



VIGNERONS BIO
NOUVELLE AQUITAINE



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Production, consumption and organic wine market

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MINISTÈRE
DE L'AGRICULTURE
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ET DE LA FORÊT



OENOBIO 



Vignerons Bio Nouvelle Aquitaine : our missions

Regional union representative of the organic wine sector created in 1995
Counts today *more than 200 organic winemakers members*
Accompanying from *harvest* to *commercialisation*



REPRÉSENTATION & DÉFENSE

Defend *interests of organic winemakers* front regional, national and European bodies related to viticulture and organic agriculture



PROMOTION

Promote and *develop the collective image* and *notoriety* of organic wines and spirits to professionals and individuals



RECHERCHE & DÉVELOPPEMENT

Initiate and collaborate to *research programs* to improve the quality of organic wines



ŒNOLOGIE

Contribute to the *economic and technical development* of organic wine production, by accompanying organic winegrowers individually and collectively



ECONOMIE



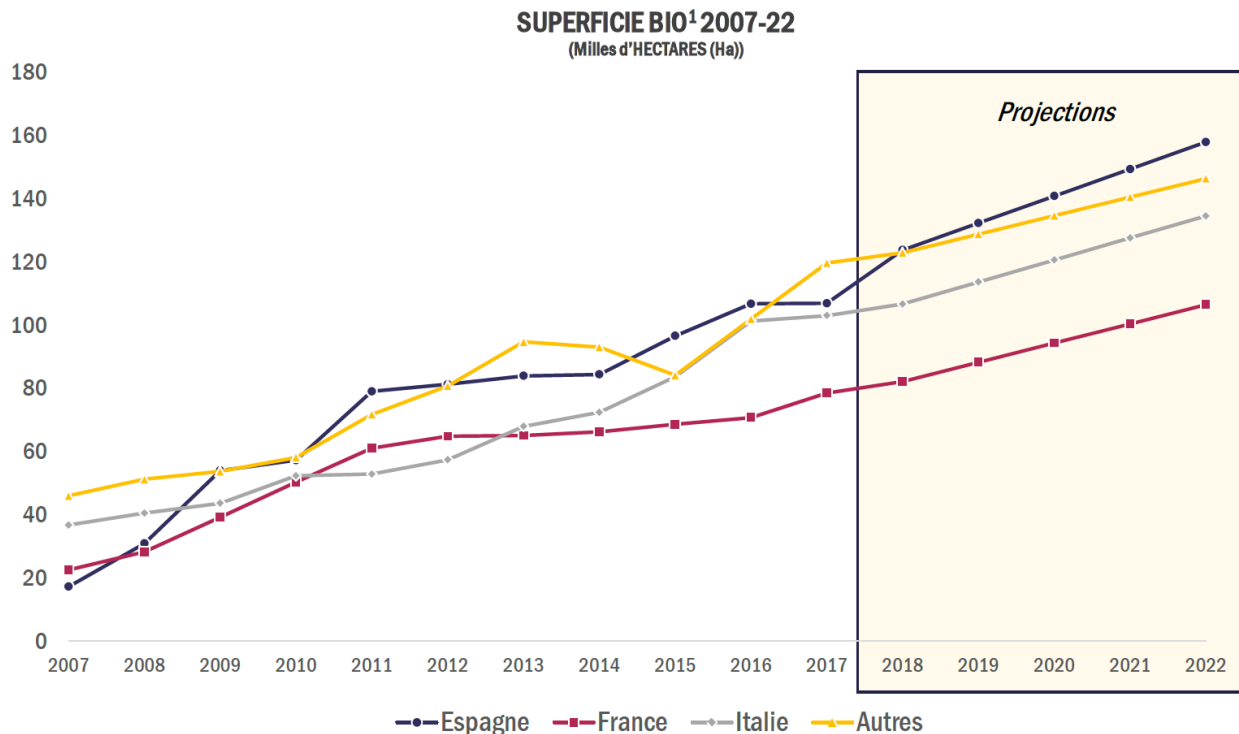
1. Organic wine production

World, France

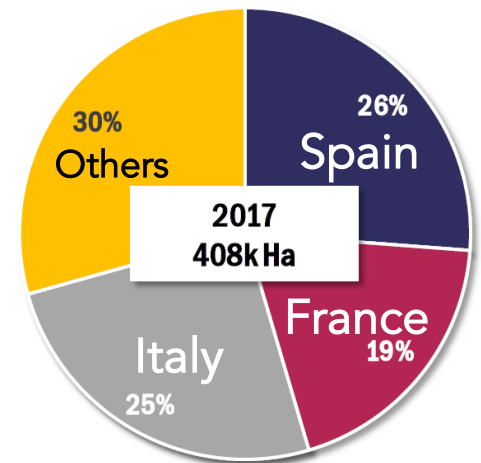


World production in 2017

- 5,4% of the world vineyard was driven in the organic way
- It represents more than 400 000 ha
- 80% of organic wine production is located in Europe



