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COMMISSION STAFF WORKING DOCUMENT

Wine Package

Accompanying the document

Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

amending Regulations (EU) No 1308/2013, (EU) 2021/2115 and (EU) No 251/2014 as regards certain market rules and sectoral support measures in the wine sector and for aromatised wine products

{COM(2025) 137 final}

CONTENTS

Table of Contents

Glossary

Term or acronym	Meaning or definition
AREV	Assembly of European Wine Regions
AWP	Aromatised wine products
AWP Regulation	Aromatised Wine Products Regulation (Regulation (EU) No 251/2014)
CAP	Common agricultural policy
CAP Plan	CAP strategic plan
CEJA	European Council of Young Farmers
CEEV	European Committee of Wine Companies
CEVI	European Confederation of Independent Winegrowers
COGECA	European agri-cooperatives
CMO	Common Market Organisation
CMO Committee	Committee for the Common Organisation of Agricultural Markets – Subgroup Wine
CMO Regulation	Common Market Organisation Regulation (Regulation (EU) No 1308/2013)
COM	European Commission
COM AGRI	Committee on Agriculture and Rural Development of the European Parliament
COPA	European farmers
CSP Regulation	CAP Strategic Plan Regulation (Regulation (EU) 2021/2115)
DA	Commission Delegated Regulation
DG AGRI	Directorate-General for Agriculture and Rural Development
GI	Geographical indication
GREX	Expert Group for Agricultural Markets, in particular concerning aspects falling under the CMO Regulation - Subgroup Wine
HLG	High-Level Group on Wine Policy
Recommendations	Policy Recommendations for the Future of the EU Wine Sector: https://agriculture.ec.europa.eu/document/download/f9ee9420-2b95-4788-8dc2-faa3cfb8171a_en?filename=policy-recommendations-wine-sector-hlg_en.pdf
EFOW	European Federation of Origin Wines
EGTOP	Expert Group for Technical Advice on Organic Production
IA	Commission Implementing Regulation
IFOAM	European umbrella organisation for organic food and farming
IOSS	Import One Stop Shop
MFF	Multiannual financial framework
MS	EU Member States
NSP	National strategic plan
PG	Producer group
PO	Producer organisation
PPP	Plant protection product
Simplification Regulation	Regulation (EU) 2024/1468 amending the CSP Regulation and the Horizontal Regulation based on the Commission proposal of 15 March 2024
SME	Small and medium-sized enterprise
UTP	Unfair trading practices
Wine Package	The wine-specific recommendations of the HLG contained in the Commission legislative proposal of 28 March 2025 to amend the CMO Regulation, the AWP Regulation and the CSP Regulation

INTRODUCTION

The EU wine sector was hit by a number of crises in 2020, and again in 2023. These included tariff duties applied by the US, the Covid-19 pandemic and Russia's war of aggression against Ukraine. The cumulative effect of these crises resulted in oversupply and an accumulation of wine stocks in many EU regions. This led the Commission (COM) to adopt several exceptional market measures, including crisis distillation ahead of the harvest to ease the market situation in the most affected regions and free winegrowers' storage capacity for the upcoming new harvest. Some major wine production regions subsequently requested structural adjustments to production capacity in view of decreasing demand.

In April 2024, a coalition of stakeholder organisations sent a joint letter to EU Agriculture Commissioner Janusz Wojciechowski[1], urging a strategic reassessment of the EU wine sector. They highlighted the growing number of social, economic and climate-related challenges in recent years, which increasingly threaten the long-term sustainability of both wine producers and the sector as a whole. This letter also underlined the decline in wine consumption in the EU, and signs of stagnation and falling market share in non-EU markets, especially in certain market segments. Against that background, the coalition of stakeholder organisations called for a High-Level Group to be set up to reflect strategically on the future of European viticulture and wine, and identify the medium and long-term policies needed to maintain and develop this key sector.

In response to this request from the European wine sector, Commissioner Wojciechowski announced at the Agriculture and Fisheries Council meeting of 27 May 2024 that a High-Level Group on Wine Policy (HLG) was being set up[2].

The HLG met four times, on 11 September 2024, 14 October 2024 and 15 November 2024 and concluded with the endorsement of Policy Recommendations for the Future of the EU Wine Sector[3] on 16 December.

The wine sector originally requested that a HLG to develop a coherent and comprehensive strategy for the future of viticulture and wine in Europe to eventually be included in the next CAP. However, in view of the volatile international situation and extremely unfavourable climatic conditions in 2024 in certain regions, which exacerbated the sector's difficulties, producers, stakeholders and Member States (MS) requested that the Policy Recommendations be implemented as soon as possible.

EU Commissioner for Agriculture and Food Christophe Hansen decided to implement the most urgent, wine-specific recommendations of the HLG as soon as possible through a standalone legislative proposal for this sector.

On 28 March 2025, the COM proposed[4] a package of targeted changes to the underlying CAP basic legislation (the Common Market Organisation Regulation[5], the Aromatised Wine Products

[1] ARES(2024)2649748.

[2] https://agriculture.ec.europa.eu/media/news/commission-launches-high-level-group-eu-wine-sector-2024-07-08_en

[3] https://agriculture.ec.europa.eu/document/download/f9ee9420-2b95-4788-8dc2-faa3cfb8171a_en?filename=policy-recommendations-wine-sector-hlg_en.pdf.

[4] COM(2025) 137 final.

[5] Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007, OJ L347, 20.12.2013, p. 671 (CMO Regulation).

Regulation[6] and the CAP Strategic Plan Regulation[7]) to implement these wine-specific recommendations. The measures proposed in the 'Wine Package' will be supplemented by changes to some of the detailed rules of the CAP set out in secondary legislation.

This document outlines the key challenges that the proposed measures aim to address, the process and consultation activities that fed into the adoption of the measures, the different measures considered, and their likely impact.

1. ECONOMICAL, POLITICAL AND LEGAL CONTEXT

1.1 The difficulties facing the EU wine sector

The aim of the EU wine market observatory is to provide the EU wine sector with more transparency by disseminating market data and short-term analysis in a timely manner. In June 2024, it issued a document entitled 'Prospects of the EU wine sector'[8].

This report stresses the wine sector's importance for the EU's economy and society, given its estimated contribution to EU GDP (EUR 130 billion, or 0.8%) and job creation (2.9 million jobs, or 1.4% of EU employment) and its pivotal role in sustaining the vitality of rural areas and their unique landscapes and rich cultural heritage.

Following the wine reform of 2008[9], the EU wine sector shifted to higher quality and competitiveness, a development encouraged and accompanied by EU policies on geographic indications (GIs) and national support programmes designed to increase competitiveness and market orientation. This was reflected in the ever-increasing value of production and exports. Wine now accounts for the highest number and economic value of GIs among food products. More than two thirds of EU wine production was protected under a GI in 2023. Capitalising on, until recently, growing global demand for quality wines, the export value of EU wines has continued to rise, making wine the third most valuable agri-food product exported.

However, the success story of EU wines may come to an end if no action is taken to adapt the sector to the challenges it currently faces.

The increased import duties of 25% *ad valorem*, which the USA imposed in October 2019 on, among others, still wines exported by Germany, Spain, France and the United Kingdom has already had a detrimental effect on all EU wine, not only on still wines originating from the four MS that were subject to increased import duties. The USA is traditionally the EU's largest export market for wine, both in terms of value and volume of exports. The reputation and trade of all EU wines sold on the US market were adversely impacted by the increase in duty, especially the lower to

[6] Regulation (EU) No 251/2014 of the European Parliament and of the Council of 26 February 2014 on the definition, description, presentation, labelling and the protection of geographical indications of aromatised wine products and repealing Council Regulation (EEC) No 1601/91, OJ L 84, 20.3.2014, p.14 (AWP Regulation).

[7] Regulation (EU) 2021/2115 of the European Parliament and of the Council of 2 December 2021 establishing rules on support for strategic plans to be drawn up by Member States under the common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and (EU) No 1307/2013, OJ L 435, 6.12.2021, p. 1 (CSP Regulation).

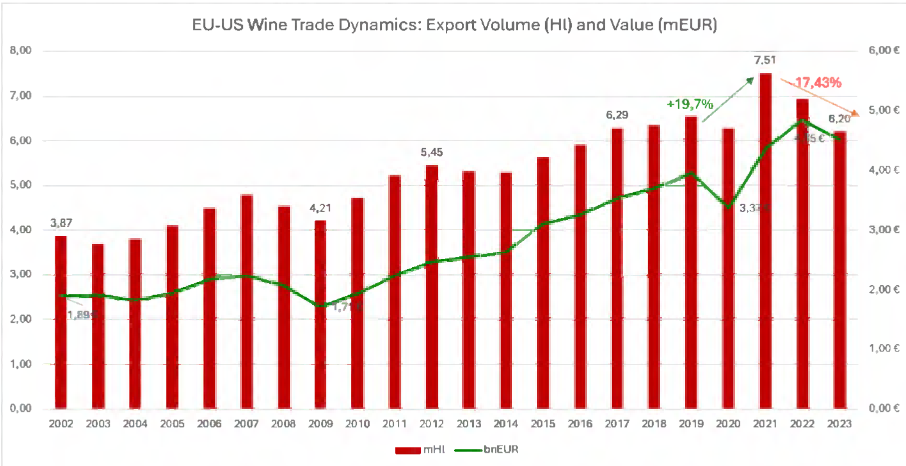
[8] https://agriculture.ec.europa.eu/document/download/83588b14-0c75-43a4-b8ab-c5718bee6b01_en?filename=future-prospects-of-the-eu-wine-sector-june-2024.pdf.

[9] Council Regulation (EC) No 479/2008 of 29 April 2008 on the common organisation of the market in wine, amending Regulations (EC) No 1493/1999, (EC) No 1782/2003, (EC) No 1290/2005, (EC) No 3/2008 and repealing Regulations (EEC) No 2392/86 and (EC) No 1493/1999 (OJ L 148, 6.6.2008, p. 1).

mid-range priced wines, which, in absolute terms, are impacted more by a 25% import duty than more expensive wines purchased by connoisseurs, for whom a price increase does not operate as a deterrent. Furthermore, EU wines increasingly compete on the US market with wines from other origins, such as South America, Australia or South Africa.

The increase in import duties, which coincided with a period of high stocks due to good harvests, sent shockwaves through the EU wine sector. While some US importers increased their orders to build stocks before the duty came into effect, there was a shortfall in sales to the USA, accompanied by pressure on prices, with US importers asking exporters to shoulder some of the burden in order to avoid passing on price increases to the US market, which would make most EU wines rather uncompetitive compared to wines from the US, South America or Australia.

TABLE 1: EU wine exports to the US (Source: COMEXT)



However, building a good reputation on non-EU markets requires heavy investment in market research to identify target markets and the promotion measures needed to introduce consumers in non-EU countries to EU wines. Therefore, when the EU's best developed export market suddenly became less accessible, wine producers needed more support to gain access to or to consolidate their market position in other non-EU markets. MS had the option of making their wine support programmes more flexible to provide this much-needed support. While MS and wine producers welcomed the increased rate of EU support and added flexibility, gaining a permanent foothold in an export market is a long-term project, which is why the sector has repeatedly called for the maximum duration of the support for promotion to be extended to allow market consolidation.

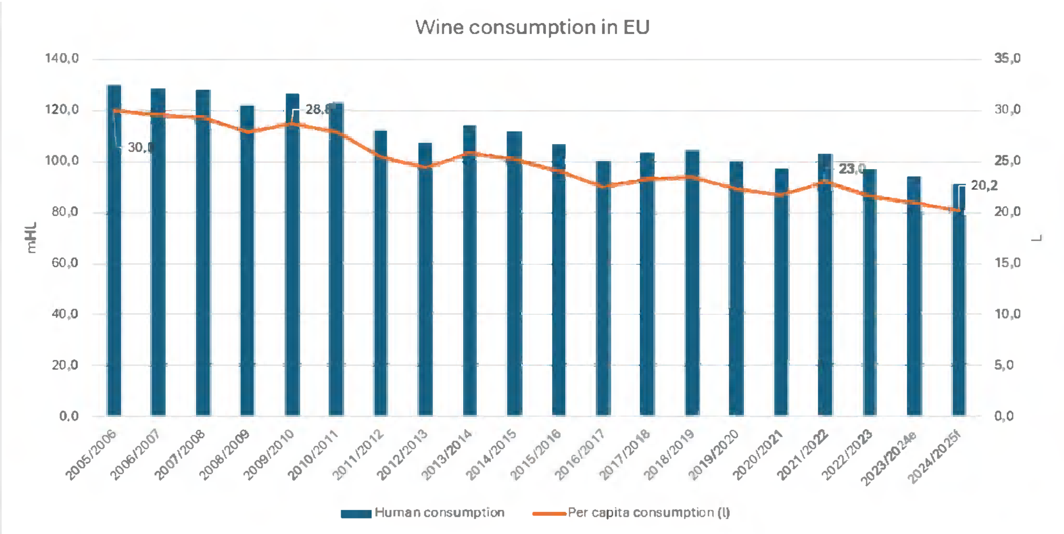
Just as the EU wine sector was struggling to find an outlet for the wine which could no longer be exported to the USA, the Covid pandemic hit Europe. The closure of hotels, bars and restaurants directly affected 30% of the volume, corresponding to 50% of the value, of the wine consumed in the EU. This mostly affected medium and higher price range wines, while lower priced wines sold in supermarkets were less impacted. The wines that would usually have been sold during this period remained unsold, with stocks putting pressure on prices and causing storage problems, especially for smaller producers. This shortfall was not compensated by the consumption of wine at home, especially as this wine was mostly from the lower price segment widely available in supermarkets, which remained open during the pandemic, while the wine sold in bars and restaurants tends to be in the mid-range price segment.

Due to the economic uncertainties and cost-of-living crisis that followed, consumers remained careful and demand for wine, which is still considered a luxury product, only partially recovered.

It did not quickly return to pre-Covid levels, as operators had hoped. Geopolitical tensions, such as Russia's war of aggression against Ukraine and possible further US retaliatory tariffs put further pressure on demand and sent worrying signals to the sector, which started to question its future prosperity.

These events exposed certain long-term structural trends in domestic wine consumption in the EU, which had until then remained hidden and been compensated for by positive demand from non-EU countries. Although EU consumption shrank by 1.2% per year over the last decade, this shortfall was easily absorbed by increased exports, until EU exports started declining in 2021, affecting still wines of all colours, red in particular, with a drop of about 12% in total volume between December 2021 and December 2023.

TABLE 2: EU wine consumption (Source: Wine short-term outlook)



Some underlying reasons for the structural change in demand for wine worldwide are younger generations' preference for other alcoholic or alcohol-free beverages and a shift in demand away from traditional red wines towards lighter white still and sparkling wines, a development that is also linked to changing eating habits.

In addition to falling demand, the climate change acceleration has put additional strain on the sector, with more frequent and often localised severe weather events leading to huge production losses, which can be catastrophic for producers, most of whom are small enterprises. Overall, wine production has become less predictable at EU, MS and even regional level, with huge interannual fluctuations that make it increasingly difficult to manage stocks and prices.

1.2 Regulatory measures adopted since 2020 to address the challenges facing the wine sector

In view of the difficult situation the EU wine sector has been facing since early 2020, the COM has adopted multiple emergency measures in response to specific problems the sector has encountered in many MS. The list of all Regulations adopted, and a short summary of their content, can be found in Annex 1.

EU policy measures adopted in recent years aimed to address the logistical problems linked to the pandemic, when movement restrictions made routine work in vineyards difficult, and planting new vineyards virtually impossible. In this climate of economic pressure caused by high stocks of unsold wine, increased production costs and uncertain demand, support rates for measures under the support programmes were temporarily increased to allow growers and producers to continue to access these measures, and MS were again given additional flexibilities to change their national programmes in order to offer those measures most in demand.

To address the amount of unsold wine stocks, which were not only putting pressure on prices but also took up storage capacity, distillation and crisis storage were temporarily made available under the national programmes, in addition to the green harvesting measure[10], with the aim of re-balancing the market to help it recover quickly after the end of the pandemic. The duration of these measures was extended when the Covid pandemic and the resulting restrictions lasted longer than originally estimated. However, when the pandemic slowly came to an end in 2021, according to the findings of the wine market observatory, demand on the EU market did not bounce back to pre-Covid levels as many had hoped. Instead of making up for lost opportunities to travel, visit bars and restaurants or have large gatherings with friends and family, consumers were careful with their spending in view of the economic difficulties and the cost-of-living crisis, which were also effects of the pandemic and the uncertain international situation. Wine, seen as a luxury product by many, was not a priority purchase for households.

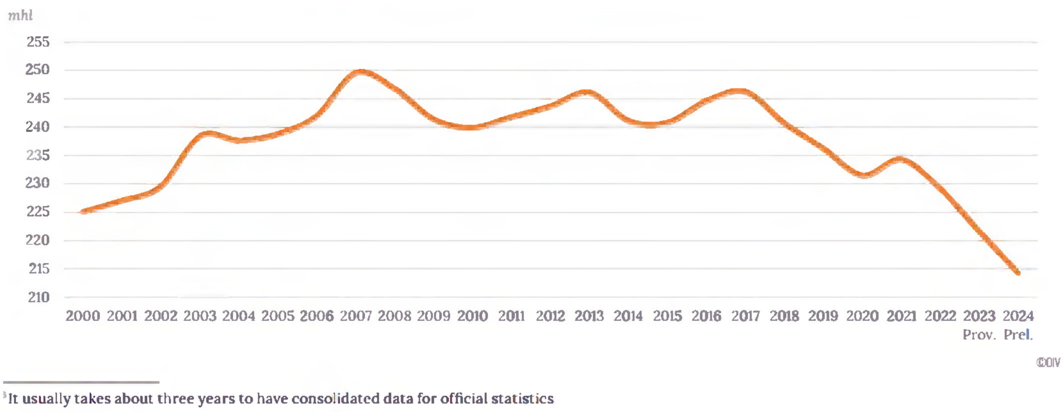
To address the resulting oversupply, measures to limit the supply were taken again in 2023, especially encouraging green harvesting and supporting crisis distillation and private storage within the existing wine national support programmes. For the first time, crisis distillation was also in demand for quality wines with geographical indications. In addition, several MS were authorised to grant national payments for the distillation of surplus wine stocks.

1.3 A High-Level Group on Wine Policy

By 2023, it had become evident that there was no way back to the situation before 2019, when a slow decrease in demand for wine on the single market was overcompensated by increasing exports to both traditional and new export markets. Not only were exports threatened by the uncertain geopolitical situation, but wine demand had started to decrease worldwide since about 2017.

TABLE 3: Evolution of world wine consumption

(Source: OIV State of the World Vine and Wine Sector in 2024, https://www.oiv.int/sites/default/files/2025-04/OIV-State_of_the_World_Vine-and-Wine-Sector-in-2024.pdf)



[10] Green harvesting means the total destruction or removal of grape bunches while still in their immature stage, thereby reducing the yield of the relevant area to zero. Support for green harvesting may be granted as compensation in the form of a flat rate payment per hectare

Furthermore, a shift in demand away from still red wines towards lighter white and sparkling wines could be observed, while a significant part of the population, especially among the younger generation, replaced wine with other alcoholic beverages or limited their alcohol intake.

Against this background, the European wine sector requested a strategic reassessment of the situation of the sector and possible policy options to help it adapt to this new situation.

There was also an emphasis on the emergency measures taken since 2020, some of which had been extended several times due to their effectiveness in addressing the problems encountered, especially the oversupply of wine in certain market segments.

However, there was criticism of the delays in the legislative processes, which led to uncertainty and stress for wine producers, who could not be sure if and when a measure would be applied. This led to requests for a toolbox of emergency measures available to MS, which could be deployed quickly if there were market disturbances.

In this context, the EU wine market observatory was asked to carry out an in-depth evaluation of the situation and its underlying causes. It published its findings in the document 'Prospects of the EU Wine Sector', which concluded that there were structural factors beyond the conjunctural accumulation of crisis situations that were jeopardising the future sustainability of the EU wine sector and all the rural areas, jobs and companies depending on it. On this basis, the sector needed specific instruments designed with a long-term perspective to help it address structural problems and conjunctural factors and safeguard a sustainable and prosperous future, including through tools to manage supply, redirect production to growing market segments and help producers adapt to climate change.

2. CONSULTATION STRATEGY AND EVIDENCE GATHERING

In view of the challenges the EU wine sector has been facing, the COM set up a High-Level Group made up of high-level representatives of all MS. The Group discussed challenges and opportunities for the sector in the light of the prospective market developments, explored and evaluated possible solutions to the problems identified, and formulated strategic conclusions and recommendations for future policy developments.

