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Global wine production to hit lowest point since 1961 due to adverse weather conditions

A grim forecast for vintners: world wine output plummets amid climate challenges

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The wine world braces for a significant downturn this year, with global production set to fall by 7% from 2022, marking the lowest output since 1961. The International Organisation of Vine and Wine (OIV) disclosed this sobering prognosis on November 7,

attributing the decline predominantly to adverse weather conditions that have impacted major wine-producing nations.

According to the OIV's comprehensive data collection across 29 countries, wine production is estimated to fall between 241.7 and 246.6 million hectoliters. Giorgio Delgrosso, head of the OIV's statistical department, informed EFE that since 1950, only two other years have seen lower yields: 1961, with 214 million hectoliters, and 1957, with 174 million.

Europe's wine production is expected to drop by 7%, hovering around 150 million hectoliters, with significant downturns in two of the three leading countries. Spain is projected to suffer a dramatic 14% fall (19% compared to the five-year average) to 30.7 million hectoliters, marking 2023 as the most challenging year in two decades due to severe drought and exceptionally high temperatures. Italy anticipates a decrease of 12% to 43.9 million hectoliters, the smallest volume since 2017, primarily due to heavy rains causing mildew in central and southern regions.

France, however, presents a relatively brighter picture, expecting a harvest on par with 2022 at 45.8 million hectoliters, positioning it as the world's top producer for the year. The OIV forecasts production increases in several significant European players like Germany (1% rise to 9 million hectoliters), Portugal (8% increase to 7.4 million), and Romania (15% jump to 4.4 million).

In the Southern Hemisphere, the situation is even more dire, with production set to fall by 19% compared to last year and 18% against the five-year average, totaling 45 million hectoliters. Chile, the "number one" in the Southern Hemisphere, will see a 20% reduction to 10 million hectoliters due to the combined effects of drought and wildfires. Argentina's forecast is grimmer still, with spring frosts and hailstorms leading to a staggering 23% drop to 8.8 million hectoliters, which could make 2023 its worst year in history. Brazil is expecting a relative plunge of 30% to 2.3 million hectoliters, with Uruguay facing a 34% decline to 0.5 million.

Negative trends are also expected in South Africa (a 10% decrease to 9.3 million hectoliters), Australia (a 24% fall to 9.9 million), and New Zealand (a 6% reduction to 3.6 million). However, the United States stands out as a notable exception among the

world's leading producers, with an anticipated 12% increase from 2022 to 25.2 million hectoliters, which is 4% above the five-year average. This uptick is attributed to mild temperatures and winter rainfall in California's Napa and Sonoma regions, which have suffered from prolonged drought in recent years.

Delgrosso emphasized the growing normalcy of climatic anomalies and noted that global wine consumption has been declining for three years due to successive crises such as COVID-19, supply chain disruptions, and inflation. This downward trend is further exacerbated by health campaigns encouraging lifestyle changes and competition from other alcoholic beverages, particularly beer.

While the demand for wine could potentially recover if these crises abate, Delgrosso warns that the risk of a structural decline remains if unfavorable conditions persist.

The wine industry, at the mercy of an increasingly unpredictable climate, faces a critical juncture. With production waning and consumption patterns shifting, the sector may be on the cusp of transformational change. As vintners and consumers alike navigate this new terrain, the resilience and adaptability of the wine world will be put to the test.