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Trump threatens new 50% tariff on European wines and spirits as of June 1

European wine and spirits exports to the US face uncertainty amid stalled negotiations and potential retaliatory measures from Brussels

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President Donald Trump has announced he is considering a 50% tariff on products from the European Union starting June 1, 2025. The statement, made on his Truth Social account, comes amid stalled trade negotiations between the United States and the EU.

Trump said the new tariff would not apply to products manufactured in the United States. He accused the European Union of creating unfair trade barriers, imposing value-added taxes, enacting what he called “ridiculous” corporate sanctions, using non-monetary trade barriers, manipulating currency, and filing “unjustified” lawsuits against U.S. companies. According to Trump, these practices have led to a trade deficit with the EU that he described as “totally unacceptable.”

The European Commission has not issued an official response to Trump’s announcement. A call between Maros Sefcovic, the EU Commissioner for Trade and Economic Security, and U.S. Trade Representative Jamieson Greer was already scheduled before news of the potential new tariffs broke. The outcome of this conversation may shape the next steps in the ongoing dispute.

This latest development follows a series of tariff announcements by Trump earlier this year. On April 2, he declared a 20% tariff on all EU products but suspended its implementation for 90 days just days later, leaving a 10% universal tariff in place. At the same time, the U.S. imposed a 25% tariff on cars and auto parts imported from the EU.

In response to these measures, the European Commission announced in May its intention to file a complaint with the World Trade Organization over U.S. tariffs on foreign imports, including those from Europe. Brussels also revealed plans for a second round of retaliatory tariffs targeting U.S. goods worth nearly 100 billion euros. However, EU officials have emphasized that their priority is to reach a negotiated agreement with Washington to avoid activating these measures.

European Commission President Ursula von der Leyen said in early May that she would only visit the White House if there was a concrete package to discuss for resolving the trade conflict. She responded to Trump’s previous praise by stating that any plan must be specific and mutually acceptable.

The U.S. is one of the largest export markets for European wines and spirits. France, Italy, and Spain send significant portions of their wine exports to America. According to data from the International Organisation of Vine and Wine (OIV), the United States was the world’s top wine importer in 2024, with imports exceeding $6 billion—over 60% of

which came from EU countries.

If a 50% tariff is imposed next year, prices for European wines in American stores would rise sharply. This would likely reduce their competitiveness compared to domestic wines or those from countries with existing bilateral agreements with the U.S., such as Chile or Australia. For Spain alone, wine exports to America reached over 300 million liters in 2024, valued at nearly 900 million euros. Industry groups like the Spanish Wine Federation (FEV) and Spanish Wine Market Observatory (OeMV) have expressed concern that such tariffs could cause a steep drop in sales as importers seek suppliers with lower tax burdens.

The impact would extend beyond wine. Other alcoholic beverages—including brandy, vermouth, and artisanal liqueurs—would also face higher costs under the proposed tariffs. French cognac producers and Italian makers of liqueurs like limoncello and amari are among those most exposed to risk.

These new tariffs would add to existing ones: since April, cars and auto parts from Europe have faced a 25% duty, while most other EU products are subject to a 10% tariff. The European Commission’s proposed retaliatory measures could further escalate tensions if implemented.

The current situation recalls previous disputes between Washington and Brussels. In 2019, during Trump’s first term, a conflict over Airbus subsidies led to a 25% U.S. tariff on many European goods—including still wines—which caused temporary drops in exports and forced wineries to cut margins or seek new markets.

With only weeks left before the current 90-day moratorium expires and no clear agreement in sight, European wine producers are urging both sides to find a negotiated solution quickly. Many small and medium-sized businesses depend on continued access to the American market for their survival.

As both sides prepare for further talks and possible retaliatory actions, industry leaders across Europe are watching closely for signs of progress or escalation in what has become one of the most significant transatlantic trade disputes in recent years.

Updated May 25: Trump postpones possible implementation of 50% tariff on Europe to July 1