

# Peanut Blog

An ounce of information



## U.S. peanut industry likes retaliatory tariff suspension

**The 25% tariff on imports of U.S. peanut butter was set to be reimposed at the end of this month, on December 31.**

The American Peanut Council was pleased Dec. 19 with the announcement by the European Union to further suspend retaliatory tariffs on U.S. peanut butter until March 31, 2025. The 25% tariff on imports of U.S. peanut butter was set to be reimposed at the end of this month, on December 31.

“This is welcome news to the peanut industry and all those working in the supply chain to produce peanut butter for overseas markets,” said APC President and CEO Richard Owen. “But we still have a long way to go to recoup our losses of more than \$20 million due to a tariff war we didn’t begin, yet all the same are feeling its deep impact.”

The EU’s retaliatory tariffs were in response to 2018 U.S. tariffs on imports of steel and aluminum. As a result of the retaliatory tariffs, U.S. exports of peanut butter and other prepared peanuts exported under harmonized tariff code 2008.11 dropped from a high of nearly \$22 million in 2017 to \$1.4 million in 2020. In 2021, the United States and the EU agreed to a truce suspending the retaliatory tariffs. Since then, U.S. exports of peanut butter climbed marginally to \$2.3 million. However, U.S. peanut butter exports to the EU have again slipped in 2023, now down 18% to \$1.5 million year-to-date through October 2023. Prior to the retaliatory tariffs, the EU was a promising growth market for U.S. peanut butter as more European consumers were being introduced to the product and demand was growing, due in large part to APC’s export promotion work.

“Compound the past five years of lost market access with increasing input and labor costs, all while peanut prices remain relatively stable amongst other food price inflation, and it has turned into the perfect storm for peanut growers and peanut butter exporters to the EU,” continued Owen. “We need to continue working until the promise of an impending tariff on peanut butter is no longer on the table.”

**Source:** <https://www.farmprogress.com/peanut/u-s-peanuts-welcome-eu-s-retaliatory-tariff-suspension>