

2020: Drop in exports of French wine and spirits caused by Airbus' taxes and Covid-19

Paris, February 11th, 2021 – Exports of French wine and spirits fell to 12,1 billion euros (-13.9 %). This decline is due to US tariffs on wine and got amplified, from the spring, with the spread of the Covid-19 pandemic. Therefore, exports of wine and liquors regained their 2016-level. However, the sector remains the second largest contributor to the French trade surplus, with a 11 billion euros surplus (-13.4 %).

"One year ago, we announced that 2020 would be a difficult year" recalls César Giron, Chairman of the FEVS. "Our expectations were exceeded. In 2020, our companies had to deal with an extremely unfavorable environment. This can be explained by the trade conflict with the US, that remains unsolved as of today, and the outbreak of the Covid-19 pandemic whose effects propagated all over the world".

In **the US**, wine and spirits exports fell by 18 %, to 3.1 billion euros, with a 5.5 % decrease in volume. Regarding still wine, this decline results from "Airbus taxes" that caused American imports of French wines to drop by 400 million euros.

In **the UK**, the pandemic moderately affected still wines and spirits' sales but got a more significant effect on sparkling wines. The outcome was a 6.5 % drop in exports, to 1.3 billion euros. The same effect can be observed regarding sales to the UE-27, with a decrease of 7.1 % (3.1 billion euros). Consequences are, however, different for the northern and southern part of the continent.

The outbreak of the sanitary crisis in **China**, strongly affected consumer behavior during the Chinese New Year celebrations and caused exports to drastically curb. Exports declined 15.2 %, to 809 million euros. The situation was similar in all of **China / Hong-Kong / Singapore**, with a turnover that dropped to 1.9 billion euros (-19.4 %).

The worldwide turnover of French **spirits** decreased by 19.4 % to 3.8 billion euros, with a volume of 48.5 million cases (-8.4 %). As for **wine**, it reached 8.2 milliard euros (-11.3 %), for 132 million cases (-5.1 %).

"In this extremely difficult environment, the French wine and spirits' exporters found ways to preserve their positions and pave the way to the future and to the economic recovery that we all expect for 2021" affirmed César Giron. "In some countries, we could already see some small improvements, especially during the last trimester of 2020. However, we still need to get in control of the sanitary situation to ensure a global recovery".

"The situation is probably the most concerning, and therefore urgent, in the US. The sanctions, which targeted our sector, for the last 16 months toughened up on January 12th, jeopardize the presence of French wines on the biggest world market, the sustainability of our export companies, and even the 500 000 actors of the wine sector".

"The European Union needs to act as a leader in the resolution of this conflict: it is urgent that the Head of the European Commission, Ursula Von der Leyen, intervenes to solve this matter directly - and without delay - with the President Joe Biden" affirms the FEVS' Chairman. "However, the urgent need to solve this transatlantic conflict does not mean that the French State can avoid its responsibilities: Prime Minister Jean Castex is meeting with us on February 15th. This meeting needs to lead to strong decision-makings in favor of exporters".

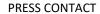
Summary in figures French wines and spirits exports in 2020

		Volume*		Value	
		2020	2020/2019 (in %)	2020 (in k€)	2020/2019 (in %)
TOTAL WINES		131 902 713	-5.1	8 243 062	-11.3
of which	Champagne	10 510 597	-17.0	2 466 694	-20.5
	Still wines AOC	54 578 046	-1.6	4 221 067	-8.0
	Still wines IGP	37 712 026	-6.0	839 697	-4.3
	French varietal wines without GI	9 924 496	-1.3	214 195	3.0
	Other French wines without GI	10 154 353	-9.1	140 254	-8.3
TOTAL VERMOUTHS & ABV		2 888 394	9.9	77 672	17.7
TOTAL SPIRITS		48 542 683	-8.4	3 756 437	-19.4
of which	Cognac	15 739 722	-11.6	2 735 517	-21.4
	Armagnac	243 846	93.2	25 131	39.6
	Other wine spirits	8 623 468	-9.8	151 467	-25.8
	Vodka	10 377 901	-12.6	277 753	-23.1
	Liqueurs	3 587 222	-9.9	261 292	-9.1
	Calvados	240 219	-6.3	14 548	-4.4
TOTAL WINES AND SPIRITS		183 333 791	-5.8	12 077 172	-13.9

^{*} Wine: 12 bottles cases, or 9 l – Liquors: 12 bottles cases, or 8,4 l in 40 % vol.

Press kit and full presentation of results available online at

https://www.fevs.com/en/press/



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