Nine major EU-level organisations representing the wine sector were invited to present their analysis of the situation and outline measures to address the problems identified during the first meeting of the HLG on 11 September 2024. Representatives of the European Parliament's Committee on Agriculture and Rural Development and of the Council were invited to all meetings of the HLG as observers to keep the co-legislators fully informed of the work of the HLG.

The urgency of the situation meant that it was not possible to conduct the more usual, wider consultation process. This *ad hoc* consultation process, which encompassed anyway all the representative EU stakeholders of the sector, resulted in a wide range of suggestions that fed into the HLG's reflections on the Policy Recommendations for the Future of the EU Wine Sector.

- **Consulting stakeholder organisations** provided insights that were widely welcomed by the HLG members, gave direction to the Group's discussions and were reflected in the Policy Recommendations. As a result, the organisations widely endorsed the Policy Recommendations document and called for urgent action to implement the recommendations without delay. Stakeholders also stressed the need for a stable and consistent policy framework for the wine sector, due to the long-term nature of investments of vineyards and winemaking infrastructure.

- The **interventions from MS** were wide-ranging. Some cited practical challenges that could feasibly be addressed in the short term. Other responses were far-reaching and went beyond the issues specific to the wine sector, including managing production potential, adapting the sector to the structural decline in demand, and strengthening the sector's resilience in view of changing markets.
- Similarly, during a meeting on 5 September 2025, the **European Parliament's Committee on Agriculture and Rural Development** welcomed the setting up of a High-Level Group on Wine Policy to identify several priority areas of work to support the sector.

The HLG met four times between September and December 2024. The four meetings were structured in order to achieve results quickly, and focused on producing recommendations based on the description and assessment of the challenges confronted by the wine sector in the EU, based on the assessment carried out by the EU wine market observatory and its evaluation by stakeholders and MS. The four meetings allowed a structured discussion starting from this assessment, which moved quickly to considering policy options and their potential benefits and effects, an in-depth discussion of the options and their relevance at EU level, and a final phase of drafting **Policy Recommendation** that were supported unanimously by all 27 MS.

- Meeting 1: presentation and discussion of the challenges for the wine sector (11 September 2024)
- Meeting 2: Expert discussion on the basis of the Commission's Reflection Document (14 October 2024)
- Meeting 3: Discussion of the draft 'Policy Recommendations (15 November 2024)
- Meeting 4: Endorsement of the Policy Recommendations (16 December 2024)

A summary of the discussions at the four meetings of the HLG is provided in Annex 7.

The Policy Recommendations from the HLG were the basis for the legislative proposal described in this document, the 'Wine Package'. The reasons why some recommendations are addressed in this legislative package while others are not, are explained in the sections below.

3. OPTIONS FOR ADDRESSING THE POLICY RECOMMENDATIONS AND CHOICE OF INSTRUMENTS

Prior to the HLG, the EU wine market observatory discussed the economic challenges for the sector at length, and then met with stakeholders in the Civil Dialogue Group. The outcome was reported to the HLG and fed into the discussion at the HLG meetings that progressed to identifying the main challenges that needed to be addressed, especially at the first meeting. The main stakeholders participated in in-depth discussions to identify possible policy solutions to the challenges (Annex 2). The HLG discussed policy options were discussed from different perspectives (such as viability, cost efficiency and applicability across the EU). This process allowed the policy options to be narrowed down by the second meeting (Annex 3) and fine-tuned during the third meeting (see also Annex 7, with a detailed summary of discussions). At the HLG's final meeting, the members decided on the policy options to be retained for the Policy Recommendations and which would be rejected as less relevant, less cost-efficient, or not having the support of all MS. The Recommendations clearly specified and set out the way forward, identifying the agreed best policy options to address the challenges faced by the sector. Those Recommendations and the preferred policy options defined therein were supported by all MS, both producing and non-producing countries, and were seen to reflecting the needs of the wine sector, a highly heterogeneous sector with many specificities in each MS and producing region.

The HLG Policy Recommendations were presented to the Special Committee on Agriculture (SCA) of the Council and the European Parliament's Committee on Agriculture and Rural Development (COMAGRI) on 13 January 2025, where they gained broad support from MS delegates and MEPs.

The establishment of the HLG and the full endorsement of the Recommendations raised expectations among stakeholders, MS and MEPs that these Recommendations would be implemented swiftly. During discussions, the members of the HLG already asked the COM to draw up a roadmap for implementation.

The COM committed to assess the Recommendations and deliver a timeline to implement them as soon as possible. When the HLG had finished its work, the COM assessed the Policy Recommendations and identified the most relevant policy tools to implement each recommendation, from which the timeline was deduced (Annex 4).

Implementing most of the HLG's Recommendations requires amendments to certain provisions that are laid down in European Parliament and Council Regulations, primarily those affecting the Common Market Organisation Regulation (CMO), but also the Strategic Plan Regulation (SPR). Only one Recommendation could be fulfilled by changing secondary legislation (see Annex 4). Therefore, MS cannot implement the Recommendations unless the EU legislation is amended accordingly.

In this context, the options considered to implement the Recommendations through legislative amendments included:

a) considering all the Policy Recommendations in the proposal for the CAP post-2027;
b) addressing the Policy Recommendations in the ongoing proposal to amend the CMO to strengthen the position of producers in the food chain or in the upcoming simplification package, which was at that time expected to be adopted in spring 2025;
c) a specific legislative proposal for wine, addressing either all the Policy Recommendations or the most urgent ones.

The key consideration in choosing one of the options was the fact that swift implementation of the Recommendations was paramount, given the unprecedented and urgent challenges facing the wine sector, which had led to the establishment of the HLG. Delaying implementation until the entry into force of the CAP post-2027 would have been too late, in view of the very negative trends and prospects. It also risked making the Recommendations inefficient and was likely to trigger strong dissatisfaction from stakeholders, MS and MEPs who heavily relied on and invested in the HLG.

On the other hand, amending the ongoing Commission proposal to strengthen the position of producers in the food chain would have risked disrupting and delaying the process adopting both the said proposal and the specific provisions for wine resulting from the HLG Recommendations. In addition, to be fully effective, certain Recommendations require CAP legislation other than the CMO to be modified, and this option would complicate the need to address most Recommendations at the same time to ensure they are efficient and promptly implemented.

In this context, the option of a specific legislative proposal seemed the only way to ensure that the HLG Recommendations were implemented quickly and effectively. Although certain cross-cutting and more complex Recommendations must still be considered in the context of the CAP post-2027 to ensure consistency with other sectors, the most urgent Recommendations, as well as those that are simpler to implement and the more sector-specific ones that need to be implemented earlier in view of the needs of the sector as highlighted by the HLG, were singled out to be part of a standalone 'Wine Package'.

In drawing up the 'Wine Package' in **response to the HLG's Policy Recommendations,** the COM took into account: (i) the expectations of farmers and MS for efficient and effective measures to help them face the current crisis; (ii) the nature of the problems identified; and (iii) the need for legislative matters to concentrate on wine-specific issues which the European Parliament and the Council can swiftly agree on, so that the wine sector can already benefit as of 2026.

4. DESCRIPTION OF THE ACTIONS TAKEN

4.1 Commission Implementing Regulation (EU) 2025/340[11]

The only measure that could be implemented through secondary legislation was the extension of the delay vine growers have between grubbing-up and requesting a replanting authorisation, which had already been achieved through Regulation (EU) 2025/340.

At an early stage of the HLG's discussions, all participants were in favour of extending the validity of replanting authorisations to give growers more time to consider which varieties to plant to better respond to market trends and environmental challenges. While the validity of replanting authorisations is laid down in Article 62(3) of Regulation (EU) No 1308/2013, the deadline for the submission of applications for authorisation for replanting is laid down in the first subparagraph of Article 9(1) of Commission Implementing Regulation (EU) 2018/274[12]. Therefore, the COM immediately started work on an Implementing Regulation which was presented to the CMO Committee of December 2024 and voted on 5 February 2025. This Regulation extended the deadline for applying for a replanting authorisation from the end of the second to the end of the fifth wine year following the one in which the grubbing-up took place. This would allow growers to carry out an in-depth analysis of which vine varieties are more resistant to drought and disease, or more adapted to changing consumer demand to improve their competitiveness, and to decide on the best time to replant vineyards after grubbing-up and eventually decide whether to enter the wine restructuring programme.

4.2 The 'Wine Package' Regulation

The COM immediately started drafting a proposal for a Regulation of the European Parliament and of the Council amending Regulations (EU) No 1308/2013, (EU) 2021/2115 and (EU) No 251/2014,

[11] Commission Implementing Regulation (EU) 2025/340 of 19 February 2025 amending Implementing Regulation (EU) 2018/274 as regards the procedure for granting replanting authorisations for vineyards, ELI: http://data.europa.eu/eli/reg_impl/2025/340/oj

[12] Commission Implementing Regulation (EU) 2018/274 of 11 December 2017 laying down rules for the application of Regulation (EU) No 1308/2013 of the European Parliament and of the Council as regards the scheme of authorisations for vine plantings, certification, the inward and outward register, compulsory declarations and notifications, and of Regulation (EU) No 1306/2013 of the European Parliament and of the Council as regards the relevant checks, and repealing Commission Implementing Regulation (EU) 2015/561 (OJ L 58, 28.2.2018, p. 60, ELI: http://data.europa.eu/eli/reg_impl/2018/274/oj).

on the basis of the Recommendations which had been identified to be addressed in the 'Wine Package' (see Annex 5). This proposal included also aromatised wine products, which are an important outlet for wine. The proposal was adopted on 28 March 2025[13].

4.2.1 CMO Regulation

Measures to better manage production potential - vine planting authorisations

Regulation (EU) No 1308/2013 establishing a common organisation of the markets in agricultural products lays down provisions for the scheme of authorisations for vine plantings, which will be amended by this proposal in line with the Policy Recommendations of the HLG on the management of the production potential, making it easier for MS to address or prevent the risk of surplus production capacity in certain areas and market segments.

Vines of wine grape varieties may only be planted or replanted in the 13 EU MS participating in the vine planting authorisation scheme if an authorisation has been granted. Currently, the validity of new planting authorisations and replanting authorisations is three years from the date on which they were granted, unless the replanting takes place on the same parcel or parcels on which the grubbing up was undertaken. In that case the validity of the replanting authorisation is six years to allow the soil to recover and to reduce the disease pressure. As recommended by the HLG, it is proposed that the validity of all replanting authorisations is extended to eight years to allow vine growers to better plan their future production.

There have been calls for the extension of the validity of new planting authorisations. However, the HLG agreed that their validity should not be extended (i) to avoid an accumulation of possible production potential, and (ii) to avoid the attribution of new planting authorisations (which are allocated to applicants free of charge) to growers who do not intend to use them in the near future rather than to growers who have spotted a market opportunity they want to exploit immediately. For the same reason, the administrative penalty for unused new planting authorisations remains, although it is abolished for replanting authorisations. The HLG estimated that for replanting authorisations, there is no risk of crowding-out or speculation. However, a vine grower who decides to reduce their vineyard area should not have to bear a financial penalty.

In line with the HLG's policy recommendation, vine growers who currently hold planting authorisations which they obtained when the future of the EU wine sector looked more promising than it does today (authorisations granted before 1 January 2025), will not be subject to an administrative penalty if they inform the competent authorities before the date of expiry of the authorisation and at the latest by 31 December 2026 that they do not intend to make use of their authorisation. This measure gives growers who have doubts about the economic viability of their vineyards an incentive to scale down their production without creating an additional financial burden for them.

As the HLG requested, MS are given the possibility of limiting the issuing of new planting authorisations at regional level for specific areas with excess supply where national or EU measures aimed to reduce the supply (i.e. distillation, green harvesting or grubbing-up of vineyards) are or have been implemented, to avoid further increasing the production potential in these areas.

[13] Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulations (EU) No 1308/2013, (EU) 2021/2115 and (EU) No 251/2014 as regards certain market rules and sectoral support measures in the wine sector and for aromatised wine products (COM/2025/137 final).

In cases where a MS decides to set regional limits for specific areas to avoid excessive growth of the production potential, the MS can require that the authorisations granted for the area covered by the regional limit are used in that area to avoid a total decline of the vineyard area in the region concerned.

Currently, MS may set limits for the granting of planting authorisations at national or regional level, while ensuring the limitations imposed are above 0% to allow at least a modest increase in the vineyard area and not being overly restrictive in relation to the objectives pursued. Following the HLG's Policy Recommendation, MS will have the flexibility to set regional limits for specific areas as low as 0%, with a view to adapting the production potential to market demand.

Furthermore, MS will have the possibility to set conditions for replanting authorisations which ensure that they are used in the same geographical area in which the corresponding grubbed-up vines were located, where maintaining viticulture in that geographical area is justified by socio-economic or environmental reasons (for example to avoid soil erosion), or to ensure that the replanting does not take place in a different production region which is affected by a structural market imbalance. To avoid excessive increases in yields, MS will be able to make the granting of a replanting authorisations subject to the use of varieties and production methods that do not considerably increase the average yield compared to the grubbed-up vines, or that only traditional varieties and production methods of a given region be used where the corresponding grubbed-up area was located in a production region that the MS has qualified as affected by a structural market imbalance. The HLG recommended giving MS the possibility of limiting the transfer of replanting authorisations between regions, to avoid excessive yield increases and vineyards being relocated from areas where they are important for the landscape or for biodiversity. The HLG requested that MS have the option of setting these conditions when granting planting and replanting authorisations.

In a context of diminishing consumption, monitoring overall production potential is very important for the future balance of the market. The application of the planting authorisation scheme has this objective, and it is therefore proposed in the 'Wine Package' that it should apply in all wine-producing MS when a certain vineyard area is reached in the MS concerned.

De-alcoholised wine products

In recent years, there has been an ever-increasing consumer demand for grapevine products with a reduced alcohol content, which are produced by using certain de-alcoholisation techniques allowed in the EU. Terms such as '0.0%', 'alcohol-free' and 'alcohol-light' are widely used, but regulated differently in various MS.

Indeed, in accordance with Article 4(4) of Regulation (EC) No 1924/2006 on nutrition and health claims made on foods (Claims Regulation)[14], relevant national rules may apply in the absence of specific EU rules regarding nutrition claims referring to low alcohol levels, or the reduction or absence of alcohol or energy in beverages which usually contain alcohol. There is therefore a need to harmonise the use of these terms and to define the alcohol content linked to each of them across the EU. This should also be reflected in the rules on labelling of wine products to better inform consumers of the characteristics and production methods of grapevine products with a reduced

[14] Regulation (EC) No 1924/2006 of the European Parliament and of the Council of 20 December 2006 on nutrition and health claims made on foods (OJ L 404, 30.12.2006, p. 9).

alcohol content, allowing the EU wine sector to benefit from this development in consumer demand while maintaining high quality production standards.

This proposal harmonises the use of these terms across the EU. The term ‘alcohol-free’ will apply if the actual alcoholic strength of the product does not exceed 0.5% by volume, accompanied by the expression ‘0.0%’ if the actual alcoholic strength of the product does not exceed 0.05% by volume. The limit of 0.05% vol. was chosen because this is the detection threshold and the absence of alcohol in a product is an important criterion for some consumers who would feel misled if a ‘zero alcohol’ product contained more than a barely detectable trace of alcohol.

For products with an actual alcoholic strength of above 0.5% by volume and at least 30% below the minimum actual alcoholic strength of the category before de-alcoholisation, the term ‘alcohol-light’ was chosen. There are several reasons for this choice. First, although specific conditions of use have not been set in the Annex to the Claims Regulation regarding nutrition claims referring to the reduction of alcohol in beverages which normally contain alcohol, the conditions of use of the claim ‘reduced [name of nutrient]’ apply by analogy. This claim may be made where the alcohol value is reduced by at least 30 %, compared to a reference product, in accordance with Article 9 of the Claims Regulation and the Commission guidance on the implementation of that Regulation. Second, the term “alcohol-light” is linked to terms used for many other food products, which makes this term more familiar to consumers than the term ‘alcohol-reduced’, and the conditions of use of the claim ‘light’ are the same as those mentioned above for the claim ‘reduced’. Finally, labelling wines with an alcoholic strength of for instance 8,0% or 8,5% as ‘low alcohol’ wines would have been misleading for consumers and not compliant with Article 7 of Regulation (EU) No 1169/2011 on the provision of food information to consumers (FIC Regulation)[15].

High consumer demand for sparkling wine products with a lower alcohol content or without alcohol represents an opportunity for the sector, but there are technological limitations on producing them under the current production rules on de-alcoholisation. According to the rules currently in force, wine products must have reached the characteristics and the minimum actual alcoholic strength of the category before undergoing de-alcoholisation. The de-alcoholisation process removes the CO_2 from sparkling wines. Therefore, it is proposed to allow sparkling and aerated wines to be produced from de-alcoholised or partially de-alcoholised still wines through second fermentation or the addition of CO_2, provided that they are labelled in a way that does not mislead the consumer.

The COM does not propose applying the same rule to the categories ‘aerated semi-sparkling wines’ (category 9), ’semi-sparkling’ (category 8) and ‘quality sparkling’ wines (category 5). For ‘aerated semi-sparkling wines’, this seems not to be technically necessary, while for ‘semi-sparkling wines’, there is a risk of denaturing the product itself as currently defined in the CMO regulation. The prestige of ‘quality sparkling wines’, which is based on the integrity of the production techniques, needs to be preserved.

[15] Regulation (EU) No 1169/2011 of the European Parliament and of the Council of 25 October 2011 on the provision of food information to consumers, amending Regulations (EC) No 1924/2006 and (EC) No 1925/2006 of the European Parliament and of the Council, and repealing Commission Directive 87/250/EEC, Council Directive 90/496/EEC, Commission Directive 1999/10/EC, Directive 2000/13/EC of the European Parliament and of the Council, Commission Directives 2002/67/EC and 2008/5/EC and Commission Regulation (EC) No 608/2004 (OJ L 304, 22.11.2011, p. 18).

The obligation to label de-alcoholised wine products with the expression 'produced by de-alcoholisation' aims to better inform consumers about the characteristics of grapevine products with a reduced alcohol content, while maintaining the obligation to provide information on the production method consisting of de-alcoholisation. This should allow the EU wine sector to benefit from this development in consumer demand while maintaining high quality production standards, and to make the important distinction between these products of the wine sector and industrially produced low-alcohol beverages derived from grapes.

Electronic labelling

The possibility of providing the list of ingredients and the nutrition declaration by electronic means has proven to be an effective way for operators to inform consumers while facilitating the functioning of the single market and wine exports, especially for small producers.

However, the absence of detailed harmonised rules on identifying the electronic means on the physical label and the consequent diverging solutions applied by the MS have caused fragmentation of the single market, affecting the proper marketing of wines across the EU.

Therefore, it is proposed that the COM be empowered to develop, in cooperation with MS, specific rules to identify the electronic means of providing information to consumers, in particular through a language-free system, in order to minimise costs and administrative burdens for operators, and to ensure a common approach across the EU market, while taking into account the need to make information easily identifiable and accessible to consumers. Such empowerment will also allow the electronic labelling rules to be adapted whenever necessary because of new needs arising from the rapid, constant progress of digitalisation.

Management of yields and wine stocks

It is possible for MS to adopt marketing rules to regulate supply in the wine sector to improve and stabilise the operation of the common wine market. In the current context of a structural decrease in consumption and recurrent situations of oversupply in certain regions and market segments, the 'Wine Package' clarifies that such rules can include setting maximum grape yields and managing wine stocks. Because producer organisations play an important role in strengthening winegrowers' position in the food supply chain and adapting supply to market trends, MS will also be able to adopt marketing rules in the wine sector taking into account proposals adopted by recognised producer organisations or by recognised interbranch organisations, when they are representative in the economic area concerned. This is in line with the HLG's wish to give producer organisations, interbranch organisations or recognised producer groups managing GIs the tools to manage yield stabilisation mechanisms in specified areas.

A toolbox of measures at Member State level to address a market crisis

In line with the principle of subsidiarity, several provisions of the 'Wine Package' proposal give national authorities greater leeway to manage production potential in a way more attuned to the specific situation of the wine-producing regions.

If there are market imbalances, MS are currently authorised to make national payments to wine producers for the voluntary or mandatory distillation of wine.

This proposal authorises national payments for voluntary green harvesting and voluntary grubbing-up of productive vineyards as additional supply management tools, given the cost-effectiveness of removing surplus wine from the market before it is produced. To avoid distorting competition, limits are set for the overall amount of national payments authorised in a MS in any given year for distillation and green harvesting. For grubbing-up, given the structural nature of the measure and its higher costs, the limit for national payments is proposed to be set case by case, on the basis of the specific market circumstances of the MS and the wine regions in which it would be implemented.

