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The unexpected election of Donald Trump as the President of the United States of America brings widespread uncertainty. A lot of questions remain on the real intentions of the new occupant of the White House who expressed extreme positions during the election campaign, especially on trade agreements. Some of the recipes proposed by Mr. Trump would make it difficult for the EU to work with his administration. However, it is doubtful that he could implement them fully.

“Because origin matters”

EFOW is a Brussels-based organisation representing wines with an Appellation of Origin or Geographical Indication from the European Union. As the voice of the European origin wines towards European and international institutions, it is actively lobbying for a better protection and promotion of these wines within the EU and throughout the world.

Its current members are the national associations in charge of origin wines from France (CNAOC), Hungary (HNT), Italy (FEDERDOC) and Spain (CECRV), as well as the Port and Douro Wines Institute (IVDP) from Portugal.

EFOW

European Federation of Origin Wines

FOR FURTHER INFORMATION

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Uncertainty is never good for the economy and the election of Donald Trump adds to a context which includes many other unknowns about the future of the European Union: Brexit, the referendum in Italy, the presidential elections in Austria and the upcoming elections in France and Germany. All these events could dramatically impact the EU at a time when it is struggling to emerge from the economic crisis. In such a difficult situation, the unpredictability which, at the moment, seems to be the distinguishing feature of the forty-fifth American President, it is not good news.

Another important fact is that Mr. Trump is an outsider who has a certain level of freedom from the Republican Party and from its right-wing. The nationalistic and protectionist rhetoric of his campaign and his political vision on economic matters would constitute in practice a serious obstacle to the development and improvement of trade between the EU and the USA.

However, even if uncertainty is not good, the darkest omens will not necessarily happen. The US and the EU account for a third of world trade meaning that a protectionist policy would create risks on both sides, bringing more damages than benefits on the jobs that Donald Trump would like to protect.

Even more than today, International dialogue will play a crucial role in moderating positions. In that respect, the EU and the Member States institutions must contribute to the maintenance, improvement and protection of existing trade agreements.

In this context, what will be the future of the TTIP negotiations that have been going on since 2013 between the EU and the US? During the election campaign, the new US President attacked all agreements from the 1994 NAFTA to the recently signed but not ratified TPP, the Trans-Pacific Partnership agreement. His criticisms were directed at poorer countries which according to Mr. Trump are synonymous of below-cost competition for the US manufacturing industry. The negotiations with the EU are of another nature. However, fuelling the idea that trade agreements will automatically result in giving advantages to foreign countries and harm the US could put an end to the TTIP.

From another point of view, the EU could exploit a possible withdrawal of the US from their traditional involvement in trade matters. For instance, the lack of progress on the TPP could create opportunities to promote further the protection of Geographical Indications in countries such as Japan or Mexico, providing positive perspectives that would counter-balance negative effects for our countries.

follow





Ribera del Duero

Ribera del Duero is a denominación de origen located in Castile and León (Spain), within a section of the basin of the River Duero, which is approximately 115 kilometres in length and 35 in width, at the confluence of the provinces of Burgos, Valladolid, Soria and Segovia.

Tempranillo, also known as Tinta del país or Tinto fino, is the main variety, providing the colour, aroma and body that are typical of Ribera del Duero wines.

The climate of the Ribera del Duero is generally characterised by a moderate-low rainfall (400-600 mm/year on average) that, together with dry summers, long and severe winters, and strong temperature changes throughout the seasons, makes it a Mediterranean climate with a basic continental nature. Sudden storms, unabating winds, intense frost, hot and dry atmosphere... Unpredictable contrasts that alter the normal course of the vineyards. These extreme circumstances lead to a grape of excellent quality.

Nature itself, together with the passage of time, have generated a soil of exceptional characteristics where vines offer the best grapes. Ribera del Duero is located on the great plateau of the Iberian Peninsula, formed by layers of clayey sand, alternating with limestone layers and calcareous formations.

All the above, together with the low vine yields (an average of 4,100 kilos/hectare) and the experience of our wine growers, result in wines that are potent in the mouth, with great body and fruity aromatic characteristics that enhance the wine and give it potential to be matured in oak casks without losing its youthful spirit.



159 300 000 hl
EU wine
production in 2016

	Italy 30,6%
	France 26,9%
	Spain 23,7%
	Portugal 0,03%
	Hungary 0,01%

Simplification of the wine legislation: a step in the right direction

Following the separate requests of a platform of 17 wine-producing Member States, the European Parliament's Wine Intergroup and the wine sector, the European Commission has agreed to consolidate the implementing provisions of the wine Common Market Organisation relating to GIs, labelling and traditional terms in a delegated act and an implementing act. EFOR welcomes this decision as it considers that it allows the sector to maintain its specificity. More specifically, it is fundamental for the wine sector to maintain a link between labelling rules and its quality policy. EFOR will continue to follow closely the transposition of the existing provisions into the new texts to make sure that they are included without modification of the existing provisions. A crucial point for EFOR is that the new text maintains the temporary labelling rule, a provision which allows the entry into force of a modification of a GI wine specification as soon as it is accepted at the national level.

CAP after 2020: priorities for the wine sector

As discussions on the future of the CAP post-2020 begin, EFOR welcomes the recent proposal by DG Agriculture to extend the national wine support programme (NSP) for the 2019-2023 period. The current NSP which is scheduled until the end of 2018, allows Member States and wine operators to have a toolbox of actions to manage the development of the sector. It is a dynamic and positive instrument which has demonstrated its effectiveness in view of the strong economic results of the EU wine sector in the current difficult context for European agriculture. EFOR considers that the future reform of the CAP should be based on an objective and realistic analysis of the different tools and options available to encourage the development of the different sectors. For us, it is obvious, that the maintenance of the NSP should be one of the main priorities of the future reform of the CAP for the sector. The other priority will be to keep the instrument allowing the management of our production potential: the vine planting authorisations.



Dear readers,

Now that the harvest of the grapes is over, it is time for us to take stock of this year's results. At the EU level, the data indicate that there was a slight drop in the quantity compared to 2015. However, according to the experts, this year's quality is high throughout the whole of Europe. This is good news. Indeed, the competitiveness and the good performance of our sector rely on the management of our production potential which allows us to offer quality wines, a model that so many others around the world are trying to copy.

Nevertheless, it is not enough to produce good wines, it is crucial to be able to sell them and this entails having access to markets. This is the reason why the EU's trade policy is strategic for our sector. We are the leading exporter of the agri-food sector contributing to 10 billion euros to the EU's trade balance. Our holdings, our direct and indirect jobs, the vitality of our regions depend on the EU's ability to negotiate good trade agreements with third countries. This means lowering or even liberalising customs duties, but above all protecting our Geographical Indications. Our names bring real added value and it is not acceptable to see companies in third countries taking advantage of the lack of protection of our names.

We welcome the work done by the European Commission on the agreement with Canada. We hope that other important trade agreements will be finalised and will come into force in the years to come. Trade is beneficial to our terroirs. We should not be afraid to say it and to explain it to our fellow citizens. Let us be brave. Let us defend a fair and balanced world trade!

I wish you a very good holiday season and a good reading,

Bernard Farges
PRESIDENT OF EFOR