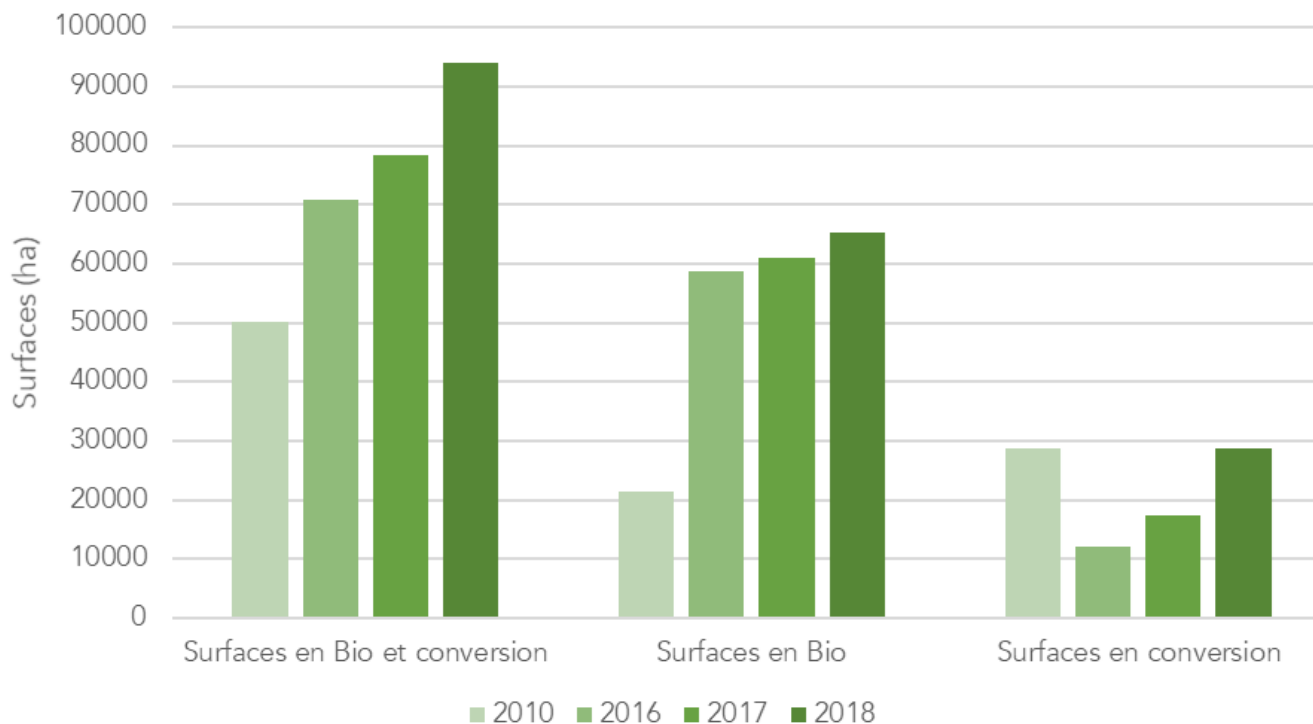
World leaders :



France production in 2018



Evolution of the organic vineyard surfaces in France



94.020

Hectares with
31% in
conversion

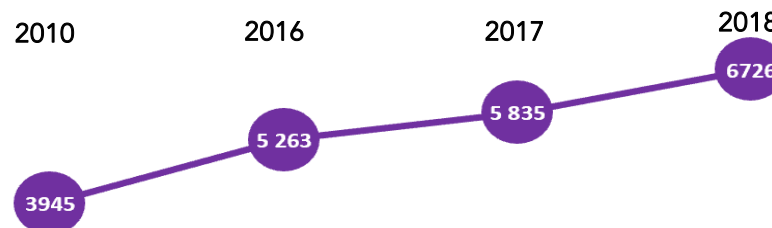
6.726

organic wine
farms

12%

of french
vineyard

Evolution of number
of wine farms in
France
(Organic and conversion)

