

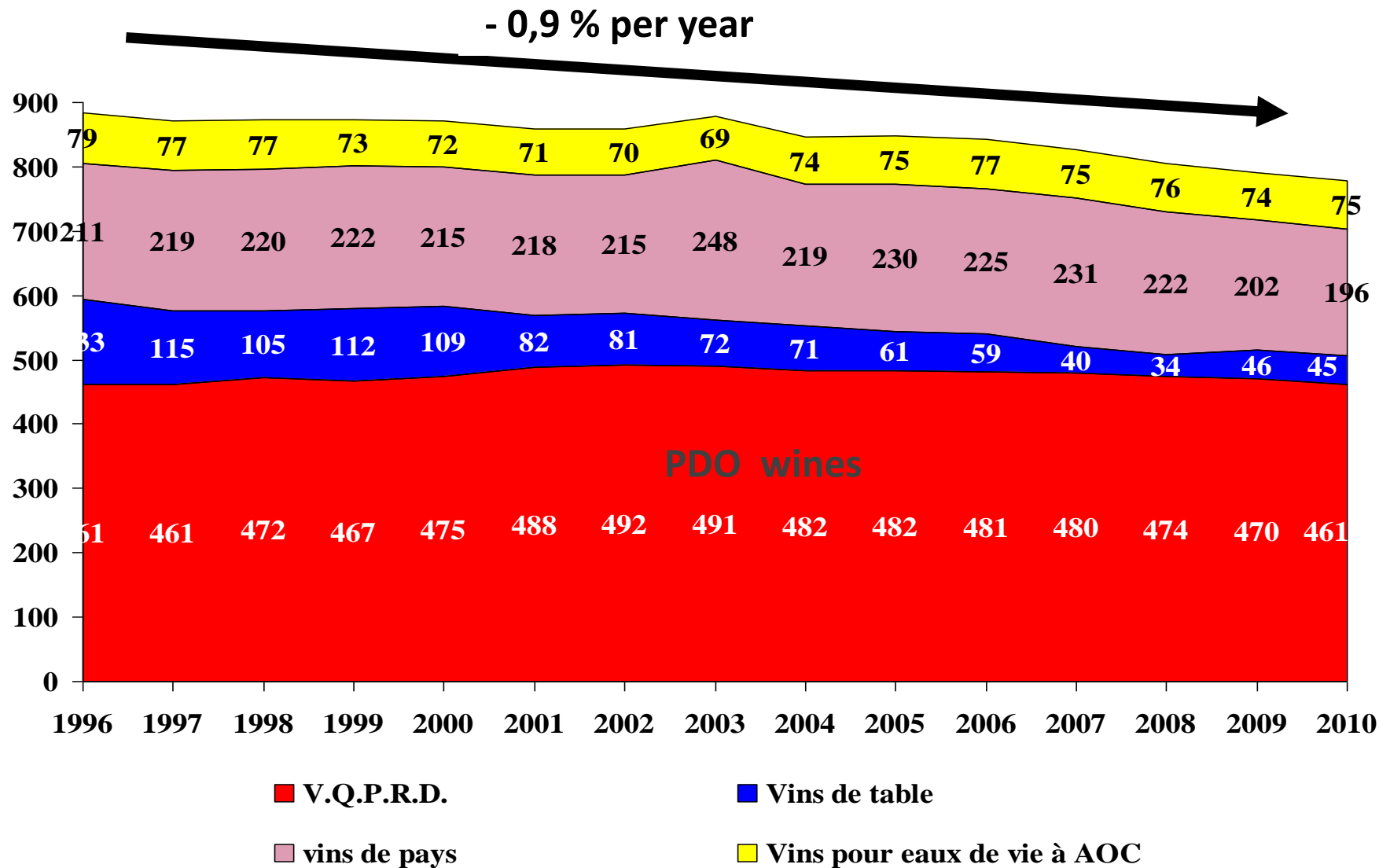
Wine Industry in France

Etienne Montaigne, Professor
Alfredo Coelho, Associate Researcher

montaign@iamm.fr
coelho@supagro.inra.fr

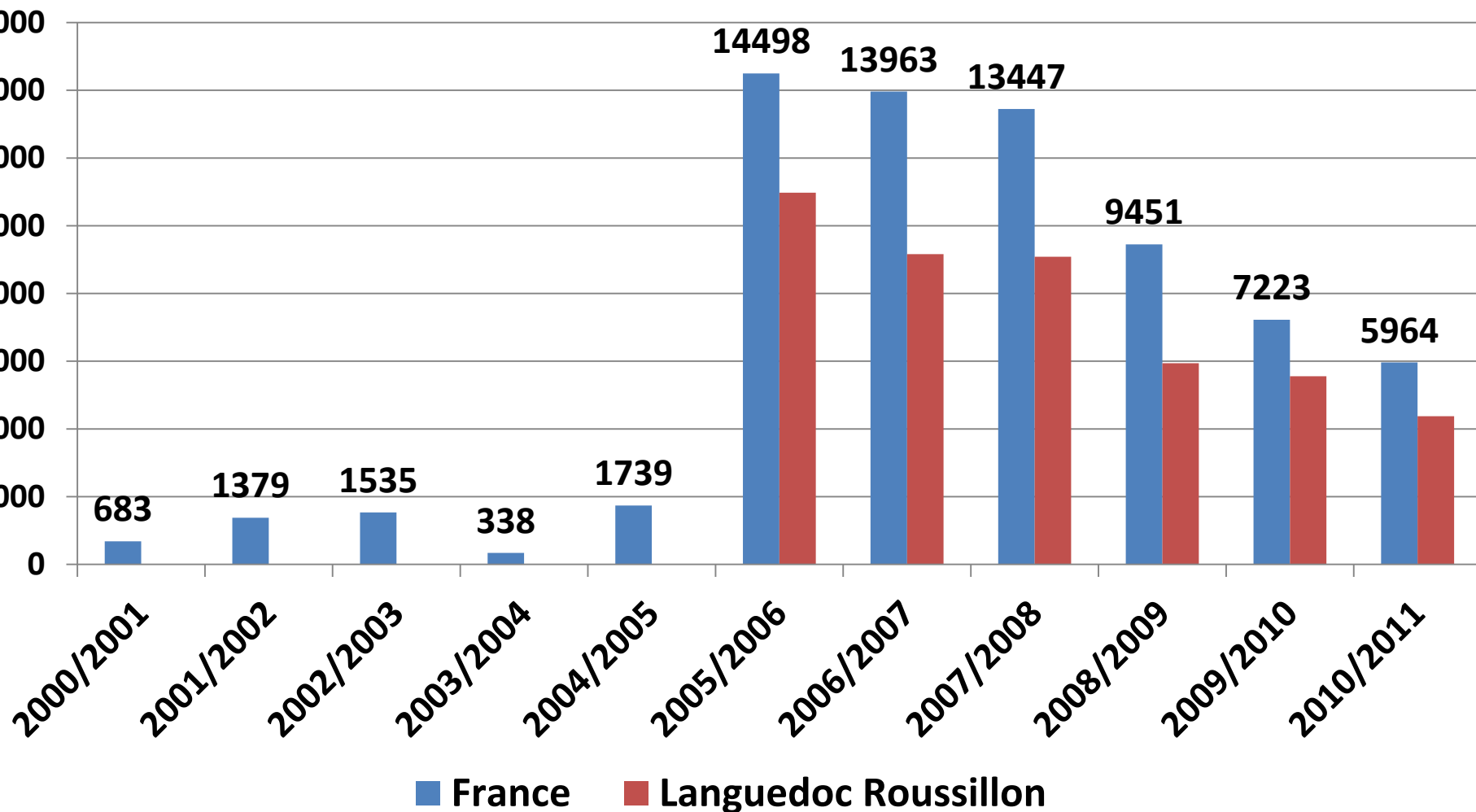


