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Piedmont farm group seeks halt to new vineyard permits after Italy’s wine consumption fell to 20 million hectoliters

Confagricoltura says weaker demand, 20%-30% price declines for PDO wines and heavy stocks require emergency supply controls

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An Italian farm group is calling for a halt to new vineyard planting permits in Piedmont and for emergency supply-management measures as wine producers face weaker consumption, lower prices, and heavy stock levels.

In a statement released on Friday, November 20, Confagricoltura Cuneo said producers need action to rebalance supply and demand and protect the economic sustainability of the wine sector. The position was laid out a day earlier at a conference held at the Castle of Grinzane Cavour in Piedmont, where industry officials and market analysts reviewed falling consumption in Italy, export pressures, and the steps taken in France to deal with excess production.

Gian Luca Demaria, president of the wine section of Confagricoltura Piemonte, said on Thursday, November 19, that the region is moving at “two speeds.” Over the past 15 years, he said, vineyard area in Cuneo province has expanded by 2,000 hectares, while other wine-producing provinces have lost vineyards and businesses. At the same time, he said, the sector is dealing with short-term pressures including tariffs in key export markets such as the United States, health-related concerns about alcohol, and higher costs across the supply chain, alongside deeper structural problems tied to weaker demand.

Demaria said wine consumption in Italy has fallen from 24 million hectoliters to 20 million hectoliters in four years, while the share of regular consumers has dropped from almost 60% to below 40%. He said Confagricoltura Piemonte has asked for a suspension of new planting authorizations and the activation of tools available under the EU wine market regime, starting with green harvesting, a program that reduces output by removing grapes before harvest. On distillation, he said the group supports the measure only if it is planned and linked to production cuts.

He said those steps should be taken before authorities begin discussing more drastic measures such as vineyard removal. He noted that France, California, Australia, and Switzerland have already used or adopted uprooting measures, and that Germany is debating the issue.

The conference, organized by Confagricoltura Cuneo with support from the Cuneo Chamber of Commerce and Banca d'Alba, also included a market presentation by Denis Pantini, head of Nomisma Wine Monitor. Pantini said the global wine sector is facing a broader contraction in consumption linked to changing habits and consumer preferences. In Italy, he said, the downturn remains evident, especially for red wines, while health and wellness concerns are becoming a larger factor in purchasing decisions.

Pantini said Piedmont's wine exports fell 2.8% in 2025, but recovered 2.3% in the first half of this year. The picture was weaker for Piedmont's PDO red wines. From January through August, compared with the same period in 2024, exports of those wines fell 9.7% by value and 6.9% by volume.

In Cuneo province, total wine inventories in cellars stood at 2.125 million hectoliters as of July 31, down 1.4% from a year earlier. Confagricoltura said that was a better trend than the regional figure, which rose 0.1%, and the national figure, which rose 6.9%. Stocks of PDO wines in Cuneo reached 1.759 million hectoliters, equal to about 59% of the regional total. Red wines accounted for 1.341 million hectoliters, followed by 388,000 hectoliters of whites and 30,000 hectoliters of rosé.

Christian Marchesini, president of Confagricoltura's national wine federation, told the conference that the 2026 harvest has been marked by lower prices for growers, with PDO wine prices down 20%-30%. He said inventories are adding further pressure to company balance sheets. National stocks reached 41 million hectoliters in September, he said, a volume that is effectively equal to Italy's entire annual wine production.

Marchesini said one of the most practical responses would be to manage yields more tightly, especially in protected appellations where producer consortia can play a role. A reduction in vineyard area through uprooting would be more difficult, he said, because it would require large public resources to compensate growers. Confagricoltura has estimated that 80,000 to 100,000 hectares could be involved nationwide if Italy wanted to bring the market back into balance.

The French response was presented by Ludovic Roux, vice president of Copa-Cogeca's wine working group, who joined by video link. He described a sector plan centered on reducing production potential, managing surpluses through distillation, and allowing more flexibility in the use of vineyard area. He said France distilled 3.2 million hectoliters of red and rosé wine between September 2023 and May 2024, and another 670,000 hectoliters in 2026. On vineyard removal, he said France first intervened in the Bordeaux area in 2024, then allocated 110 million euros in 2025 for the permanent removal of about 27,000 hectares of vines. A further 120 million euro fund was opened in 2026, with a projected 12,000 to 15,000 hectares to be uprooted. Roux also said the sector needs greater transparency in price formation.

The conference also addressed the debate over wine and health. Attilio Giacosa, president of the Institute for Research on Wine, Food and Health, reviewed epidemiological studies on moderate wine consumption with meals in the context of the Mediterranean diet. According to Confagricoltura's account of his remarks, he said those findings do not amount to a recommendation to consume alcohol for health reasons, but also do not support advising people who already drink wine moderately with meals to stop doing so.

For the beverage industry, the debate in Piedmont carries weight beyond a local farming dispute. Cuneo and the wider region are central to Italy's premium wine production and exports, especially red wines with protected origin status. If regional or national authorities move to curb plantings, tighten yields, or expand market-support tools, those decisions could eventually affect supply, pricing, and commercial planning for importers and distributors that depend on Italian wine.

At the close of the conference, Alessandro Bottallo, Confagricoltura Cuneo's area secretary for Alba, said Piedmont's wine sector needs immediate and clear measures on production control and promotion at the regional level to respond to market changes and shifting consumer habits.