

# FOLLOW E F O W

## The word of the President

Dear reader,

The European wine sector is a perfect example of a modern sector whose added value comes from traditions and skills rooted in different regions. More than 80% of European wines are wines with a geographical indication (PDO, PGI); their quality is recognised worldwide and their production cannot be relocated or copied. This unique model is based on a network of small businesses in rural areas where there is often no alternative to wine-growing. Winegrowers are passionate people who have to combine a thorough knowledge of the use of soils, grape varieties, science and a good business sense.



The GI wine sector has resisted recent agricultural crises rather well, but today it faces major challenges that require a response at European level.

First of all, the uncertainty about the contours of the future CAP jeopardises the development of the GI wine sector. Vines can only be exploited 4 to 5 years after having been planted; as a result, the production of an appellation wine needs time. Decisions taken today will only have an effect many years from now. That is why the wine sector needs long-term visibility. The ongoing CAP reform offers an opportunity to set a framework for positive developments in the sector. There are real issues that will determine the viticulture of tomorrow; I will mention two of them that are absolutely a priority for us.

Firstly, the maintenance of planting authorisations. This system of supply regulation allows winegrowers not only to make a living from their profession but also to offer quality and competitive products. It is an essential tool that allows wine-growing communities to jointly manage production potential and make choices adapted to the needs of each region and market. It avoids imbalances and does not cost anything to either the EU budget or that of the Member States. It is an essential management tool.

Secondly, the labelling of calories and ingredients. The sector has chosen modernity and is proud of its

authentic products. Our approach takes into account the fragmented nature of our sector, the challenge of labelling for often small operators and the need to maintain a trusted and transparent relationship with consumers. The European co-legislators seem ready to follow us on the adoption of rules on the labelling of nutritional values on bottles and of ingredients that could also be done online. We welcome this.

The delay in adopting the future CAP and the postponement of its entry into force to 2021, 2022 or even later, are of great concern to producers of appellation wines. There is an urgency on the two subjects mentioned above. We therefore believe that the European Parliament and the Council should seize the opportunity offered by the transitional CAP Regulation to tackle these two issues in that framework.

The second major challenge is sustainability. Viticulture is committed to respect the environment as sustainable development is essential to wine appellations. We have a duty to safeguard our terroirs, which are the heart of our wines, and to pass them on to future generations. Many projects are emerging for a better management of soil, water and pesticides, not to mention conversion to organic farming. The European Commission has just announced the Green Deal. The appellation viticulture wishes to participate fully in this process.

Finally, as you know, wine is the most exported agricultural product in Europe. The US retaliatory measures, the unrest in Hong Kong and the uncertainty around Brexit are weighing heavily on our sector. We need the EU's support to get through this difficult period. European trade policy must continue to seek improve access to third country markets and continue to help us promote and protect our GIs.

We are counting on the support of the new European Commission and the newly elected members of the European Parliament to help us meet all these challenges and seize the opportunities for a sustainable development of our sector.

I wish you a very good read,

Bernard Farges, President of EFOW

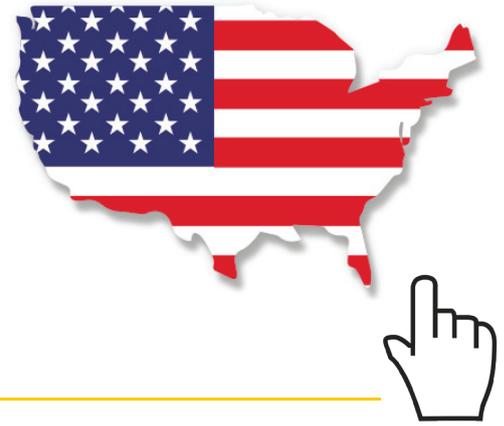
[www.efow.eu](http://www.efow.eu)



# Latest Data

## The relevance of the US market for EU wines

- 1st exporting market for EU wines
- market worth 3,76 billion euros in 2018
- 28% of our total exports in volume & 32.5% in terms of value



## INTERNATIONAL TRADE

### EFOW calls for rapid and concrete responses to thwart US taxes

European viticulture is a collateral victim of a conflict in which it was not involved. The United States are the leading export market for appellation wines; having to face tariffs at 25% ad valorem – and possibly more – is a real disaster for our products. EFOW welcomes the adoption of a resolution by the European Parliament calling for measures to alleviate the consequences for European agriculture of the WTO decision on the Airbus dispute and Commissioner Hogan's proposals on promotion aid in wine national support programmes. However, EFOW believes that this remains insufficient and that concrete action is needed in the short term. It is essential that the Member States concerned take concrete measures to help the sector cope with US retaliation measures. EFOW call on the Commission to amend European legislation as soon as possible to allow Member States to release promotion funds for EU wines. We also encourage the European Commission to set up targeted promotional actions in the United States and other markets.

