



EUROPEAN COMMISSION  
DIRECTORATE-GENERAL FOR AGRICULTURE AND RURAL DEVELOPMENT

Directorate G. Markets and Observatories  
The Director

Brussels,  
AGRI.DDG3.G.2/VL/mp (2019) 7796462

## MINUTES

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

**4 November 2019**

Chair: Mr. M. Scannell

Members present: All Members of the Economic Board of the Observatory were present, except Eurocommerce who sent apologies.

#### **1. Approval of the agenda:**

All Members of the Economic Board of the Observatory approved the agenda.

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

The meeting was not public, as it was open to the appointed Wine Observatory Members organizations only and was not web streamed.

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

##### **1. Opening speech by Michael Scannell, Director for Common Market Organisations and Observatories for agricultural products:**

M. Scannell welcomed and thanked all participants of the Economic Board of the Observatory. He wished the Observatory a fruitful future and underlined the positive experience of the already existing Market Observatories (Milk, Meat, Crops, Sugar and, since very recently, for Fruits and Vegetables). He explained that the activities of this new Observatory will focus on the core objectives of market data dissemination, short-term market analysis, and medium-term prospects for the sector. He also reminded that this Observatory is not a forum for political statements or policy initiatives.

##### **2. Presentation of the structure and functioning of the Observatory and its Economic Board:**

The member organisations were selected by the European Commission (DG AGRI) in accordance with and under the terms of a Call for Applications published on 26 February 2019. The member organisations are listed in the annex.

The group will meet in principle once a year, unless specific market situations require a higher frequency of meetings.

The objective of the Observatory is to get a better access and transparency of the market and to improve the dissemination of information on market trends. The market experts will contribute actively by providing advice, expertise and information about market developments, while avoiding political posturing.

The Observatory is supported by two main elements:

- an Economic Board composed by representatives of stakeholder organisations in the wine value chain, and chaired by the Commission (DG AGRI).
- a dedicated webpage, updated regularly and including a large set of market data to be disseminated (production, prices, trade).

The reports of the Economic Board meetings will be published on the web site after the meeting takes place.

### **3.1 Presentation of Member organisations (tour de table).**

The Members are experts from the following 9 European organisations:

1. CEEV	Comité Européen des Entreprises Vins
2. EUROCOMMERCE	European Retail and Wholesale Association
3. EFOW	European Federation of Origin Wines
4. VIA CAMPESINA,	European Coordination Via Campesina
5. IRTA	Institut de Recerca i Tecnologia Agroalimentaria
6. COPA	European Farmers Organisation
7. COGECA	European Agricooperatives Organisation
8. CEJA	Conseil Européen des Jeunes Agriculteurs
9. CEVI.	Confédération Européenne des Vignerons Indépendants

There are 15 experts who have been chosen to provide advice, knowledge, data and experience on the wine market.

The success of the Observatory depends on the good functioning and interaction of this group also outside the meetings.

### **3.2 Approval of Rules of Procedure.**

All Members of the Economic Board of the Observatory approved the Rules of Procedure.

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

### **4.1 Explanation of DG AGRI data sources:**

The Commission services presented to the members the Agri-food data portal, the wine dashboard and the ISAMM application. The Agri-data portal is a powerful tool for analysing trade data with extra-EU countries.

Website: <https://agridata.ec.europa.eu/extensions/DashboardWine/WineTrade.html>

The wine dashboard contains the latest market monitoring of production, stocks, trade, areas, and consumption. It also contains information on EU and national wine support programmes for analysis and evaluation.

Website: [https://ec.europa.eu/info/sites/info/files/food-farming-fisheries/farming/documents/wine-dashboard\\_en.pdf](https://ec.europa.eu/info/sites/info/files/food-farming-fisheries/farming/documents/wine-dashboard_en.pdf)

ISAMM is a Commission tool dedicated to Member States to communicate national data to the Commission. The list of the different forms addressed by the MS to the Commission were shown to the participants.

Commission services reminded also the Members that a section of CircaBC has been dedicated to the Wine Observatory. At this address, they can exchange documents, information, consult agendas and minutes of the meeting.

Website: <https://circabc.europa.eu/ui/group/a9a92307-02d8-4889-a418-80ad05baccf>

#### **4.2 Illustration of the Wine Market Observatory website:**

The Wine Market Observatory webpage is already online. It contains data and statistics on production, prices and trade in the wine sector, made available in a user-friendly format. In addition, the website also contains outlook information, market reports and market presentations that will be updated on a regular basis.

Website: [https://ec.europa.eu/info/food-farming-fisheries/farming/facts-and-figures/markets/overviews/market-observatories/wine\\_en](https://ec.europa.eu/info/food-farming-fisheries/farming/facts-and-figures/markets/overviews/market-observatories/wine_en)

#### **4.3 Building an efficient and adequate price reporting system:**

Commission services explained that the current price collection system, which dates back to the 70's, is in need of a complete overhaul. Currently, a summary of the prices for the previous month expressed per hectolitre with reference to volumes is provided to the Commission services by Member States concerned i.e. those whose average wine production during the past five years exceeded 5 % of the total Union wine production. (IT, FR, ES, DE). The available data concern a selection of the eight most representative markets, for products unpacked ex-producer's premises.

