

# U.S.-EU-UK Tariffs on Wine and Distilled Spirits: Timeline and Impact



## June 22, 2018

The EU imposed a 25% retaliatory tariff on American Whiskey in response to U.S. Section 232 tariffs on steel and aluminum.

As a result of the retaliatory tariff, American Whiskey exports to the EU, our largest export market, have plunged 37%, from \$702 million to \$440 million (2018- 2020). American Whiskey exports to the UK, our fourth-largest market, have declined by 53%, from \$150 million to \$71 million since the imposition of tariffs (2018-2020).

## October 18, 2019

The U.S. imposed a 25% retaliatory tariff on Single Malt Scotch Whisky and Single Malt Irish Whiskey from Northern Ireland, and liqueurs and cordials from Germany, Ireland, Italy, Spain and the UK, and certain wines from Germany, France, Spain & the UK in the WTO Airbus dispute.

U.S. imports of Scotch Whisky were down by nearly 37% between from 2019 (\$1.5 billion) compared to 2020 (\$935 million). U.S. imports of liqueurs and cordials from Germany, Ireland, Italy, Spain and the UK were down by approximately 39% from 2019 (\$552 million) compared to 2020 (\$334 million). U.S. imports of certain wines from Germany, France, Spain & the UK were down nearly 53% from 2019 (\$1.5 billion) compared to 2020 (\$724 million).

## November 10, 2020

EU imposes 25% tariff on U.S. Rum, Brandy, and Vodka, in connection to the WTO Boeing dispute.

## December 8, 2020

The UK announced it would suspend the tariff on U.S. rum, brandy and vodka in connection to the WTO Boeing dispute when it departs the EU Customs Union on January 1, 2021. However, the UK would maintain the tariff on American Whiskey to evaluate its response to U.S. steel and aluminum tariffs.

## January 12, 2021

U.S. imposes a 25% tariff on Cognac, other grape brandies valued over \$38 per proof liter, and non-sparkling wine from France and Germany in connection to the WTO Airbus dispute.

## March 4, 2021

U.S. and UK agreed to suspend tariffs for four months on UK goods in connection to the WTO Boeing-Airbus disputes, including Single Malt Scotch, Single Malt Irish Whiskey from Northern Ireland, liqueurs and cordials, and certain wines for four months as they negotiate the underlying dispute. The 4-month tariff suspension went into effect on March 4, 2021 and expires on July 4, 2021.

## March 5, 2021

U.S. and EU agreed to suspend for four months tariffs on goods in connection to the WTO Boeing-Airbus disputes, including the 25% tariffs imposed by the EU on U.S. rum, brandy and vodka and the U.S. imposed on liqueurs and cordials from Germany, Ireland, Italy, and Spain, on certain Cognacs and other grape brandies from France and Germany, and certain wines from Germany, France, and Spain. The 4-month tariff suspension went into effect on March 11, 2021 and expires on July 11, 2021.

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## May 17, 2021

The U.S. and EU reached an agreement to start discussions to address global steel and aluminum excess capacity and “[t]o ensure the most constructive environment for these joint efforts, they agreed to avoid changes on these issues that negatively affect bilateral trade.” The European Commission subsequently confirmed that it would not double its tariff on American Whiskey on June 1, 2021. The U.S. and EU committed to finding “solutions before the end of the year that will demonstrate how the U.S. and EU can address excess capacity, ensure the long-term viability of our steel and aluminum industries, and strengthen our democratic alliance.”

## May 31, 2021

The EU published an [implementing regulation in the EU Official Journal](#) suspending the June 1, 2021 doubling of its tariff on American Whiskey and other U.S. goods for 6-months.

## May 24, 2021

The UK’s Department of International Trade (DIT) launched its [consultation](#) on its tariffs in response to U.S. steel and aluminium tariffs. The DIT indicated it will seek to “ensure that the tariffs in place are tailored to the UK economy, based on evidence and input from affected stakeholders.” The UK’s [list](#) includes products already subject to tariffs, including American Whiskeys, as well as products that are NOT currently subject to tariffs, such as wine.

## June 15, 2021

The U.S. and EU [announced](#) a five-year suspension of tariffs on U.S. and EU distilled spirits and wines as part of the WTO Boeing-Airbus trade dispute agreement. Under the [agreement](#), the EU suspended for five years the 25 percent tariffs on U.S. rum, brandy and vodka. In return, the U.S. will suspend for five years the 25 percent tariffs on liqueurs and cordials from Germany, Ireland, Italy and Spain, certain wines from Germany, France, Spain, and on certain Cognacs and other grape brandies from France and Germany.

## June 17, 2021

The U.S. and UK [announced](#) a five-year suspension of tariffs on U.S. and UK distilled spirits and wines as part of the WTO Boeing-Airbus trade dispute agreement. Under the [agreement](#), the UK suspended for five years the 25 percent tariffs on U.S. rum, brandy and vodka imposed in November 2020 for five years. In return, the U.S. will suspend for five years the 25 percent tariffs on UK products including Single Malt Scotch, Single Malt Irish Whisky from Northern Ireland, liqueurs and cordials, and certain wines.

## July 5, 2021

Deadline for comments in the UK’s [consultation](#) on its tariffs in response to U.S. steel/aluminum tariffs.

## December 1, 2021

The EU’s tariff on American Whiskey to increase to 50%.