France: Evolution of the surfaces planted with vines (000 hectares) (1996-2010)



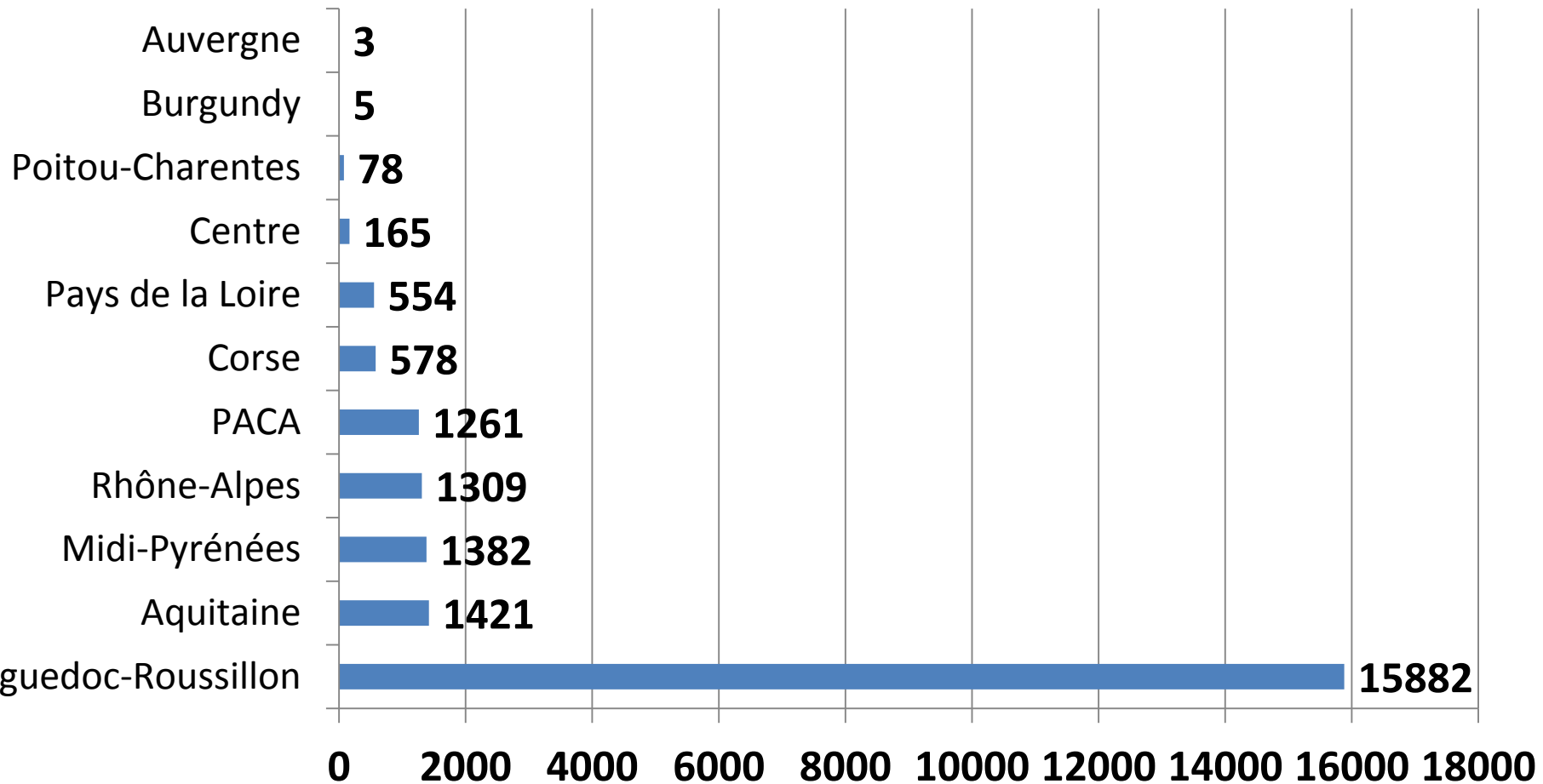
Source: FranceAgriMer

Evolution of the grubbing up of vines in France (hectares financed) (2000-2011)



