vinetur

Wine Woes: Global Production Plummets to 60-Year Low

Climate Change Devastates Wine Industry in 2023

Friday, April 26, 2024



The world of wine has faced a remarkably tough year in 2023. According to the latest report from the International Organization of Vine and Wine (OIV), presented in Dijon, France, by General Director John Barker, global wine production plummeted to 237 million hectoliters. This marks a significant 9.6% decrease from the previous year and brings production levels to their lowest since 1961—a year that saw just 214 million hectoliters produced.

In Europe, especially within the European Union, the situation is particularly dire. The production estimate for 2023 stands at 144.5 million hectoliters, a 10.6% drop from 2022, making it the second lowest volume since the turn of the century. France, however, leads this year's global production with 48 million hectoliters, showing a 4.4% improvement from last year. Yet, Italy faces a stark decline, with a 23.2% drop to 38.3 million hectoliters, marking its lowest output since 1950 due to intense rains fostering downy mildew. Spain, too, has reached its lowest production level since 1995 with 28.3 million hectoliters, down 20.8% from last year.

Other European nations like Germany, Hungary, Austria, and Greece also reported lower than average yields, impacted by a series of climatic challenges including heavy rains, fungal diseases, and drought-induced water stress. In contrast, Portugal and Romania noted significant increases compared to last year.

Beyond the EU, the wine production scenario shows varied results. Russia maintained a production level consistent with its five-year average despite being 10% down from 2022. Moldavia, meanwhile, experienced a noteworthy 27% increase. Asia tells a grimmer tale, with China facing a sharp 33% reduction in its wine output.

Across the pond, the United States estimated a wine production of 24.3 million hectoliters in 2023. While this is an 8.5% increase from 2022, it aligns with the five-year average, boosted by cool temperatures and heavy winter rains in the Napa and Sonoma regions.

The southern hemisphere has also felt the impact, particularly after two years of high production volumes in 2021 and 2022. This year, production dropped to 47 million hectoliters, a 15.4% decrease from last year and the lowest level since 2003, spurred by extreme weather events. Countries like Chile, Argentina, and South Africa have seen significant reductions due to wildfires, droughts, frosts, and fungal diseases. Brazil, on the other hand, highlights a growth with a 12.1% increase from the previous year.

In Oceania, Australia and New Zealand faced their own severe climatic challenges. Australia reported a 26.2% decrease in production due to persistent rains and unusually cold temperatures, while New Zealand, despite a 5.8% reduction from 2022, shows some resilience with growth compared to its average over the last five years.

The global wine sector in 2023 not only underscores the vulnerability of the industry to extreme climatic events but also highlights the adaptability and resilience of some regions despite adversities. The effects of climate change are becoming increasingly tangible, and the need for sustainable and adaptive strategies in viticulture is more pressing than ever. This challenging year serves as a reminder and a call to action for the entire industry to bolster its defenses and innovate in the face of environmental unpredictability.