### EFOW welcomes the EU-China GI agreement

China is the third largest export market in value for European wines. The EU-China agreement on the protection of geographical indications, concluded in November by the European Commission, represents a great success in improving the protection of our names in this important market. Currently, we are facing significant

usurpations and counterfeiting. We are counting on this agreement to have tools to protect our rights. We call on the Council and the European Parliament to ratify it quickly in order to launch the second part of the process which provides for the protection of 175 additional GIs.

### The EU-Mercosur agreement: a good compromise for wine appellations

EFOW is globally satisfied with the outcome of the negotiations of the EU-Mercosur agreement. Currently, in this region, our most prestigious names are usurped (e. g. Champagne, Prosecco, Rioja, Porto, Bordeaux, Margaux, etc.). The agreement would allow our wine appellations to be directly protected in these countries and to benefit from a similar protection to that enjoyed in the EU. This is an important step forward as Mercosur is not a champion of GI protection. In addition, the negotiations on the wine chapter will allow the sector to be more competitive on this market (i.e. clarity on oenological practices, fewer certification requirements, etc.). Finally, tariff liberalisation should enable our sector to win new market shares in these 4 countries. However, we regret the concessions on the use of some of our traditional terms. Nevertheless, EFOW supports the agreement and considers it a success for our sector.

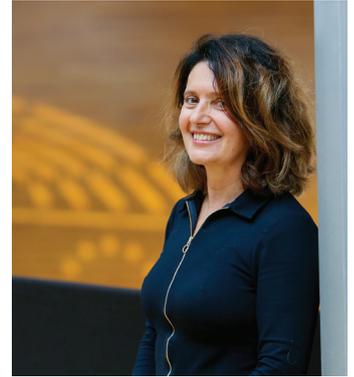
## Wine appellations gathered in Brussels defend their tools and specificity

The President and Vice-Presidents of EFOW, accompanied by many wine appellations, travelled to Brussels on **12 November** for a **seminar with the European Commission's DG Agriculture on international trade and appellation viticulture**. During this meeting, European negotiators were able to exchange with wine appellations on the protection of geographical indications and other issues.

EFOW also organised a **cocktail reception at the European Parliament** sponsored by MEPs **Mr Dacian Cioloş** (RE), **Mrs Anne Sander** (EPP) and **Mr Paolo De Castro** (S&D). On this occasion, EFOW members called for the adoption of an ambitious CAP reform that strengthens the PDO wine sector, which is the backbone of the European viticulture. EFOW was pleased to note that the European Parliament remains an ally of GI wines and that it has fully understood the challenges of our sector and is ready to defend them. EFOW believes that the Council must follow suit. EFOW encourages governments to act in consultation to defend the interests of the sector and to speed up their negotiations on the CAP reform.

### Mrs Irène Tolleret, Member of the European Parliament, Renew Europe

**Mrs Tolleret, you have campaigned for the renewal of the Wine, Quality Products and Spirits Intergroup, and we thank you for that. In your opinion, what should be the priorities of the Intergroup as far as the viticulture is concerned?**



*The next revision of the vine planting authorisation scheme is scheduled for 2023 and this will most certainly be high in the agenda. In addition, the sector is facing significant challenges, as its adaptation to climate change, to new environmental requirements in the CAP reform, the sector's contribution to the Green Deal in general and societal expectations. Moreover, the opening of new markets, particularly in third countries, will most certainly also be looked at taking into account the weight of exports in the sector.*

### **Given the usefulness of the exchanges between MEPs and the sectors concerned, are you envisaging a new working method for the Intergroup?**

*As a new Member of the European Parliament, I will be completely open to suggestions from the sector to make this Intergroup as dynamic as possible. If I were elected to chair the Intergroup, I would try to contact all the parties concerned to organise a global discussion on the best way to organise the Intergroup in order to meet stakeholders' expectations. I would do my utmost to change the meeting times in Strasbourg to ensure the participation of as many Members as possible and to enhance conviviality.*

**MEP Irene Tolleret**

## “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 (HINT), Italy (FEDERDOC) and Spain (CECRV), as well as the Port and Douro Wines Institute (IVDP) from Portugal.

**EUROPEAN FEDERATION OF ORIGIN WINES**

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