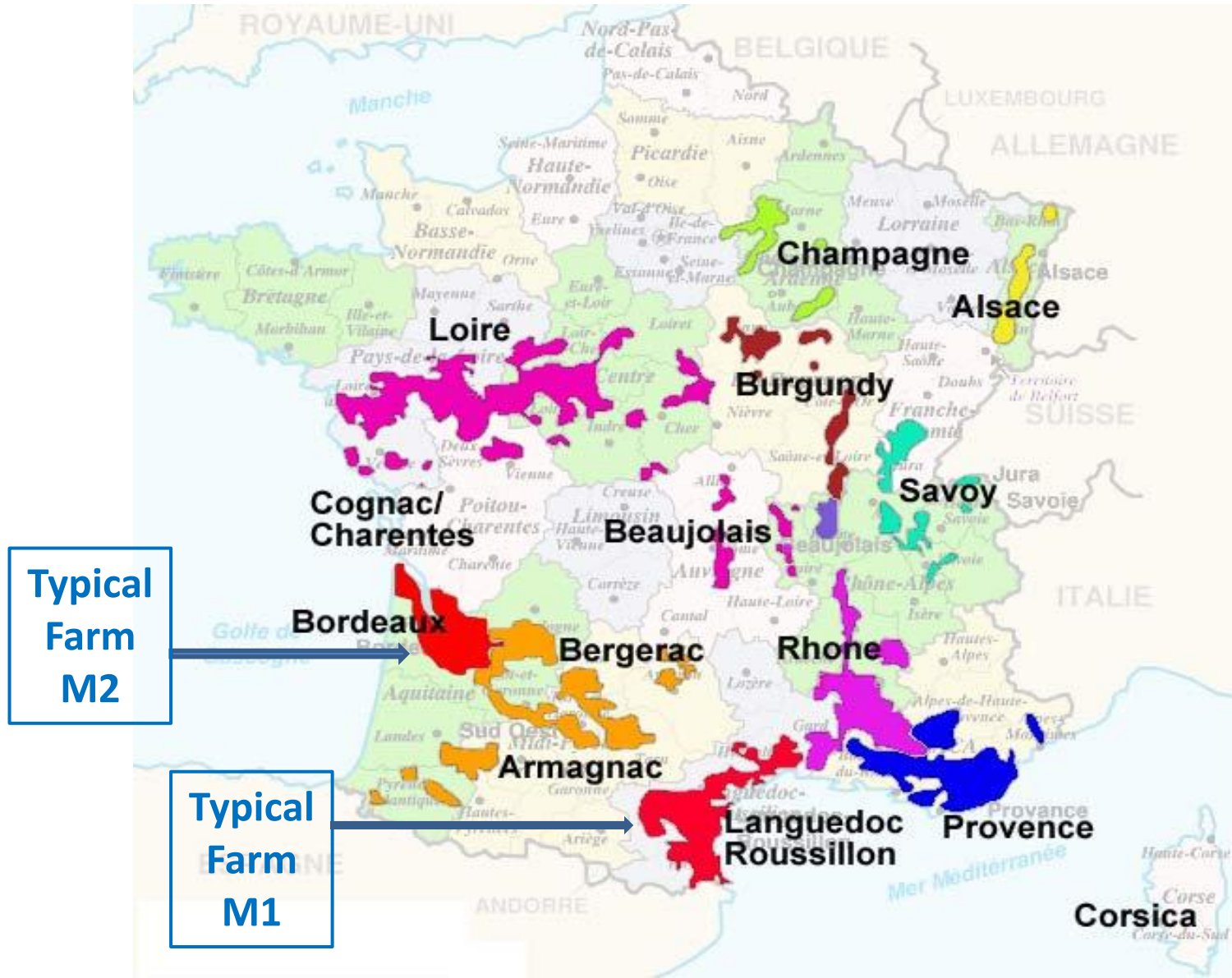
Source: FranceAgriMer

France: The grubbing up of vines in the main wine regions (22,638 hectares) (2008-2011)

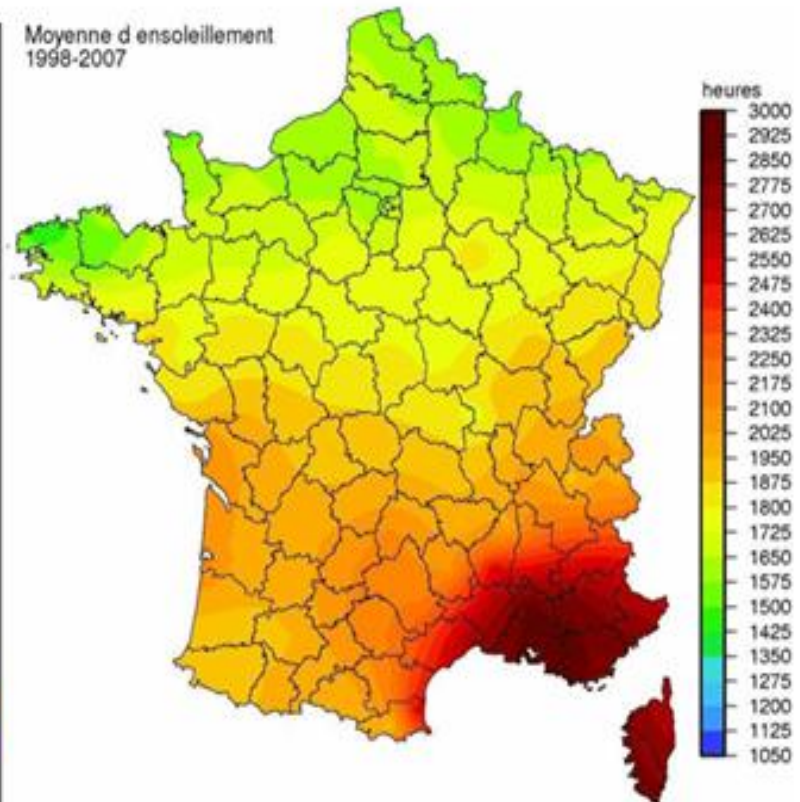
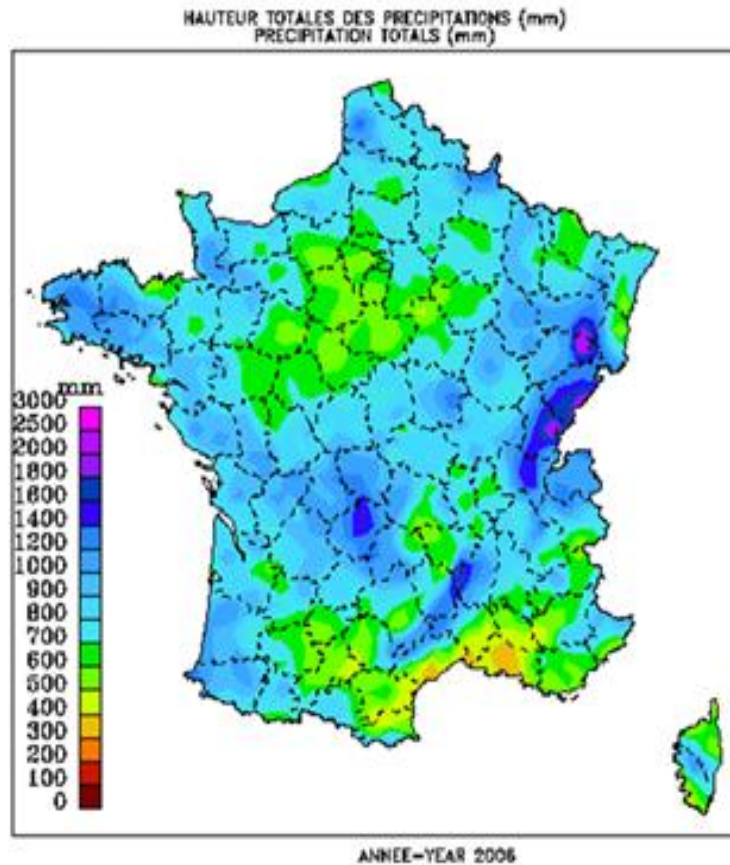


