vinetur

European Union Unveils €40 Million Aid Package for Struggling French Wine Producers

Funding aims to stabilize prices as French wine sector faces export declines and mounting economic pressures

Wednesday, February 25, 2026



The European Union has announced a €40 million aid package to support French wine producers facing economic challenges. Christophe Hansen, the European Commissioner for Agriculture, revealed the measure in an interview ahead of his visit to the Salon de l’Agriculture in Paris. The support comes as the French wine sector deals with several pressures, including geopolitical tensions from the war in Ukraine and tariffs imposed by the United States and China. These factors have weighed heavily on French wine exports.

Hansen explained that the EU will release €40 million from its agricultural reserve to help finance “crisis distillation.” This mechanism allows surplus wine stocks to be converted into alcohol for industrial use, removing excess volumes from the market and helping stabilize prices. The commissioner said this is a significant announcement for the wine sector, as it aims to relieve some of the pressure caused by falling domestic consumption and declining exports.

French wine producers had previously estimated their needs at €80 million, citing a steady drop in consumption within France and reduced export opportunities due to ongoing trade disputes with major markets like the U.S. and China. While the new funding falls short of industry requests, it marks a concrete step by European authorities to address immediate concerns.

Beyond this emergency measure, Hansen defended the EU’s free trade agreements as essential tools for supporting agricultural exports, including wine. He argued that with limited prospects for increased domestic consumption, finding new export markets is crucial for price stability. Hansen pointed to ongoing negotiations with Mercosur countries as an example, noting that any decision on provisional application of such agreements would follow consultations with EU member states and the European Parliament.

Hansen also highlighted that funds allocated to farmers in the next EU budget are expected to reach nearly €400 billion between 2028 and 2034, up from €386 billion in the current period from 2021 to 2027. Within this financial framework, he said, viticulture will continue to defend its position and seek further support.

The announcement comes at a time when many in France’s agricultural sector are looking for reassurance amid global uncertainty and shifting market dynamics. The Salon de l’Agriculture remains a key event for showcasing French agriculture and rallying public support for farmers and producers across the country.