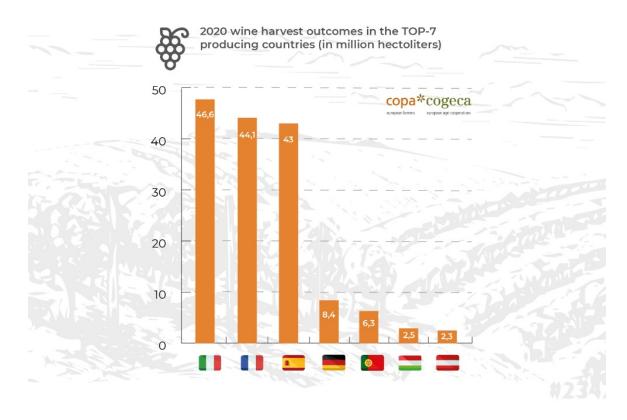


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## **Press Release**

## EU wine harvest 2020 – The COVID-19 crisis overshadows EU winegrowers enthusiasm over good harvest indicators

The 2020 harvest outcome is good in quantity and of excellent quality with around 160 million hectoliters across key producing states. In pre-COVID times this would be excellent news for the sector which now unfortunately raises many concerns due to the market situation, trade and economic viability of the producers.



Commenting on the harvest and the situation in the sector Thierry Coste, the chairman of the Copa and Cogeca Wine Working Party pointed out, "The 2020 harvest is beautiful, qualitative and of reasonable abundance. Normally all good indicators for this period if there was no COVID-19 crisis. The arrival of the second wave in Europe and its consequences, political uncertainties, will require the implementation of additional market support measures in 2021. Another big challenge our sector will have to face is how to best combine the environmental requirements of the future CAP, in a period of chaotic dynamics of the market. One of the key

priorities, in the opinion of our Working Party, is the establishment of a multi-year strategic plan to help the sector overcome the crisis and make the necessary investment towards a more sustainable future, which could be supported by the EU's Recovery Fund".

Together with the second COVID-19 wave, the wine sector is facing many trade challenges. Brexit is approaching without a deal and with the UK being the second largest market for European wines, worth 2.8 billion euros per year, this would also impact the sector. The US administration on the other hand announced in August that it would maintain the import duties that have already been affecting some European wines since October 2019 as a result of the Airbus-Boeing WTO dispute.

"Considering this current situation and the difficulties faced by the sector, I was happy to learn that Commissioner Wojciechowski has indeed asked DG AGRI Services to consider the prolongation of the crisis measures and flexibilities until 15 October 2021. Of course such prolongation would still need the formal adoption by the Commission and any delegated regulations would have to follow the scrutiny procedure by the Council and the European Parliament, but it is a positive sign nonetheless." Mr Coste added.

In these very uncertain times and critical economic situation, the wine sector, along with other agricultural sectors, is required to enhance its environmental efforts, in line with the EU Green Deal, the F2F and the Biodiversity strategy. Climate change is a great concern for the EU winegrowers and cooperatives, who in the last years, have already started enhancing their sustainability standards. For the sector to further progress in this sense and build resilience, the economic viability is key. Viticulture is an essential part of the rural ecosystems and provides benefits that go well beyond the wine production. For meeting the objectives of the European Green Deal, viticulture needs to be enabled to invest in the protection of our natural resources and have strong strategic guidance and support from the European institutions.

Therefore, Copa and Cogeca's Wine Party advocates for **a long-term vision and investment plan**, financed with an ad-hoc EU budget, that can properly address the needs and challenges ahead. For implementing this, it is essential for the EU to open a broad dialogue, including all relevant stakeholders and institutions, to discuss the future of the European wine sector. With the right support measures and a fair discussion, the wine sector would be able to keep its vital role as an environmental, economic and cultural force in Europe.

## -END-

The press release will soon be available on the Copa-Cogeca website in FR, DE, ES, IT, PL, RO.

The visual graphic can be downloaded <u>here</u>.

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