

13 January 2020

## EU-US WINE SECTOR STATEMENT OF PRINCIPLE ON TRADE

On behalf of the European Union (EU) and United States (US) wine sectors, the signatory organizations reaffirm their strong support for free and fair trade and open markets.

We call on the governments of the EU and US to further open access to each other's markets by fully, immediately and simultaneously eliminating all tariffs on wine.

The EU and US wine sectors further request the EU and US governments refrain from targeting wine in unrelated trade disputes, now or in the future, and from imposing punitive tariffs on wine products.

The EU and US wine sectors reaffirm their alignment and support for free and fair trade and urge leaders in both markets to prioritize three specific outcomes that are essential to the wine trade from grape to glass including wineries, winegrape growers, importers and exporters, distributors, retailers and hospitality providers. The signatory organizations represent tens of thousands of small and medium sized businesses across the EU and US economies.

### **Preservation of the EU-US Wine Partnership**

The longstanding EU-US wine trade alliance is important for the health of our sector and should be preserved and supported. Our wine trade relationship is the largest in the world and a key driver for EU and US wine export growth. Our industries have a long history of productive collaboration with each other and with our respective governments to tackle discriminatory practices in third countries. On both sides of the Atlantic, we are aware of the importance and benefits of maintaining this bilateral partnership.

### **"Zero for Zero" Tariff Elimination**

We call on the EU and US governments to further open access to each other's wine markets by removing all tariffs on wine ("zero for zero"). Traditionally, US and EU wine exporters have faced low tariffs in each other's markets. This open access has significantly benefitted the EU and US wine sectors, resulting in increased jobs, community investment and consumer choice. United in our firm belief in free and fair trade, we call on the United States and the European Union to further open access to each other's markets by immediately eliminating all tariffs on wine.

### **“Wine for Wine” Principle**

Our organizations have long held the view that wine should not be targeted with tariffs of any kind in trade disputes unrelated to the wine trade (“wine for wine”). Tariffs increase costs and act as added taxes that American and EU consumers and businesses, at each level of the production and marketing supply chain, pay. Retaliatory tariffs create economic uncertainty and result in layoffs, deferred investments and price increases across entire markets. We urge our governments to protect the economic vitality and diversity of our producers and farmers by avoiding the use of retaliatory tariffs on wine as a means for negotiating trade outcomes in other areas.

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### **Signatory Organizations:**

**Comité Européen des Entreprises Vins** ([www.ceev.eu](http://www.ceev.eu)) was founded in 1960 and represents the European Union wine companies in the industry and trade (still wines, aromatised wines, sparkling wines, liqueur wines and other vine products). It brings together 23 national organisations from 12 EU Member States, plus Switzerland and Ukraine, as well as a consortium of four leading European wine companies. The companies represented by CEEV, mainly small- and medium-sized companies, produce and market most quality European wines, both with and without a geographical indication, and account for over 90 percent of European wine exports.

**Wine Institute** ([www.wineinstitute.org](http://www.wineinstitute.org)) is the premier organization representing California wineries in the US and around the world. With more than 1,000 winery and affiliated business members, Wine Institutes initiates and advocates public policy that enhances the ability to responsibly produce and export wine. California is the fourth largest wine-producing region in the world and produces more than 80 percent of total US wine production and 95 percent of US wine exports.