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EU Must Act to Save Wine Industry

Rigotti Proposes Solutions for EU Wine Crisis

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Luca Rigotti, president of the Wine Working Group of Copa-Cogeca

The European wine sector is going through a challenging period, marked by a decline in consumption, shifting consumer preferences, and increasing difficulties in vineyard cultivation due to climate change. Adding to this complex scenario are agronomic tools that often prove inadequate, as well as commercial and regulatory uncertainties. Despite these challenges, the sector remains a leader in agricultural exports, with an

annual value of 130 billion euros and a direct employment impact on 2.9 million people in the EU, generating wealth in numerous renowned wine-growing regions.

In response to this situation, Luca Rigotti, a grape producer and president of the Wine Working Group of Copa-Cogeca, proposes a series of measures that the European Union could implement to support wine growers. Rigotti emphasizes that actions must be executed at the local, national, and European levels and highlights the role of the EU as a coordinator of structural responses that offer long-term stability and growth for the sector.

The High-Level Group on the Future of the Wine Sector in the EU, recently created by the European Commission and which held its first meeting on September 11, represents a step forward in this direction. However, during these initial discussions, one of the proposals raised was the possibility of resorting to vineyard grubbing as an emergency measure in the most affected regions. For Rigotti, uprooting is an extreme solution that should be used temporarily and only in specific contexts. He believes that instead of permanently eliminating vineyards, a temporary mechanism could be established to help wine growers recover from difficult periods without destroying years of hard work.

In this regard, Rigotti suggests adjusting the replanting authorization system by extending its validity from 3 to 8 years. This would allow producers to let the soil rest for a longer period, which would bring ecological benefits, and give them time to analyze market changes before deciding which varieties to plant. He stresses that these authorizations are already part of producers' inventories and would not affect the national planting limit, but would improve the flexibility and responsiveness of wine growers to market volatility.

Rigotti also emphasizes the importance of promotional policies and protected designations of origin (PDO) in the success of the European sector. With more than 1,600 protected designations of origin in the EU, promotion has been a key support for introducing European products to new international markets. He states that it is crucial to continue supporting these promotional campaigns, not only outside the continent but also within the internal market, to stimulate consumption within Europe itself.

Regarding adaptation to climate change, Rigotti notes that although the sector has made progress in reducing its environmental impact, the EU must respond more swiftly and simplify the implementation of national crisis mechanisms, such as distillation and private storage. Flexibility in sectoral budget management would also allow unused funds to be transferred to the following year, providing greater stability and planning capacity.

Another important point for the president of Copa-Cogeca is the need to restore the competitiveness of the sector. With rising interest rates and inflation, profit margins are shrinking, which limits the capacity for investment and innovation. For Rigotti, addressing these difficulties is key to identifying and seizing new market opportunities.

Additionally, Rigotti draws attention to the role of wine cooperatives, which strengthen producers' positions in the value chain. He argues that these cooperatives are an essential tool for the development of the sector and should receive more support from European policymakers. He regrets that during recent European electoral campaigns, the contribution of cooperatives to agricultural development was overlooked. He suggests that when assessing public support, the cooperative model should be considered, and the total turnover should be calculated based on the number of members, which would allow many cooperatives to be classified as small and medium-sized enterprises (SMEs) and facilitate their access to support measures.

Rigotti concludes by pointing out that these are just some of the proposals that he and his colleagues from the Wine Working Group of Copa-Cogeca have presented to the European Commission at the beginning of this legislative term, hoping that the reality faced by European wine growers will be taken into account and concrete and effective measures will be implemented.