



— PRESS RELEASE —

## Tax on digital services

### Following the new threats on the wine sector, FEVS calls for urgent action by the government

**Paris, December 3, 2019 - In response to the digital services tax adopted by France, US authorities yesterday (Washington DC time) published a list of French products subject to retaliation as of the month from January 2020. French sparkling wines, which represent nearly 700 million euros in annual exports to the United States, are on this list.**

*"We deplore of course this announcement which, after the dispute over Airbus, targets French wines again and always in the context of a dispute between France and the United States that does not concern our sector" protests Antoine Leccia, President of FEVS.*

With nearly 700 million euros, sparkling wines account for nearly 40% of total French wines exports in the United States over the last twelve months. If they were confirmed, the American rights would hit a sector already heavily impacted by the 25% tariff imposed by the United States since October 18 on still wines.

*"In recent months, the US President has repeatedly threatened to tax French wines in response to the decision taken by France to adopt a tax on digital services at the national level. The list published yesterday by the US authorities is therefore not a surprise, unfortunately ", continues the President of the FEVS.*

*"For six weeks now, our companies have been harshly affected by the Airbus litigation. it is necessary to avoid creating new problems. A month remains for the French authorities to reach an agreement with the United States on digital services and prevent these rights from coming into effect. It will then be necessary for France and its European partners to strengthen their efforts on the Airbus issue."*

*"We therefore solemnly call on the President of the Republic to take, from today, all the necessary initiatives, at the national, bilateral and international levels, so that our sector does not pay the price of the economic and political choices made by France", concludes Antoine Leccia.*

Over the last twelve months (figures available at the end of September 2019), France exported 4.1 million cases of 9 liters of sparkling wines, for a turnover of approximately 690 million euros.  
Sparkling wines account for nearly 40% in value and 20% in volume of total exports of French wines to the United States.