This is the best way to transpose the HLG Policy Recommendation to implement a permanent grubbing-up scheme to address structural oversupply in certain regions and/or market segments, and to follow the suggestion of using national support to deal with the most immediate needs in accordance with the guidelines for state aids in agriculture and forestry sectors[16] as well as giving MS the possibility to finance grubbing-up schemes under an amended Article 216 of the CMO regulation for specific needs that may arise in the longer term.

4.2.2. AWP Regulation

Aromatised wine products (AWP) are another important outlet for grapevine products. Even though the HLG's Policy Recommendations do not explicitly mention aromatised wine products, the rules for those products which are relevant to the HLG Recommendations must be brought into line with the changes introduced for wine products. This particularly concerns the rules for producing and labelling de-alcoholised products.

The current legislation restricts the sales denominations reserved for aromatised wine to products which reach a minimum alcohol content for each product category.

In view of increasing consumer demand for innovative alcoholic beverages with a lower actual alcoholic strength by volume, this proposal allows aromatised wine products to be obtained from de-alcoholised or partially de-alcoholised wines. To ensure that consumers are correctly informed of the nature of aromatised wine products with a lower alcoholic content, rules for labelling de-alcoholised or partially de-alcoholised wines are introduced, so that those aromatised wine products may use the same descriptive terms in their presentation and labelling as the grapevine products with the corresponding alcoholic strength.

To minimise costs and administrative burden for operators, and to ensure a common approach across the Union market, the provisions concerning electronic labelling of the nutrition declaration and the list of ingredients of aromatised wine products will be aligned to those applied to grapevine products.

To meet new consumer demand and the need for product innovation, the requirements for the aromatised wine product category *'Glühwein'* are amended to allow the use of rosé wine in production. At the same time, to avoid misleading consumers, provisions are made to forbid the use of the term 'rosé' in the labelling of a *'Glühwein'* produced by combining red and white wine, or combining red or white wine with rosé wine. A labelling derogation is introduced to allow alcoholic beverages produced with the same requirements as those laid down for *'Glühwein'*, but using fruit wine instead of grapevine products as a main ingredient, to use the sales denomination '*Glühwein*' in their presentation and labelling to meet consumer demand for such products.

[16] In particular: 1.3.1.1. 'Closing of capacity for animal, plant or human health, sanitary, ethical, environmental or climate reasons' and 1.3.1.2 'Closing of capacity for other reasons' - Communication from the Commission (2022/C 485/01).

4.2.3 Strategic Plans Regulation

The restructuring and conversion of vineyards can be supported as part of the CAP Strategic Plans for the sector. In order to strike a balance between the need for MS to ensure that vineyards are restructured efficiently and the need to avoid an increase in production that could lead to oversupply, MS will be allowed to set conditions for the implementation of the restructuring and conversion type of interventions that are aimed at avoiding an increase in yield and thus an increase of production for vineyards subject to this type of interventions. This follows the Recommendations on ensuring that policy measures to manage the production potential are consistent and coherent; these should not be limited to the annual growth rates of areas through new planting authorisations, but should also take into account the restructuring and conversion of existing vineyards.

With a view to developing wine tourism (also known as oeno-tourism) in wine regions with protected designations and protected geographical indications, producer groups managing protected designations of origin and geographical indications can now be beneficiaries of the type of interventions promoting wine tourism in production regions. The HLG recommended taking full advantage of support measures for tourism beyond those already available in wine sector interventions. The proposal will allow support for coordinated actions promoted by wine interbranch organisations and producer groups managing geographical indications and aimed at promoting wine tourism and the links with the territory of production regions.

Stakeholders and MS have repeatedly stated that the current maximum duration of three years for support granted for promotion and communication operations carried out in third countries to consolidate market outlets is too short to achieve this aim. The maximum duration is currently limited to three years. The HLG underlined the need to increase the duration of the support for promotion measures to allow for market consolidation and proposed extending the limit to five years, which was considered more appropriate for consolidating the position on a new export market. Too long a duration for market consolidation could subtract resources for opening up and diversifying onto new markets.

To provide an additional incentive for cooperation in the wine sector, certain investments carried out by recognised producer organisations will benefit from the same maximum rate of EU financial assistance as it is currently already the case for micro, small and medium-sized enterprises. This takes into account the suggestion of the HLG to increase the attractiveness of producer organisations in the wine sector by treating them as SMEs for the purpose of the common agricultural policy, especially as most EU wine producers are SMEs.

To further support producers in climate change mitigation and adaptation and to the improvement of the sustainability of production systems, MS will have the choice of increasing the maximum EU financial assistance that can be provided for investments pursuing such objective to up to 80% of the eligible investment costs. In order to clarify the conditions applicable to EU financial assistance for investments in innovation, it is explicitly stated that no such EU financial assistance is to be granted to enterprises in difficulty within the meaning of the Commission Communication entitled 'Guidelines on State aid for rescuing and restructuring non-financial undertakings in difficulty'[17]. The maximum support rate for SPR wine types of interventions has been raised temporarily in the past (see Annex 1) and experience has shown that such an increase makes them

[17] OJ C 249, 31.7.2014, p. 1, ELI: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52014XC

more accessible to potential beneficiaries, especially in times of crisis, when the financial position of producers is strained. The HLG has recommended that these investments should benefit from a higher rate of support to accelerate the agri-environment and climate transition and adaptation of the sector.

5. LIKELY IMPACTS OF THE 'WINE PACKAGE'

Most of the expected impacts of the measures in the 'Wine Package' are economic, social and environmental. These measures address diverse aspects of the wine sector at all phases, from the production of grapes to consumption. As the interconnection of the measures selected may sometimes make it difficult to isolate the impact of each measure individually, it is appropriate to break down the assessment of the impacts by grouping them by type of measure.

It should be noted from the outset that a precise quantification of the impacts of these measures is not feasible. Their actual impact will ultimately depend on the level of uptake of the measures, both at MS and farmer level, on the production and market situation in the coming years, which cannot be foreseen with accuracy, as well as on the pre-existing national legislative framework and existing supply chain structures. However, a qualitative estimation of the effects of the elements of the proposal has been summarised in Annex 6 and is based on the information available from discussions in the wine market observatory, the HLG and exchanges with MS and stakeholders along the process of development of the package.

As the proposal is focused on the wine sector, no assessment of the impact on other economic sectors is carried out, despite the well-known induced economic benefits generated by it, as explained in the study titled "Economic, social and environmental importance of the wine sector in the EU" by PWC[18]. The following sections will assess the likely economic advantages and disadvantages stemming from the selected measures for businesses, consumers, and administrations. They will also assess the likely social and environmental impacts of the measures.

5.1 Economic impacts

The policy measures introduced through the 'Wine Package' are expected to generate substantial economic benefits across the wine sector, from producers to consumers, as well as to reduce some administrative costs for public administrations. For winegrowers, they offer increased stability and adaptability. Measures such as extended replanting authorisation periods, tools for yield stabilisation and support for restructuring enable producers to better respond to market trends and environmental challenges. Access to enhanced funding opportunities strengthens their capacity to invest in innovation and sustainability, which is essential for long-term competitiveness. For actors further along the supply chain, such as cooperatives, producer organisations and exporters, the measures reinforce their position in the food chain by expanding access to financial support, reducing administrative barriers, and providing clearer rules for market interventions. A more stable market environment and enhanced support provide benefits for cooperative models, help balance power in commercial relationships, and support more equitable value distribution.

Consumers benefit from a wider range of wine products, including low and non-alcoholic wines, which will be more clearly regulated and labelled. This responds directly to shifting preferences, particularly among younger generations, while reinforcing transparency and product recognition.

[18] https://www.dropbox.com/scl/fi/m0780by1gj1vnzfl1qo4n/Report-PwC-on-EU-wine-sector_full_032024.pdf?rlkey=dui2nddbh4mxtj8q942x78q99&e=1&dl=0

The promotion of regions and territorial sustainability in wine-producing regions also helps connect consumers with cultural and environmental values.

Public administrations will also see gains. Accelerated procedures to intervene in case of market crisis, harmonised electronic labelling, extended validity of replanting authorisation and longer duration of promotional measures will reduce the administrative burden and make the regulatory framework more responsive and easier to manage. National authorities are granted more flexibility to tailor responses to regional needs, without being delayed by long legislative procedures.

Taken together, these measures modernise the EU wine sector's economic model. They enhance its ability to cope with structural challenges such as declining demand, climate risks and global competition, while preserving its cultural, social and environmental value. By creating a more adaptable, competitive and consumer-oriented sector, the 'Wine Package' lays the groundwork for renewed economic vitality and sustainable growth.

Policy measures aimed at adapting the production to the future demand

The proposal brings forward a comprehensive set of tools that will allow MS to better align wine production and production potential with future market demand. By enabling national and regional authorities to introduce tailored limits and conditions on planting authorisations, extending the validity of replanting rights, and empowering producer organisations and groups to set rules for yield limitations and stock management, this set of tools creates the basis for a more balanced and stable wine market. These changes are expected to significantly reduce the volatility and uncertainty that currently burden producers and traders, particularly in regions where repeated surplus accumulation has led to market distortions and financial stress.

A more predictable market environment will help reduce transaction costs across the supply chain by fostering greater trust and coordination among the different actors, winegrowers, cooperatives, bottlers, distributors, and exporters. For cooperatives, producer organisations, and producer groups, this improved stability means they can better plan and implement their collective strategies with less exposure to sudden price drops or oversupply crises.

Increased predictability will also support long-term investments, both at the level of individual winegrowers and within collective structures. With fewer disruptions, winegrowers will be better positioned to invest in adapting vineyards to climate change, such as the selection of more resilient grape varieties or the adoption of more suitable agricultural practices. At the winery level, the environment will be more conducive to developing innovative products that respond to evolving consumer preferences. On the commercial side, stronger market signals and reduced uncertainty will help producers expand into new export markets, invest in branding, and consolidate their international presence.

Over time, if these measures are implemented effectively, they are also expected to reduce the sector's reliance on exceptional public interventions such as crisis distillation or grubbing-up schemes. These emergency responses, while sometimes necessary, are costly to administer and audit, and often come with significant financial implications for both EU and national budgets. A more stable, self-regulating market will therefore not only improve economic resilience within the sector but will also bring savings in public expenditure and reduce the administrative burden for authorities.

Additionally, the proposal includes enhanced tools to address emerging or acute market crises– such as green harvesting, distillation, and grubbing-up which can now be applied more precisely and flexibly at the regional level. This ensures that national administrations can react much more swiftly to imbalances or anticipated risks, with interventions tailored to the specific conditions of different wine-producing areas. The result is a more dynamic and responsive system of governance that combines long-term structural adjustment with short-term crisis mitigation.

Enhanced support for investments meeting the objective of climate and environment

The proposal to increase the maximum support rate to 80% for eligible investments under the wine sectoral interventions within the CAP is expected to act as a powerful incentive for modernisation and transformation throughout the wine value chain. By substantially raising public support, this measure is likely to trigger a surge in investments, both in tangible and intangible assets, across a wide range of critical areas. For winegrowing farms, the higher support rate can significantly ease the financial burden of investing in modern, climate-resilient farming systems. This includes precision agriculture technologies for vineyard management, water-saving irrigation systems, and other sustainable viticultural practices that reduce environmental impact and improve long-term resilience. In addition, it will support investments in digital tools and farm-level data systems that enhance monitoring, decision making, and traceability. At the processing stage, wineries and cooperatives will be encouraged to upgrade their facilities. This covers infrastructure for vinification, bottling, storage, and temperature control, as well as energy-efficient technologies that lower operational costs and carbon emissions. The measure will also facilitate the adoption of advanced automation and digitalisation tools to improve efficiency, product consistency, and compliance with quality standards.

A major feature of the increased support is that it will promote innovation throughout the sector. This includes the development of new wine products, such as low, and non-alcoholic wines or wines with novel profiles more attuned to consumer taste, as well as new ways to valorise by-products derived from grape and wine residues, contributing to a more circular and resource-efficient economy. Innovative processes and technologies aimed at improving sustainability, reducing input use, or enhancing the authenticity and traceability of wines will be critical to maintaining competitiveness and meeting evolving consumer expectations. Moreover, investments in marketing tools and commercial infrastructure will strengthen the connection between producers and consumers, especially in a market where differentiation and storytelling are becoming key success factors.

Although total public expenditure allocated to the wine sector under the CAP will remain capped within a fixed financial envelope, the higher support rate is expected to attract a larger share of that budget towards these forward-looking investment measures. By shifting resources toward activities that enhance structural resilience, environmental sustainability, and market adaptability, the policy aims to future-proof the sector. This reallocation will help wine producers better withstand climate change and market fluctuations while positioning them to meet the shifting demands of consumers both within the EU and on international markets.

Measures to support de-alcoholised products (wine and aromatised wine products) and for adapting products to demand

The proposal introduces a harmonised naming system for de-alcoholised and partially de-alcoholised wines, along with new processing rules specifically designed to facilitate the production of low and non-alcoholic sparkling wines. These products currently represent the fastest-growing segment within the de-alcoholised wine category, driven by increasing consumer interest in lighter, healthier lifestyle choices and alternative drinking options. By allowing and defining more attractive denominations–such as 'alcohol-free' and 'alcohol-light'–the proposal aligns wine labelling with terminology already familiar to consumers through similar categories in other beverages like beer. This change will make it easier for consumers to identify the products that match their preferences and to moderate their alcohol intake if they wish, without forgoing the experience of wine consumption.

From the perspective of the wine sector, this harmonisation brings significant benefits. First, it eliminates the current fragmentation in labelling rules across MS, where inconsistent national regulations have created confusion and added complexity for producers and retailers. The establishment of EU-wide denominations means that operators will no longer need to redesign and reprint different labels for each national market within the single market. This not only simplifies logistics and compliance but also leads to substantial savings in production and distribution costs, particularly for small and medium-sized wine businesses.

For retailers, harmonised labelling improves the efficiency of stocking, marketing, and consumer communication, helping them manage inventory more effectively and reducing the risk of regulatory non-compliance. The uniformity of labelling rules will also lower transaction costs throughout the supply chain, especially at the retail level, where inconsistent national interpretations have previously posed challenges in shelf management and consumer messaging.

Public administrations, too, will benefit from the new framework. Clearer, unified labelling standards reduce the burden of monitoring, enforcement, and legal interpretation. Compliance becomes easier to verify, and the number of disputes over labelling or product classification is likely to decrease. In the long term, this contributes to more efficient governance and lower administrative costs at both national and EU levels.

The proposal also introduces critical technical changes to the processing rules governing the production of sparkling wines with reduced or no alcohol. Under the current legislation, the production of such wines within the scope of wine law is extremely limited, both technically and legally, forcing some producers to operate outside the formal wine framework–resulting in inconsistencies in quality and a lack of consumer guarantees. The updated rules now make it technically feasible and legally secure to produce de-alcoholised and partially de-alcoholised sparkling wines using recognised oenological practices, including second fermentation and CO_2 addition, without undermining the integrity of the product.

These regulatory adaptations are expected to catalyse significant growth in this niche, enabling more producers, especially traditional winemakers interested in innovation, to enter the low and non-alcoholic segment with confidence. By lowering production barriers and clarifying the regulatory environment, the proposal reduces both financial and legal uncertainty, enabling cost-effective production while maintaining quality standards. This not only widens the portfolio of EU wine offerings but also helps European producers compete more effectively with non-EU beverages in this dynamic market segment. Other parts of the proposal that contribute to increasing product portfolios while finding new outlets for wine are those proposing increased flexibility in producing certain aromatised wine products such as *Glühwein*.

For consumers, the impact will be equally positive: a wider selection of low and non-alcoholic sparkling wines will become readily available, offering greater choice at more competitive prices, while maintaining quality.

Measures to harmonise wine labelling

The current EU labelling rules[19] give wine operators the option of providing the list of ingredients and nutrition declaration through electronic means rather than on the physical label. In practice, this often takes the form of a QR code placed on the bottle. This innovation represents a significant step forward in terms of flexibility, efficiency, and cost reduction, particularly for producers engaged in cross-border trade. By allowing digital labelling, the system has reduced the need to print and manage multiple versions of physical labels for different markets, which is especially beneficial for small and medium-sized enterprises (SMEs) and exporters operating within the EU single market. However, despite its potential, the implementation of the existing electronic labelling provisions has faced notable challenges. The current legal framework does not sufficiently harmonise the presentation, format, or visual identification of the QR code used to access digital product information. As a result, MS have interpreted and applied the rules inconsistently, causing confusion among operators, particularly those distributing their products in multiple countries, and limiting the full potential of this digital tool. The proposal to introduce a harmonised format for electronic labels, including the possible use of a standardised, language-free symbol to indicate the information content available through the QR code, addresses these shortcomings, aiming to remove the need for translating text or redesigning labels for each national market, making compliance easier and significantly reducing costs associated with multilingual packaging and re-labelling. This harmonisation will bring substantial benefits to wine producers, especially SMEs, who often lack the resources to navigate complex and divergent national labelling requirements. With a clearer, more predictable legal framework, these operators will be able to design labels that are valid EU-wide, enhancing operational efficiency and reducing the risk of non-compliance. Transaction costs throughout the supply chain, particularly in dealings with retailers and during export, will decrease as labelling procedures become simpler and less prone to legal uncertainty.

Retailers will also benefit from the proposed harmonisation, as they will face fewer compliance-related questions and a reduced need to verify the national-specific acceptability of labels. Furthermore, commercial disputes and product returns due to labelling inconsistencies are expected to decline significantly, saving time and resources for all parties involved. Public administrations will likewise see advantages. A harmonised and unambiguous labelling standard will make enforcement and audit processes more straightforward, reducing both administrative workload and the number of disputes over non-compliance. National authorities will no longer need to interpret variable implementations of the same rule or deal with frequent questions and complaints from businesses and consumers about the format or language of digital labels.

Measures on promotion and wine tourism

The proposal brings forward two key improvements aimed at enhancing the long-term competitiveness and regional value of the EU wine sector. First, it extends the maximum duration

[19] https://agriculture.ec.europa.eu/media/news/new-rules-wine-labelling-enter-application-2023-12-07_en

of promotion projects for market consolidation from three to five years. Second, it opens access to wine tourism support measures for producer groups managing GIs.

In today's increasingly complex and unstable global market environment, wine operators face mounting difficulties in maintaining their position in export markets. Geopolitical tensions, shifting trade relations, and evolving consumer preferences demand sustained and adaptable marketing efforts. While a three-year support period for promotion may have sufficed in more stable times, it has become clear that longer engagement is now necessary for meaningful market consolidation. Extending the maximum duration to five years provides wine exporters, many of whom are cooperatives or SMEs, with the time and support they need to establish a stable commercial presence abroad, build customer loyalty, and adapt to external disruptions. Crucially, this extended support period does not entail any increase in public expenditure, as it remains within the limits of each Member State's national wine envelope. On the administrative side, longer project durations could also reduce the burden on public authorities and applicants by decreasing the frequency of project approvals, reporting, and renewals.

In parallel, the proposal expands eligibility for wine tourism support to include producer groups managing GIs. Until now, such support was limited to interbranch organisations, which tend to operate across broader territories and which do not exist in every wine-producing region. GI producer groups, on the other hand, are deeply embedded in their specific local contexts. They represent producers who work directly with the land and are custodians of the unique heritage, practices, and environmental features associated with protected designations. Empowering these groups to design and implement wine tourism projects will likely lead to a more substantial and geographically diverse uptake of the measure. These initiatives have the potential to integrate wine promotion with regional culture, local gastronomy, traditional crafts, and natural landscapes, offering a richer and more authentic experience for visitors. This, in turn, generates economic spillover effects across rural areas, boosting income for small businesses and strengthening the tourism ecosystem. Such projects are particularly important for rural wine-producing regions with limited economic opportunities and demographic decline. By anchoring economic activity in the territory and making local traditions more visible and accessible, wine tourism can help sustain vibrant rural communities. Tourists will also benefit from a broader and higher-quality offering of cultural and recreational services developed through these initiatives.

5.2 Social impacts

The structural challenges that the EU wine sector has faced, and the challenges linked to the economic downturn, have put considerable pressure on the social fabric of many rural areas. The 'Wine Package' has to a great extent been proposed to bring relief to a sector that provides a livelihood to thousands of small producers spread all over EU rural areas in wine-producing countries. In parallel with the improved economic impact and enhanced market stability, the social impacts of the proposal are expected to be highly positive, particularly in rural areas.

It will be beneficial for many vine growers and wine producers, a huge majority of whom are smallholders living in rural environments, many of which do not have alternative economic activities due to the limitations set by climate, topography and often isolation from main urban areas and centres of production and provision of services.