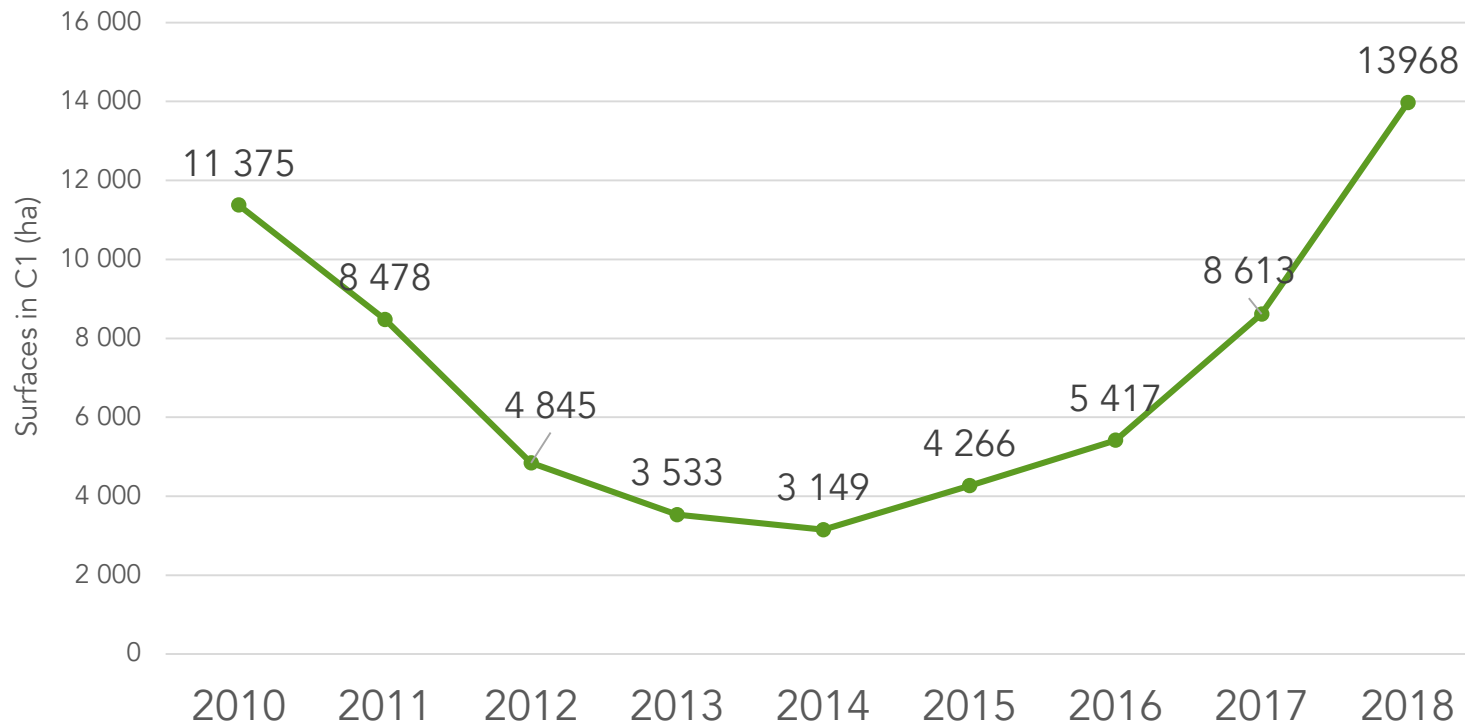


(Source : Chiffres 2018
Agence Bio)

Conversion evolution in France



Evolution of the surfaces in first year of conversion in France



- In 2010 : important conversions in France
- Between 2012 and 2015 : stable conversions (about 3900 ha per year)
- **Since 2016 : a new increasing of conversions**

(Source : Chiffres Agence Bio)



Conclusion production



Production of organic wines continue to increase.

- The increasing production creates competition. The organic wine sector has to take account these new volumes and be organized.
- Today, organic label is not enough to sell, the wine must be well done and having good quality.

What about consumers demand ?





2. Organic wine consumption and forecasts *World and France*





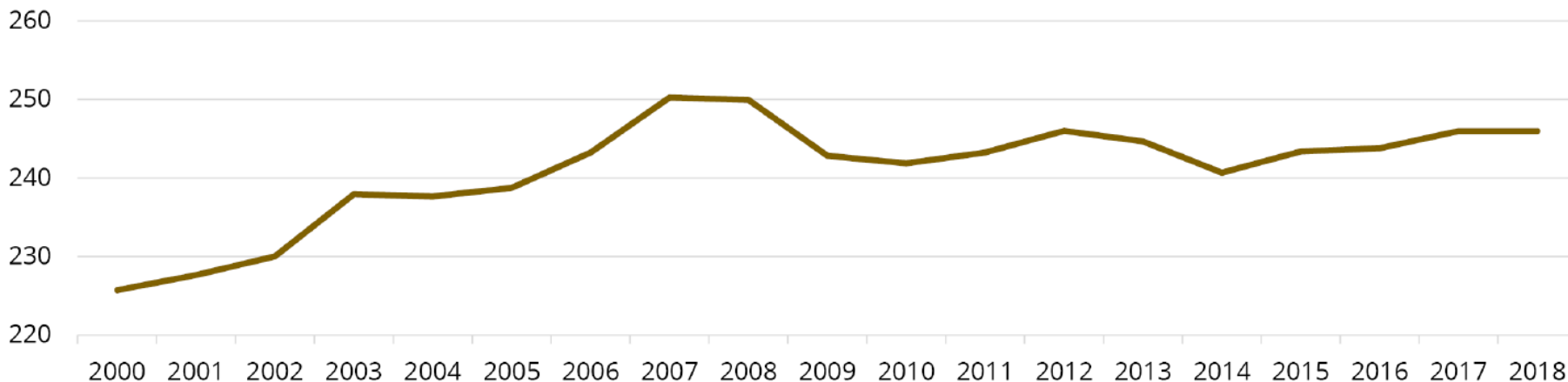
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Evolution of global wine consumption



million hl

246 million hl in 2018



- After the 2008 economic crisis, global wine consumption has been fluctuating
- Consumption seems to be stabilized in 2017 and 2018
- The biggest countries consumers in volume are USA, France, Italy, Germany, China, UK, Russia and Spain

