

Commissioner Janusz Wojciechowski

Members of the European Parliament Committee on Agriculture and Rural Development

Brussels, 29 May 2020

OPEN LETTER from the Comité Européen des Entreprises Vins: Covid-19 and wine support package

Dear Commissioner Wojciechowski and Members of the European Parliament,

The COVID-19 outbreak and the exceptional measures governments have taken to deal with the pandemic are having and will have a huge impact on the world economy and obviously on the EU wine sector.

It is still early for a complete overview of the total damage this pandemic will cause on the EU wine sector, however, we already know how it is impacting – disrupting production and trade, hitting wine companies finances and de-structuring wine markets.

In order to mitigate the devastating, present and future, effects of COVID-19 on the wine sector, our companies need the urgent setting up of a combination of different support measures. The European Commission acknowledged this need adopting a support package for the EU wine sector which includes some extraordinary measures.

Unfortunately, Commission's crisis response package is falling short for the wine sector because of a combination of different economic and technical reasons.

Firstly, the package fails to propose an adapted financing framework for an ambitious and EU-harmonised response to the crisis. The EU wine market truly operates as an interconnected single market and its management cannot depend of the use of national resources.

In addition, and while we understand the importance of avoiding the underspending of funds under the wine national support programmes (NSPs), the financing of the new extraordinary measures with NSPs funds will render difficult the financing of the existing measures, even for the next financial year. There is no sufficient money and consequently, specific economic support is needed.

Secondly, and from a technical point of view, at least 2 crucial measures are lacking: (1) partial green harvesting in PDO or PGI areas; and (2) the exceptional authorization of promotion actions in the internal market particularly when they are part of oenotourism activities.

We are strongly convinced that there is space for a fair, coherent and controlled implementation of these measures.

Comité Européen des Entreprises Vins (CEEV – <u>www ceev eu</u>) was founded in 1960 and represents the European Union wine companies in the industry and trade (still wines, aromatised wines, sparkling wines, liqueur wines and other vine products). It brings together 23 national organisations from 12 EU Member States, plus Switzerland and Ukraine, as well as a consortium of 4 leading European wine companies.

The companies represented by CEEV, mainly SMEs, produce and market most quality European wines, both with and without a geographical indication, and account for over 90% of European wine exports.



CHOOSE | SHARE | CARE

WINEinMODERATION

We thank the European Parliament Committee on Agriculture and Rural Development (COMAGRI) for being attentive to the needs of the EU wine sector and for, coherently, requesting the European Commission to propose a set of complementary measures to respond effectively and in a targeted way to the crisis.

We need urgently a complete European response to face this crisis. Without it, the management of the emergency will be in the hands of Member States, and their single initiatives risk to provoke asymmetric responses and the potential distortion of the common market organization for wine.

The political dialogue cannot be reduced to a "take it or leave it" approach. We request the European Commission to continue to work on the identification and implementation of all the necessary actions to respond at the appropriate time to the crisis the EU wine sector is facing.

On our side, CEEV remains committed to support EU institutions in this effort so that all the necessary and feasible measures are adopted in time to mitigate the devastating effect of Covid-19 on the EU wine sector.

We thank you in advance for your support, attention and consideration.

Sincerely yours,

Jean-Marie Barillère – President Comité Européen des Entreprises Vins - CEEV