The flexibilities put forward in the proposal concerning the use of planting and replanting authorisations and the waiving of administrative penalties in certain cases will reduce pressure on producers confronted with enormous uncertainty concerning the viability of their business, giving them more time and capacity to adapt their investments and resources to the evolution of the market. The possibility to further control the growth of vine planting areas in territories under stress will also contribute to reduce pressure over them. Other measures proposed to facilitate the management of wine production and adapt it to actual demand are also part of the set of measures bringing relief to highly vulnerable areas and segments of the EU society, especially in rural areas.

Other measures proposed to facilitate Member States tailoring certain measures to address overproduction in certain regions and areas or setting conditions for their implementation that are adapted to the characteristics of specific territories and social and economic situations will also be beneficial for those areas and their inhabitants, in particular when they are carried out in agreement with most producers of that specific region or producing areas (such as an area under a geographic indication).

Measures to facilitate wine tourism will potentially increase the attractiveness of certain rural areas and will increase the number of visitors, which will be beneficial for the rural population far beyond those directly dedicated to wine production.

The measures aiming at facilitating the production and labelling of wines and aromatised wine products with reduced alcohol content, or with no alcohol at all, will also have an effect on the wider society, bringing benefits to consumers, responding to the increasing societal demand for products with lower alcohol content or alcohol-free, which has been identified as one of the key factors in the fall in consumption of grapevine products. The proposal brings this concern for certain lifestyles, in particular of the younger generations, in line with maintaining the EU cultural asset that wine represents and increasing the attractiveness of this product to 21st century society and their attachment to the territories where it is produced and their values. Consumers will gain access to higher quality products without alcohol but with the guarantees of quality of European wine production, and will be better informed of their characteristics, ingredients and production methods, in a manner harmonised across the EU.

5.3 Environmental impacts

The proposal contains several measures that are expected to bring benefits for the environment. By providing MS with tools to further prioritise the planting of vineyards in sensitive areas and avoid the re-location of existing vineyards away from such areas, the proposal promotes better protection of valuable and unique landscapes in many rural areas across the EU and protection of soils where vineyards are maintained, especially on slopes where soil erosion is prevented. Moreover, by simplified labelling and packaging of grapevine products it will prevent waste associated with the necessity to provide different labels for the same wine sold in different MS. In addition, by increasing the Union contribution to costs for investments and innovation pursuing the objective contributing to climate change mitigation and adaptation, the proposal is expected to bring benefits in terms of resilience, reduction of energy consumption or better efficiency, biodiversity, and land use.

The provisions that address managing production potential should bring environmental benefits in land use by avoiding expanding vineyard areas beyond the needs defined by demand, and for natural resources, by avoiding excess production and so reducing unnecessary consumption of water and other inputs, helping to optimise the management of the territory by adjusting production to demand. Excess production is also a source of waste and additional consumption of energy and other resources. Preventing it would also avoid the negative perverse effects of producing grapes, turning them into wine or other grapevine products, storing and then eventually destroying them.

A number of provisions setting conditions for vine planting are aimed at protecting valuable historical landscapes with high environmental value, avoiding land abandonment and the negative effects associated with it in Mediterranean and other environments where wine is produced, including soil loss and erosion, increased risk of fire, and reduced water retention and flood control capacity. The measures proposed to preserve certain vineyards, together with those aiming at preventing excessive growth of areas planted with vineyards should also contribute to securing the conservation of high landscape diversity, with benefits for biodiversity and the countryside, increasing the attractiveness of the wine-producing areas to visitors.

The new rules proposed for the production of de-alcoholised sparkling wines will bring savings in terms of energy and raw materials used to produce them, by reducing the number of steps necessary to obtain them without negatively affecting their final characteristics.

The proposed measures on digital labelling will contribute to the EU objectives on digitalisation and dematerialisation, which can in turn also bring environmental benefits in the long term, by reducing the use of labelling materials and facilitating the presentation of information on recyclability and resource efficiency, for example.

The proposed increase in the maximum support rate for measures addressing climate change adaptation and mitigation will contribute to the EU environment and climate objectives and increase the attractiveness of these types of measures, with a potential positive effect on the share of EU financial resources dedicated to environmental sustainability in the support programmes for the wine sector under the Strategic Plans Regulation. In addition, they will foster long-term investments on more efficient technologies and resource management models, contributing to long-term sustainability and supporting the continuation of vine growing activity in areas that would otherwise face land abandonment and its potential negative effects on the wider environment (e.g. desertification, water quality, erosion).

5.4 Contribution to simplification and burden reduction

Several elements in the proposal aim to contribute to simplification, reducing bureaucracy and administrative burden for wine producers, operators, and administrations, and adapts the provisions in the regulation to the needs of territories, avoiding one-size-fits-all measures that are often burdensome to implement and less effective.

The proposal will also contribute to the EU's digitalisation objective. Wine is the first foodstuff for which digitalisation of part of the information provided to consumers has been applied. The wine sector is facing all the advantages and challenges of digitalisation, and this proposal aims at improving the performance of such systems, by considering both the needs of operators and consumers.

ANNEXES

Annex 1: Regulatory measures taken to address the specific problems of the EU wine sector since 2020

Regulation (EU) 2020/132[20] was aimed at alleviating the effects of the countermeasures at a level not exceeding USD 7.5 billion annually in response to EU subsidies to Airbus, authorised by the World Trade Organization (WTO), allowing the United States of America to impose a 25% ad valorem import duty on still wines exported to the US by Germany, Spain, France and the United Kingdom. To allow EU operators respond to these exceptional circumstances in export markets all over the world following the import duty regime imposed by the US and address this unpredictable and precarious situation, as an exceptional measure, the maximum EU contribution to promotion measures under Article 45(1)(b) of Regulation 1308/2013 was increased from 50% to 60% of the eligible expenditure for a period of 12 months.

Regulation (EU) 2020/133[21] allowed further flexibility in the implementation of the 'promotion in third countries' measure by enabling MS to amend their national support programmes in the wine sector not only twice per financial year, but also to change the promotion measure whenever necessary to address the effects of the 25% ad valorem import duty imposed by the US on 18 October 2019 on, among others, still wines exported to the US by Germany, Spain, France and the United Kingdom.

Regulation (EU) 2020/419[22] also allowed further flexibility in the implementation of the 'promotion in third countries' measure to address the effects of the 25% ad valorem import duty imposed by the US on, among others, still wines exported to the US by Germany, Spain, France, and the United Kingdom. In order to allow beneficiaries to strengthen their promotion actions and to consolidate their presence on the targeted markets, Member States were authorised to extend the duration of the support to already selected operations under the promotion measure beyond the maximum duration of five years within the limit of the programming period ending on 15 October 2023. Authorising changes to the destination market helped beneficiaries carrying out promotion operations in the US to target other markets and prevent further economic losses, as well as providing assistance to beneficiaries carrying out operations in other third countries affected by the repercussions of the import duty regime imposed by the US on that particular market, who consequently wished to redirect their efforts elsewhere. Support could be paid for individual, fully

[20] Commission Implementing Regulation (EU) 2020/132 of 30 January 2020 laying down an emergency measure in the form of a derogation from Article 45(3) of Regulation (EU) No 1308/2013 of the European Parliament and of the Council as regards Union contribution to the promotion measure in the wine sector, ELI: http://data.europa.eu/eli/reg_impl/2020/132/oj

[21] Commission Implementing Regulation (EU) 2020/133 of 30 January 2020 derogating from Commission Implementing Regulation (EU) 2016/1150 laying down rules for the application of Regulation (EU) No 1308/2013 of the European Parliament and of the Council as regards the national support programmes in the wine sector, ELI: http://data.europa.eu/eli/reg_impl/2020/133/oj

[22] Commission Delegated Regulation (EU) 2020/419 of 30 January 2020 derogating from Delegated Regulation (EU) 2016/1149 supplementing Regulation (EU) No 1308/2013 of the European Parliament and of the Council as regards the national support programmes in the wine sector, ELI: http://data.europa.eu/eli/reg_del/2020/419/oj

implemented actions even if the overall operation was not implemented as originally approved.

Regulation (EU) 2020/592[23] was aimed at addressing the shortfall in demand for wine, with the ongoing closure of hotels, bars and restaurants directly affecting 30% of the volumes, corresponding to 50% of the value, of wine consumed in the EU, which was not compensated by the consumption of wine at home. In combination with the record harvest in 2018 and the fact that the EU wine market had already been subject to aggravating conditions throughout 2019, especially the imposition in 2019 of additional import tariffs by the US, the EU's main wine export market, wine stocks were at their highest level since 2009. Distillation of wine (with the use of the resulting alcohol limited to industrial purposes) and crisis storage were temporarily eligible for support under the support programmes in the wine sector, with beneficiaries only eligible for one of the two measures. MS were given the possibility to grant additional aid to the administrative costs of already established mutual funds for another 12 months during the 2020 financial year and the maximum Union contribution to the measures 'restructuring and conversion of vineyards', 'green harvesting', 'harvest insurance' and 'investments' was temporarily increased[24] for operations selected by the competent authorities not later than 15 October 2020. Because of the insurmountable difficulties arising at all stages of wine production and marketing due to Covid restrictions, the EU support could also cover harvest insurance where losses are a consequence of a human pandemic.

Regulation (EU) 2020/600[25] was aimed at addressing low prices, reduced consumption, transport and sales difficulties by allowing MS to adapt their national support programmes for reasons related to the crisis due to the COVID-19 pandemic more often than twice per financial year, to allow them to optimise the measures already in place, to include further measures, to increase the number of interventions and make such adjustments more frequently, taking account of the market situation. Green harvesting operations were facilitated by an extension of the deadline for the submission of applications for support as well as the deadline for carrying out such operations and MS did not need to provide a specific justification for the application of green harvesting and establish an analysis of the expected market situation.

Regulation (EU) 2020/601[26] extended, by 12 months, the validity of planting and replanting authorisations which would have expired in 2020 and postponed the deadline for the

23 Commission Delegated Regulation (EU) 2020/592 of 30 April 2020 on temporary exceptional measures derogating from certain provisions of Regulation (EU) No 1308/2013 of the European Parliament and of the Council to address the market disturbance in the fruit and vegetables and wine sectors caused by the COVID-19 pandemic and measures linked to it, ELI: http://data.europa.eu/eli/reg_del/2020/592/oj

24 To 60% (80% in less developed regions) for restructuring and conversion of vineyards, 60% for green harvesting and harvest insurance and 50% (60% in less developed regions, 75 % in the smaller Aegean islands and 80% in the outermost regions) for investments.

25 Commission Implementing Regulation (EU) 2020/600 of 30 April 2020 derogating from Implementing Regulation (EU) 2017/892, Implementing Regulation (EU) 2016/1150, Implementing Regulation (EU) No 615/2014, Implementing Regulation (EU) 2015/1368 and Implementing Regulation (EU) 2017/39 as regards certain measures to address the crisis caused by the COVID-19 pandemic, ELI: http://data.europa.eu/eli/reg_impl/2020/600/oj

26 Commission Implementing Regulation (EU) 2020/601 of 30 April 2020 on emergency measures derogating from Articles 62 and 66 of Regulation (EU) No 1308/2013 of the European Parliament and of the Council as

grubbing up of vineyards that had been subject to anticipated replanting to address logistical problems and shortage of workforce due to Covid rules. Growers wanting to renounce planting or replanting authorisations that were due to expire in the year 2020 could do so without incurring the administrative penalty.

Regulation (EU) 2020/884[27] was aimed at addressing the market disturbance on the wine market due to the pandemic. Measures included paying for actions that had been completed even if the overall operation has not been fully implemented under the wine strategic plan, allowing the partial implementation of restructuring and conversion of vineyards, investments, and innovation operations without sanction. Green harvesting was facilitated by exceptionally allowing it on the same parcel in two consecutive years and the three-year limit for support for the setting up of mutual funds granted under the support programmes was temporarily lifted to further encourage a responsible approach to crisis situations and provide better opportunities for growers to preserve their incomes in this time of crisis. Temporary flexibility facilitated changes to operations under the support programmes in the wine sector.

Regulation (EU) 2020/975[28] was aimed at addressing the severe oversupply by allowing for agreements and decisions of farmers, farmers' associations or associations of such associations, or recognised producer organisations, associations of recognised producer organisations and recognised interbranch organisations concerning the production of wine grapes and of wine, on a temporary basis for a period of six months. These measures included transformation and processing, storage, joint promotion, quality requirements and temporary planning of production. The competent authorities of the Member State, including the competition authorities of that state, had to be informed about the wine grapes and wine covered by those agreements or decisions, on the agreements concluded and decisions taken and on the volume of production of wine grapes and of wine and time period covered by them.

Regulation (EU) 2020/1275[29] allowed, in view of the worsening situation of the wine sector since the publication of Delegated Regulation (EU) 2020/592 and hospitality activities only partially resuming, beneficiaries of the measures 'distillation of wine in case of crisis' and 'aid for crisis storage of wine' to obtain advance payments covering 100% of the amount of EU support and allowed the payments made by MS complementing EU support for those measures to no longer be subject to State aid rules in order to facilitate national payments and to maximise the quantity of wine withdrawn from the market. The increases in the maximum Union contribution to the measure 'promotion', introduced by Implementing

regards the validity of vine planting authorisations and the grubbing up in case of anticipated replanting, ELI: http://data.europa.eu/eli/reg_impl/2020/601/oj

[27] Commission Delegated Regulation (EU) 2020/884 of 4 May 2020 derogating in respect of the year 2020 from Delegated Regulation (EU) 2017/891 as regards the fruit and vegetables sector and from Delegated Regulation (EU) 2016/1149 as regards the wine sector in connection with the COVID-19 pandemic, ELI: http://data.europa.eu/eli/reg_del/2020/884/oj

[28] Commission Implementing Regulation (EU) 2020/975 of 6 July 2020 authorising agreements and decisions on market stabilisation measures in the wine sector, ELI: http://data.europa.eu/eli/reg_impl/2020/975/oj

[29] Commission Delegated Regulation (EU) 2020/1275 of 6 July 2020 amending Delegated Regulation (EU) 2020/592 on temporary exceptional measures derogating from certain provisions of Regulation (EU) No 1308/2013 of the European Parliament and of the Council to address the market disturbance in the fruit and vegetables and wine sectors caused by the COVID-19 pandemic and measures linked to it ELI: http://data.europa.eu/eli/reg_del/2020/1275/oj

Regulation (EU) 2020/132, and to the measures 'restructuring and conversion of vineyards', 'green harvesting', 'harvest insurance' and 'investments', introduced by Delegated Regulation (EU) 2020/592, were not sufficient to allow most of the potential beneficiaries to implement those measures in 2020 and the amounts spent under the budgetary limits for the national support programmes from 16 October 2019 up to the end of April 2020 were below the usual average of expenditure between 16 October and the end of April of the following year supported under the budget limits fixed for the support programmes in the wine sector. Therefore, the maximum Union contribution to the measure 'information' was temporarily increased by 20% and the already increased contributions were increased by additional 10 % to the measure 'promotion', as currently laid down in Implementing Regulation (EU) 2020/132 and to the measures 'restructuring and conversion of vineyards', 'green harvesting', 'harvest insurance' and 'investments', as currently laid down in Delegated Regulation (EU) 2020/592, all with retroactive effect.

Regulation (EU) 2021/78[30] extended the application of measures to address the crisis in the EU wine sector which were introduced by Implementing Regulation (EU) 2020/600 for the duration of the 2021 financial year, given that the lengthy duration of the restrictions imposed by MS to address the COVID-19 pandemic and the resulting severe economic disruption to the main outlets for wine and the ensuing negative effect on the demand for wine exacerbated oversupply in the EU wine sector, which had already started with the imposition by the US of tariffs on the imports of EU wines in October 2019. Because some MS reported that during the ongoing COVID-19 pandemic they were not in a position to re-examine the standard scales of unit costs applied to certain measures in the programmes, for the years 2020, 2021 and 2022, MS were given the possibility to extend the period during which such re-examination must be carried out from every second year to the fourth year following the last calculations. To avoid discrimination, this flexibility applied retroactively as of the date of entry into force of Implementing Regulation (EU) 2020/600.

Regulation (EU) 2021/95[31] extended several measures introduced by Delegated Regulation (EU) 2020/592 (advance payments, crisis distillation and storage, increased support for promotion measures, restructuring, green harvesting, harvest insurance and investments) until 15 October 2021 because the wine market had not managed to regain its balance between supply and demand and the upcoming high yield 2020 harvest, expected to exceed the 2019 harvest by approximately 10 million hectolitres of wine further exacerbating the situation.

[30] Commission Implementing Regulation (EU) 2021/78 of 27 January 2021 amending Implementing Regulation (EU) 2020/600 derogating from Implementing Regulation (EU) 2017/892, Implementing Regulation (EU) 2016/1150, Implementing Regulation (EU) No 615/2014, Implementing Regulation (EU) 2015/1368 and Implementing Regulation (EU) 2017/39 as regards certain measures to address the crisis caused by the COVID-19 pandemic, ELI: http://data.europa.eu/eli/reg_impl/2021/78/oj

[31] Commission Delegated Regulation (EU) 2021/95 of 28 January 2021 amending Delegated Regulation (EU) 2020/592 on temporary exceptional measures derogating from certain provisions of Regulation (EU) No 1308/2013 of the European Parliament and of the Council to address the market disturbance in the fruit and vegetables and wine sectors caused by the COVID-19 pandemic and measures linked to it, ELI: http://data.europa.eu/eli/reg_del/2021/95/oj

Regulation (EU) 2021/374[32] provided for the continued implementation of the measures to address the crisis in the EU wine sector which were introduced by Regulation (EU) 2020/884 to provide operators with the necessary flexibilities to implement support programmes in the EU wine sector in view of the continuing market imbalance. The measures concerned were the additional flexibility for the implementation of green harvesting on the same parcel for two or more consecutive years and the flexibility to introduce changes to ongoing operations. For operations that could not be fully implemented, fully implemented actions were eligible for EU support, as long as the overall objective of the operation was achieved.

Regulation (EU) 2021/1763[33] extended certain flexibilities introduced by Regulation (EU) 2020/600, allowing MS to make changes to their national support programmes whenever necessary until 15 October 2021, because of the high stocks and continuing decline in wine consumption due to the effects of the Covid pandemic coupled with the tariffs on EU wines imposed by the US. MS were then able to introduce such changes to their national support programmes whenever necessary until 15 October 2022, but during that period, the measures crisis distillation and crisis aid for storage were no longer available.

Regulation (EU) 2021/2026[34] addressed the uncertainty about duration of the crisis, which remained difficult to predict due to the rapid mutability of the virus, further deepening the existing significant disturbance of the EU wine market. Because the recovery of the sector was expected to take longer than could be anticipated at the beginning of 2021, it was considered appropriate to continue to offer temporary and exceptional support to the EU wine sector to avoid the increase in bankruptcies that has been reported. Therefore, the maximum Union financial contribution to the support for harvest insurance was increased to 70% of the cost of the insurance premiums paid for by producers for insurance for operations selected from 4 May 2020 to 15 October 2021, and to 80% for operations selected from 16 October 2021 to 15 October 2023 and the application of increased support rates for restructuring, investments and green harvesting was extended until 15 October 2022.

Regulation (EU) 2021/2027[35] extended, due to the continuing decline in wine consumption resulting from the Covid pandemic, the application of certain provisions of Regulation (EU)

[32] Commission Delegated Regulation (EU) 2021/374 of 27 January 2021 amending Delegated Regulation (EU) 2020/884 derogating in respect of the year 2020 from Delegated Regulation (EU) 2017/891 as regards the fruit and vegetables sector and from Delegated Regulation (EU) 2016/1149 as regards the wine sector in connection with the COVID-19 pandemic, and amending Delegated Regulation (EU) 2016/1149, ELI: http://data.europa.eu/eli/reg_del/2021/374/oj

33 Commission Implementing Regulation (EU) 2021/1763 of 6 October 2021 amending Implementing Regulation (EU) 2020/600 as regards the derogations from Implementing Regulation (EU) 2016/1150 to address the crisis caused by the COVID-19 pandemic in the wine sector, ELI: http://data.europa.eu/eli/reg_impl/2021/1763/oj

[34] Commission Delegated Regulation (EU) 2021/2026 of 13 September 2021 amending Delegated Regulation (EU) 2020/592 as regards certain temporary derogations from Regulation (EU) No 1308/2013 of the European Parliament and of the Council to address the market disturbance in the wine sector caused by the COVID-19 pandemic and their period of application, ELI: http://data.europa.eu/eli/reg_del/2021/2026/oj

[35] Commission Delegated Regulation (EU) 2021/2027 of 13 September 2021 amending Delegated Regulation (EU) 2020/884 as regards the derogations from Delegated Regulation (EU) 2016/1149 to address the crisis caused by the COVID-19 pandemic in the wine sector, and amending Delegated Regulation (EU) 2016/1149, ELI: http://data.europa.eu/eli/reg_del/2021/2027/oj

2020/884 from 15 October 2021 to 15 October 2022, allowed green harvesting on the same parcel for two or more consecutive years for 2020, 2021 and 2022, doubled support rates, and allowed more than one marketing year to be covered to increase the incentive for operators in the wine sector to set up mutual funds.