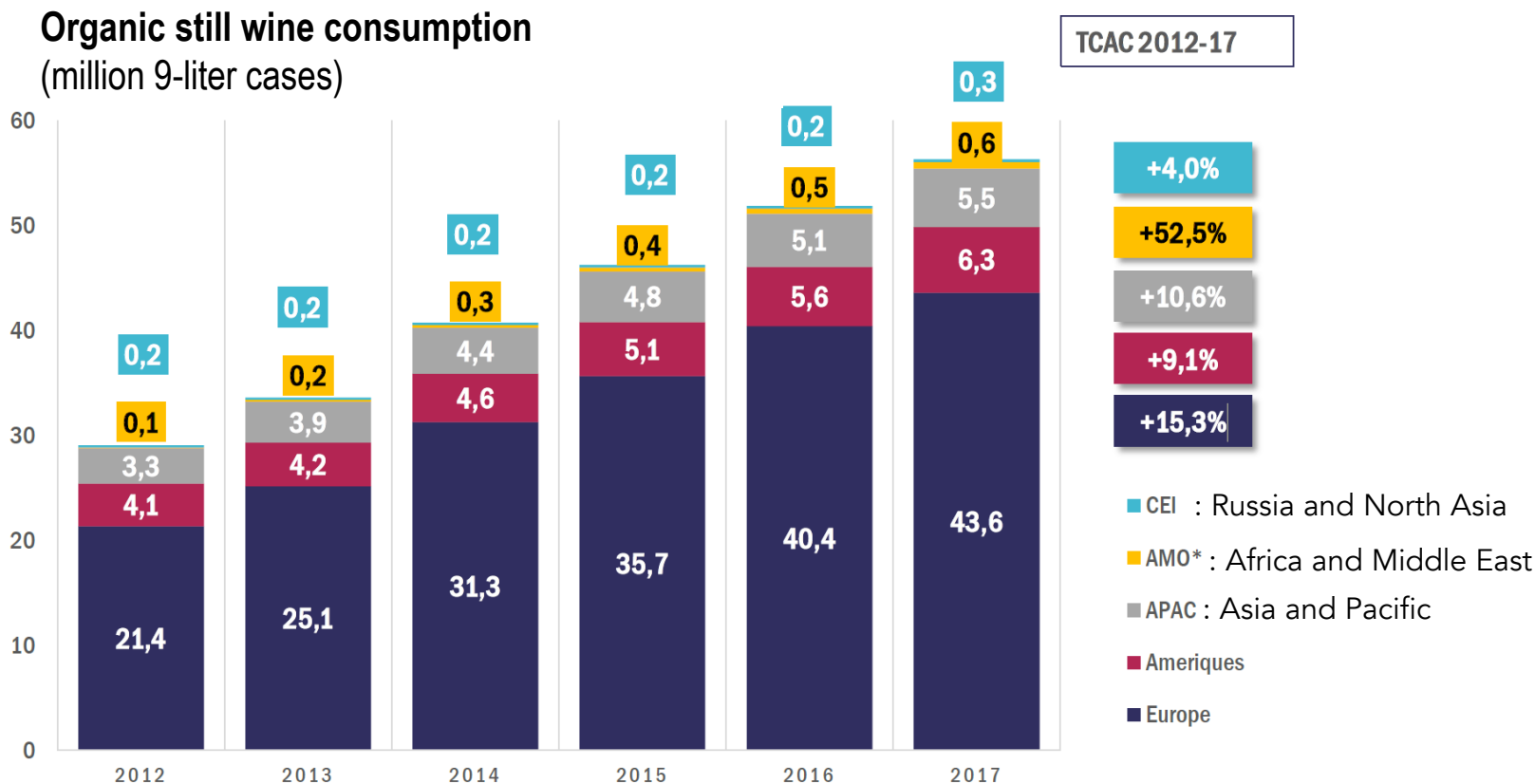
(Source : OIV 2019)



Organic wine consumption in the world



Organic wine consumption is increasing, and exceeded 5 millions of hectoliters in 2017 :



5

Source: The IWSR
Sur tous réseaux, sauf Travel Retail
* Afrique et Moyen-Orient



VIN BIO TRANQUILLE

Organic wine consumption in the world



Consumption per country in 2017:

(Mns de Caisses de 9l)

Rk	PAYS	Volume 2017
1	Allemagne	13,5
2	France	9,3
3	Royaume-Uni	5,7
4	États-Unis	4,5
5	Suède	4,2
6	Japon	3,4
7	Autriche	1,9
8	Italie	1,3
9	Espagne	1,3
10	Hongrie	1,2
-	<i>Autres</i>	<i>10,2</i>
-	Total	56,3

Forecast per country in 2022:

(Mns de Caisses de 9l)

Rk	PAYS	Volume 2022
1	Allemagne	23,1
2	France	17,3
3	États-Unis	8,7
4	Royaume-Uni	9,0
5	Espagne	2,2
6	Japon	4,2
7	Norvège	1,0
8	Afrique du Sud	0,9
9	Italie	1,7
10	Chine	1,2
-	<i>Autres</i>	<i>18,1</i>
-	Total	87,5

The slowdown in the Swedish market is due to the saturation of the market. France and Germany will remain the two largest markets in the world. Market development Spain, Norway and South Africa