Source: FranceAgriMer

France: Main wine regions



France: Weather conditions across the regions (1998-2007)



France: Evolution of the main varieties grubbed up (co-financed) (2008-2011)

Varietal	hectares
Carignan N	4914
Grenache N	3075
Merlot N	2672
Syrah N	2209
Cabernet Sauvignon N	1532
Cinsault N	1199
Gamay N	745
Cabernet Franc N	507
Chardonnay B	485
Alicante H. Bousch.N	449
Sub-total 10 varieties	17787
Top 10 varieties % of total surfaces grubbed up	79%

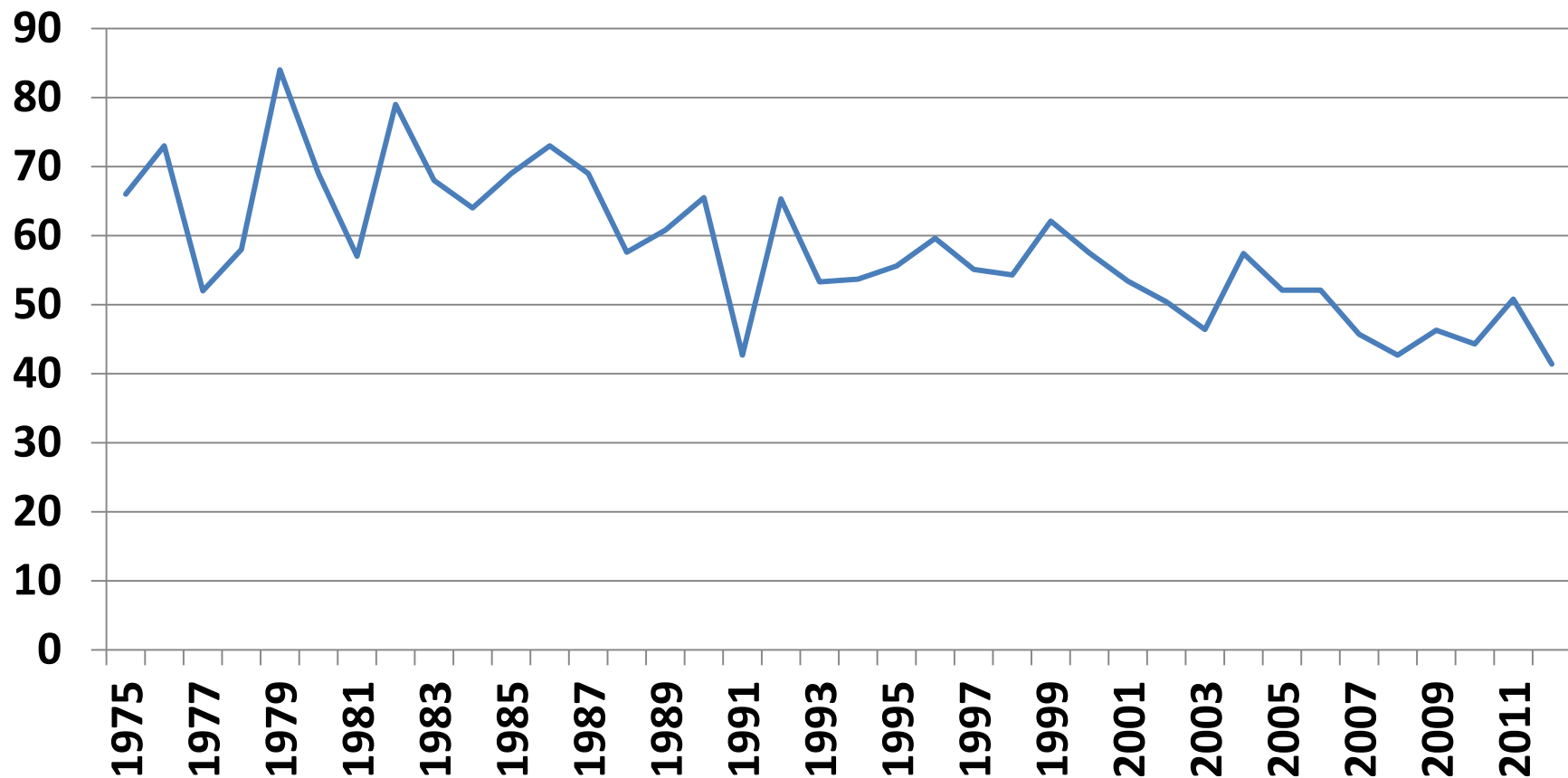
Source: FranceAgriMer

France: Land prices for vines in 2011

(000 € / hectare)

