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EU removes bourbon and wine from new tariff list amid ongoing trade tensions with United States

Revised measures target fewer US goods as Brussels seeks to avoid escalation and preserve key European export sectors

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The European Union has decided to exclude bourbon, wine, and dairy products from its latest list of retaliatory tariffs against the United States. The move comes as part of the EU's response to Washington's continued duties on steel and aluminum imports, which have been in place since 2018. The new EU tariffs, ranging from 10 to 25 percent, will still apply to a variety of American goods, including orange juice, poultry, and soybeans. However, after internal discussions and lobbying from several member states, key agricultural and alcohol products were removed from the final list.

The decision was made public on Monday after the European Commission circulated the revised list of countermeasures to national governments. The tariffs are scheduled to take effect between April 15 and December 1, depending on the product. For example, tariffs on soybeans and almonds will be delayed until December 1 following objections from European farmers who rely on these imports for animal feed.

France, Italy, and Ireland played a significant role in pushing for the removal of bourbon and wine from the list. These countries argued that their domestic alcohol industries would suffer if caught in a transatlantic trade dispute. Their efforts were successful despite criticism from other EU members who believe the bloc should present a united front in trade negotiations.

EU Trade Commissioner Maroš Šefčovič said the bloc's response was designed to be measured rather than confrontational. "We are not in the business of tit-for-tat or penny for penny," he stated. The revised measures now target less than €26 billion worth of US goods, a reduction from earlier proposals.

The US had previously warned that targeting bourbon could trigger a harsh response. Former President Donald Trump had threatened a 200 percent tariff on European alcohol if American whiskey was included in EU sanctions. Although Trump is no longer in office, his administration's trade policies continue to influence current tensions.

European Commission President Ursula von der Leyen reiterated that Brussels remains open to negotiating a broader agreement with Washington. She said the EU has repeatedly offered to eliminate all tariffs on industrial goods, including automobiles, but has yet to receive a positive response from the US side.

Germany’s Economy Minister Robert Habeck criticized what he described as fragmented lobbying by individual member states. Speaking ahead of an EU trade ministers’ meeting in Luxembourg, he warned that disunity could weaken Europe’s position. “If every country is counted individually, and we have a problem here with red wine and there with whiskey and pistachios, then it will all come to nothing,” he said.

The European drinks industry welcomed the exemption of alcohol products from the new tariffs. France’s wine and spirits exporters association (Fevs) had warned that proposed levies could lead to a €1.6 billion drop in exports across the EU, with half of that loss affecting French producers alone. Fevs President Gabriel Picard said such trade conflicts harm both sides and urged continued dialogue between European and American authorities.

Italy is also taking diplomatic steps to ease tensions. Prime Minister Giorgia Meloni plans to visit Washington in the coming weeks as part of broader EU efforts to persuade the US government to reconsider its tariff policy. Italian Foreign Minister Antonio Tajani said Rome supports a “zero tariff-zero tariff” agreement but would accept an interim deal reducing reciprocal tariffs to 10 percent.

Meanwhile, American industry groups are also pressing for change. The Distilled Spirits Council of the United States has called on the White House to remove all global tariffs on spirits. According to its president Chris Swonger, 86 percent of US spirits exports go to countries that have already eliminated such duties.

Data from the council shows how damaging past tariffs have been for American producers. After the EU imposed a 25 percent duty on US whiskey in 2018, exports dropped by nearly $112 million over three years. Since those tariffs were suspended in 2021, exports have rebounded sharply—rising nearly 60 percent by 2024.

EU member states are expected to formally approve the revised tariff list this week. While tensions remain high between Brussels and Washington over trade policy, both sides appear interested in avoiding further escalation—at least for now.