

Hearing “Fruits, vegetables and wine market situation – the impact of the EU measures to face the COVID-19 pandemic” 26 October 2020, 17.00h – 18.45h, Brussels

**The EU package for wine and F&V responded effectively and in a targeted way to the crisis as well as in recovering producer’s competitiveness and consumers demand within the EU?**

Mr Thierry Coste, Chairman of the Working Party on Wine COGECA - General Confederation of Agricultural Cooperatives - “The impact of EU support on the production”

For all intents and purposes, I would like to point out, as a preamble, the major role of the wine production in our world. Without going into detail, I would like to briefly and non-exhaustively evoke its different aspects: its role as a driving force, as a creator of manpower, as an environmental, economic and cultural force. I would also like to remind you that the wine sector is anything but a uniform entity. On the contrary, it is based and built on diversity. The wine industry is a set of producers, cooperatives, products, territories, lands, denominations. A mosaic that has been built over time. Strong and fragile at the same time. But let me briefly set the scene. We are currently living under exceptional difficulties. Total sanitary uncertainty in the medium term. Economic uncertainty due to sanitary uncertainty. Political uncertainty (Brexit, US duties, to name a few); Business slowdown in China. New curfews everyday across the Union. Lockdowns to come. So many swords of Damocles over our companies. Nevertheless, I remain convinced that a better future awaits us. In this period which seems so complicated, our industry will find new ways to preserve its role. This future still needs to be carefully prepared, and to do so, we must ensure that all the elements of our mosaic are able to overcome the challenges that lie ahead. In terms of agenda, we are entering a transition period for the CAP for the years 2021 and 2022. Then from 2023, we will enter the new CAP, with its major challenge: a stronger environmental focus, in conjunction with the Green Deal. Finally, of course, I would like to talk about the harvest. It is just coming to an end and should be the first item on the headlines. We expect a harvest around 160 million hectolitres, and good overall quality. Something that would have delighted many winegrowers in the pre-covid years, but reveals to be much more worrying in today's world. From the end of April to the beginning of July, the European Commission adopted temporary legislative acts in order to face the crisis and put in place extraordinary market measures to support the wine sector. However, the implementation of the market measures varied from one member state to another and not all countries were able to benefit from the measures adopted by the European Commission. This was due to several factors, such as the limited duration of the provisions, lengthy adoption procedures, lack of funds in the national wine support programs and the absence of complementary national payments. Thus, although there have been some positive developments, the situation remains difficult for many European wine producers. The temporary market measures have been beneficial to some extent, and we have recently requested their extension to avoid the positive developments for European wine producers achieved in recent months being reversed. Nevertheless, these measures were only a first step in the right direction as European viticulture is facing a number of challenges which are only exacerbated by the urgency of the Covid 19 pandemic. The second wave of the pandemic is coming upon us and we must anticipate it. Because the negative consequences of the restrictions that are being put in place every day will change the demand and could be fatal for many farmers and cooperatives. We must be proactive, not forgetting the future, without losing sight of the major issues at stake: survive the pandemic economically, regain our market share in volume and value as soon as possible, while enhancing our environmental efforts. The objective is ambitious. To meet it, the sector will need a strong help, from a financial and structural point of view. Firstly, the wine sector must have rapid access to the European Recovery Instrument funds. Secondly, the sector needs a large forum for consultation, including all the stakeholders and institutions concerned. Last Spring, as Comagri did, we wished, in vain, for the establishment of a high level wine group. But whatever the tool, we need to act. Our sector needs a long and medium-term vision and a multi-year investment plan for viticulture. And we need you to help us get our message across. Thank you all, ladies and gentlemen, Members of the European Parliament.