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EU unveils wine sector reforms

EU approves future roadmap for wine sector at Brussels meeting

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On December 16 in Brussels, the European Union approved the Political Recommendations for the Future of the EU Wine Sector, a significant document developed by the High-Level Group on the Future of the Wine Sector. The meeting, chaired by Christophe Hansen, the new Commissioner for Agriculture and Food, gathered representatives from the European Commission and member states to address the structural challenges and transformations currently affecting the European wine industry. The guidelines aim to establish concrete measures to support the sector's adaptation, sustainability, and competitiveness amid market shifts, climate

change, and evolving consumer preferences.

The document (can be read in full on this link) highlights the vital role of the wine sector in the European economy and society, particularly in rural areas where it provides employment and supports local development. It underscores the importance of wine as a symbol of European cultural heritage and identity, which enhances its international reputation. However, it also warns of challenges such as declining consumption over the past decade and production instability caused by extreme weather events.

One of the key areas of focus in the recommendations is the management of production potential. While the total vineyard surface in the EU has slightly decreased between 2015 and 2023, some regions and market segments face overproduction issues. To address this, the recommendations propose vineyard removal programs in areas with excessive production, using common eligibility and priority criteria. These criteria aim to protect vineyards with high landscape value, those on terraces or slopes, and grape varieties with environmental or genetic significance. Additionally, the proposal calls for more flexibility in planting authorizations, enabling member states to align vineyard expansions with regional needs and prevent unnecessary increases in cultivated areas.

The document also suggests strengthening crisis management tools and allowing unused sectoral budgets to be redirected toward emergency measures. It emphasizes the need to ensure the effectiveness of these actions while preserving economic balance and employment in wine-producing regions.

Regarding climate change resilience, the recommendations focus on winegrowers, who are particularly vulnerable to extreme weather risks. The European Commission is urged to enhance risk management tools within the Common Agricultural Policy (CAP) by promoting innovative insurance systems and mutual funds to mitigate losses and share risks. The proposals include adapting compensation rules for climate-related losses and implementing mandatory sector-wide adaptation plans with specific measures consistent across market support and vineyard restructuring programs. Investments in climate-related technologies and research into cultivation techniques

suited to evolving climate conditions are identified as priorities.

The document also examines market trends and commercial opportunities. It acknowledges the contributions of the EU Wine Market Observatory in collecting data and proposes strengthening its analytical capacity to better understand demand trends in both traditional markets and emerging export destinations. To address changing consumer preferences, the recommendations suggest revising rules on winemaking practices and labeling to support the sale of products like partially dealcoholized or low-alcohol wines, while preserving the quality and reputation of European wines.

Export promotion is presented as a priority, with a focus on aligning strategies with new social and cultural trends in non-EU markets. The proposals include extending the duration of promotional programs and exploring simplified schemes to benefit small producers.

The recommendations also emphasize the importance of integrating wine tourism into sectoral strategies. This includes encouraging regional coordination and strengthening the connection between wine and its regions of origin to enhance tourism and local economies.

Innovation throughout the wine production and commercialization process is another key focus. Winegrowers and wineries are encouraged to adopt advanced crop protection technologies, climate adaptation practices, and new winemaking and packaging techniques. The document calls for ensuring that research advancements are accessible to producers through advisory services and specialized training programs.

Finally, the recommendations address issues related to intra-EU trade and distance selling. The ongoing work on excise duties for alcoholic beverages is welcomed, and the document calls for accelerating solutions to facilitate cross-border trade, particularly for small producers. This includes systems comparable to the simplified import regime currently used for online sales within the EU.

The measures outlined in the recommendations aim to provide a coherent framework that will allow the European wine sector to adapt to market transformations and climate challenges while ensuring long-term economic and social sustainability.