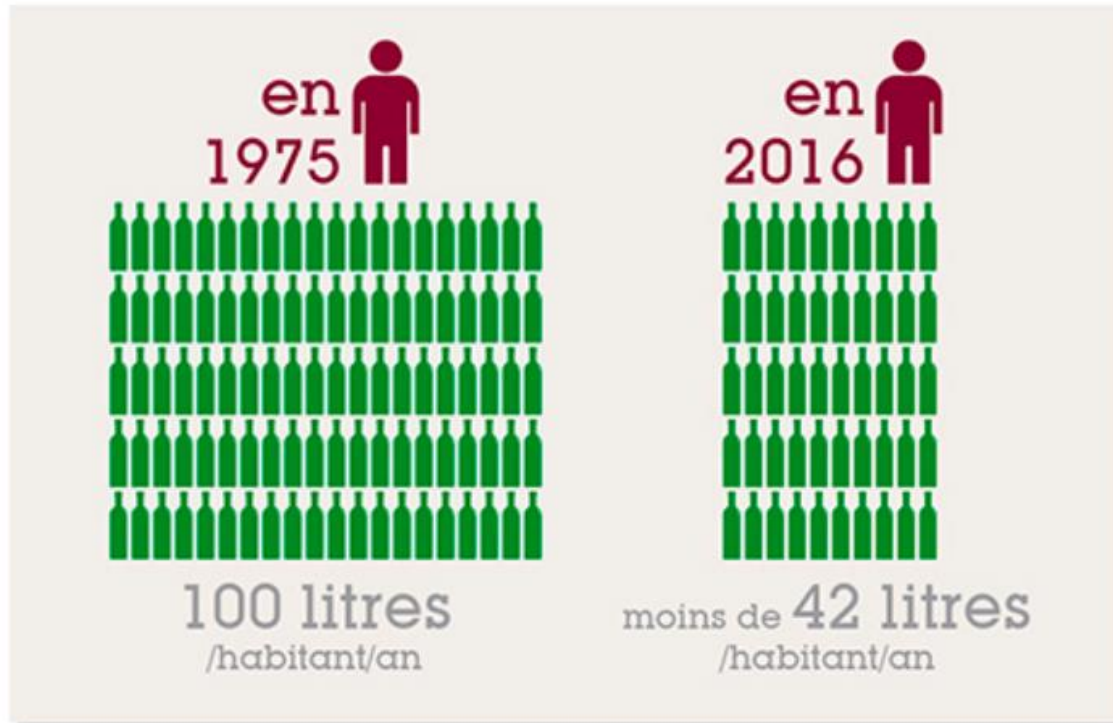
Wine consumption in France : in decreasing



French people become « **occasional consumers** » :

45% are occasional consumers ; 17% regular consumers and
38% non-consumers of wines !

= 133
bottles



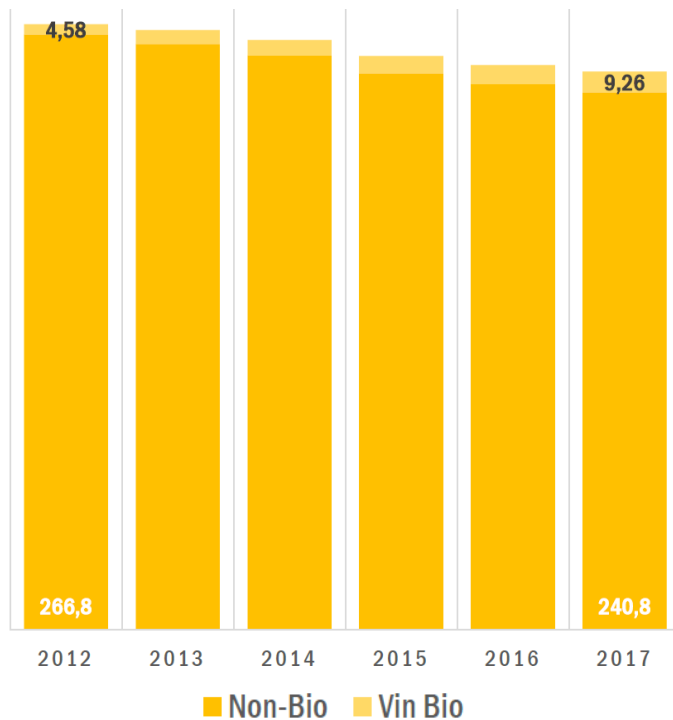
= 56
bottles

Organic wine consumption in France : in increasing !



On the contrary : organic wine consumption is increasing. Between 2012 and 2017 : it was multiplied by 2.

Organic still wine consumption In France 2012-17 (million 9-liter cases)



In 2017 : organic wine consumption represents **3,7%** of entire consumption.

Forecast for 2022 : 7,7% !

LA CONSÉQUENCE : UNE PART DE MARCHÉ DU BIO QUI VA DOUBLER D'ICI 2022

(part de la consommation de vin bio au sein de la consommation de vin)

1,69%

2012

3,72%

2017

7,68%

2022



Conclusion consumption and forecast



The consumption of wine decreases in France and remains stable in the world while organic wine consumption increases. If it's difficult to predict the evolution of production, it has been shown that consumption will continue to increase.

Will the supply be able to meet the demand?

