

U.S. Tariff and Trade Framework Agreements with Europe: Outlook and Issues for Congress

January 29, 2026

In 2025, the United States concluded tariff and trade framework agreements (“trade deals”) with several European partners: the [United Kingdom \(UK\)](#); the [European Union \(EU\)](#), which conducts trade policy on behalf of its [27 members](#); and [Switzerland and Liechtenstein](#). These trade deals address select tariff issues, following the [Trump Administration’s 2025 tariff actions](#), and other issues, such as investment, regulatory cooperation, and economic security. Frictions over [Greenland](#) (a self-governing part of the Kingdom of Denmark) and other matters may raise questions about these trade deals’ outlook, including whether trading partners may seek to modify commitments. Congress may continue monitoring these trade deals and consider legislation to shape them or adjust tariff and other trade authorities more generally.

Recent Developments

On January 17, 2026, President Trump [pledged](#) to impose escalating tariffs (10%-25%), starting February 1, on eight European countries absent support for his efforts to acquire Greenland. The countries—Denmark, Finland, France, Germany, the Netherlands, Norway, Sweden, and the UK—are [NATO](#) allies that deployed some military personnel to Greenland. On January 21, the President [withdrew](#) his tariff pledge, citing a “framework of a future deal” on Greenland.

Prior to the tariff pledge withdrawal, [Ursula von der Leyen](#), President of the European Commission (the EU’s “executive”), asserted, “the proposed additional tariffs are a mistake especially between long-standing allies,” and vowed an “unflinching, united and proportional” EU response. (The countries that would have been tariffed are EU members, except Norway and the UK.) [Observers surmised](#) EU responses could have included

- Applying [retaliatory tariffs](#) worth over €90 billion (\$100 billion), which the European Commission [suspended](#) in August 2025 for six months, given the [U.S.-EU trade deal](#).
- Invoking the [Anti-Coercion Instrument \(ACI\)](#), a tool to deter and respond to economic pressure by third countries. Unused to date, ACI permits wide-ranging EU countermeasures, including tariffs, investment restrictions, and export controls

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On January 21, prior to Trump's tariff pledge withdrawal, [European Parliament International Trade Committee chair Bernd Lange](#) announced suspension of parliamentary work on a package of proposed regulations for implementation of the U.S.-EU trade deal, until U.S. reengagement "on a path of cooperation rather than confrontation" regarding Greenland. Following the U.S. tariff pledge withdrawal, the European Commission reportedly began plans to [extend](#), for six months, suspension of retaliatory tariffs. To date, the European Parliament has not announced reconsideration of the trade deal, which includes [EU commitments](#) to remove tariffs on U.S. industrial goods and enhance market access for some U.S. agricultural goods.

Others in Europe also denounced the proposed Greenland-related tariffs. British Prime Minister Keir Starmer [stated](#), "Applying tariffs on allies for pursuing the collective security of NATO allies is completely wrong," while [asserting](#), "A trade war is in no one's interest." U.S. Trade Representative (USTR) Jamieson Greer reportedly called on Europe to "[compartmentalize](#)" Greenland from broader trade discussions. Treasury Secretary Scott Bessent reportedly [cautioned](#) against retaliation.

Trade Deal Implementation

EU. After the European Parliament froze consideration of the U.S.-EU trade deal, [USTR Greer](#) reportedly criticized the EU's implementation delays "despite rapid U.S. moves" to implement tariff commitments in the deal. In 2025, the United States had capped additional tariffs on EU products at 15%, including [automobiles and certain parts](#), which faced a 25% tariff before the deal.

Some tensions remain around issues not resolved in the trade deal, including EU [opposition](#) to 50% tariffs on [steel, aluminum, and derivative products](#), and the U.S. concerns over EU [digital trade](#) regulations and [fines](#) on technology firms. New U.S. tariff announcements reignited debate about whether the deal would provide "[stability and predictability](#)" for U.S.-EU trade.

EU lawmakers reportedly are [divided](#) on whether to approve the trade deal after the Greenland de-escalation. Some favor approving the deal quickly; others seek safeguards, such as specifying that any tariffs imposed after the deal is approved would warrant deal suspension.

UK. In June 2025, the [United States](#) and [UK](#) implemented some tariff commitments in the [U.S.-UK trade deal](#). They also agreed in September to a framework deal on key strategic [technology](#) areas (e.g., artificial intelligence) and a deal in December on [UK pharmaceutical pricing](#). In December 2025, the United States reportedly [suspended](#) the technology deal over differences on UK digital and food regulations. Other issues remain pending, such as treatment of steel.

Switzerland and Liechtenstein. The U.S. trade deal with [Switzerland and Liechtenstein](#) appears to be [moving forward](#), with [U.S.-Swiss talks](#) on details reportedly to start in February.

Issues for Congress

Congress could continue overseeing U.S.-European trade relations, examining questions such as

- In what ways have recent U.S.-European issues affected the political landscape for U.S. trade negotiations and deals with Europe, including perceptions of reliability of the parties?
 - How durable are commitments in U.S. trade deals? How might other potential future foreign policy issues beyond trade impact the deals?
 - Do existing trade deals on targeted issues address U.S. trade policy interests regarding European parties? Are they an adequate substitute for more comprehensive negotiations?
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Following the President’s Greenland-related tariffs proposal, one Member reportedly stated, “When it comes to Greenland, I want to [commend](#) President Trump, for being single-mindedly focused on America First, on U.S. economic interests, and U.S. national security interests.” Another Member stated in a [social media post](#), it would be “bad for America, bad for American businesses, and bad for America’s allies” and “great for” adversaries “who want to see NATO divided.” A Member announced [plans to introduce](#) a joint resolution of disapproval to block “Greenland-related tariffs on our NATO allies” and reportedly “[stands ready](#)” to block any future Greenland-related tariffs. S. 348, introduced in 2025, would require a joint resolution of approval for tariffs on certain countries, including NATO members.

Members have debated [U.S. trade policy](#) more broadly, such as in [House](#) and [Senate](#) hearings where some supported tariffs to address foreign “unfair” trade practices and others raised concerns about the potential economic and foreign relations impacts. These issues coincide with congressional debate about whether to maintain, expand, or curtail the tariff authorities delegated to the executive branch; [legal challenges](#) to U.S. tariff actions; and questions on what role, if any, should Congress have in shaping and approving executive-led trade deals.

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