

On Monday 20 January 2025, Donald J. Trump was inaugurated as 47th President of the US for a second, non-consecutive mandate. In the immediate aftermath of his inauguration, President Trump signed a series of Executive Orders (EOs) and Executive Memorandums (EMs) that constitute the first decisions of the presidency. Some of these acts have strictly domestic consequences. However, some of them have direct or indirect consequences on foreign persons. This includes the people and companies of the European Union (EU). Below, we list five inauguration day political decisions of President Trump that may be of relevance to an EU audience.

Some of the EOs and EMs require the relevant US government bodies to carry out reviews and propose courses of action. Others are directly applicable.

1. EM on an America First Trade Policy

President Trump has signed an EM on an [“America First Trade Policy”](#). The EM requires his executive to review aspects of US trade policy. It may lead to the US taking trade action against other countries. Mr. Trump *inter alia* requires:

- That the causes of the US trade deficit in goods be investigated and that solutions be proposed, such as “a global supplemental tariff or other policies.” This could lead to a new, additional tariff on all imports (in addition to tariffs currently in place).
- That a so-called External Revenue Service (ERS) be considered to *inter alia* collect “foreign trade-related revenues”.
- That the “unfair trade practices” of other countries be identified, and that appropriate actions be recommended to remedy them.
- That currency foreign exchange practices of other countries affecting the US dollar be reviewed, that measures be proposed to counter currency manipulation or misalignment and that currency manipulating countries be identified for designation.
- That potential partners be identified for the US to negotiate trade agreements on a bilateral or sector-specific basis.
- That rules regarding the application of US antidumping and countervailing duty laws be reviewed.

- That the impact of all US trade agreements be reviewed, including the Government Procurement Agreement of the World Trade Organization under which EU companies enjoy preferential access to US public procurement.
- That US measures on steel and aluminum imports be reviewed.
- That the US export controls system be evaluated to protect US technological advantages.
- That it be studied whether other connected products, in addition to connected vehicles should be subject to controls.
- That the impact of foreign subsidies on US federal procurement be reviewed and addressed.

Findings must be submitted to President Trump by 1 April 2025. While Mr. Trump has not launched immediate trade policy action on his inauguration day, the above suggests that changes should be expected in the short to medium term. Additionally, Mr. Trump appears to have suggested 25% tariffs on imports from Mexico and Canada, which could be applied on 1 February 2025.

2. EO on Putting America First in International Environmental Agreements

President Trump has signed an EO regarding [international environmental agreements](#). Under the EO, the US will notify the UN of its withdrawal from the Paris Agreement. The EO indicates that the US government considers its withdrawal to be effective upon notification. Additionally, the EO requires that the US withdraw from any commitment made under the United Nations Framework Convention on Climate Change, and that any financial commitment to that body be revoked. The US International Climate Finance Plan for developing countries to reduce greenhouse gas emissions is also rescinded.

This decision will make it markedly more difficult for the international community to make meaningful progress in the fight against climate change in the coming years. Moreover, this materializes the risk of regulatory divergence on environmental related matters with the EU, with the latter increasingly relying on those international agreements in enacted legislations.

3. EO Withdrawing the US from the World Health Organization (WHO)

President Trump has signed an EO [withdrawing the US from the WHO](#). Importantly, the EO requires that any US government funds, support or resource transfers to the WHO be paused. The EO also requires that the US Secretary of State stop negotiations on the WHO Pandemic Agreement and amendment to International Health Regulations.

Additionally, the EO asks that “credible and transparent US and international partners” be identified to assume “necessary activities” previously undertaken by the WHO.

This decision is a major blow to the WHO, who strongly depends on the financial contributions from the US to its operating budget. The WHO hopes that the US will reconsider its decision.

4. EM on the Organization for Economic Co-operation and Development (OECD) Global Tax Deal

President Trump has signed an EM on the [non-applicability of the Global Tax Deal of OECD](#) in the US. Specifically, President Trump requires that the US Permanent Representative to the OECD notify this organization that the commitments made by President Biden’s Administration on a Global Tax Deal are without effect, absent an act of the US Congress adopting its provisions (effectively pulling the US out of the agreement).

