

UPDATED: China, Canada, EU Impose Retaliatory Tariffs as Reciprocal Tariffs Come into Effect

Joshua Morey, Maggie C. Crosswy, Brooke M. Ringel

April 10, 2025

April 10, 2025: We have updated our April 9th blog post to include the tariff changes the Trump Administration announced in the afternoon/evening of April 9th.

UPDATE: On April 9, just hours after higher country-specific reciprocal tariffs took effect on imports from a wide-range of countries, President Trump announced a 90-day pause for countries that have not retaliated against the United States in response to the reciprocal tariff action. As a result, the reciprocal tariff rate for imports from all countries – with the exception of China, which has retaliated, and those countries exempt from the initial reciprocal action – will remain at 10 percent rather than the higher tariffs announced last week and set forth in Annex I of the President’s April 2 [Executive Order](#). The product specific exemptions outlined in the April 2 Executive Order continue to apply, including exemptions for goods already covered by the Section 232 tariffs on steel, and aluminum, and autos/auto parts. This change also does not affect the 25 percent IEEPA tariffs on Mexico and Canada. The reciprocal tariff suspension was subsequently confirmed in guidance issued late in the evening by U.S. Customs and Border Protection and in an [Executive Order](#) published the following morning suspending implementation of the tariffs set forth in Annex I until July 9, 2025.

The European Union, in response to the 90-day pause, has similarly paused tariffs on U.S. goods that were set to go into effect on April 15. The Trump Administration is continuing talks with dozens of countries who have come forward to negotiate reciprocal trade deals. Whether any countries will end up with reciprocal rates below the baseline 10 percent rate remains to be seen.

In contrast to the reduction in tariff rates for most countries, U.S.-China trade tensions continue to rise. Concurrent with the 90-day pause for most trading partners, President Trump announced he would be raising to 125 percent the reciprocal tariff on goods imported from China (including products of Hong Kong and Macau). The reciprocal tariffs on China are applied on top of the 20 percent February/March China tariffs (pursuant to IEEPA to address the fentanyl emergency) and any applicable Section 301 tariffs (primarily 25 percent, but ranging from 7.5-100 percent depending on the product). Additionally, President Trump increased the tariffs applicable to *de minimis* packages starting on May 2 from 30 percent or \$25 to 120 percent or \$100, increasing to \$200 on June 1. The product specific exemptions outlined in the April 2 Executive Order continue to apply. The President attributed the rate increase to China’s retaliation, which we discuss [here](#). As set forth in today’s EO, the higher rate took effect at 12:01 a.m. ET this morning (April 10).

ORIGINAL POST: As President Trump’s “reciprocal tariffs,” targeting imports from nearly every country became effective on April 5, and further increased for a significant number of countries

today, April 9, countries around the world are beginning to formulate their responses to various tariff measures imposed by President Trump over the last month.

President Trump's "reciprocal" tariff [announcement](#) initially established a 34 percent tariff on all Chinese imports (effective April 9), on top of normal customs duties, Section 301 duties, and the 20 percent tariffs already imposed on Chinese goods pursuant to the International Economic Emergency Powers Act ("IEEPA"). In response to the reciprocal tariff announcement, on April 4, the Chinese government announced it would impose 34 percent tariffs on U.S. goods entering China. In response to China's 34 percent retaliatory tariff, on April 8, President Trump [announced](#) an additional 50 percent tariffs on all Chinese imports effective April 9, bringing the total rate imposed under IEEPA alone to a staggering 104 percent. The new executive order also increases the tariffs on *de minimis* packages from China that will go into effect May 2, bringing the rates up to 90 percent ad valorem or \$75 per package. The Chinese government was quick to respond in kind, announcing an additional 50 percent tariffs on U.S. goods this morning (April 9), bringing Chinese tariffs on imports of U.S. goods to a total 84 percent. Providing additional color on the back-and-forth nature of increasing tariffs, China stated that it will "fight to the end" in response to President Trump's tariffs.

In addition to China, other trading partners are taking retaliatory measures against imports from the United States as well. In response to the 25 percent tariffs President Trump imposed on [automobiles](#) and [certain auto parts](#) imported into the U.S. pursuant to Section 232, Canada [imposed](#), effective April 9, 25 percent tariffs on non-USMCA compliant vehicles from the United States. Canada's retaliatory tariffs will follow the U.S.'s novel approach on autos, applying 25 percent tariffs on non-Canadian and non-Mexican content of USMCA compliant vehicles. Canada's tariffs do not apply to auto parts at this time; the U.S. tariffs on auto parts will enter into effect upon notice in the Federal Register, with a deadline of May 3. Canada [previously imposed](#) 25 percent tariffs on many U.S. goods, including many steel and aluminum products and consumer goods.

Across the Atlantic, the European Union also [voted](#) to impose 25 percent tariffs on U.S. goods today, April 9. The list that was confirmed by vote has not been made public, but previous versions prepared by the European Union targeted approximately € 21 billion in goods from the U.S., ranging from steel and aluminum to agricultural products such as almonds and soy beans to consumer products like dental floss and jeans. Notably, alcoholic beverages, which were on the list originally circulated by the European Union, have been removed after concerns from France, Italy, and Ireland about a 200 percent retaliatory tariff on wines and other alcohols threatened by President Trump. The first round of retaliatory tariffs will take effect on April 15, with additional tariffs to be implemented in a phased approach.

It remains to be seen whether and how long President Trump's "reciprocal" tariffs will remain in effect, with press reports indicating some countries are already negotiating with the administration to reduce or eliminate their tariff rates. With significant market volatility and mounting pressure from Congress, it is possible that negotiations could move quickly. However, in testimony before the Senate Finance Committee on Thursday, April 8, Ambassador Greer made clear there are no current plans for an exclusion process. President Trump has also defended his tariff plans and has made no indication that he is ready to back down.