Regulation (EU) 2023/1225[36] added 'crisis distillation' to the eligible measures of the wine support programme and introduces flexibility for 'green harvesting' in view of low wine consumption and sales, combined with increased input costs for the agricultural production and wine processing threatening to significantly disturb the EU wine market. To increase the effectiveness of EU financial resources that could be allocated to these crisis measures, MS were allowed to complement the Union financial assistance with national payments covering up to 50% of the support granted for the two crisis measures. The maximum EU contribution to five measures ('promotion', 'restructuring and conversion of vineyards', 'green harvesting' and 'investments') was temporarily increased to align the sector more closely with market demands. MS are allowed to provide some flexibilities to beneficiaries in order to adapt the planned operations following a simplified procedure and to allow their partial implementation in duly justified cases. The flexibilities related to operations that started to be implemented during the 2023 financial year.

Regulation (EU) 2023/1317[37] allowed MS, in view of the accumulation of wine stocks, reduced consumption, income losses of wine producers and sale difficulties, to facilitate green harvesting, by introducing changes to their national support programmes in the wine sector whenever necessary during the 2023 financial year (but not later than 15 October 2023), to set the deadline for the submission of applications for support for green harvesting between 15 April and 31 July, to set a deadline after that application deadline for carrying out green harvesting operations and to apply green harvesting without establishing a justification based on the expected market situation.

Regulation (EU) 2023/1465[38] provided for emergency financial support for different agricultural sectors affected by specific problems impacting the economic viability of agricultural producers, which covered compensations to farmers for the impacts of several adverse weather events as well as for the market consequences of Russia's war of aggression against Ukraine, and also included the possibility for wine-producing MS to allocate additional financial support for crisis distillation measures, reinforcing the capacity of the measure adopted with the above-mentioned Regulation (EU) 20234/1225 and for which the financial allocation within the national support programmes was limited. Two MS (France and Germany) made use of this additional possibility.

[36] Commission Delegated Regulation (EU) 2023/1225 of 22 June 2023 on temporary exceptional measures derogating from certain provisions of Regulation (EU) No 1308/2013 of the European Parliament and of the Council to address the market disturbance in the wine sector in certain Member States and derogating from Commission Delegated Regulation (EU) 2016/1149, ELI: http://data.europa.eu/eli/reg_del/2023/1225/oj

[37] Commission Implementing Regulation (EU) 2023/1317 of 28 June 2023 on temporary derogation from Implementing Regulation (EU) 2016/1150 as regards certain measures to address the market disturbance in the wine sector; ELI: http://data.europa.eu/eli/reg_impl/2023/1317/oj

[38] Commission Implementing Regulation (EU) 2023/1465 of 14 July 2023 providing for emergency financial support for the agricultural sectors affected by specific problems impacting on the economic viability of agricultural producers. OJ L 180, 17.7.2023, p. 21–27; ELI: http://data.europa.eu/eli/reg_impl/2023/1465/oj.

Regulation (EU) 2024/1995[39] granted EU financial support in a total amount of EUR 15 million (with possibility of national payments up to 200% of the EU financial support) to remove part of the volume in stock from the Portuguese wine market for the most affected market segment of red wines protected by a denomination of origin or a geographical indication.

Regulation (EU) 2024/2146[40] extended, by 12 months, the validity of planting and replanting authorisations that expire in the year 2024, to be used in regions of Spain, Italy and France that have been affected by severe drought or excessive rainfalls, during winter and spring 2024. Alternatively, these authorisations could be renounced without an administrative penalty.

Regulation (EU) 2024/2159[41] extended the validity of unused planting and replanting authorisations that expire in the years 2024 and 2025 that were to be used in the regions most affected by market disturbances, as identified by the Member State, by three years or otherwise allowed them to be renounced without an administrative penalty because of disturbances in the wine market due to the fall in domestic consumption and the weakening of exports to third countries for certain wine categories, in particular for red wines from some production regions.

[39] Commission Delegated Regulation (EU) 2024/1995 of 19 July 2024 on a temporary exceptional crisis distillation measure to address the market disturbance in the wine sector in Portugal in the marketing year 2024/2025, ELI: http://data.europa.eu/eli/reg_del/2024/1995/oj

[40] Commission Implementing Regulation (EU) 2024/2146 of 2 August 2024 on temporary emergency measures derogating in respect of the year 2024 from certain provisions of Regulation (EU) No 1308/2013 of the European Parliament and of the Council and from Commission Delegated Regulation (EU) 2017/891 to resolve specific problems in the wine and fruit and vegetables sectors caused by adverse meteorological events, ELI: http://data.europa.eu/eli/reg_impl/2024/2146/oj

[41] Commission Delegated Regulation (EU) 2024/2159 of 12 August 2024 on temporary exceptional measures derogating from certain provisions of Regulation (EU) No 1308/2013 of the European Parliament and of the Council concerning the scheme of authorisations for vine plantings to address the market disturbance in the Union wine market, ELI: http://data.europa.eu/eli/reg_del/2024/2159/oj

Annex 2. Overview of the issues raised by the participants in the High-Level Group on Wine Policy

This is not a legally binding document. It was prepared by the departments of the Commission and does not commit the European Commission. The explanations, which are part of the assessments of the suggestions submitted by Member States and stakeholders in respect of certain EU legal acts are provided for information purposes only. In the event of a dispute involving EU law, under the Treaty on the Functioning of the European Union, it is ultimately for the Court of Justice of the European Union to provide a definitive interpretation of the applicable EU law.

Issues raised by stakeholder organisations

Organisation	Challenges identified	Suggested solutions
European Wine Regions (AREV)	• need to defend the rich traditions of EU wine-producing regions • need of a global vision for the wine-producing sector and coordination between policies • structural crisis, declining wine consumption worldwide due to societal changes • volatile geopolitical situation • climate change	• Introduce emergency measures and risk insurance. • Allow for more flexibility in the management of the EU wine envelope. • Make wine production more competitive: • Reinforce promotion, including at EU level • Create a sustainability logo. • Consider wine in trade agreements • Support the development of new products. • Reinforce the wine market observatory. • Educate consumers, including about drinking wine in moderation. • Reinforce support for adaptation to climate change, including through new disease- and pest resistant varieties, and the use of new technologies.
European Committee of Wine Companies (CEEV)	• increased costs of production and distribution • decline of wine consumption in the EU	• SIMPLIFICATION of the CAP strategic plan, in particular for the promotion and communication measure. • EXPORTS - Improve market access for EU wine by, among others, an improved procedure to fight technical barriers to trade.

Organisation	Challenges identified	Suggested solutions
	• uncertainty in world wine trade, especially in key export markets • change in consumer trends • mismatch between offer and demand for certain categories of wine and certain regions • proliferation of negative climatic events • complex and burdensome regulatory environment • demonisation of wine in health policy • continuing growth in all non-alcoholic drinks categories; inability of the EU wine sector to respond to consumers' needs and meet demand	• PRODUCT innovation with complete legal framework for de-alcoholised and partially de-alcoholised wines. • SINGLE MARKET improvement through a language-free system based on digital (one wine label for the EU). • MODIFICATION of EU distance selling policy to simplify e-commerce rules for wine products. • LEVEL PLAYING FIELD and LEVERAGE EU principles for sustainable wine production and communication.
European Confederation of Independent Winegrowers (CEVI)	• global geopolitical situation, inflation, economic uncertainties global market and economic instabilities • decline in wine consumption • climate change and adverse meteorological events • precarious and very uncertain situation faced by independent winegrowers	• Preserve the CAP legal framework and increase the budget dedicated to the Common Market Organisation (CMO). • Ensure wine will continue to be classified as an agricultural product, benefiting from the CMO measures. • Ensure a balanced allocation of the CAP aids in favour of small-scale producers, specifically through the differentiated rates set out in Article 59(2) of Regulation 2021/2115 in favour of micro, small and medium-sized enterprises. • Apply these differentiated rates to the measure 'promotion in third countries' (Article 58(1k) of Regulation 2021/2115).

Organisation	Challenges identified	Suggested solutions
		• Set up a toolbox to help MS choose and finance themselves the measures best fitted to their national situation: distillation, grubbing-up, green harvesting, private storage, possibility to extend planting authorisation in time of crisis, higher flexibility for all measures in time of crisis. • These measures must be accessible to all winegrowers, even the smallest businesses. • Extend the validity of planting authorisations (Article 62(3) of Regulation 1308/2013): to eight years for replanting, five years for new plantings, and by as many years as needed 'in time of crisis'. • Differentiate micro-enterprises from SMEs as a criterion for granting new planting authorisations in Article 64(2h) of Regulation 1308/2013 to give MS the possibility to prioritise them. • Establish a one stop shop' for distance selling to private consumers within the EU to simplify the payment of excise duties. • Preserve the CAP budget dedicated to promotion of agricultural products (Regulation 1144/2014). • Consider wine and spirits as a strategic economic sector so that it can benefit from limited commercial agreements. • Set up a safety net/emergency fund to shield winegrowers from the challenges/loss in market share arising from global events. • Enable national representative organisations of independent winegrowers to benefit from the CAP promotion aid measure targeted at wine tourism (Article 58(1)(i) Regulation 2021/2115). • Improve the functioning of harvest insurances so that they can refer to an 'average without weather-related events'.

Organisation	Challenges identified	Suggested solutions
		• Financially support the acquisition of equipment to prevent the consequences of climate change (hail, frost, drought, etc.) • Support R&D to equip winegrowers with the tools to efficiently combat climate change and its consequences. • Support R&D to equip winegrowers with the tools to adapt to climate change, including through the development of new genomic techniques, under a proper regulation.
European Farmers (COPA)	• structural crisis in the sector • need to rebalance the market	**Proposals along three axes: market, climate, consumers** Replanting authorisations: • Extend deadline to eight years, eliminate administrative penalty (retroactive). • Limit new planting authorisations in areas that have taken crisis measures (distillation, private storage, grubbing-up). • Set the new annual planted area at 0.0%. • Managing of the offer (temporary/ definitive grubbing-up) Funding: • Transfer unused funds to the following year, to be kept within the sectoral funds and used to finance crisis measures. • Create mutual funds, with public and private financing • finance cyclical crisis measures and, on occasion, grubbing-up measures. Speed up the adoption process for crisis measures and allow greater flexibility in project implementation: • A 'menu' of measures available to MS to make project implementation easier and quicker.

Organisation	Challenges identified	Suggested solutions
		• The MS, in justified contexts of crisis, and in cooperation with the COM, can activate these measures directly. (Examples: modifying the project without prior approval; allowing payment for a single action and partial project implementation; postponing planting authorisation deadlines, etc.) Promotion: • Extend promotion measures to the European internal market. • Support markets without time limits. • Improve clarity and predictability of the process. • Wine tourism: increase projects to improve attractiveness of winegrowing areas.
European Agri-Cooperatives (COGECA)		Strengthen the role of cooperatives: • Unfair practices: support for the changes proposed in the Directive (written contracts, payments on time, sales below production prices, same rules for third countries, etc.). • Producer organisations / cooperative associations: o Possibility of deciding selling prices (derogation from competition law) o Investment aid: consider the threshold for public contributions to cooperatives/OPs as SMEs. Climate: • R&D: devote more resources to new varieties, water scarcity, sustainable production tools, pest control, production techniques adapted to climate change.

Organisation	Challenges identified	Suggested solutions

		• Biodiversity: increase EU contribution to projects that actively aim to improve, adapt and simplify oenological practices.
		• New categories of products, such as 'natural wine' or 'wines made from low-alcohol grape varieties'.
		Green claims:
		• Keep the possibility of a simplified methodology for claims derived from eco-regimes.
		• Budget to monitor pests (Flavescence dorée and others).
		• Insurance
		    o Boost current systems, facilitate access, affordable prices.
		    o Develop EU safety net system.
		    o Extend cover to all stages of winemaking.
		Labelling:
		• All types of labelling must follow the principles of harmonisation and digitisation.

European Coordination Via Campesina	• low prices paid for grapes (value-chain imbalances) • sharp increase in production costs (prices and volumes) • changes in consumption (less consumption, new tendencies) • international competition • international trade agreements • climate change (variability of production)	• Fair minimum prices (above production costs). • Select the most suitable areas for vineyards. • Restrict the expansion of vineyard areas. • Tackle land concentration and land grabbing. • Provide public support for vineyards of environmental, historic and cultural high value • Ensure stricter protection of origins (PDO and PGI). • Exit free trade agreements on agriculture

Organisation	Challenges identified	Suggested solutions
	• unfair CAP supports • industrialisation (mechanisation and genetic manipulation) • rural abandonment	• Eco-scheme to support density decrease (and alternation with other cultures and landscape elements). • VAT exemption for operations between winegrowers and winemakers. • Cap and modulate CAP payments (cap to 100 000 euro per farm) and ensure a fairer distribution of CAP supports. • Derogate the possibility of arbitrary harvest selection (e.g. in Italy, with Galan Law of 2010). • Specify on the label the type of harvest and the origins of the wine. • Adapt the investment supports to small and medium holdings. • Make free-licensed management software available to wineries (for proper recording and traceability of PDO and PGI wines). • Acknowledge and regulate natural wine.

European Federation of Origin Wines (EFOW)	• a steady decline in wine consumption over the past decade, which is forecast to continue
	• consumption becoming occasional (Consumers are reporting a desire to drink less for their health, and in a number of MS public authorities are combating all alcohol consumption.)
	• a decline in red wine consumption and a drop in sales of entry-level still wines
	• growth in value in the premium/super-premium segments
		Develop a toolbox for MS.
		• In the event of a crisis, MS should be able to implement one or more measures to:
		  o reduce production potential via grubbing-up, green harvesting or managing the percentage of vine planting authorisation,
		  o support private storage in anticipation of market improvement,
		  o eliminate part of the production via crisis distillation.
		Implement conditionality.
		• Any operator benefiting from crisis support should:
		  o forgo requesting new planting authorisations for four consecutive campaigns and relinquish all replanting authorisations in its portfolio;

Organisation	Challenges identified	Suggested solutions
	• difficulty for no/low-alcohol wines to establish themselves • strong competition from other alcoholic beverages, whose consumption is not declining. • exports stagnation and an increased risk of trade conflicts. • climate fluctuations disrupting production capacity, both reducing and increasing it, heavily impacting operators and destabilising the sector	o forgo requesting aid that risks increasing their production for four consecutive campaigns (e.g. restructuring/replanting and investment, unless the investment aims to improve the farm's climate performance or biodiversity); o not benefit from crisis aid for two consecutive campaigns. • NB: exercise caution with affiliated companies, corporate groups, and intermediary entities, as they may circumvent the established conditionality. • If a Member State implements the measures above, it should reduce its production potential at the national level or at the level of the production regions that have benefited from the support measures mentioned above. Develop mutual fund schemes. • Replenish a mutual fund with the unspent budgets from the wine programmes. These funds could be allocated to support crisis management and the ecological transition. E.g. financing the industrial transformation of surpluses, developing an insurance scheme, financing the green toolbox. Improve the vine planting authorisation scheme. • Allow MS to set the growth rate of planting authorisations at 0% at the national level, at the level of production regions, or at the level of a geographical indication. • A recognised GI producer group should have the power to recommend: o Not to grow (set the percentage to 0)

Organisation	Challenges identified	Suggested solutions
		◦ a ban on the planting of non-GI wine in its geographical area by demonstrating a risk of excess supply or a significant risk of devaluation of its GI. Invest in promotion to reverse declining consumption. • Improve the promotional tool in the CAP strategic plans by changing the definition of 'market' (China or the United States are 'continents') and of 'continuity' (go beyond the five-year limit). ◦ Remove the requirement to present three bids for each expense and allow the use of reference costs by action and market and/or price scales. ◦ Simplify procedures, e.g. speed up the processing of modifications requests, no penalties for cost efficiency improvements, improve the justification of expenses. • Allow new actors to promote wine tourism (Beyond interprofessional bodies, recognised GI producer groups should also be eligible for this measure.) • Introduce improvements to the EU agricultural promotion policy. ◦ Simple programmes should be available to GI wines alone, without them having to be associated with another agri-food GI product, such as GI spirits. ◦ The European Research Executive Agency should produce a guide for the justification of expenses and the evaluation of simple projects for all MS. ◦ the costs of specialised consultants in the application and justification of these funds should be eligible.

Organisation	Challenges identified	Suggested solutions
		Facilitate the diversification of sales channels. • The wine programmes should support operators willing to develop direct sales activities. • Support distance and online wine sales by: o establishing a one stop shop for excise payment; o extending the duties exemptions granted to offline sales to online sales (quantities of products purchased in the country of origin, transported by the buyer, and intended for personal use). Incentivise sustainability. • Promote a sustainable approach to viticulture and viniculture. EU law should encourage the optimal use of resources in territories. For example, in the case of fortified wines with an appellation, EU aid should be used so that the brandy comes from the wine region. • Encourage climate change adaptation and biodiversity preservation. o Adapt the restructuring/reconversion measure to ensure that replanting occurs at a later stage. o Lifespan of replanting authorisations: eight years. o Operators should replant starting from the sixth year. o Condition: operators take measures to increase biodiversity on the unplanted plots and improve soil quality. o Co-financing should be available for five years and at 80% of these costs. o Increase to 80% the co-financing level for measures under Article 58(m) of the Strategic Plans. o Allow the co-financing of:

Organisation	Challenges identified	Suggested solutions
		• advisory services with a focus on environmental measures and climate change adaptation. • guides and training on sustainability practices for recognised GI producer groups. o Aid for operators conducting experiments in their vineyards to adapt to climate change. Ensure truth in labelling. • Support the status quo on de-alcoholised wines (not available to GIs). • No objection to rebrand this segment as alcohol-free. • Opposition to changes allowing partially de-alcoholised wines to be labelled as low-alcohol wines. o Ongoing advancements in developing resistant grape varieties and potentially new genomic techniques could enable operators to produce wines with naturally low alcohol content. o The term low-alcohol wine should be reserved for such wines to prevent misleading consumers about the winemaking process.
Organics Europe (IFOAM)	• The organic vineyard area is increasing worldwide, but there are major challenges due to climate change: frost damage and downy mildew. • The use of plant protection products (PPPs) in viticulture is particularly widespread, including in organic viticulture.	• Complement the wine growers' organic toolbox for plant protection. • The authorisation of potassium phosphonate would make organic viticulture more environmentally friendly through a parallel reduction in copper and increased production reliability.

Organisation	Challenges identified	Suggested solutions
	• Fungus-resistant grape varieties can manage with significantly fewer PPPs, but the establishment of these new grape varieties is a long and difficult process. • Copper-containing PPPs, which are allowed for organic vineyards, are not suitable for securing the harvest during long periods of rainfall.	

Annex 3. Reflection Document for the Second Meeting of the High-Level Group on Wine Policy

1) MANAGEMENT OF THE PRODUCTION POTENTIAL

Issues to be addressed:

- **Adjust production potential to structural decline in demand worldwide and stabilise/decrease the EU vineyard area**
- **Stabilise yield**

Possible actions	Policy tools	Possible features	Pros/cons/ questions
Permanently reduce the vineyard area	**Definitive grubbing-up**	A one-shot, exceptional EU market measure over two or three marketing years (as in 2009-2011), with EU support and possibly co-financed	May permanently reduce production potential and balance supply when combined with other measures. Could be implemented under Article 219 CMO. ➢ Is such a measure cost-efficient and sufficiently effective in the long term (valid question for all grubbing-up)?
		Permanent possibility within the sectoral interventions with EU support/co-financed	It would be a new type of wine intervention in the future SPR, with additional conditions e.g. targeted regions, planting authorisations, etc. For it to be triggered, MS would have to amend their strategic plans for wine. ➢ As there is one EU wine market (even if segmented), isn't there a risk that interventions without an EU perspective may be regretted or generate imbalances? ➢ Is there a risk that some MS may go too far? Is there a need for a specific ceiling of expenditure, such as for the current sanitary grubbing-up? ➢ Considering the high cost of grubbing-up, wouldn't available resources be taken away from more constructive measures for the sector?
		Permanent possibility with MS support subject to authorisation by the COM (like the current	Flexibility, speed and subsidiarity ensured. No use of resources dedicated to other, more productive measures. EU context ensured, including EU legal framework for the justification of the intervention.

