

APPLiA's Position on the Extension of U.S. Section 232 Tariffs to Domestic Appliances



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APPLiA, the European association representing home appliance manufacturers, expresses its deep concern regarding the recent expansion of Section 232 tariffs by the United States to include consumer products such as washing machines, refrigerators, and dishwashers. This measure, which imposes a 50% levy on the steel content of imported appliances, marks a significant escalation in global trade tensions and risks long-term harm to transatlantic industrial relations and supply chains.

While the stated intent of the tariffs is to protect U.S. national security and strengthen domestic metal production, the economic evidence is clear: such measures penalise downstream industries, increase production costs, and ultimately raise prices for consumers, with limited and uneven gains for upstream sectors. A 2023 analysis by the U.S. International Trade Commission found that although the original metal tariffs increased U.S. steel and aluminium output by \$2.25 billion in 2021, they simultaneously shrank downstream manufacturing output by \$3.48 billion.

Tariffs on consumer goods such as appliances, **from major domestic appliances to small appliances**, exacerbate these effects. Previous Section 201 tariffs on foreign-made washing machines led to only 1,800 new jobs at a total cost of \$1.5 billion to U.S. consumers, approximately \$817,000 per job created. In the current context, tariffs on European-made appliances will disrupt integrated transatlantic value chains and penalise high-efficiency, technologically advanced imports that contribute to sustainability goals on both sides of the Atlantic.

There has been a 23% increase in EU exports of MDA6 products to the United States from 2018 to 2024, resulting in a clear trade surplus. This is a notable success for European industry and must be safeguarded. Moreover, as Section 232 applies globally, there is a real risk of trade diversion with products initially destined for the U.S. redirected to the EU market, potentially putting EU manufacturers at a competitive disadvantage in their home market.

We call on the European Commission to:

- ❖ Oppose the escalation of tariff-based trade disputes that unfairly target downstream products and consumer goods.
- ❖ Defend the interests of European appliance manufacturers by engaging with U.S. counterparts at all political and diplomatic levels.
- ❖ Promote multilateral dialogue to reduce distortive trade practices, safeguard open markets, and support resilient, fair industrial ecosystems.

At a time when climate-neutral industrial cooperation should be deepened, not disrupted, the appliance sector must not become collateral damage in strategic trade manoeuvres. A rules-based international trading system, underpinned by WTO principles, remains the best guarantee for long-term prosperity, innovation, and consumer welfare.

Reference contact

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