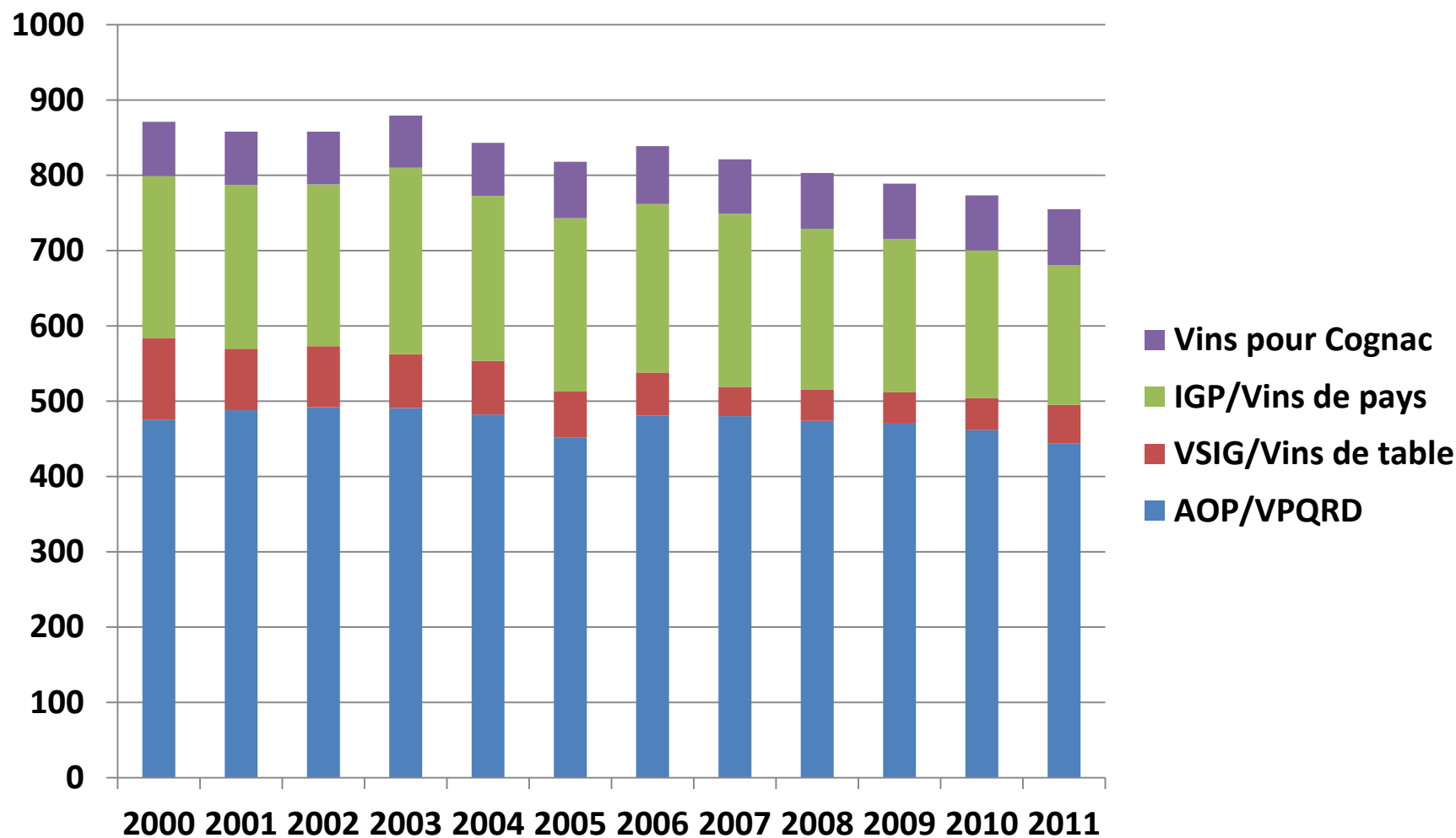
Champagne (PDO)	868,3
Val de Loire Centre (PDO)	23,9
Burgundy (PDO)	202
Rhône-Alpes (PDO)	15
Gironde (PDO)	74
South-West (PDO)	12,8
Rhône Valley-Alpes-Provence (PDO)	34,3
Rhône Valley-Alpes-Provence (non-PDO)	11,3
Languedoc-Roussillon (PDO)	11,2
Languedoc-Roussillon (non-PDO)	10,8
Corsica (PDO)	15,6
Corsica (non-PDO)	8
France (PDO excluding Champagne)	49
France (non PDO)	10,6

France: Evolution of the wine production (Million hectoliters) (1975-2011)



Source: OIV (2012)

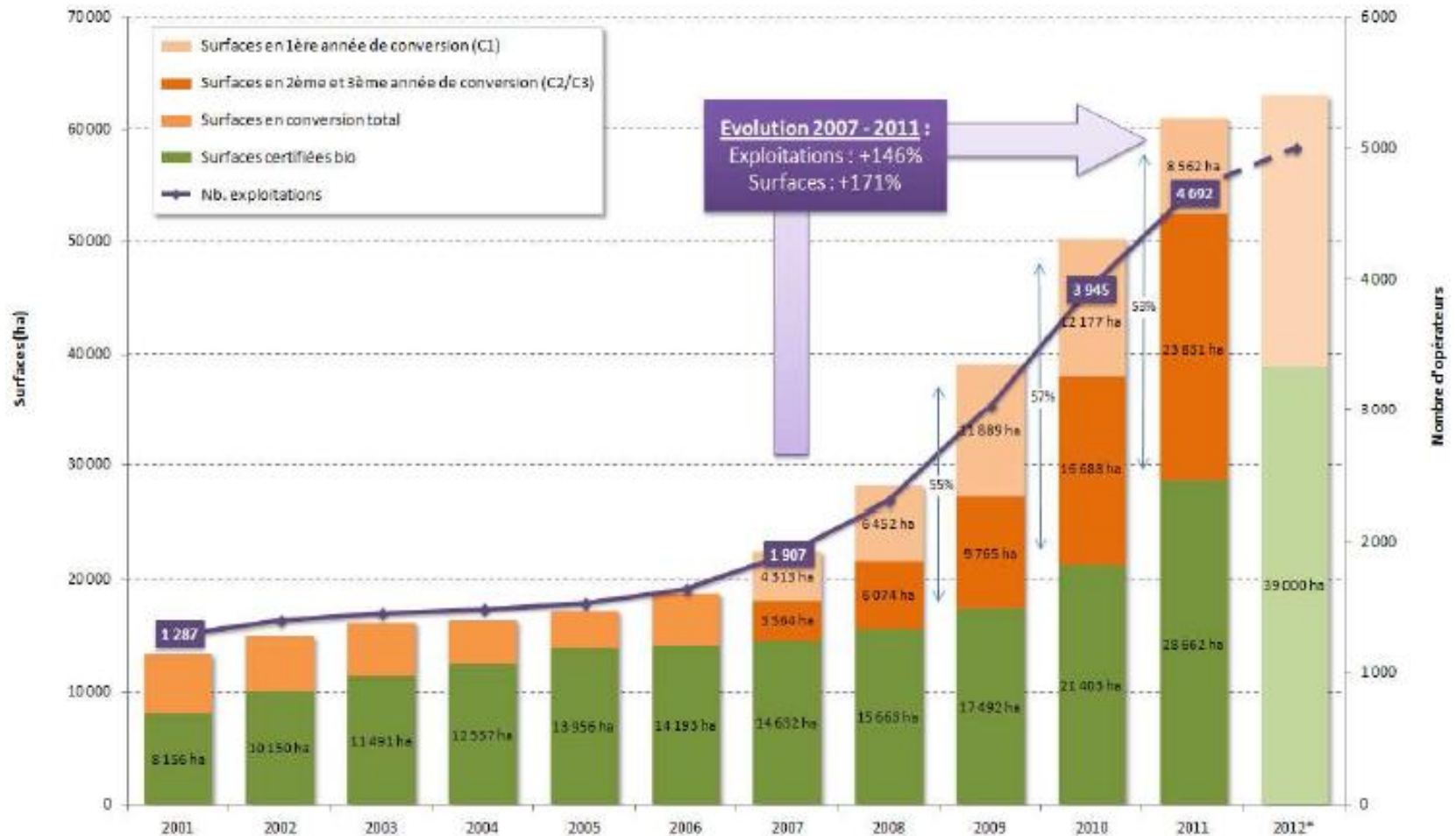
France: Evolution of the production of wine & juices & musts (Million hectoliters) (2000-2011)



Source: France AgriMer

Surfaces for Bio Wines have increased 3X in 4 years

Evolution of the number of grape growers & surface of bio grapes and in conversion (2001-2012)

