



Brussels,  
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## MINUTES

### *Meeting of the Expert Group Wine Market Observatory*

*Via videoconference (Webex)*

**09 November 2020**

**Chair: João Onofre (Head of Unit – G2)**

Delegations present: All member organisations mentioned in the annex were represent, DG AGRI: Unit G.2, Unit B.4, Unite C.2, DG TAXUD: Unit C.2.

### **1. Approval of the agenda and of the minutes of previous meeting:**

The meeting was open by Head of Unit of G2, Joao ONOFRE, who chairs the meeting. It was explained that due to the COVID restriction in Belgium, the meeting could be held via videoconference without the interpretation with possibility to express in and English and French language only. The members of the Observatory approved the previous meeting's minute and the agenda of present one. Next, the chair reminded the objectives of the Wine Market Observatory and stressed the necessity of the members' commitment to make the initiative a success.

### **2. Nature of the meeting:**

The purpose of the meeting was to exchange information about market situation in the wine sector with the members of the Wine Observatory composed by the experts from organisations active in the one or more wine supply chains.

### **3. List of points discussed:**

#### **3.1 Impact of COVID-19 on the EU wine market:**

The president of the CEEV1, Mr. Jean-Marie BARILLÈRE made a presentation on the COVID-19 impact for the wine sector. The presentation focused mainly on the negative impact on the wine sector resulted from the sell's decrease both in value and volume and the sparkling wine to be the most affected. Another topic presented were changes in the

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<sup>1</sup> Comité Européen des Entreprises Vins

supply chain and customers' behaviours, which also resulted in the decrease in prices (shift from on-trade to off-trade). Other issues tackled where increase of e-Commerce and as well the influence of US tariffs, Brexit and decrease in companies' turnover.

### **3.2 Latest developments, in particular in relation to Covid-19 pandemic crisis measures:**

The overview of measures implemented by the Commission since the beginning of the pandemic was presented with the overview of the budgetary execution. The importance of the high execution rate of the union financial support was underline as the important factor linked to the future MFF.

Finally, the Commission announced its intention to launch the procedure for a one-year extension of the wine crisis package measures to support market stability, however currently subjected of the approval by the European Parliament and the Council.

The participants exchanged their comments related to the COVID-19 situation and its impact on the sector. The Commission has expressed its need to have more involvement of the sector. It is especially important to receive a relevant and up-to-date information to be able analyse the situation and to act in most adequate manner, which is very difficult without such support.

### **3.3 Available market information, work programme and priorities of the Wine Market Observatory:**

#### **3.3.1. Wine market situation – update:**

The Commission services presented to the members the updates on the wine market situation. The crisis measures adopted by the Commission to support the market in the context of the Covid crisis were overall well used: € 250 million for crisis distillation, € 21 million for storage and € 28 million for green harvesting. It was however mentioned that these measures could have worked even better with the full support of MS.

Regarding the 20/21 production forecasts, the feared overproduction did not finally take place. With a **wine and must** production expected to reach 163,6 Mio hectolitres (of which 67% with Geographical indication), 2020 Grape must production is estimated at +4% more than the 2019 production and – 2% compared to the 5 years average production. Versus 2019, Spain increases by 13%, France by 6% and Italy decreases by 1%. These forecasts of production remain close to the 5 years average. In volume, Italy remains the highest producer (47 Mio Hl), followed by France (45 Mio Hl) and Spain (42 Mio Hl).

For the 2019/20 campaign (ending on 31/07/2020), the level of exports shows a slight decrease: -5% in volume (-1,1 Mio Hl) and -8% in value (-1 Bio€). In the same period, imports decrease further: -26% in volume (-3,6 Mio Hl) and -22% in value (-647 Mio€).

### 3.3.2. Organic wines:

The Commission services gave a brief presentation of the available public data on organic vine and wine (link to Eurostat and TRACES), pointing out that these data were insufficient to assess the sector. Participants were asked to communicate and share as much data as possible related to this sector. This will be increasingly important considering the future evolution of this sector following the Commission's organic action plan.

### 3.3.3 E-commerce:

The Commission services gave a brief presentation of the findings of the external study on distance selling of excise goods, which is available at [https://ec.europa.eu/taxation\\_customs/sites/study](https://ec.europa.eu/taxation_customs/sites/study).

The Commission will look at ways to simplify these rules and if necessary, a legislative proposal will be made to amend the Council Directive on General Arrangement for Excise Duty.

### 3.3.4 Representativeness of the data collected from MS – exchange of views:

The Commission has presented the actual situation related to the wine prices' data collection and the difficulties, which unable to make the proper analysis of the market situation. During the exchange of the views, the members of the Observatory expressed their support for the Commission work and it was suggested that the Commission should define on the type of the data and its frequency to provide by the sector. The common agreement on the definitions, scope and purpose of the data collection would be also necessary. **Strong inputs from members of the observatory is expected to define a new price index that could be developed in parallel with the data from current legislation. This should be considered as one of the essential missions of this observatory.**

## 3.4 Market development - Medium Term Outlook:

The Commission has presented the work it is carrying out on the analysis of the wine market. Each year, the Commission prepares a medium term outlook for the wine sector, which will be presented at the EU Agricultural Outlook Conference (16/17 December, all members of the observatory are invited to participate). The Commission explained that the wine outlook is based on trends and experts judgement. Input from experts is very important, in particular as the availability of data of the wine market is scarce and/or only available at a late stage. The Commission expressed its deception that only a few of the members took part in the Outlook Workshop on 23 of October, which was organised to validate the draft medium term outlook. The members were invited again to send to DG AGRI data and their views that could contribute to the preparation of the wine outlook.

#### **4. Conclusions and the next meeting:**

The Commission has taken note of the experts' comments and feedback, which could support the further improvement of the Observatory. The chair has thanked experts for the active participation.

The next meeting is foreseen for 6 May 2021 however, the date needs to be still confirmed.

#### **5. List of participants:**

See table at the end of the document

(e-signed)

Michael SCANNELL  
(Acting Director)

List of participants– Minutes

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Organisation	NUMBER OF PERSONS
Comité Européen des Entreprises Vins (CEEV)	2
European Council of Young Farmers (CEJA)	2
Confédération européenne des vignerons indépendants (CEVI)	2
European agri-cooperatives (COGECA)	2
European farmers (COPA)	2
European Coordination Via Campesina (ECVC)	1
European Federation of Origin Wines (EFOW)	2
EuroCommerce	2
Institut de Recerca i Tecnologia Agroalimentaria (IRTA)	1
DG AGR Unit G.2 (Joao ONOFRE, Linda MAUPERON, Vincent LARIVIERE, Elzbieta MARKOWSKA)	4
DG AGRI Unit B.4 (Denis DE FROIDMONT)	1
DG AGRI Unit (Marijke VAN SCHAGEN)	1
DG TAXUD Unit C.2 (Eadaoin ODO NOVAN)	1