The organic wine sector needs to be prepared : producers and marketers have to work together





3. Organization of organic wine market in France





Who sells to who ?

VIGN
NOUVEAU

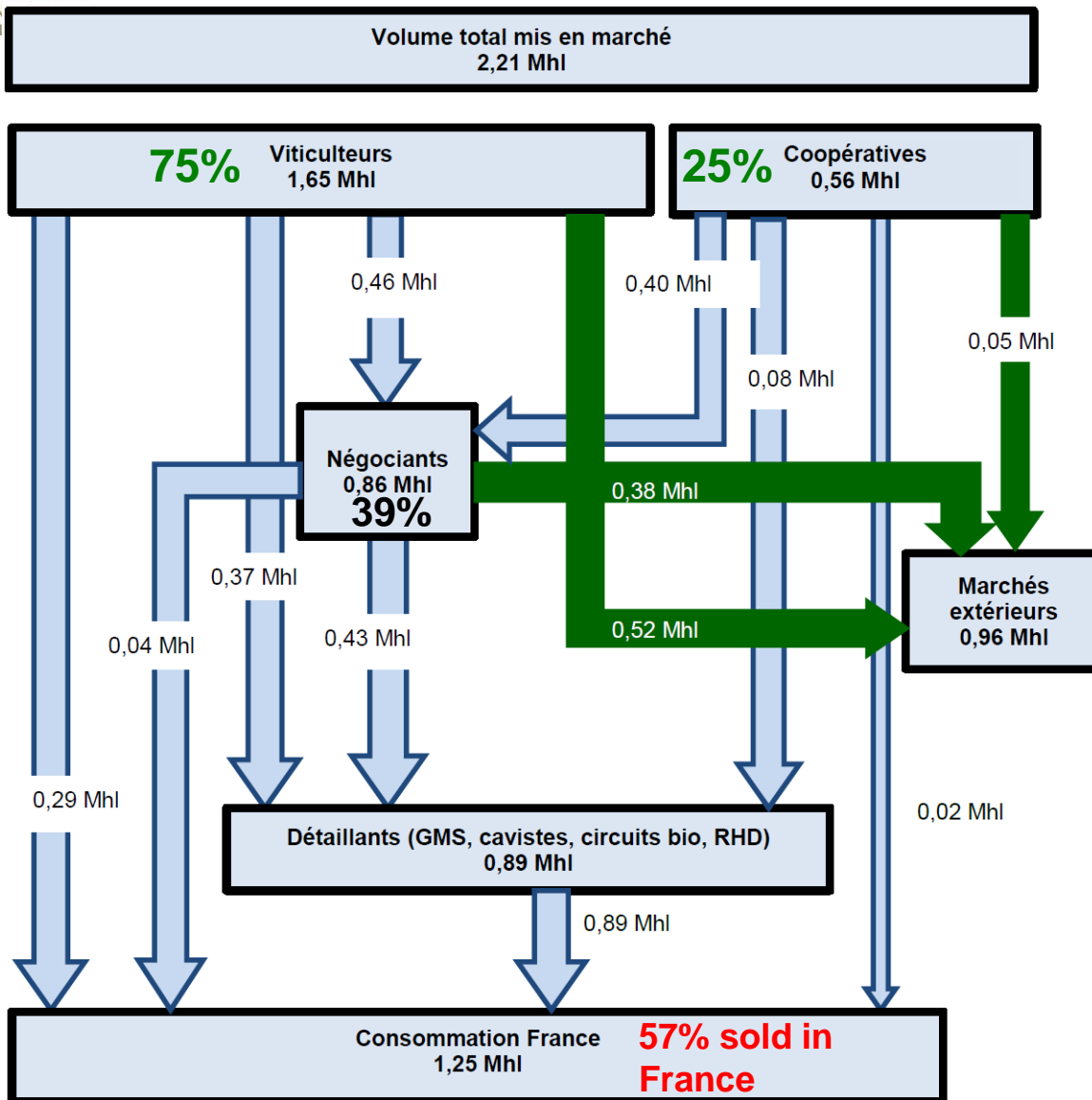


Diagram of
commercialisation of
organic wine in France
in 2017

**43% of the
production
exported**