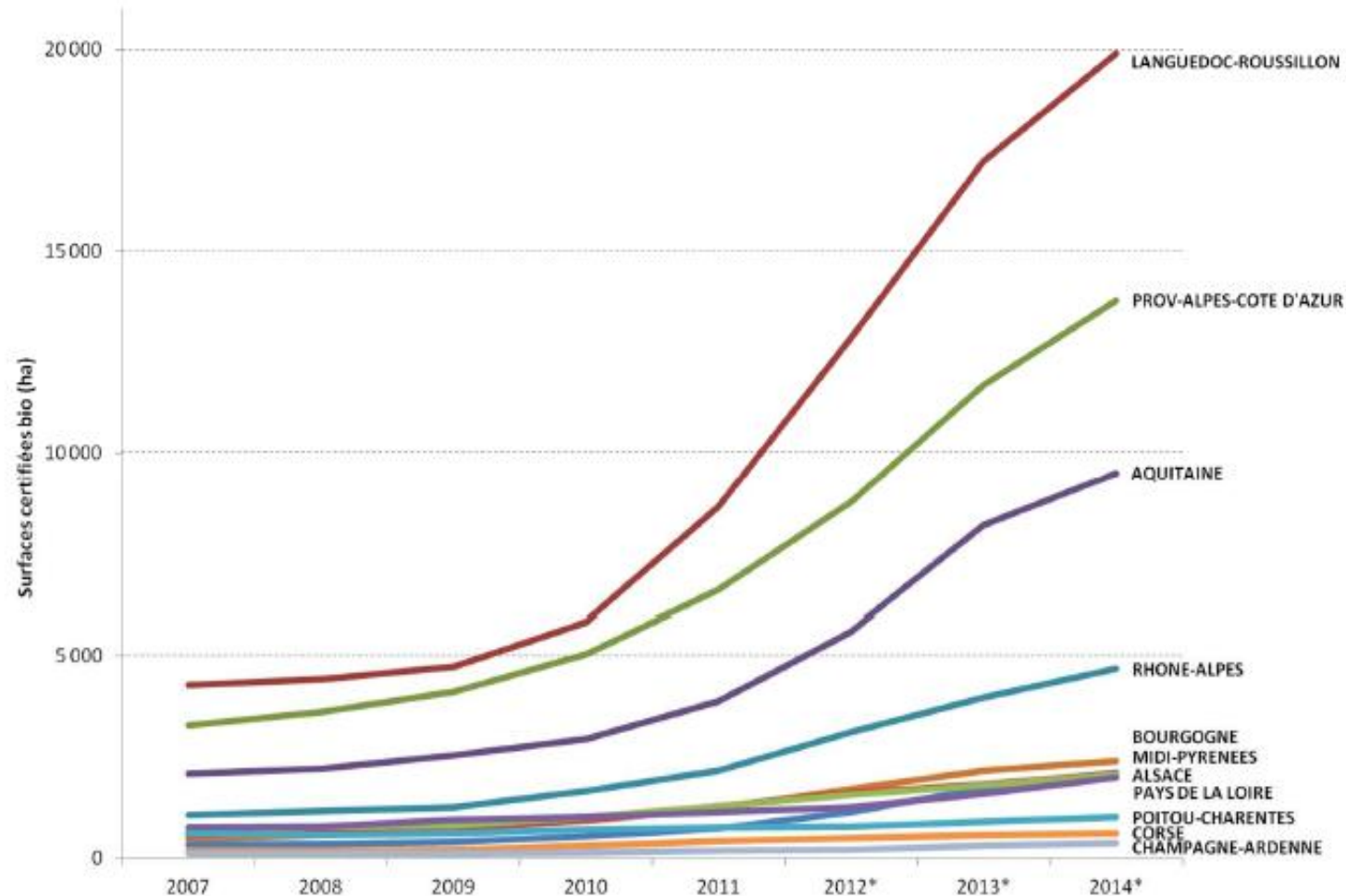


Source: Agence Bio



Surfaces for Bio Wines have increased 3X in 4 years

Evolution of the surfaces certified as organic grapes in the main regions (2007-2014)

