



A spirit of unity: leading EU & US producer associations issue joint call for urgent return to tariff-free transatlantic spirits trade to end growing risks and avoidable economic damage to consumers & distillers on both sides of the Atlantic

Brussels, 27 January 2020 – spiritsEUROPE and the Distilled Spirits Council of the United States (DISCUS) joined forces today for discussions with EU and US officials in Brussels on how to end growing risks and avoidable economic damage to consumers and distillers on both sides of the Atlantic as a result of EU and US tariffs on certain spirits, calling for an urgent return to tariff-free transatlantic trade.

United by strong and mutually reinforcing transatlantic ties, both associations highlighted the enormous benefits of free trade as part of a new [brochure](#): for spirits, the EU and the US are each other's biggest export destinations, with bilateral trade having grown by +450% since both sides agreed to a landmark transatlantic 'zero for zero' agreement in 1997 which ended most tariffs on spirits.

However, in connection to trade disputes unrelated to the spirits sector, the US and EU have imposed tariffs on certain spirits: in June 2018, the EU imposed 25% tariffs on American Whiskey as part of a reaction to US restrictions on European steel and aluminium imports. In October 2019, the US imposed 25% tariffs on Single-Malt (or straight) Irish and Scotch Whiskies from the UK as well as Liqueurs and Cordials from Ireland, Germany, Spain, Italy and the UK following a WTO ruling approving US countermeasures in response to EU civil aircraft subsidies to Airbus.

"Transatlantic spirits trade is a hallmark example for the enormous mutual gains that can be achieved for consumers and producers whenever trade is free. Unfortunately, amidst recent EU-US trade tensions, our sector has been turned into a hallmark example of the considerable, yet entirely avoidable economic risks and damage whenever free trade is interrupted by tariffs" said **Ulrich Adam**, Director General of spiritsEUROPE.

Following the imposition of EU tariffs in 2018, US Whiskey exports to the EU declined by -29% between January and November 2019 (compared to January – November 2018). After the imposition of US tariffs on certain European spirits in October 2019, evidence is starting to emerge about similar economic damage.

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“While we recognize the U.S. and EU are trying to solve longstanding trade disputes, distillers on both sides of the Atlantic have become collateral damage in matters that are completely unrelated to the spirits sector. Our industry has a long and active history supporting efforts to liberalize global trade in spirits, which allowed our products to compete freely and fairly in global markets. We are fully committed to working with the EU and U.S. governments to help return our industry to tariff-free trade” added **Chris Swonger**, DISCUS President and CEO.

“We urge the European Commission to remove the rebalancing tariffs on US Whiskey that were imposed in connection to US steel and aluminium tariffs and to exclude US spirits from the final retaliation list in the Boeing dispute, in case it cannot be resolved beforehand. We also urge USTR to simultaneously remove tariffs on imported EU spirits, as they are exerting a significant negative impact also on the US market” concluded **Adam and Swonger**.

U.S. jobs have been eliminated and hiring halted due to the current U.S. tariff on certain EU distilled spirits and wines, and up to 78,600 U.S. jobs could ultimately be lost if these tariffs remain in effect or are increased, according to an analysis by the Distilled Spirits Council in a [submission](#) to the United States Trade Representative (USTR) as part of its ongoing [Review of Action on the enforcement of U.S. WTO Rights in Large Civil Aircraft Dispute](#).

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NOTE TO EDITORS

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- **spiritsEUROPE** proudly represents the most valuable European agri-food export and with it the interests of the spirits sector in 31 national associations as well as of the 10 leading multinational companies. Distilled spirits are as diverse as the EU itself, spanning 47 product categories and including a host of geographically-specific products that contribute to the culture of their regions (238 GIs).
- **The Distilled Spirits Council** is the leading national trade association representing producers, marketers and importers of over 60% of all distilled spirits sold in the U.S. and approximately 75% of total U.S. spirits exports. <https://www.distilledspirits.org/>
- Brochure with data and key messages: [click here](#)

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