This system needs to be updated to provide a better overview of the entire market. However, it is not going to be an easy exercise given the great diversity of the wine market. The active participation of Members is therefore expected on this topic.

### **5. Market situation:**

#### **5.1 Contributions from Members on their domain of activities:**

During this meeting, a number of key points were raised:

- In the past three years, the economic conditions of wine producers have deteriorated in some producing regions, even though wine is still at the top of agri-food exports. Prices are low and margins for producers are under strong downwards pressure.
- The specificity of the sector in terms of investments was also underlined. These are indeed long-term investments, which are fixed and cannot be moved or adapted within

short and medium term deadlines. The European support policy should therefore be programmed in the long term, and not reflect only the short-term situation.

- The duality of the market itself was also discussed: on the one hand, producers who are having difficulties to get a sufficient income for their living and even more so to invest in adaptation processes that would enable them to be ahead of the game and, on the other hand, those who are in tune with market demands and interested in developing export markets. Their diverging needs have to be thought through.

- Regarding the situation in the United States, the issue of “branding” EU wines was also raised. In this market, higher prices may benefit to the major commercial brands, to the detriment of small producers. In the EU, the main brand is Geographical Indications. But only a few producers have their own brand established in the market. Producers should therefore be helped to develop this brand concept at the European level.

- Citizens expectations, geopolitical considerations and climate change are also elements that have to be considered in any future projections.

## **5.2 Wine market presentation DG AGRI:**

Commission services presented the latest situation on stocks available in the Member States. Following the 2018 record high harvest, 2019 opening stocks arrived at 176,7 Million hectolitres: an increase of 15% compared to the start of previous campaign.

2019 Grape must production is estimated at 4% below average, with Wine production expected to reach 156 Mio hectolitres, of which 69% with Geographical indication.

The total volume of wine available on the EU market remains with 332 Mio hectolitres, stable compared to previous years.

In order to obtain reactions on future projections, Commission services presented their Outlook for 2030, based on the Outlook Conference which took place the previous week.

## **5.3 Open "tour de table"/exchange of views – discussions:**

There were very fruitful in-depth discussions and contributions from the experts and from the Commission also. It is obvious that, to be useful to producers, the exercise to be carried out by the Observatory should be future looking. Identifying data needs and how to collect them is crucial.

The experts pointed out many issues affecting the wine sector: Geopolitics and market share, responding to Weather conditions, Innovation and Investments in Vineyards, labelling of Brands, Small enterprises, fast changing Consumption trends, Distribution chains, Marketing and Promotion, Climate change, Data availability and Methodology.

It was recalled that the success of the observatory depends on the members of the group and their active and constructive participation.

## **6. Closure and concluding remarks by Jerzy Plewa, Director General for DG AGRI:**

Jerzy Plewa reiterated his belief that the launch of the wine market observatory will make a real difference to the sector. By providing greater transparency and market analysis to all actors in the chain, from producers to retailers, it will help to consolidate the EU's position on global markets, and ensure fairer markets by creating opportunities for all.

#### **4. Conclusions/recommendations/opinions**

The Chair closed the meeting. He thanked in particular the participation of all members of the Observatory and the involvement of the Unit in charge of wine.

#### **5. Next steps**

Besides the request to provide draft minutes within 10 days, experts will start working together with the Commission services on building an efficient and adequate price reporting system.

#### **6. Next meeting**

The next meeting is foreseen to take place around the date of the CDG in March of next year.

#### **7. List of participants**

CEEV, EFOW, VIA CAMPESINA, IRTA, COPA, COGECA, CEJA and CEVI.

Disclaimer:

"The opinions expressed in this report represent the point of view of the meeting participants. These opinions cannot, under any circumstances, be attributed to the European Commission. Neither the European Commission nor any person acting on behalf of the Commission is responsible for the use which might be made of the here above information."

(e-signed)

Michael SCANNELL

List of participants– Minutes  
*Meeting of the Expert Group Wine Market Observatory*  
4 November 2019

<b>ASSOCIATION OR ORGANISATION</b>	<b>NUMBER OF PERSONS</b>
Comité Européen des Entreprises Vins (CEEV)	2
Confédération européenne des vignerons indépendants (CEVI)	2
Eurocommerce	EXCUSED
European Coordination Via Campesina (ECVC)	1
European Council of Young Farmers (CEJA)	2
European farmers (COPA)	4
European Federation of Origin Wines (EFOW)	2
Institut de Recerca i Tecnologia Agroalimentaria (IRTA)	1
TOTAL	14