

Brussels, Belgium, 6 March 2018

Eurocare today published a report on wine promotion subsidies under EU's Common Agricultural Policy, calling for EU lawmakers to phase out this costly market intervention. The report entitled 'Europe's billion-euro wine spillage' highlights the problems of cost inefficiency, public health risks, alcohol ads targeting youth and funds misuse, to mention some.

"EU's promotion of wine has gotten out of hand," says Secretary General Mariann Skar. "It's time to dismantle this expensive support of the wine sector, which amounts to more than €250 million a year. Wine is already heavily subsidized with EU taxpayers' money." The new publication makes five concrete recommendations to limit the mismanagement of the subsidies and ensure public health perspectives are duly taken into account.

For decades, the European wine industry has received generous subsidies over EU's agricultural policy, which constitutes nearly 40% of the Union's total budget. The aim of this policy has been to support farmers' livelihood and sustainable rural development. By channelling billions of euros into the production of wine, the policy led to vast overproduction for which there was no demand. Now, the EU seems determined to drain these wine lakes by trying to boost export to third countries. So far, that effort has been unsuccessful.

"Total wine export from the EU to non-EU countries has increased less than the amount spent on promotion wines abroad," Skar explains. The wine promotion scheme has failed to deliver increased competitiveness. Instead, misuse of the subsidies is reported throughout Europe. An EU audit from 2014 addressed several cases of fraud and furthermore established that the money is often "used for consolidating markets, rather than winning new markets or recovering old market."

With this report, the general public is informed of the many challenges associated to promoting wine, a beverage which does not fall under the CAP objective of supporting "safe food". The findings contained in the report are also a contribution to the ongoing debate of the CAP reform. Subsidizing wine promotion has not demonstrated economic results and additionally has potentially severe public health consequences. Therefore, it should be phased out.

"We hope that policy makers and consumers become aware of the massive waste of resources that the wine promotion subsidies represent," the Secretary General stated at the launch of the report.

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European Alcohol Policy Alliance (Eurocare)

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European Alcohol Policy Alliance (Eurocare)

Eurocare is an alliance of non-governmental and public health organisations across Europe advocating for the prevention and reduction of alcohol-related harm. Member organisations are involved in advocacy and research, the provision of information and training on alcohol issues, and services for people whose lives are affected by alcohol problems.

Eurocare's mission is to promote policies that prevent and reduce alcohol-related harm. Our message regarding alcohol consumption is that "less is better".