Possible actions	Policy tools	Possible features	Pros/cons/ questions
		possibility for crisis distillation under the CMO)	
		Conditions/priorities/coherence for any grubbing-up measure	Conditions should ensure coherence, efficiency of the measure and minimise the negative social and environmental effects : ➢ Tailor-made to focus on target regions (e.g. with proven oversupply) and segments (e.g. red wines) experiencing oversupply. ➢ Subject to and as part of a wine structural adjustment plan drawn up by MS. ➢ With safeguards for environmentally sensitive areas, special landscape features. ➢ Defining priorities, such as for more productive vineyards and some types of wine producers (e.g. above 55 years) ➢ Policy coherence, e.g. by excluding beneficiaries/regions using the grubbing-up scheme from receiving new planting authorisations for [X] years ➢ Excluding vineyards that benefited from restructuring support in the last [X] years from support for grubbing up. ➢ Incompatibility with granting support for restructuring in the same region (and/or to the same beneficiary) during the [X] following years. ➢ Would it be pertinent to restrict the use of the land grubbed-up (no wine production on the same parcel during [X] years)?
Temporarily reduce the vineyard area	**Delayed replanting scheme**	Growers who grub up a vineyard only replant after [eight] years.	➢ Would 'dormant production potential' not increase uncertainty in the market and pose a risk of increasing the area in the years ahead when consumption might be even lower? ➢ Is compensation for a temporary reduction cost-efficient in a context of decreasing consumption? Would it not take

Possible actions	Policy tools	Possible features	Pros/cons/ questions
			resources away from positive measures in favour of producers who want to invest? ➢ Should a delay in replanting be made obligatory under the restructuring and reconversion measure, but with no additional support compared to a standard restructuring or reconversion operation? ➢ Could a voluntary delay without compensation for the income loss be reached by an extension of the period before replanting, giving producers more time between the decision on grubbing-up and the decision on planting (e.g. by extending the deadline between the grubbing-up and the application for replanting authorisations)?
Limit future increases in the vineyard area	**Lower the maximum % of new authorisations that can be granted**	Reduce the current maximum rate (1%) to a lower level for all MS. Allow MS to go to 0% (at national and regional level). For MS or regions implementing crisis measures (crisis distillation or grubbing-up), set the availability of new planting to [0]% for [X] years.	➢ Do you think a lower maximum percentage could be beneficial/effective in combating the structural problems, given that MS can already set a very low level (even though above 0%)? ➢ Should this lower ceiling be temporary or permanent? ➢ Should a lower maximum (of [0]%?) be obligatory for MS/regions using a grubbing-up or crisis distillation scheme? For all wines or only for the specific types of wine/regions in crisis? ➢ Would a strict 0% growth rate be an excessive barrier for new entrants? ➢ What about keeping the current maximum percentage and combining it with stricter eligibility and priority criteria for granting authorisations (e.g. market and landscape criteria)? ➢ Key question: how to balance paying for distillation/grubbing up (reduction of production) and allow new authorisations (increase potential/production)?

Possible actions	Policy tools	Possible features	Pros/cons/ questions
	Reduce the number of valid authorisations in circulation	Allow MS to waive the penalty for authorisations granted before a certain date [31 July 2024] if they are relinquished before a certain deadline.	The amount of authorisations in circulation is important and represents future production potential. It has grown with successive extensions of validity. ➢ Would setting a deadline for relinquishing authorisations without penalty incentivise some growers to give them up? ➢ Any other idea about how to reduce the amount of these authorisations? (e.g. empower MS to remove the penalties as an incentive for growers to relinquish them in cases of national/regional market imbalance)?
	More effective use of authorisations for future new plantings	Better target new planting authorisations (currently possible via eligibility criteria). Keep duration of validity and strengthen penalties for non-use.	Better targeting could align planting with market demand and land development. ➢ Can you think of other methods to steer new planting authorisations away from oversupplied market segments/regions? Replanting authorisations should be subject to different treatment than new planting authorisations. New planting authorisations are more sensitive to speculation and directly increase the production potential. Therefore, a relatively short validity and a proportionate penalty are necessary for new planting authorisations. In contrast, replanting authorisations keep the production potential stable, and an extension of their validity merely delays the replanting of the same area (see below).
Temporarily delay the increase in vineyard area	**Extension of the validity of replanting authorisations**	All replanting authorisations could be extended to [six] years, with removal of penalties for their non-use. or	A longer validity period increases the ‘dormant’ production potential, which increases uncertainty in the future development of the market. However, extending the validity of replanting authorisations could spread their use over a longer period, and some would be relinquished if there is no penalty.

Possible actions	Policy tools	Possible features	Pros/cons/ questions
		Extend the validity of existing replanting authorisations only, with removal of penalties for non-use and the possibility for MS to extend the validity of future replanting authorisations in duly justified cases.	➢ Wouldn't the same treatment for new planting authorisations lead to speculation? Would extending their validity not go against the objective to reduce the amount of authorisations in circulation? ➢ Should the current duration of validity for replanting authorisations be kept, but with the possibility for MS to extend the validity to [eight] years in duly justified cases (such as weather events, market imbalance, etc.) or should there be a general extension of their validity?
Avoid excessive yield increases on a given area	**Reconversion support for vineyards**	Set conditions for the restructuring and reconversion measure which limit yield increases.	➢ Do you think it is feasible/appropriate to set a general condition that yields of reconverted vineyards (or features having similar effects) should not increase? Or should the condition be limited to certain situations? Which ones? ➢ Should we differentiate between PDO/PGI (for which yields are set in their technical specifications) and non-GI wines?
	Conditions for replanting authorisations	Conditions to be set by MS to avoid yield increase when vineyards are replaced.	MS could set conditions on maximum yields (or characteristics having similar effects) when granting replanting authorisations. In case of transfer of authorisations between certain areas, MS may be allowed to set maximum planted areas or even prohibit replanting in areas with different characteristics (e.g. to avoid vineyards moving away from environmentally sensitive areas or slopes). ➢ Should there be stricter rules allowing MS to prohibit at national level the transfer of replanting authorisations within a holding, e.g. from one region to another, from slopes to the plain?
Stabilise yields/production (temporary)	**Yield stabilisation mechanism**	In the CMO Regulation, include the possibility of such a mechanism, activated through interprofessional organisations	This would give more responsibility to the sector for preventing market imbalances. ➢ Should the extension of rules (Article 164 CMO) be reinforced for the wine sector?

Possible actions	Policy tools	Possible features	Pros/cons/ questions
		or producer organisations (extension of rules) for a certain area.	➢ Should the possibility for the MS under Article 167 CMO (national marketing rules) be improved? How?
	Green harvesting	Make wine sectoral intervention rules more flexible to allow MS to reallocate funds dedicated to green harvesting in case of non-use in specific years.	Green harvesting occurs late in the financial year. Financial flexibility would make it possible to keep this measure available in the SP, with no risk of losing the unspent money allocated to it. ➢ Considering the existing possible transfer of unused funds between measures (Article 101 SPR), which additional flexibilities would you deem useful?
	Possibility for producer organisations to withdraw wine from the market (e.g. distillation)	Recognised POs can adopt marketing rules for their members and act in case of conjunctural supply excess.	In some other sectors, this kind of operations by POs or cooperatives recognised as POs can be partially financed within operational programmes run by such POs. ➢ Would it be useful to allow MS to fund these programmes with the area payments, as in some other sectors? ➢ Or would allowing the possibility of withdrawal with no use of public funding be enough?

2) POLICY MEASURES TO STRENGTHEN THE RESILIENCE OF THE SECTOR IN A CHANGING MARKET AND AGAINST CLIMATE CHANGE

<u>Issues to be addressed</u>:

- **Strengthen the position of winegrowers.**
- **Protect winegrowers against losses due to severe weather events.**
- **Increase the resilience of the sector in the long term.**

Possible actions	Policy tools	Possible features	Pros/cons/ questions
Strengthen the position of growers in the food chain	**The rules on unfair trading practices (UTP) should take vine growers' concerns into account.**	Enforcement of the UTP Directive by MS	➢ Do you see any specific aspect to be improved in relation to the wine supply chain?
	Strengthen POs and cooperatives.	Co-ops and POs considered as SMEs regardless of their size	➢ Considering that cooperatives (first level) and POs represent a group of small producers, should they be considered always as SMEs regardless of their size? If so, what could be done?
	Encourage growers to join producer organisations.	➢ Further incentive for setting up ➢ Obligation for MS to recognise POs in the wine sector	Setting up aid already planned under Article 77(8)(b) SPR. ➢ Which other measures would make it more attractive for growers to cooperate?
Protect growers from income losses	**Develop and encourage uptake of risk management tools**	➢ Setting up dedicated insurance schemes with public support. ➢ Setting up mutual funds with contributions from the EU/MS/regions and growers.	Such tools are already supported by the CAP. However, the uptake is rather weak, as only a few MS have strong national agricultural insurance schemes. ➢ What should be improved in the CAP to increase the uptake of these tools? ➢ Would an EU re-insurance scheme be a game changer? How do you see it could be structured within the CAP?

			➢ What about guaranteed funds (instead of grants to all farmers), with EU funding covering the residual risk?
	Prevent crop losses.	Improving EU support for investments preventing crop losses.	For granting support for investments in vineyards, set conditions and priorities (and/or a higher support rate) favouring prevention measures and adaptation measures. E.g. reconversion/restructuring support could be subject to priorities or conditions that new vineyards should be more adapted to climate change and less prone to losses. ➢ Key question: how can farmers better adapt to the risk (e.g. practices)?
	Promote long-term adaptation to climate change.	➢ Support for investments for adaptation to climate change (including restructuring/reconversion) ➢ Research and innovation on climate change adaptation options	➢ Already possible under the SPR, but could this goal be reinforced? ➢ What about making it mandatory for wine-producing regions to have adaptation plans for vineyards, with criteria that are embedded into all intervention / market measures to ensure an effective implementation by the sector? ➢ Do you have other ideas of how growers can be supported to better address climate risks?
	Reduce the burden of applying certain oenological practices	Authorisation of sugaring/acidification up to the current additional limit without prior agreement of MS authorities (while keeping ex post control)	➢ Can this be applied without the risk of abuse?
Optimise the use of the envelope of the wine sectoral interventions	**Wine sectoral interventions**	Pluriannual financial management of the wine sectoral programmes	This would provide MS more flexibility and allow them to carry over unused amounts to the next year. ➢ Should there be a limit of [20%] of the annual envelope for the carry-over (to ensure continuous implementation and avoid concentration of expenditure in the last years of the programme)? ➢ How to avoid concentration in the last year(s) of the programming period?

3) POLICY MEASURES TO ADAPT TO MARKET TRENDS AND HARNESS MARKET OPPORTUNITIES

<u>**Issues to be addressed**</u>:

- ➢ Adapt production to market trends
- ➢ Reach consumers on the internal and external market

Possible actions	Policy tools	Possible features	Pros/cons/ questions
Enhance market surveillance tools	**EU wine market observatory (MO), price reporting**	Strengthening the collection of data, sharing of information and analysis.	Surveys of MS/experts on specific topics, beyond price notifications, could be one way to strengthen the MO. However, strong and consistent cooperation and support from the national authorities and the sector is needed. ➢ Are the MS (and the sector) willing to commit to this project?
Meet consumer demand	**Rules on oenological practices (OPs) adapted to consumer preferences**	➢ Complete the framework of rules for de-alcoholised and partially de-alcoholised wines. ➢ Allow for wines with naturally low alcohol content.	➢ The rules on de-alcoholised wines merit to be completed while preserving the integrity of these wines. What is your view? ➢ Demand for naturally low-alcohol wines is growing. Shouldn't they be allowed on the market while identifying the category for consumers?
	New labels for further market segmentation meeting consumers demand	A new EU label for: ➢ 'natural wines' ('vins nature') ➢ 'sustainable wines'	➢ A common definition for these products would need to be found. Do you think such labels could bring benefits to the sector? ➢ On sustainability, currently there is a multitude of often opaque private certification schemes, including some run

		➢ 'heroic/historic wines' ➢ 'naturally low-alcohol wines' (see above).	by retailers. A harmonisation of criteria and procedures for the certification of sustainability could bring transparency and economies of scale. However, inserting general criteria (e.g. OIV) in EU legislation would still leave a wide margin for different schemes on the market. Setting stricter criteria in EU law, on the other hand, risks making the scheme too rigid and burdensome. What is your opinion? ➢ Would sustainability labelling create problems for organic wine?
	Labelling rules: simplify and make more informative	Complete and simplify/harmonise the rules for digital labels.	➢ How could digital labels (presentation and content) be improved considering the interests of the sector (single label for all EU countries) and the right of consumers to easy access to information?
	Defend the specific value of wine and differentiate it from other alcohol products	Emphasise the link between wine and the European landscape and culture; inform the public about moderate consumption, particularly as part of the Mediterranean diet, and about the difference between wine and other alcoholic beverages.	➢ Do you have ideas about how this could be facilitated at EU/MS level?
Reach consumers on export markets	**Promotion or information measures: make them more effective and efficient**	➢ Allow promotion for more than three years on the same market. ➢ Provide a simplified scheme for small producers to improve their access.	➢ The three-year limit no longer exists, but are there other hurdles? ➢ How could the promotion policy tools be improved further to be more effective? ➢ What could a simplified scheme for small producers look like?

Reach consumers on the internal market	**Support wine tourism**	Strengthen the current tool.	Already possible for interbranch actions, but rarely used. ➢ Should individual operators also be eligible for support? ➢ How to ensure consistency with the other tools, such as RDP (individual producers can apply already)?
	Promotion on the internal market	Already possible for information campaigns on quality schemes and moderate consumption.	➢ How could the promotion policy be improved?
	Improve attractiveness of wine in Horeca	Possible agreements between producers and Horeca on reducing wine markups.	Excessive markups in Horeca are to the detriment of consumers and producers and sometimes discriminate against wine in favour of other alcoholic beverages. ➢ Private agreements could be allowed between producers/POs and Horeca. ➢ Do you have other ideas?
	Include the excise duty in the import one stop shop (IOSS) system to facilitate cross-border distance sales of wine		TAXUD currently has a project group with MS which is looking for solutions to modernise the procedure for the distance sale of alcoholic drinks subject to excise duties. Do you have specific proposals for wine?
	Innovative packaging		Do you see any regulatory barriers to be removed, or actions to be taken at EU level, to promote the use of innovative packaging that would better meet consumer demand?
Action on research and innovation	**Support research**	Dedicated research and innovation package from the vineyard to consumers which could benefit the sector (e.g. plant protection, climate change adaptation, new varieties, digital, winemaking practices, cellar technologies, innovative packaging/labels).	

Annex 4. Policy Recommendations of the High-Level Group for Wine – Timeframe for implementation

As requested by the participants of the HLG, stakeholders and members of the European Parliament, the Commission worked on a time frame for the implementation of the HLG recommendations, identifying those actions that are wine specific and can be implemented in the short term.

Rec. No	Title of the action	Short description (Ref to HLG recommendation)	Timeline/tool	Comments
ADDRESSING THE MANAGEMENT OF THE PRODUCTION POTENTIAL				
1	A permanent grubbing-up scheme: (a) with State aid (b) as a national crisis measure under Article 216 of the CMO regulation (c) with CAP support	(a) assisting State aid applications (b) amendment of Article 216 CMO to include the measure and an empowerment for detailed rules (c) assessment of options by the COM	(a) as needed (b) **AM CMO** (c) CAP reform	Elements to be considered in corresponding DA/IA: • grubbing-up schemes should be targeted at solving specific problems of regions or market segments • common general principles and criteria for eligibility and priority criteria, to be chosen by MS • in the context of a structural adjustment plan of the region concerned • exclusion of certain vineyards with a high value for the landscape • consistency with decision on new planting authorisations • consistency with restructuring measures under the NSP. • maintaining the agricultural destination of land previously planted with vineyards

Rec. No	Title of the action	Short description (Ref to HLG recommendation)	Timeline/tool	Comments
2	New planting authorisations	**(a)** Allow MS to set new authorisations at 0% at regional or geographical indication level (also for regions benefiting from grubbing-up or crisis distillation measures). (b) Give MS more flexibility in the allocation and management of authorisations.	**a)AM CMO**	(b) MS already have a lot of flexibility (regional limits, priority criteria etc.). Further changes (such as more eligibility/exclusion criteria) would need a more in-depth discussion.
3	Replanting authorisations	**IA**: Extend the maximum period between the grubbing-up and the application deadline for the corresponding replanting authorisation. (a) extend the validity of replanting authorisations to eight years. (b) abolish the administrative penalty for non-use of replanting authorisations.	Done **AM CMO**	• Extension of the period already achieved with Implementing Act • This extension in the CMO may require a change to the IA to adjust the maximum length of the period.
4	Scheme to relinquish unused pre-2024 authorisations without penalty	Growers may, before a certain deadline, relinquish all valid planting authorisations granted before 2024 without penalty.	**AM CMO**	

Rec. No	Title of the action	Short description (Ref to HLG recommendation)	Timeline/tool	Comments
5	Allow MS to set yield limits for restructuring measures	Allow MS to set verifiable conditions aimed at limiting excessive yield increases in vineyards that receive support through the restructuration/reconversion measure.	**AM SPR**	
6	New conditions for planting/replanting authorisations	Allow MS to set conditions when granting planting and replanting authorisations, including for limiting transfers within the same holding, aiming to prevent excessive increases in yields and avoid any excessive reduction of vineyard area in sensitive regions.	**AM CMO**	Goes together with Recommendation No 2(b).
7	Green harvesting	(a) Increased flexibility and simplification for green harvesting. Possibility to reallocate resources in the wine sectoral programmes during the year between types of intervention. (b) Add green harvesting to the measures of Article 216 of the CMO regulation to allow financing with national budget.	 **AM CMO**	Already possible Goes together with Recommendation No 1(b).

Rec. No	Title of the action	Short description (Ref to HLG recommendation)	Timeline/tool	Comments
8	Yield stabilisation mechanism	Give producer organisations, interbranch organisations or recognised producer groups managing GIs the tools for the management of yield stabilisation mechanisms.	**AM CMO**	To verify complementarity with current Article 164 (extension of rules) and Article 166a (supply management for GIs). Actually, setting limits to yields could be covered by Article 166a as regards GIs. Also, Article 167 allows MS to adopt supply management measures on the base of interbranch agreements.
STRENGTHENING THE RESILIENCE OF THE SECTOR IN A CHANGING MARKET AND ITS ADAPTATION TO CLIMATE CHANGE				
9	Improving exports and market access	COM: to maintain ambitious strategy to expand market access, address trade barriers, and protect wine products from unrelated trade disputes.		
10	UTP and Supply chain	Strengthen the bargaining capacity of growers, review the list of unfair practices, or improve the framework on contracts, and the cross-border enforcement of the provisions of the UTP Directive.	ongoing ‘targeted’ AM CMO	

Rec. No	Title of the action	Short description (Ref to HLG recommendation)	Timeline/tool	Comments
11	Strengthen producer cooperation	Treat cooperatives and POs in the wine sector as SMEs for the purposes of the common agricultural policy.	**AM SPR**	For cooperatives not needed as can be recognised as POs by the MS
12	Risk management	(a) Improve the existing risk management tools, including by exploring mechanisms of EU re-insurance or co-insurance. (b) Reinforce options in the CAP to support insurance and mutual schemes, to strengthen national insurance schemes through de-risking strategies and innovative insurance solutions that better share the risks. Change the rules for the calculation of losses for climate compensation schemes for the CAP and State aid.	CAP reform **AM SPR** in Omnibus Simplifi-cation	Refers to the request of a new calculation method for the “Olympic average” .
13	Improve prevention of crop losses and adaptation to climate change	(a) Ensure consistency of all relevant interventions in the support programmes (market, restructuring and investments measures) with the guidelines and criteria defined in mandatory adaptation plans.	CAP reform	

Rec. No	Title of the action	Short description (Ref to HLG recommendation)	Timeline/tool	Comments
		(b) Increase the support rate for climate risk prevention measures that are in line with those plans.	**AM SPR**	
14	Support new wine-producing MS	Ensure that all EU policies supporting the wine sector take into account the needs of MS where wine production has recently started or may develop in the near future.	CAP reform **AM CMO:** Planting authorisations to apply to MS as from a certain vineyard area.	Open the possibility of financing wine interventions in MS without a wine envelope.
15	Organic wine	Request the Expert Group for Technical Advice on Organic Production to assess: (a) the use of potassium phosphonate as a plant protection product to control downy mildew on organic grapevine; (b) the de-alcoholisation processes for partially de-alcoholised products.	a)Spring 2025 b)upon receipt of application	Two EGTOP expert meetings planned in March and Plenary in June 2025.