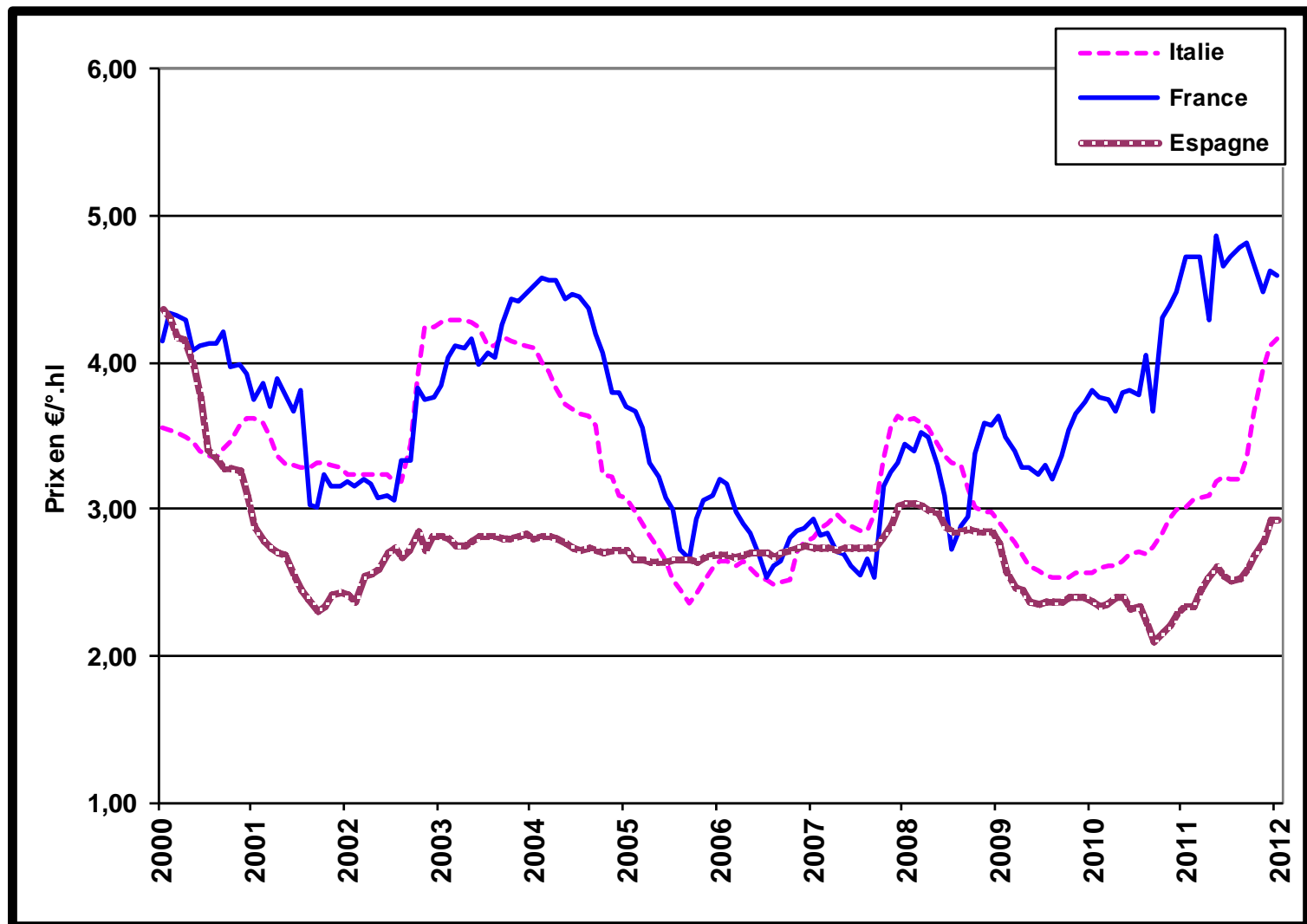


LR = 30%
of total

Source : Agence BIO / OC : * Surfaces théoriques à partir des surfaces en conversion

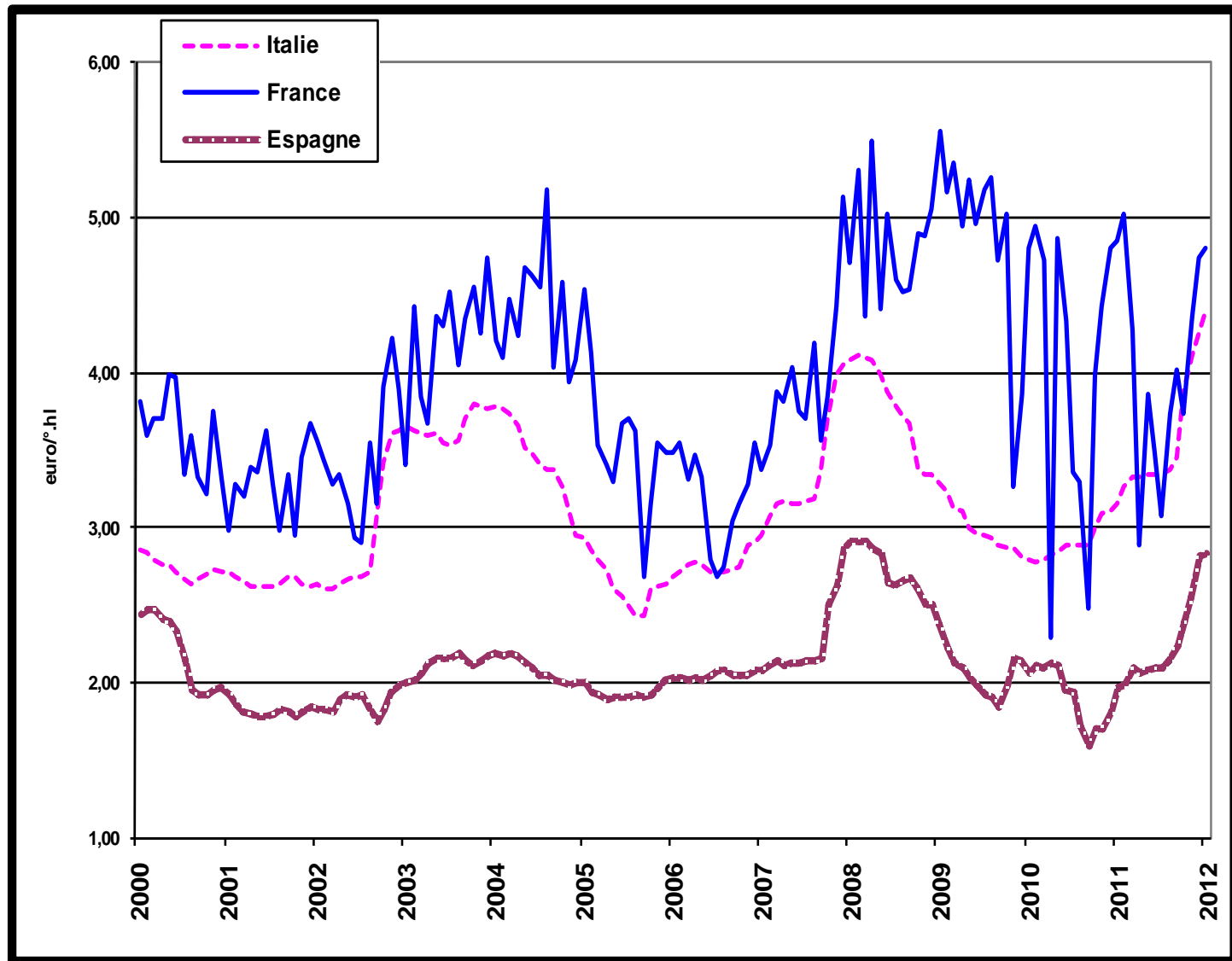


France: Average Monthly Prices for Red Wines Without Geographic Indication (2000-2012)



