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Comité Européen
des Entreprises Vins

*Wine package: a first step in
the long route towards
recovery*

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**“Fruits, vegetables and wine market situation – the
impact of the EU measures to face the COVID-19
pandemic”**

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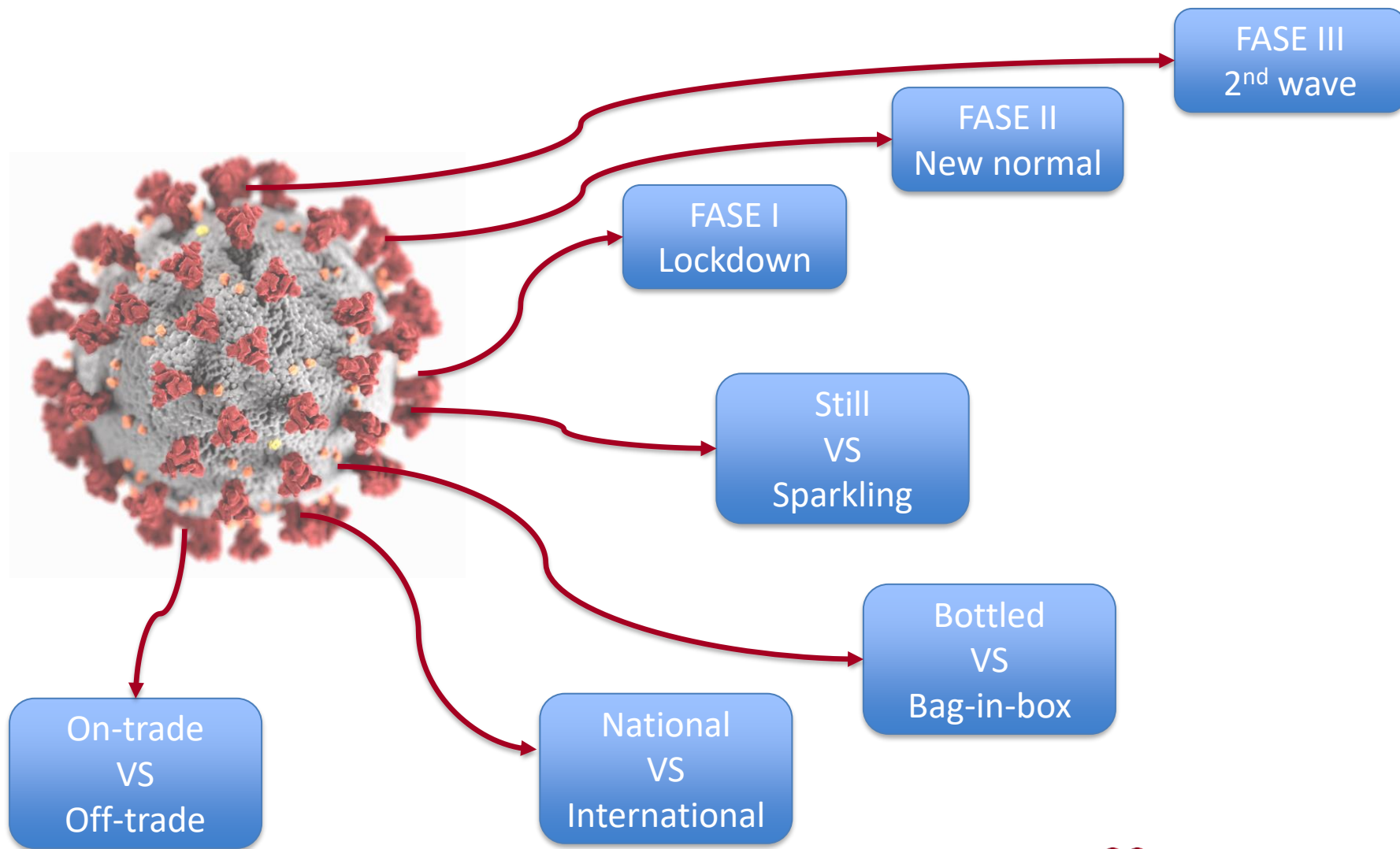


CEEV represents the EU wine companies in the industry and trade of still wines, aromatised wine products, sparkling wines, liqueur wines and other vine products.

- 23** national associations
- 4** leading wine companies
- 12** EU countries
- 2** non-EU countries



Different impacts



➤ Decrease in value and volume

- -15% in value and -5% in volume

➤ Difference by category of wine

- Sparkling wine... -30% in value & -10% in volume
- Still wine..... -17% in value & -8% in volume
- Bag-in-box..... +4% in value & +14% in volume

➤ Decrease in average value

- average price of wine decreased by -12%

➤ Estimations for 2020 (full-year)

- -13% for still
- -15% for sparkling

➔ And decreasing
more after 2nd wave!



➤ Impact on EU = impact mainly on EU wines

➤ Lockdown phase

- Impact on on-trade: 30% of volume and 50% of value
- In general, increase in off-trade
 - Did not compensate losses in off-trade
 - Decrease of average value of wine
 - Increase of bag-in-box

➤ 2nd phase – partial reopening

- Increase of sales - up to 7% - but do not compensate losses during phase 1
- Normalisation of sales of sparkling wines
- On-trade at 50%



- **Boosted by 180% during the lockdown**
- **The channel continue to grow after the lockdown**
 - +30% in the new normal period
- **EU wine companies invested in e-commerce**
 - 85% of companies already present in e-commerce before Covid-19 crisis intensified their on-line strategy
- **Still a tiny market**
 - It only represent 1% of turnover of wine companies



- **Alcohol consumption during lockdown remained stable or decreased**
- **Wine consumption frequency stable or decreased in EU countries – slightly increase in US, UK, Canada or China**
- **Drastic decrease of sparkling wine consumption**
- **Reduction of average price – interest for cheaper wines**
- **Change of the approach on the origin – buy local**
 - Strong increase of interest for local wines





➤ Covid-19 and new tariffs

- Value of wine imports has decreased by a 10,6%
- Perfect storm for French (-33,5%), German (-34%) and Spanish (-10,5%) wines



➤ Covid-19 and Brexit

- 1st semester wine imports reduced by -4,2% in volume and -10,6% in value.
- Alcohol sales decreased -20% (volume) during lockdown
- Market shared losses for France and Italy



➤ Covid-19 and decreasing trend

- Negative trend in wine imports from 2018 accelerated by the Covid-19 crisis affecting all categories of wines.
- April and May worst months with -50%. In first 6 months of 2020, decrease of -30% in wine imports

➤ At the end of the lockdown

- Majority of wine companies → seriously affected
- Micro-companies → very seriously affected

➤ Turnover decreased by -35% on average during the lockdown

➤ Expectations

- -25% of turnover at the end of 2020;
-35% for micro-companies
- Effect of the covid-19 crisis will remain
until 2022



OENOTOURISM

➤ Re-structuration of EU market

- Support for the on-trade
- Support for the tourism
- Support for oenotourism (NextGenerationEU)
- Support for distance selling (e-commerce)



➤ Support for promotion

- To facilitate the use of this measure by companies
- To facilitate wine exports
- To overcome parallel problems: aircraft dispute, Brexit consequences, Chinese wine market trend...
- To regain market shares



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THANK YOU
for the attention



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