Rec. No	Title of the action	Short description (Ref to HLG recommendation)	Timeline/tool	Comments
16	Encourage the use of new technologies	(a) Make the latest research findings into climate change adaptation easily accessible to the farming community. (b) Extend the list of eligible investments under wine interventions to include the latest relevant technologies.	CAP reform	
17	Maximise use of envelopes of wine sectoral programmes	Flexibility in the financial management of the wine sectoral programmes, including transfers between financial years, by: (a) easier transfer of financial allocations between types of intervention; (b) more flexible rules for advance payments; (c) Carry over and allowing the use of unspent funds in the sectoral programmes for supporting crisis management measures. (d) Increase support rates for interventions aiming to improve the sustainability of wine production.	CAP Reform	(a) and (b) already possible (c) to be explored also e.g. in connection with the proposal on the national agricultural reserve

Rec. No	Title of the action	Short description (Ref to HLG recommendation)	Timeline/tool	Comments
		(e) Allow the use of exceptional wine sectoral interventions within the CAP strategic plan in case of market disturbance by making the amendment procedure faster and more flexible.		
ADAPTING TO MARKET TRENDS AND HARNESSING MARKET OPPORTUNITIES				
18	Reinforce the wine market observatory	(a) Reinforce the observatory's capacity to collect and analyse relevant homogeneous market information including through increased data sharing. (b) Better monitor the development of demand and consumer preferences in traditional and new potential export markets. (c) Give legal certainty to interbranch organisations supplying market data collection and use of this data regarding the	to be developed	Depends on the extent the members will be willing to increase their contributions and financial means for acquiring additional market data; MS must also commit to notifying information in a comprehensive and timely manner. To be explored if this implies a legislative change in the CMO.

Rec. No	Title of the action	Short description (Ref to HLG recommendation)	Timeline/tool	Comments
19	Tailor wine products to demand	(a) fully and partially de-alcoholised wines (b) natural low-alcohol wines	**a) AM CMO** b) to be explored	Modification of some oenological practices, and labelling rules for de-alcoholised wines.
20	Electronic labelling	Further harmonise (and complete) the rules on electronic labelling	**AM CMO**	Empower COM to adopt a delegated act on: - the use of the QR code for presenting information to consumers; - identification of the QR code on the label (pictogram);
21	Promotion	(a) Increase the duration of the support for promotion measures to allow for market consolidation in third countries. (b) Possible simplified scheme for small producers.	**AM SPR**	b) already possible for MS
22	Wine tourism	Allow support for coordinated actions promoted by wine interbranch organisations, producer organisations. and producer groups managing geographical indications.	**AM SPR**	

Rec. No	Title of the action	Short description (Ref to HLG recommendation)	Timeline/tool	Comments
23	Electronic system for excise for cross-border distance sale of wine	Cooperation with TAXUD on speeding up the development of a system comparable to the IOSS	Long-term	Depends on technical progress and MS cooperation/compatibility of MS systems – difficult to accelerate.
24	Encourage research and innovation	Research package dedicated/better attuned to wine. Make innovation more accessible to producers through dedicated training, advisory services, and other tools.	Horizon (R+D+i) CAP reform	

AM = amendment

Annex 5. The High-Level Group Recommendations in the 'Wine Package'

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MANAGEMENT OF THE PRODUCTION POTENTIAL – AUTHORISATIONS

Validity of eight years for all replanting authorisations (no administrative penalty if they are not used) to give growers time to analyse market demand.
Possibility for MS to set rules for replanting authorisations (preserving vineyards on slopes and terraces, preserving landscape, avoiding soil erosion, etc.)
Possibility for MS to limit the issuing of new planting authorisations at regional level for areas with excess supply.
One-off measure: No administrative penalty for unused authorisations for new plantings granted before 1 January 2025 if renounced by 31 December 2026

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MANAGEMENT OF THE PRODUCTION POTENTIAL – OTHER MEASURES
Possibility for MS to:

Lay down rules to regulate supply, set maximum yields and rules for the management of stocks, in cooperation with representative producer organisations or interbranch organisations.
Make national payments to wine producers not only for the voluntary or mandatory distillation of wine but also for voluntary green harvesting and voluntary grubbing up of productive vineyards in duly justified cases of crisis.
Lay down conditions in their CAP strategic plans to ensure that there is no increase in yield for the vineyards subject to restructuring and conversion

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GRAPEVINE PRODUCTS WITH A REDUCED ALCOHOL CONTENT AND LABELLING

New definitions:

'alcohol-free' : actual alcoholic strength does not exceed 0.5 % by volume, to which '0.0%' is to be added if the actual alcoholic strength does not exceed 0.05% by volume.
'alcohol-light': actual alcoholic strength above 0.5% by volume, but at least 30% below the minimum actual alcoholic strength of the category before de-alcoholisation.

Labelling of those products: addition of the expression 'produced by de-alcoholisation.'
De-alcoholised sparkling wine and aerated sparkling wine may also be obtained from de-alcoholised or partially de-alcoholised wines (in the past, a sparkling or aerated sparkling wine had to be de-alcoholised).
The Commission is empowered to adopt delegated acts on:

the identification of the electronic means (QR code, etc.) by means of a pictogram or symbol instead of words on the package or the label.

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o updates of certain labelling provisions, to simplify the presentation of information and to adapt to future technological progress or new requirements on information relevant to consumers.
SUPPORT FOR WINE SECTOR INTERVENTIONS UNDER THE STRATEGIC PLAN • Producer groups managing protected designations of origin and protected geographical indications will be eligible for support to promote wine tourism in production regions. • The duration of promotion and communication operations aimed at the consolidation of market outlets will be extended from three years to five years. • The maximum rate for Union financial assistance for investments and for innovation will be granted not only to micro, small and medium-sized enterprises but also to recognised producer organisations. • The financial assistance for these investments will be increased to 80% of eligible investment costs for investments contributing to climate change mitigation and adaptation. • The Union financial assistance can be increased from 50% to 80% of eligible costs for investments and innovations that enhance the sustainability of wine production, if they are linked to the objective of contributing to climate change mitigation and adaptation.
AROMATISED WINE PRODUCTS - REDUCED ALCOHOL CONTENT, *GLÜHWEIN* AND LABELLING • Aromatised wine products with a lower actual alcoholic strength may be obtained from grapevine products that have undergone a full or partial de-alcoholisation process. The sales denominations of those products must be supplemented by the same terms as those laid down for grapevine products. • The Commission is empowered to adopt delegated acts on: o the identification of the electronic means (QR code, etc.) by means of a pictogram or symbol instead of words on the package or the label. o updates of certain labelling provisions, to simplify the presentation of information and adapt to future technological progress or new requirements on information relevant to consumers. • *"Glühwein"* may also be produced entirely or partially from rosé wine and the sales denomination *"Glühwein"* may be used in the labelling of alcoholic beverages obtained from fruit wine

Annex 6. Impact analysis: who is affected and how?

The policy measures proposed under the 'Wine Package' generate a broad range of direct and indirect economic benefits across the wine supply chain, from winegrowers and producers to retailers, public administrations, and consumers.

For winegrowers, the measures provide greater flexibility and stability, notably through extended replanting authorisation periods, yield management tools and more targeted support for investments. This enables them to plan over longer time periods, adapt more effectively to climate change and invest in sustainable vineyard practices and technologies. These changes also reduce uncertainty linked to volatile prices or overproduction, improving resilience and lowering the likelihood of financial distress.

Producers and cooperatives, including small and medium-sized wineries and producer organisations, benefit from a more predictable market environment, clearer rules and increased support rates for investment–up to 80% for projects related to innovation, processing, marketing, and adaptation to climate change. These incentives encourage structural improvements in winery infrastructure, digitalisation of processes, and product innovation, including the development of low and non-alcoholic wines. The extension of promotion project durations from three to five years offers more realistic timelines for consolidating export markets, particularly important in a context of geopolitical instability. The support for collective wine tourism projects managed by producer groups also enhances local visibility and attracts new income streams, while reinforcing links between wine, territory, and rural development.

Distributors, wholesalers, and retailers gain from a more stable and coordinated supply chain. Reduced overproduction and more consistent supply help stabilise prices and facilitate inventory planning. The harmonisation of e-labelling rules across the EU, including a standardised, language-free QR code, makes it easier to manage labelling and reduces risks linked to regulatory divergence between MS. This lowers transaction costs, especially in cross-border trade, and decreases the incidence of product returns or disputes over compliance.

Public administrations stand to benefit from a simplified regulatory environment. More harmonised rules reduce the burden of audits, inspections, and enforcement actions, particularly in areas like labelling and crisis measures. With clearer criteria and fewer national deviations, legal disputes are expected to decline, freeing up administrative capacity and enabling better-targeted public oversight. By encouraging market balance through tools like green harvesting, distillation, and grubbing-up, the sector also becomes less reliant on emergency crisis interventions, easing pressure on public budgets over time.

Consumers are also direct beneficiaries of the proposed measures. Clearer categories for low and non-alcoholic wines, along with standardised names and production methods, support more informed purchasing choices and enable consumers to select products that better align with their lifestyle and health preferences. The expansion of wine tourism projects also improves the overall wine experience, connecting consumers more deeply with regional culture, landscapes, and sustainable practices.

Altogether, this proposal provides potential economic benefits with no additional costs for operators and public administrations. Its impacts are described in detail in Section 6. These impacts cannot be precisely quantified, because their actual impact will depend on (i) the extent of uptake of the measures, (ii) how MS apply the instruments given to them, (iii) the production and market situation in the following years, which cannot be foreseen with accuracy, (iv) the pre-existing national legislative framework, and (v) existing supply chain structures. Benefits calculated based on reasonable assumptions and relevant data available are summarised in the following table.

Summary of costs and benefits

Table 1 - Overview of benefits

I. Overview of benefits (total for all provisions) – preferred option		
Description	***Amount***	***Comments***
		Direct benefits
Benefits for winegrowers and their associations		
More flexibilities in planting and a more stable market	EUR 339 million / year	Farmers and their associations benefit from a more predictable wine market in the long term, improving increased long term predictability of the wine market, which leads reinforced relations and better price transmission along the supply chain. A more stable market would especially favour the cooperation between producers and their collective inititiaves. These elements are expected to lead to increased revenue and more stable incomes for winegrowers. By reducing uncertainty around pricing, volumes and sales, winegrowers can make more informed investment decisions that are expected to lead to better profitability (because farmers are less willing to invest in productivity-enhancing assets in the absence of predictable cash flows, which may lead to sub-optimal investment decisions in the long-term). This reduction in income volatility is expected to translate into an average margin improvement of around 1% of the annual income per farm per year.[42] This rate of improvement, which specifically refers to the dairy sector, can be reasonably be assumed valid also for the wine sector. Based on this, and considering that the income generated by the EU winemakers is about EUR 29.4 billion[43], it is estimated that in the long term the stabilising effect of such measures could improve income by approximately EUR 294 million a year. Moreover, extending the validity of the replanting authorisations and removing the administrative penalty in case of non-use, would reduce financial losses for winegrowers. Assuming a reasonable average turnover of commercial vineyards (30 years), an average applicable penalty (500 €/ha) plus the loss of the land value for not planting the vineyards (20 000 €/ha), and that the replanting does not occur on 2,5% of the hectares with replanting authorisations due to the currently short validity period, the financial losses prevented can be estimated in EUR 45 million.
More resilience, adaptability, and innovation due to investments aimed to	EUR 90 million / year	Shifting resources toward activities that enhance structural resilience, environmental sustainability, and market adaptability will help winegrowers to better withstand climate change and market fluctuations,

[42] Briner, S. and Finger, R., The effect of price and production risks on optimal farm plans in Swiss dairy production considering two different milk quota systems, Journal of Dairy Science, Vol. 96, No. 4, 2013, pp. 2234–2246. Available at: https://doi.org/10.3168/jds.2012-6086 .

[43] Source: Eurostat–Economic Accounts of Agriculture

climate and environment objectives		while positioning them to meet the shifting demands of consumers both within the EU and on international markets. While a quantification of the market benefits does not seem feasible, the benefits of better resilience to adverse climatic effects can be estimated considering the related damage that winegrowers bear every year. Considering the overall losses in agriculture and wine sector in the last years due to climate change and extreme events[44][45], it can reasonably be assumed that a better adapted production system can in average reduce the damages due to climate events by 5% a year. Based on that and the total value of EU wine production[46], the total benefits can be estimated at EUR 90 million per year on average in the long term.
Easier production methods for de-alcoholised sparkling wines	EUR 25 million / year	Producing sparkling wine products not from the de-alcoholisation of those products, but from de-alcoholised still wines would save costs and better meet the growing demand for this type of products. According to experts[47], there's a growing market potential for European producers as the size of the global market for non-alcoholic wine will grow from almost €8 billion today to €14 billion by the end of 2031. Assuming, very conservatively, that the EU producers will be able to capture half of this growth, half of which is made up by de-alcoholised sparkling wines, and that with this proposal producers would reduce their production costs for around 10% of the production value, the additional income for winegrowers can be estimated at EUR 25 million a year for the next several years.
Labelling harmonisation	EUR 50 million	With a clearer legal framework, winegrowers will be able to design labels that are valid EU-wide. The real gains in terms of operational efficiency, reduced transactional costs and risk of non-compliance are difficult to estimate. Cost savings of EUR 50 million on printing and re-printing labels for wine exported across the EU can be estimated based on (i) the total volume of bottled wine yearly exported within the single market, (ii) the average label costs[48], and (iii) bottles that do not need a new label (conservatively estimated at around 20%).
Wine promotion and tourism	EUR 142 million / year	Extending the maximum duration to five years gives wine exporters (many of whom are cooperatives or SMEs) the time and support they need to establish a stable commercial presence abroad, build customer loyalty, and adapt to external disruptions. While there will be benefits of this extension in terms of maintaining or expanding market share in foreign markets, it is not possible to quantify them with a certain accuracy, considering a great uncertainty regarding the effectiveness of the promotion actions in different markets and of the forthcoming geopolitical situation. In 2023, wine tourism in the EU generated approximately EUR 14.2 billion in revenue, the effects on the whole economy included, marking an 18% increase over the previous year[49]. More wine tourism projects will also increase direct and local sales of wine, with a higher margin for winegrowers. There is no data or study available that could help quantifying the effects of wine tourism on the whole EU wine sector. Based on the above figures,

[44] Clima, Coldiretti: nel 2023 da eventi estremi 6 miliardi di danni all'agricoltura | Teleborsa.it
[45] WineRisk
[46] PwC Report, Economic, social and environmental importance of the wine sector in the EU. March 2024
[47] Non-alcoholic wines seen as key to reviving Europe's declining wine industry | Euronews
[48] Wine - European Commission
[49] France Wine Tourism Market Size & Trends 2025-2035

		however, if we conservatively estimate a very modest improvement of revenue for winegrowers only of 1% due to wine tourism's new projects, the total benefits would result in EUR 142 million

Based on the impacts described in Section 6 above, the assessment of impacts of the proposal can be summarised in the following table.

Summary of the impacts of the proposal

Measures in the proposal	Domain ECO: economy SOC: society ENV: environment	Impact
MANAGEMENT OF THE PRODUCTION POTENTIAL ADAPTING IT TO FUTURE DEMAND: PLANTING RIGHTS	**ECO** **SOC** **ENV**	**+ +** **+ +** **+**
Validity of eight years for all replanting authorisations (no penalty if not used)	ECO (*better capacity to adapt to market trends without being penalised*) SOC (*relief for producers, better capacity for decision making*) ENV	+ + + + o
Possibility for MS to set rules for replanting authorisations (preserving vineyards on slopes and terraces, landscapes, avoiding soil erosion, etc.)	ECO SOC (*benefits for cultural heritage and preserving vulnerable rural areas*) ENV (*conservation of environmental assets*)	o + + +
Possibility for MS to limit the issuing of new planting authorisations at regional level for areas with excess supply	ECO (*balancing offer and demand*) SOC (*benefits for rural areas under stress*) ENV (*avoids misuse of land and resources*)	+ + + +
No administrative penalty for unused authorisations for new plantings granted before 1 January 2025 if renounced by 31 December 2026	ECO (*better capacity to adapt to market trends without being penalised*) SOC (*relief for producers*) ENV	+ + + o
MANAGEMENT OF THE PRODUCTION POTENTIAL ADAPTING IT TO FUTURE DEMAND : OTHER MEASURES	**ECO** **SOC** **ENV**	**+ +** **+ +** **o**
Possibility for MS to: • Lay down rules to regulate supply, set maximum yields and rules for the management of stocks, in cooperation with representative producer organisations or interbranch organisations. • Make national payments to wine producers not only for the voluntary or mandatory distillation of wine, but also for voluntary green harvesting and voluntary grubbing up of productive vineyards in duly justified cases of crisis. • Lay down conditions in their CAP strategic plans to ensure that there is no increase in yield for the vineyard subject to restructuring and conversion	ECO (*market stabilisation, better tools for dealing with crises*) SOC (*producers' groups' involvement in decision making*) ENV	+ + + + o
INNOVATIVE GRAPEVINE AND AROMATISED WINE PRODUCTS WITH REDUCED ALCOHOL CONTENT, AND LABELLING	**ECO** **SOC** **ENV**	**+ +** **+** **+**
New definitions and denominations: - 'alcohol-free' : actual alcoholic strength does not exceed 0.5 % by volume, accompanied by '0.0%' if the actual alcoholic strength does not exceed 0.05% by volume - 'alcohol-light': actual alcoholic strength above 0.5% by volume, but at least 30% below the minimum actual alcoholic strength of the category before de-alcoholisation Labelling of those products: addition of the expression 'produced by de-alcoholisation.'	ECO (Improved income *for the sector, benefiting wine producers and production areas*) SOC *(promotion of no- and low- alcohol beverages; better information for consumers)* ENV	+ + + o
De-alcoholised sparkling wine and aerated sparkling wine may be obtained from de-alcoholised or partially de-alcoholised wines.	ECO (*significant savings in production costs*) SOC ENV (*savings on natural resources and Energy)*	+ + o +
Aromatised wine products with a lower actual alcoholic strength may be obtained from grapevine products that have undergone in full or in part a de-alcoholisation process. The sales denominations of those products must be supplemented by the same terms as those laid down for grapevine products	ECO (*significant savings in production costs*) SOC (*better information for consumers*) ENV	+ + o

The Commission is empowered to adopt, for both wine and aromatised wine products, delegated acts on: - The identification of the electronic means (QR code, etc.) by means of a pictogram or symbol instead of words on the package or the label - Updates of certain labelling provisions, to simplify the presentation of information and adapt to future technological progress or new requirements on information relevant to consumers	ECO (*significant savings in production and trading costs*) SOC (*access to information for consumers*) ENV (*savings in raw materials and energy*)	+ + - +
Glühwein may also be produced from rosé wine. The sales denomination *"Glühwein"* may be used in the labelling of alcoholic beverages obtained from fruit wine.	ECO (*diversification of products based on wine*) SOC ENV	+ o o
SUPPORT FOR WINE SECTOR INTERVENTIONS UNDER THE STRATEGIC PLAN: WINE TOURISM AND PROMOTION	**ECO** **SOC** **ENV**	**+ +** **+** **+ +**
Producer groups managing protected designations of origin and protected geographical indications will be eligible for support to promote wine tourism in production regions	ECO: *(economic diversification in wine-producing rural areas)* SOC: *(benefits for rural areas: jobs, social fabric)* ENV: *(heritage, landscapes, more sustainable tourism promoted)*	+ + + + +
Extension of the duration of promotion and communication operations aimed at consolidating market outlets from three years to five years.	ECO: (*greater market consolidation)* SOC ENV	+ + o o
SUPPORT FOR WINE SECTOR INTERVENTIONS UNDER THE STRATEGIC PLAN: ENVIRONMENT AND CLIMATE		
Granting the maximum rate for Union financial assistance for investments and for innovation not only to micro, small and medium-sized enterprises, but also to recognised producer organisations.	ECO (*benefits for the sector across the EU*) SOC (*benefits for organisations often settled in rural areas*) ENV (*promotes investments in sustainability*)	+ + + +
Increase in the financial assistance for these investments to 80% of eligible investment costs for investments contributing to climate change mitigation and adaptation.	ECO (*benefits for the sector across the EU*) SOC (*promotes investments in rural areas, benefits for the whole community*) ENV (*contributes to conservation, adaptation, and management of natural resources*)	+ + + + +
Permitted increase in the EU financial assistance from 50% to 80% of eligible cost for investments and innovations that enhance the sustainability of wine production, if they are linked to the objective of contributing to climate change mitigation and adaptation	ECO (*promotes innovation and increases economic sustainability of producers and producing areas*) SOC (*helps wine-producing rural areas preserve their livelihood, benefits for the whole community*) ENV (*contributes to conservation, adaptation, and management of natural resources*)	++ + + +

Annex 7. Summary of the meetings of the high-level group

Meeting 1: presentation and discussion of the challenges for the wine sector (11 September 2024)

First part: Consultation of the main stakeholder organisations

The stakeholder organisations invited to present their assessment of the situation of the EU wine sector and their opinions on possible solutions to the problems identified were: the Assembly of European Wine Regions (AREV); the committee of EU wine companies (CEEV); the European Council of Young Farmers (CEJA); the Confederation of European Independent Winegrowers (CEVI); the Committee of Professional Agricultural Organisations (COPA); the General Confederation of Agricultural Cooperatives (COGECA); the international farmers' organisation Via Campesina (ECVC); the European Federation of Origin Wines (EFOW); and IFOAM Organics Europe (the European umbrella organisation for organic food and farming).

