Tomorrow's Affairs
Analysis of today
Assessment of tomorrow

By: Tomorrow's Affairs Staff

G7 calms down dispute over tariffs with agreement on Ukraine

The G7 ministerial meeting in Canada was the first serious face-to-face discussion between the new US administration and its closest allies since the beginning of its new term just over 50 days ago.

As much as the appearance of US Vice President JD Vance at the Munich Security Conference shocked Western partners with Washington's shift regarding Russia and Ukraine, the G7 ministerial meeting in Quebec was a stage for calming the situation between the US and its most important partners.

Alternatively, this decline in pressure only served the function of avoiding the worst-case scenario of not reaching a joint statement. This outcome would definitively mark the disagreements the six most developed economies have had with their most important partner, the USA, over the past 50 days or so.

The usual rotation of the annual G7 presidency has resulted in Canada being the host for 2025. But even this formality had deep political significance, as Trump insisted that Canada become the 51st US state.

Partner support for Canada

The host of the meeting, the head of Canadian diplomacy, Melanie Joly, can assume that she has successfully completed the most important task for herself and her government, as she has managed to secure the strong solidarity of the G7 partners in rejecting the US president's idea.

"We've got your back, Melanie Joly," wrote outgoing German Foreign Minister Annalena Baerbock and EU top diplomat Kaja Kallas under a joint photo taken in Canada.

Italian Foreign Minister Antonio Tajani expressed his support for the host with the words, "The answer is very clear. Canada will be Canada in the future." Finally, the Canadian minister expressed her desire to resolve the issue: "What I said to the secretary (Rubio) is Canada's sovereignty is not up to debate, period."

> "It is not a meeting about how we're going to take over Canada" - Marco Rubio

US Secretary of State Marco Rubio agreed to remain on the defensive, as he faced a fairly strong front of opposition to the expansion favoured by the head of his government: "It is not a meeting about how we're going to take over Canada."

Indeed, the G7 ministers had a much more difficult and complex task ahead of them, although none of them took Trump's persistent appropriation of their northern neighbours lightly.

The dark cloud of tariffs

Secretary Rubio met with his Canadian counterpart, Melanie Joly, in Quebec on Wednesday, just hours after the US tariffs on steel and aluminium came into force.

The alliance of the largest industrialised democracies is being severely strained—even shaken—by the protectionist policies of the new administration in Washington. The issue of tariffs cast a shadow over the first high-level G7 meeting of the year.

The European Union and Canada reacted rapidly to the new, high American tariffs on imports of their goods and retaliated. As the largest American supplier of steel and aluminium, Canada announced counter-tariffs of 25% on imports of American steel products and an increase in taxes on a broad list of products—from computer technology to sports equipment—as soon as it was “attacked.

There's not a trade war - Marco Rubio

The European Union has announced an increase in tariffs on imports of American beef, chicken, alcoholic beverages, clothing, and other goods.

The issue of tariffs will remain an uncomfortable burden for the G7 even after the ministerial meeting in Canada and is likely to be one of the main topics at the upcoming meetings of finance ministers and central bank governors in May and the G7 leaders meeting in June.

The divergence between the US and the rest of the group is significant, as top American and Canadian diplomats confirmed after the meeting. "There's not a trade war," said Secretary Rubio, while Canadian Minister Joly announced that her government "will put maximum pressure on the Americans."

Agreement on Ukraine at a critical moment

On the other hand, the bloc can be satisfied with the agreement it has reached on the no less important issue of Ukraine, because there have been many differences of opinion in recent weeks.

The partners thus respected the results of the mission by Secretary Rubio in Saudi Arabia, where he reached an agreement with Ukrainian representatives on a ceasefire and travelled directly from Jeddah to Canada.

The seven sent a joint statement that Russia is now on the move

The G7 members "welcomed ongoing efforts to achieve a ceasefire, and in particular, the meeting on March 11 between the US and Ukraine in the Kingdom of Saudi Arabia," according to the joint statement from the meeting in Quebec.

From the meeting, the seven sent a joint statement that Russia is now on the move. Their call for Moscow to "reciprocate by agreeing to a ceasefire on equal terms and implementing it fully" puts unexpected pressure on the Kremlin, as it hopes for the continuation of disputes in the Western bloc.