Additionally, the EM requires that it be investigated whether any foreign countries are not in compliance with any tax treaty with the US (almost all EU Member States have such treaties with the US). It must also be investigated whether any countries have any tax rules in place (or are likely to put tax rules in place) that are extraterritorial or “disproportionately affect American companies.” Possible protective measures against such non-compliance or tax rules will have to be identified within 60 days.

This marks another massive blow to the OECD and particularly to the EU, which has been at the forefront of these very lengthy and technical negotiations. Many countries, notably a few EU Member States, having digital service taxes in place were put on hold throughout the negotiations due to the measures disproportionally affecting US companies that dominate the digital space. The extent to which these digital service taxes will continue to apply remains a question mark, as these are still addressed within the international tax treaty that needs to be implemented by the signatory countries. Nevertheless, this action by President Trump may discourage the formal implementation of this specific aspect.

5. EOs Unleashing American Energy and Declaring a National Energy Emergency

President Trump has signed two key energy-related EOs.

First, Mr. Trump has signed an EO on “[Unleashing American Energy](#).” The EO launches a review of all US agency actions “that potentially burden the development of domestic energy sources.” To that extent, all agencies shall review, and suspend, revise or rescind all existing law and policy that “impose an undue burden” on the identification, development or use of US energy resources. The focus shall be on oil, natural gas, coal, hydropower, biofuels, critical mineral and nuclear energy sources.

Importantly, the EO terminates the so-called “**Green New Deal**.” To that extent, payments under the Inflation Reduction Act of 2022, and the Infrastructure Investment and Jobs Act have been paused. This specifically includes funds for electric vehicle charging stations under the National Electric Vehicle Infrastructure Formula Program, and the Charging and Fueling Infrastructure Discretionary Grand Program.

The EO also provides for “unleashing energy dominance through efficient permitting.” To that extent, President Trump requires that the relevant permitting process be expedited and simplified.

Concerning liquified natural gas (LNG), President Trump requires that reviews of applications for approvals of liquified natural export projects be restarted immediately. Mr. Trump also provides for the facilitation of permitting for proposed deepwater ports for the export of LNG.

Finally, the EO provides for the restoration of “America’s mineral dominance.” To that extent, relevant agencies must identify “undue burdens” on US mining and processing of non-fuel minerals and take steps to revise or rescind them. Critical mineral projects shall be considered for federal support. Additionally, the US Trade Representative is instructed to assess whether exploitative practices and “state-assisted” mineral projects in other countries are “unlawful or unduly burden or restrict” US trade. Furthermore, the Secretary of Commerce must assess the national security implications of the US mineral reliance, and the potential for trade action. Likewise, the Secretary of Homeland Security must assess mineral imports that are likely to be the product of forced labor and whether they are a threat to national security.

Other than the EO Unleashing American Energy, Mr. Trump has signed an EO “[Declaring a National Energy Emergency](#).” The EO *inter alia* purports to expedite the delivery of energy infrastructure by requiring that agencies use of all means to expedite the completion of infrastructure, energy, environmental and natural resources projects.

6. Regulatory freeze and conclusion

Other than acts such as the ones described above, President Trump has put in place a [regulatory freeze](#) on all federal regulations in development. Under the regulatory order, all executive agencies must “freeze” the proposal or execution of any new rule, regulatory action, or guidance document until a President Trump-appointed agency head can review and approve it (subject to exceptions).

All in all, Mr. Trump’s first day in office already led to several new policies that will greatly affect European businesses, directly or indirectly. The Squire Patton Boggs Public Policy and International Trade teams on both sides of the Atlantic stand ready to assist with any questions you may have regarding the policy of the new US Administration and the EU’s response to it.

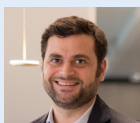
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