All these organisations except CEJA accepted the invitation and agreed to share their vision in a 20-minute presentation on the morning of 11 September 2024. The suggestions received from stakeholder organisations are summarised in Annex 2.

Second part: Expert discussion following input from stakeholders

In the afternoon, after the European Commission's presentation of the conclusions of the European Wine Market Observatory's report on 'Prospects of the European Wine Market', the MS had a first round of discussions on the policy solutions to address the current challenges and ensure the long-term sustainability of the sector.

Throughout the day there was a large consensus among stakeholders and MS on the importance of the wine sector, which provides work in rural regions and helps to maintain the unique landscape, attracting tourists and providing an income for farmers in regions where very few, if any, alternative crops can be cultivated. The diverse nature of the sector, where 99% of producers are micro-enterprises or SMEs, was also underlined. , with a different economic situation not only between MS, but also between regions, types of wine and market segments, which calls for a flexible and targeted wine policy.

MS agreed with the stakeholders' assessment of the situation and suggested some policy approaches to overcome the main challenges facing the sector.

To support farmers facing crop losses due to severe weather events, there was a call for a stronger insurance scheme or mutual funds financed by the EU, MS and/or regions as well as the winegrowers themselves, underlining the need to mutualise the major risks at EU level (EU re-insurance).

It was acknowledged that MS already have a tool kit of emergency measures at their disposal, allowing crisis distillation in case of market imbalance and granting support to farmers who have lost crops due to severe weather conditions. However, these tools seem insufficient to face the challenges ahead and can only be used with a considerable delay (state aid notification, amendment of the Strategic plan) which severely hampers their efficiency. MS requested a ringfenced budget for the sector, with flexibility between measures and a carry-over of any unused budget to the following year.

To address the oversupply of wine, especially red wines in certain regions, some participants called for a grubbing-up programme, coupled with a prohibition on granting any new vine planting authorisations in the region concerned for a number of years. This restriction could also apply to regions where a crisis distillation programme had been implemented. One stakeholder was against support for grubbing-up. Some stakeholders and MS advocated for a system of temporary grubbing up, where the replanting could only take place after a number of years, with compensation for the grower.

Any grubbing-up scheme would need to be targeted to avoid the grubbing up of vineyards with a special value for the environment and the landscape, for example on steep slopes or in regions with few alternative crops.

There was a consensus that in the current uncertain market, the validity of replanting authorisations would need to be extended to eight years.

The unstable climatic conditions cause high variations in grape production, therefore some participants requested that production be stabilised, not only through the yield limitations which are already in place for wines with geographical indications, but through green harvesting measures (which should be available in all national strategic programmes) and/or the possibility to make it obligatory in regions with exceptionally high yields to use part of the grape harvest for other purposes (such as distillation or sweeteners), to avoid accumulating stocks and putting pressure on prices.

More support should be made available for precision farming and water management and for research into more disease or drought resistant wine varieties. Many participants considered the use of new genomic techniques pertinent for the development of such varieties.

Some participants did not see the declining demand for wine as an irreversible long-term trend, citing the example of gin and tonic. This drink is currently very popular with the younger generation, but was considered old-fashioned 20 years ago. To follow in its footsteps, wine would need to shed its image as elitist beverage and become more accessible (a fun drink that can be shared with friends). In this context, it is important to inform the consumer about the regional origin of the wine and to create a link to the producer, also through wine tourism.

Participants agreed that promotion of EU wine on third country markets needs to be reinforced and that limiting the support to three years for each market does not allow consolidation of market positions. While many suggested greater promotion of wine on the EU market, others claimed that this would be counter-productive, leading to a competition between EU wine makers in a saturated market.

All agreed on the importance of the link between wine and the European landscape and culture and of moderate consumption in connection with the Mediterranean diet. This should be well communicated to consumers, while anti-alcohol campaigns and policies should not treat wine in the same manner as other alcoholic beverages.

Several speakers suggested that fully and partially de-alcoholised wines should be made more attractive and recognisable for consumers with labels similar to the ‘zero’ or ‘light’ labels currently applicable to beer. It could also be helpful to create logos for ‘natural wines’ (produced with a minimum of oenological intervention), wines with a naturally low alcohol content (the current minimum alcohol content of wine in the EU is 8.5%) and wines produced in a sustainable way, and to better inform consumers about these products to make them more recognisable and attractive.

The organic wine sector was satisfied with the past growth in area and optimistic about the sales perspectives, but highlighted several challenges. It deplored the lack of alternatives to copper for treating mildew and asked for access to potassium phosphonate.

Some participants need winemaking practices to be more flexible so they can better adapt to consumer demand. They ask, for example, that derogations currently allowed be granted faster or not require prior authorisation, as long as the wines are labelled correctly. Allowing the same label to be used on all bottles sold in EU countries, with some information available off-label, would lower the cost and be especially beneficial for smaller producers, while at the same time allowing consumers to get more information about the product.

The inclusion of the excise duty into the IOSS system should be accelerated to facilitate cross-border distance sales of wine, which currently represents a huge administrative burden.

While all participants welcomed the creation of the HLG, some asked for the findings and recommendations to be implemented urgently rather than after the adoption of the CAP post-2027.

Meeting 2: Expert discussion on the basis of the Commission's Reflection Document (14 October 2024)

Based on the presentations from stakeholders and the subsequent discussion between the High Representatives of MS in the first meeting of the HLG, the COM drew up the 'Reflection document for the second meeting of the HLG' (Annex 3) which was sent to participants in advance of the meeting.

This document structures the possible actions in three blocks and sets out the related policy tools, their potential features and their possible advantages, disadvantages and questions about their implementation.

The three blocks are:

1. **adapting the production potential** to the structural decline in demand worldwide and stabilising/reducing the EU vineyard area and the yield
2. **strengthening the long-term resilience of the sector** in a changing market and against climate change, through policy measures to strengthen the position of wine growers and protect wine growers against losses due to severe weather events
3. **adapting production to market trends and harnessing opportunities** to reach consumers inside and outside the single market.

Adapting the production potential

Participants emphasised the need to align wine production with the ongoing structural decline in global demand to better manage production potential. Various policy measures to help balance supply were considered, including permanently reducing vineyard areas through measures like grubbing up vineyards. There was also debate about temporary schemes that delay replanting, aimed at controlling production growth in the near future.

Concerns were raised about the cost-effectiveness of some of these measures, their long-term impact, and whether such measures might lead to market imbalances across different EU regions. Several participants highlighted the need to ensure consistency with other measures by setting suitable conditions and priorities, such as the delivery of authorisations to plant new vineyards in regions benefiting from grubbing up or crisis distillation support measures, and to avoid negative effects in environmentally and socially sensitive areas.

The meeting also covered strategies to stabilise yields, setting rules for reconversion support of vineyards, for example, and establishing conditions for planting authorisations. Discussions explored temporary measures to manage yield fluctuations (such as a yield stabilisation mechanism, possibly managed by producer organisations) and the potential for green harvesting.

Strengthening the long-term resilience of the sector

The group discussed ways to

- protect wine growers against market fluctuations and climate change,
- strengthen the position of growers within the supply chain,
- improve the enforcement of the Unfair Trading Practices Directive,
- strengthen and encourage cooperative models, and
- optimise the use of the wine sectoral programmes.

To mitigate the increased income losses caused by unexpected weather events, the group also explored:

- ways of reinforcing risk management tools, such as expanding insurance schemes and mutual funds to protect growers
- how the EU policy framework and budget can further support climate change adaptation
- prioritising sustainable vineyards for restructuring support
- how to help growers better adapt to climate risks

Adapting production to market trends and harnessing opportunities to reach consumers inside and outside the single market

The meeting examined how production could better align with consumer preferences and market dynamics. The importance of strengthening market surveillance through the EU Wine Market Observatory was highlighted, with a focus on improving data collection and analysis.

Measures to adapting to changing consumer preferences such as the growing demand for low-alcohol wines, were also discussed, alongside the consideration of introducing new labelling denominations like ‘natural wine’ and ‘sustainable wine’ to satisfy a demand for greater market segmentation.

Discussions also touched on options to simplify and enhance labelling rules, in particular for electronic labels, and on defending the unique value of wine and distinguishing it from other alcoholic beverages.

The group reflected on ways of making wine promotion and consumer information strategies more efficient. Particular attention was given to supporting wine tourism and improving the attractiveness of wine in HORECA establishments.

Measures to facilitate cross-border distance sales, such as including excise duties in the IOSS system, were also discussed, alongside the potential for innovative packaging solutions.

The session concluded with a reflection on needs and a call for more action on research and innovation.

Meeting 3: Discussion on the draft policy recommendations (15 November 2024)

Based on a draft document summarising the recommendations of the HLG, concerning the management of the production potential, most MS expressed support for a grubbing-up scheme, although there were differing opinions on its implementation, duration, and financing.

Some MS were satisfied with the draft recommendations under discussion, which proposed to use solely national funding for such a scheme. Others advocated the possible inclusion of EU funding from the agricultural reserve to complement national funds, particularly for short-term measures aimed at reducing the current structural oversupply. Some MS suggested that the grubbing-up scheme should be incorporated into the existing sectoral interventions framework in the long-term, but a few MS opposed this idea.

Reflecting the diversity of the EU wine sector, participants agreed that any grubbing-up scheme would require a clear EU-level framework with general conditions but allow flexibility for MS to tailor implementation according to their specific needs.

There was broad support for giving MS the possibility to set the percentage for new planting authorisations to 0% of the vineyard area of the previous year in case of market difficulties, on a national or regional level.

Many MS supported extending the validity of replanting authorisations to eight years, without penalties for non-use. For new planting authorisations, most MS agreed that a shorter validity period and penalties should be maintained to prevent speculative practices. The suggestion to remove penalties for all unused authorisations still valid and granted before 2024 was also welcomed, and this point was reflected in the recommendations later. There was also widespread support for extending the maximum period allowed between grubbing-up and the application for replanting authorisations.

Some MS saw green harvesting as a useful measure to address conjunctural excess of production, and discussions focused on the possibility to facilitate and optimise the tool by setting the right provisions in legislation on their activation and financing.

There was general agreement among MS on the recommendations for strengthening the resilience of the sector to a changing market and its adaptation to climate change. However, some participants called for stronger language, particularly regarding the need to defend the sector against unfair trading practices, to make the necessary measures more explicit in the text.

While there was broad support for the idea of treating cooperatives as SMEs and of supporting producer organisations implementing operational programmes in the wine sector, some MS expressed reservations and raised doubts on the latter.

Participants also supported the concept of requiring sectoral adaptation plans to be adopted at regional level to make investments more resilient, and insisted on the need to keep a consistent approach and avoid new burdensome procedures.

The reference in the document to the possible inclusion of potassium phosphonate in organic agriculture received mixed reactions. While some delegations strongly supported its use, others expressed concerns and insisted that the viability of this substance has already been assessed. Given the lack of alternatives to the use of copper in organic agriculture, the HLG could however agree to recommend a scientific re-evaluation of potassium phosphonate by the expert group for technical advice on organic production (EGTOP).

On risk management and insurance schemes, there was a strong call for measures to enhance growers' access to insurance and mutual funds, including through the possible establishment of an EU-level re-insurance system. Several MS advocated allowing unused funds from the sectoral intervention to be carried over through multiannual programming or by reallocating the unused funds to manage crisis situations.

In the framework of the discussion on the recommendations for adapting the sector to market trends and harnessing market opportunities, participants supported enhancing the role of the Market Observatory in the context of the need for enhanced and more immediate market information. At the same time they emphasised the need to avoid creating unnecessary administrative burdens for administrations and operators and demanded homogeneity of the information to be provided.

There was general convergence on the need to strengthen and simplify the promotion measures, and to pay particular attention to options to reinforce the provision of information and promotion with wine tourism, though there were no specific proposals on the additional needs in this respect. However, several MS stressed the importance of maintaining health concerns as a limiting factor for promotion in the recommendations.

Broad support was expressed for introducing new oenological practices, especially for de-alcoholised wines and those with a naturally low alcohol content, and a focus on harmonised labelling of those products to provide clear and consistent information to consumers while avoiding contentious particulars and denominations that may mislead consumers.

Significant backing was also given to the uniform implementation of electronic labelling rules and a plea for completing the e-labelling legal framework. However, there was no consensus on the specific needs. Some suggested language-free or pictogram-based digital labels, while others advocated a closer alignment of wine labelling rules with those on general food information to consumers' regulations.

MS agreed to send their written contributions in form of track changes and comments by Monday 25 November 2024. On this basis, the Commission produced a revised version of the draft recommendations, which was sent to the national authorities on 8 December 2024 to allow all participants of the HLG to endorse the final policy recommendations at the last meeting on 16 December 2024.

Meeting 4: Endorsement of the policy recommendations (16 December 2024)

All 16 MS that took the floor expressed their satisfaction with this initiative, the work carried out and the results. They all endorsed the HLG policy recommendations for the future of the EU wine sector. Those MS that did not take the floor gave their tacit endorsement.

As a general comment, several MS highlighted the need to implement these recommendations promptly and declared their readiness to support the resulting legislative process. The Commission committed to start working on a roadmap for the implementation of the recommendations at the beginning of 2025.

Acknowledging that because of its consensual nature, the document may not have fully satisfied every participant in each of the points raised, the Commission invited MS to make statements for the record. Some MS regretted that some of their requests had not been included in the final policy recommendations document.

Spain advocated a longer validity for new planting authorisations and suggested that MS should also provide a justification to the Commission if they wish to grant the maximum possible area of new planting authorisations (1% of the vineyard area of the preceding year), not only in cases where they wish to go below that level.

France would have liked more ambition on some topics, including on supporting both definitive and 'temporary' grubbing-up with national and EU funds. It requested an increase of the available financial ceiling for Article 216 of Regulation (EU) 1308/2013 to cover grubbing-up and green harvesting in addition to distillation.

Italy, like France, would have preferred that (i) the recommendation on labelling explicitly referred to the MS 'and the Commission' to ensure a harmonised approach, and (ii) a reference to a 'language-free system' be added at the end of the second part of the point.

The Commission explained that it does not have any empowerment to ensure a harmonised approach across the single market and that it therefore depends on the decision that each individual MS may take on their own labelling identification system. Furthermore, the Commission clarified that it has supported and will continue to support MS in this endeavour. It recalled that, in the previous week's meeting of the expert group, the Commission had presented the situation of the QR code identification in each MSs to encourage a harmonised approach. As there was no consensus, it will be up to each MS to assess the situation and take a decision on their own system. In the longer term, the identification of the QR code with a language-free system can be considered when the CMO regulation is revised.

Italy and Portugal insisted that promotion measures on the internal market for moderate wine consumption should not be limited to totally or partially de-alcoholised wine products.

All products that can be called wine should be treated equally as far as promotion is concerned.

Portugal also underlined the need to act on the demand side as well as on the supply side, and called for innovative ideas here, building on the different character of each wine derived from the 'terroir' and linked to heritage, culture, rural areas, etc.

Germany suggested addressing the most urgent issues already now in the framework of the CMO amendments linked to strengthening the farmer's position in the food chain and in the rules on Unfair Trading Practices., The Commission explained that adding additional elements at this advanced stage would risk considerably delaying this completion of this procedure.

Germany and Austria insisted on the usefulness of carrying over of unused funds from the Support Programmes to the next year.

Austria regretted that there was no suggestion to use unspent funds for biodiversity measures.

Other MS explicitly and firmly supported the document, including Romania, Hungary (which supported the idea of presenting the outcome of the group to the Council as suggested by Germany), Bulgaria (noting that the recommendations fit the diversity of the sector across the EU), Greece, Slovenia (emphasising the need to support smallholders both domestically and in other countries), Czechia, the Netherlands (underlining the importance of innovation for new producing countries), Cyprus, Luxembourg, Denmark (highlighting the need to consider new producing countries in the recommendations).

The Commission closed the session thanking all MS for their engagement and support and stated that the recommendations should help the sector gain a new momentum in the coming years.

After a short break, the 'Policy Recommendations', which had been made available to the participating stakeholders before the meeting, were officially presented to stakeholders in the presence of EU Commissioner for Agriculture and Food Christophe Hansen.

Stakeholders welcomed the group's work and the policy recommendations document, calling for a speedy implementation, and made statements on the results of the group's work.

AREV underlined (i) the need for a crisis fund for the sector, (ii) the importance of securing the economic viability of the sector, and (iii) the need to advance precision farming and water management. It expressed some concern about the risk linked to definitive grubbing-up. It also suggested optimising the use of the EU Wine Market Observatory.

CEEV stressed that the long-term reduction in consumption is the main structural problem and called for an export strategy with new products, new markets, and language-free labelling. It advocated defining sustainable wine production to avoid a costly proliferation of private certification schemes. It also highlighted competitiveness, resilience and sustainability as keywords present in the recommendations.

CEVI insisted on national funding for grubbing-up to preserve the budget of the National Support Programme for measures that strengthen the competitiveness of producers. It warned of a fragmentation of the EU wine policy if the National Support Programme (NSP) measures are too differentiated between regions. It also insisted that the promotion policy should benefit both de-alcoholised and traditional wines, and that small and independent winemakers should be at the centre of the wine policy measures, also when it comes to wine tourism.

COPA and COGECA shared the view of CEVI on promotion and requested a timely implementation of the recommendations.

COPA demanded that grubbing-up schemes be financed both nationally and with EU funds. It highlighted the importance of consolidating export markets with the EU promotion policy.

COGECA called for an increase in the NSP budget and more flexibility on management (multiannual and allowing transfers between measures). It asked the group to work on harmonisation of labels. It also called for further research and alternatives for organic viticulture, mentioning that potassium phosphonate could represent an alternative to copper, particularly for MS from Central and Eastern Europe.

ECVC underlined the importance of the rules on unfair trading practices and the role of small producers. It advocated both degressive aid based on beneficiary size and helping SMEs access support measures. It also proposed diversification aid for holdings permanently abandoning wine production, as well as more support for precision agriculture that could reduce water needs.

EFOW welcomed the recommendations on the management of the production potential and the toolbox of measures that MS can use. They saluted the greater flexibility proposed in wine planting authorisations while asking for strict rules on planting authorisations in regions with protected geographical indications. It opposed concentrating promotion on de-alcoholised products and suggested implementing some recommendations in the currently ongoing CMO revision.

IFOAM underlined the growing importance of the organic wine sector in the EU and reported that there is no consensus among its members on the use of potassium phosphonate on organic wines, which should in any case only be temporary and in the framework of a copper reduction programme.

In his closing speech, EU Commissioner for Agriculture and Food Christophe Hansen replied to the statements from the stakeholders' organisations. He underlined his support for the wine sector and agreed that the wine sector needs to become more profitable to better withstand future challenges. He stressed that some recommendations can only be addressed in the longer term with a revision of the CMO. The implementation of some elements of the recommendations has already started, including the work to improve the CMO and UTP. However, the work on reciprocity of imports needs to advance.

Commissioner Hansen pointed out that the EUR 450 million of the agricultural reserve must address all kinds of emergencies and may not suffice to satisfy all demands. He drew attention to his planned simplification package to free farmers (including wine producers) from red tape, and called on MS to review which of their national rules create barriers for the sector, for example for wine tourism. He also emphasised the importance of new markets, promotion, and the technical simplification of excise duty for inter-EU trade.

The Commission committed to start to assess the measures put forward in the policy recommendations and to propose a timeframe for their possible implementation.

The HLG policy recommendations were made available on the Europa website.