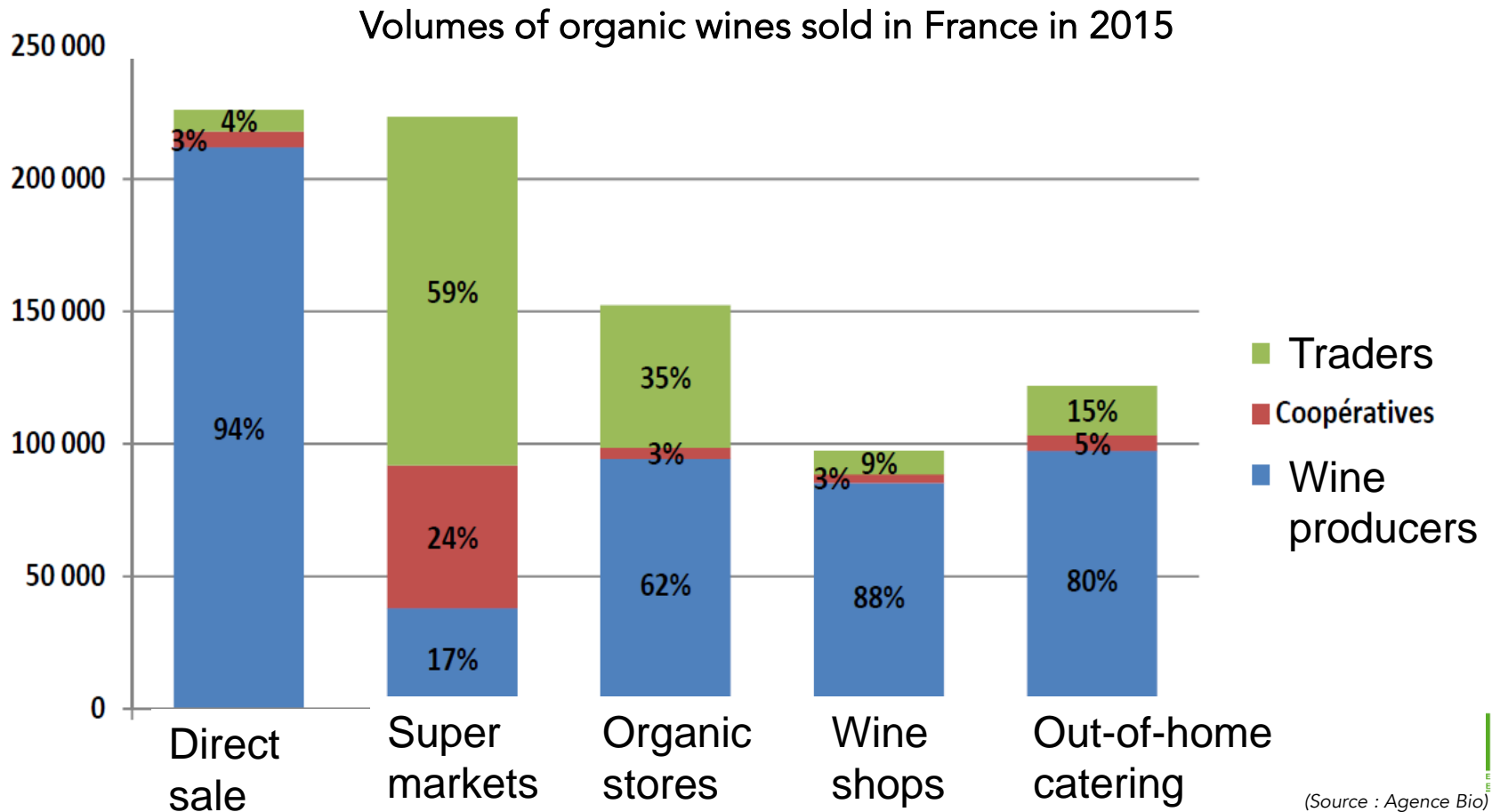
Source : enquête AND-I pour l'Agence Bio



Which are the principal distribution channels ?



- In France there are 3 principal sellers : winemaker, cooperatives, traders
 - ✓ Wine producers use all distribution channels
 - ✓ Traders are concentrated in supermarkets and organic stores
 - ✓ Cooperatives on supermarkets

