

PRESS RELEASE



spiritsEUROPE expresses disappointment about US announcement to target additional spirits from France & Germany as part of aircraft subsidy dispute

On 30 December 2020, USTR updated its [list](#) of EU products facing retaliation in the frame of the Airbus dispute. As part of the revision, certain spirits categories from France and Germany will incur a 25% duty rate as of 12 January 2021, creating additional economic damage for the sector at a time when producers and value chain partners are struggling with the impact of the COVID-19 crisis.

“We are disappointed about yesterday’s announcement by the US which comes at a time when our sector is already struggling as a result of existing tariffs and the persisting effects of the COVID-19 crisis”, said spiritsEUROPE Director General Ulrich Adam.

“We are calling for a swift removal of all transatlantic tariffs on spirits and a return to a ‘zero-for-zero’ situation. Continuing to drag unrelated sectors like ours into this long-standing dispute is only creating additional economic damage. This needs to stop. Both sides need to find a negotiated solution without delay that will ensure that unrelated sectors like ours stop paying the price for a dispute that is entirely beyond their control and that will effectively enable sectors like ours to contribute fully to an economic recovery in 2021.”

The new tariffs will come on top of an existing 25% tariff on Single Malt Scotch Whisky, Single Malt Irish Whiskey from Northern Ireland and liqueurs and cordials from Germany, Ireland, Italy, Spain and the United Kingdom, first imposed in October 2019 in retaliation against aircraft subsidies as part of the Airbus dispute. These tariffs have resulted in a 34% decline in Scotch Whisky exports and a 28% decline in liqueurs and cordials exports between October 2019 and August 2020 (compared to October 2018 through August 2019).

US spirits have also been caught up in unrelated trade disputes and have both been targeted in retaliation against aircraft subsidies in the frame of the Boeing dispute and as part of a separate dispute on steel and aluminium, as part of which the EU first imposed a 25% tariff on Bourbon and other U.S. Whiskeys imports in June 2018, which has resulted in a 41% decline in American Whiskey exports to the EU.

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NOTE TO EDITORS:

- spiritsEUROPE proudly represents one of Europe’s most valuable agri-food export sectors and, with it, the interests of 29 associations of spirits producers as well as 10 leading multinational companies.