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# French wine industry faces uncertainty as new US tariffs loom under Trump proposal

Producers fear economic fallout as EU prepares countermeasures and negotiations with Washington continue ahead of August deadline

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French wine producers are facing a period of uncertainty after new threats of U.S. tariffs announced by former President Donald Trump on July 12. The proposed tariffs would impose a 30% tax on European and Mexican products entering the United States starting August 1. Trump has justified these measures by citing concerns over Mexico’s

alleged role in drug trafficking to the U.S. and what he describes as an unfair trade balance with the European Union.

This is not the first time Trump has threatened tariffs on European wines. In March, he warned of possible 200% tariffs on champagne and other wines from the EU, only to postpone the decision. In April, he suggested a 20% tariff, which was later raised to 50% in May, with implementation dates shifting from June 1 to August 1. The constant changes have left French wine producers in a state of confusion and anxiety.

Although these tariffs have not yet been enforced, the threat alone has had a significant impact on the French wine industry, particularly in Bordeaux, where the United States is the largest export market. Sara Briot-Lesage, a Bordeaux wine producer, described the situation as paralyzing. “Bordeaux wines have always been collateral victims of various conflicts. The U.S. is a very important historic market for us. These negotiations are beyond our control; we are waiting and there is nothing we can do,” she said.

In the Rhône Valley, Michel Chapoutier, a well-known winemaker based in Tain-l’Hermitage, echoed this sentiment. “We cannot do without the American market; it’s our top export destination. So we wait. We’re not too worried; we think this is part of his pressure strategy,” Chapoutier explained.

Chapoutier also pointed out that for every billion euros of French wine exported to the U.S., American importers generate about 4.5 billion euros in profit. He estimated that losing access to French wines could cost nearly 100,000 jobs in the United States. “For our sector, the boomerang effect of this tax would be extremely harsh for their market. We believe Trump is trying to pressure Europe into making concessions,” he said.

On July 21, European Union trade ministers met in Brussels to discuss their response. Maros Sefcovic, the EU’s trade commissioner, told reporters that negotiations with the U.S. would continue until August 1 in hopes of reaching an agreement but confirmed that the EU is preparing countermeasures if talks fail. The EU has already drawn up a list targeting $78 billion worth of American goods for potential retaliatory tariffs.

Danish Foreign Minister Lars Lokke Rasmussen, whose country currently holds the rotating EU presidency, stated that while Europe wants an agreement, it must also be ready for conflict if necessary.

The United States remains the largest international market for French wines and spirits, accounting for $4.1 billion in exports in 2024 according to industry figures. Jérôme Despey, head of viticulture at France’s main agricultural union FNSEA, warned that new tariffs would be disastrous for an industry already facing major challenges. He urged European negotiators not to give ground in ongoing talks with Washington.

As both sides prepare for further negotiations and possible trade retaliation, French wine producers remain caught in limbo, waiting for clarity on whether they will face steep new barriers to their most important export market.