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French wine industry braces for impact of new U.S. tariffs

Producers fear export drops and job losses as Trump imposes 20 percent duty

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Following the announcement by former U.S. President Donald Trump of new tariffs on European goods, including a 20 percent duty on wine and spirits, French wine producers are expressing deep concern about the potential consequences on exports and employment. The move, which comes amid ongoing tensions between the United States and its trade partners, has sent shockwaves through the French wine and spirits

sector, one of the country's key export industries.

The Federation of Wine and Spirits Exporters of France (FEVS) estimates the potential drop in exports to the U.S. could reach €800 million. In 2024, France exported €2.4 billion in wine and €1.5 billion in spirits to the U.S., making it the largest market for both categories. The industry fears that the 20 percent tariff will sharply reduce its competitiveness in the American market.

In Cognac, where exports to the U.S. are a cornerstone of the local economy, the industry warns of severe consequences. Anthony Brun, president of the General Union of Cognac Winemakers, described the decision as a disaster of unprecedented scale. He said the combined pressure from Chinese trade tensions and U.S. tariffs could trigger a wave of business closures, particularly in the Charente region.

In Burgundy, which exported nearly €370 million worth of wine to the U.S. in 2024, the reaction has been mixed. Laurent Delaunay, president of the Burgundy Wine Board (BIVB), said there is disappointment but also some relief. In March, Trump had floated the idea of tariffs as high as 200 percent. Compared to that scenario, the 20 percent rate feels less severe, though the region still expects a significant impact, estimated at around €100 million.

Delaunay pointed to the complexity of the U.S. wine import system—requiring importers, wholesalers, and retailers—as a factor that already drives up prices. He warned that the additional tariffs could push prices beyond what American consumers are willing to pay. He expressed hope that producers and distributors on both sides of the Atlantic would work together to absorb some of the cost increases to avoid losing market share.

Marine Descombe, a winemaker at Château de Pougelon in Beaujolais, echoed the concerns while emphasizing the strong relationships with American partners. She said that while the news was not a surprise, the industry is bracing for challenges ahead. She noted that collaboration and dialogue, rather than retaliation, are essential, especially given the unpredictable nature of Trump's trade policies.

Across the sector, there is a shared belief that escalating trade tensions could cause lasting damage. Many producers fear a recession in the U.S. could further reduce consumer spending, compounding the impact of the tariffs. Industry leaders are urging European officials not to respond with aggressive countermeasures, but instead to pursue diplomatic solutions to avoid a full-blown trade war.

President Emmanuel Macron held a meeting at the Élysée Palace this afternoon with representatives from agriculture and the food and beverage sectors, including the FEVS. Prime Minister François Bayrou and key ministers attended the session, which aimed to assess the situation and explore possible responses. Announcements from the French government are expected later in the evening.