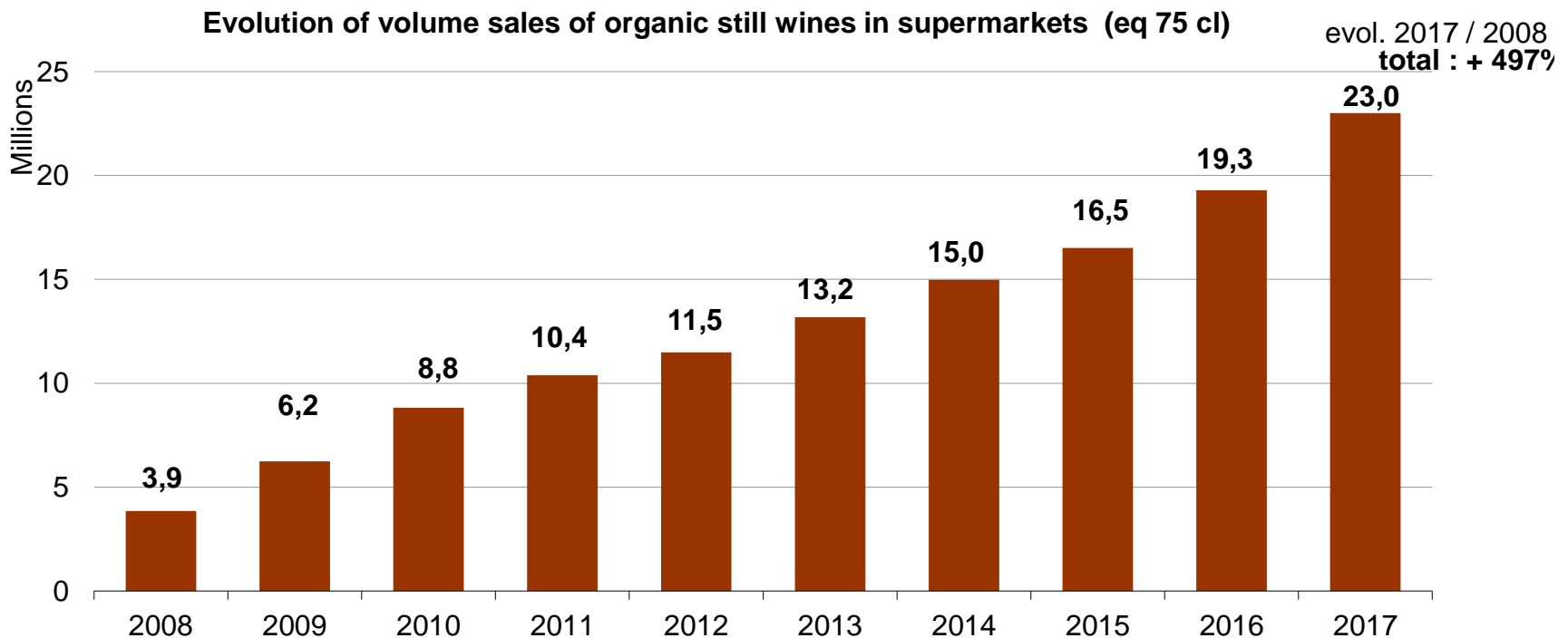


Focus on supermarkets



70% of wines volumes are sold by supermarkets
What about organic wines ?

- 23 millions of bottles sold in 2017. Volumes multiplied by 6 in 10 ans !
- Increasing of 19% in volume and value in 2017
- 100% of supermarkets propose now organic wines in their selection.
- 57% of organic wines volumes sold are AOP.



Conclusion french market



- French production is shared in 57% sold in France and 43% exported
- Wine producers sell their wines using all distribution channels
- Supermarkets are more and more interested in selling organic wines





4. Exporting organic wine

Focus on USA, Japan and China



Who sells, who buys in 2017 ?



TOP 3	Countries exporters of organic wines
1st	France (32% of global organic wines exported)
2nd	Italy
3rd	Spain

TOP 3	Countries importers of organic wines
1st	Germany (78 M of bottles)
2nd	United Kingdom (68 M of bottles)
3rd	Sweden (50 M of bottles)

- It's easy to export between Europe countries thanks to the same organic regulation
- Outside Europe, the main markets are the United States and Japan



- **Production of wines :**

2017: United States, 4th world wine producer with 23.3Mhl

- **Production of organic wines :**

In 2013, organic vineyard represented 2% of american vineyards (5000 ha versus 245 000 ha in Europe). Almost 75% of organic vineyard concentrated in California.

- **Consumption of organic wines :**

4th market of the world with 405 000 hL in 2017.

The consumption of local wines remains the majority, but French, Italian and Spanish organic wines are direct competitors.

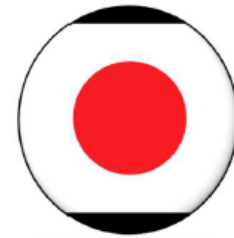
- **Organic regulation :**

The EU regulation on organic products is recognized equivalent to the NOP, with the exception of winemaking.

To be recognized as a "NOP equivalent", an organic wine produced in the European Union must be treated in accordance with the NOP rules: Sulphite rules, restricted list of inputs and specific labeling rules.



Focus on Japan



- **Production of wines :** In 2017, 30 000 ha, 158 000 hL produced

- **Production of organic wines :**

Wine is not part of JAS regulation, so it is not possible for a Japanese wine producer to make organic wine JAS certified. Besides, production of organic farming remains low in the country (0.2% of the agricol land in 2015).

- **Consumption of organic wines :**

6th market of the world with 306 000 hL of organic wine consumed in 2017.
Good value for money remains essential for Japanese consumers:

- **Organic regulation :**



Wine can not claim the JAS certification because it has not been included in Japanese regulations. Thus, it will not be possible for a winemaker to certify his wine "organic JAS". On the other hand, it is possible to export it by keeping European logo, well known by Japanese consumers.

Focus on China



- **Production of wines :** In 2017, 7th world wine producer with 10.8 MhL and 870 000 ha of vines.

- **Production of organic wines :**

In 2014, the organic vineyards of China and the United States were similar in size. The share of organic vineyards in China was 2.1%.

- **Consumption of organic wines :**

The demand is currently growing, it is expected that China enters the top 10 of the main organic wine markets in 2022 (France being in 2nd position after Germany).

- **Organic regulation :**

No equivalence between European organic regulation and Chinese organic regulation.

An organic winemaker who wish to export in China must certify his wine by a certification body accredited by the Chinese authorities.



The Chinese organic logo is mandatory. Its particularity is that it is called "anti fake": it has a unique number associated with each bottle. It is therefore necessary to order and buy it from the Chinese authorities, depending on the number of bottles to export. Only the Chinese logo is to be affixed to the bottle, **the European organic logo is forbidden.**

Conclusion



- The consumption of organic wine is increasing and is expected to continue to increase.
- The supply must therefore adapt according to:
 - technical constraints by always maintaining the quality
 - the diversification of the sellers
 - the need to sell at the right price for the winemaker



Thank you for your attention

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