedly illegal subsidies provided to Boeing. Once again, US exporting companies find themselves in the crosshairs, as EU officials prepare for potential retaliatory tariffs targeting transatlantic trade.

The Boeing-Airbus dispute began in 2004, as the US and, soon after, the EU filed parallel cases at the WTO challenging each other's government support for large civil aircraft production. After nearly two decades of arguments, deliberations and appeals, both cases have finally come to a head. Last year, the US received approval to impose tariffs totaling up to US\$7.5 billion annually on goods from Europe. Trump officials moved quickly to implement new duties on a wide range of products, and have held several comment periods since considering whether and how to update that list. Now, the EU has WTO approval to do the same, in an action that has the potential to push the two sides to the negotiating table – or to descend trade relations to a new low.

EU officials released a proposed list of goods to be subject to tariffs in June 2019 for public comment, parallel to similar proceedings in the US. Now, more than a year later, European officials have the green light to impose tariffs on a portion of the goods on that list. Critical US exports, including chemical products, wine and spirits, and key manufactured goods are all at risk for new tariffs as part of this dispute.

US companies at risk for tariffs as part of the forthcoming EU action should engage with policymakers in Brussels and the US on the impacts these duties could have on their operations. Our team of trade and policy professionals has the legal expertise and policy acumen to assist companies in advocating to EU officials on whether and how to amend the tariff list before final duties are announced in the coming weeks.

## Contacts

Please feel free to contact one of the practitioners listed or you can reach our team collectively via [email](#).

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