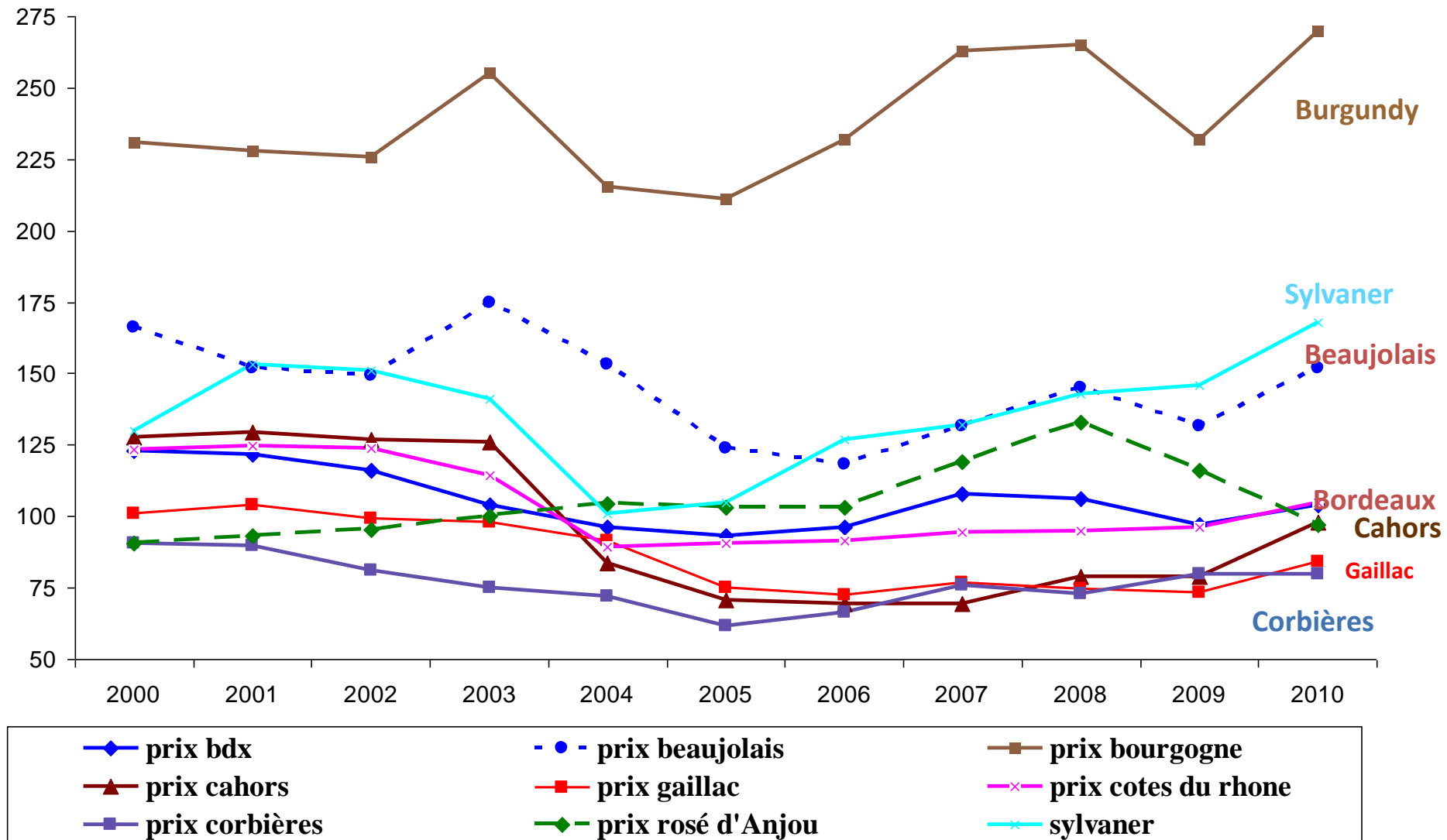
Sources : Contracts FranceAgriMer, ISMEA, "Semana Vitivinicola« / OIV.

France: Average Monthly Prices for White Wines Without Geographic Indication (2000-2012)



Sources: Contracts FranceAgriMer, ISMEA, « Semana Vitivinicola » / OIV.

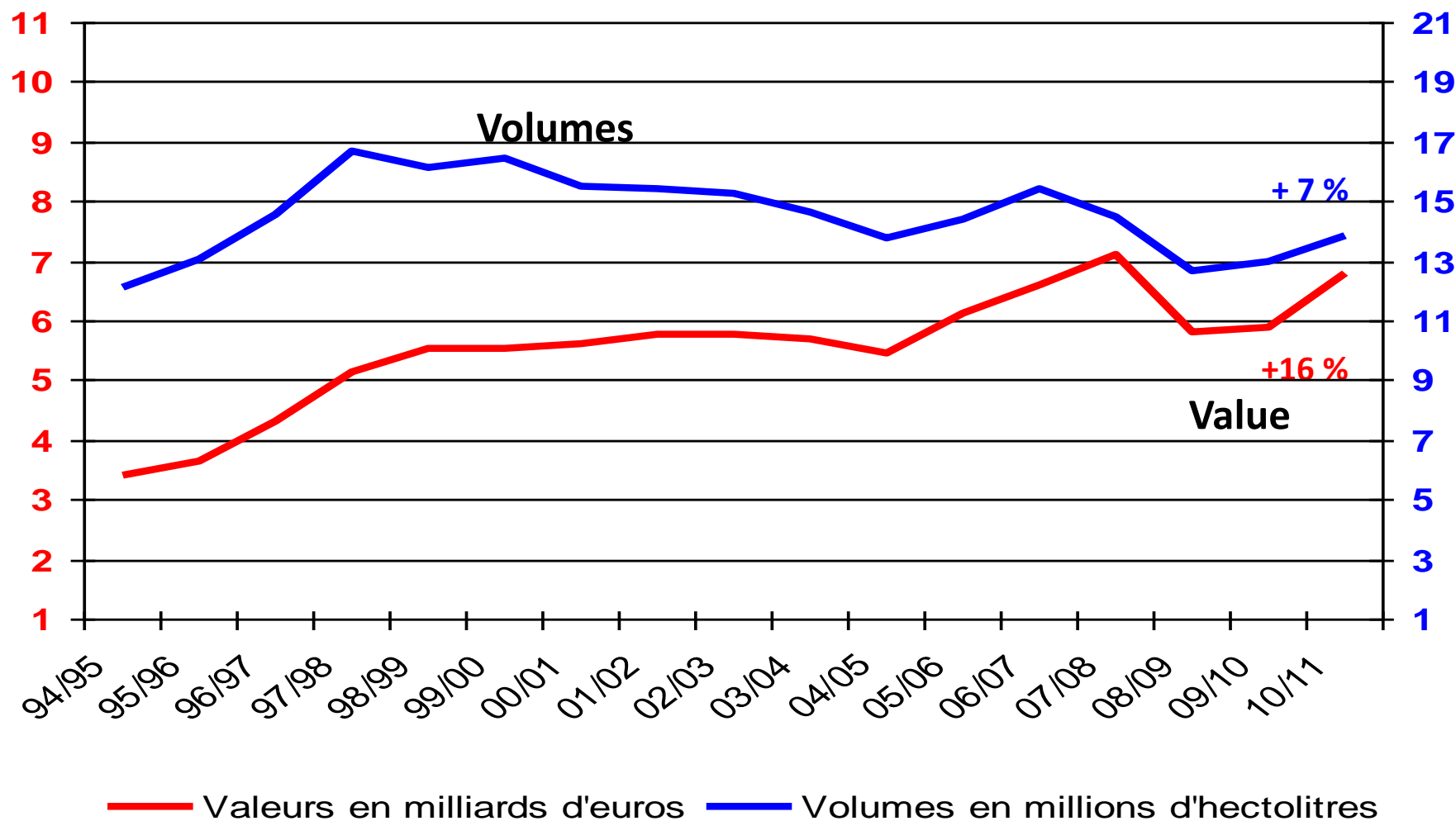
France: Average Monthly Prices for Bulk Wines (2000-2010) (€/hl)



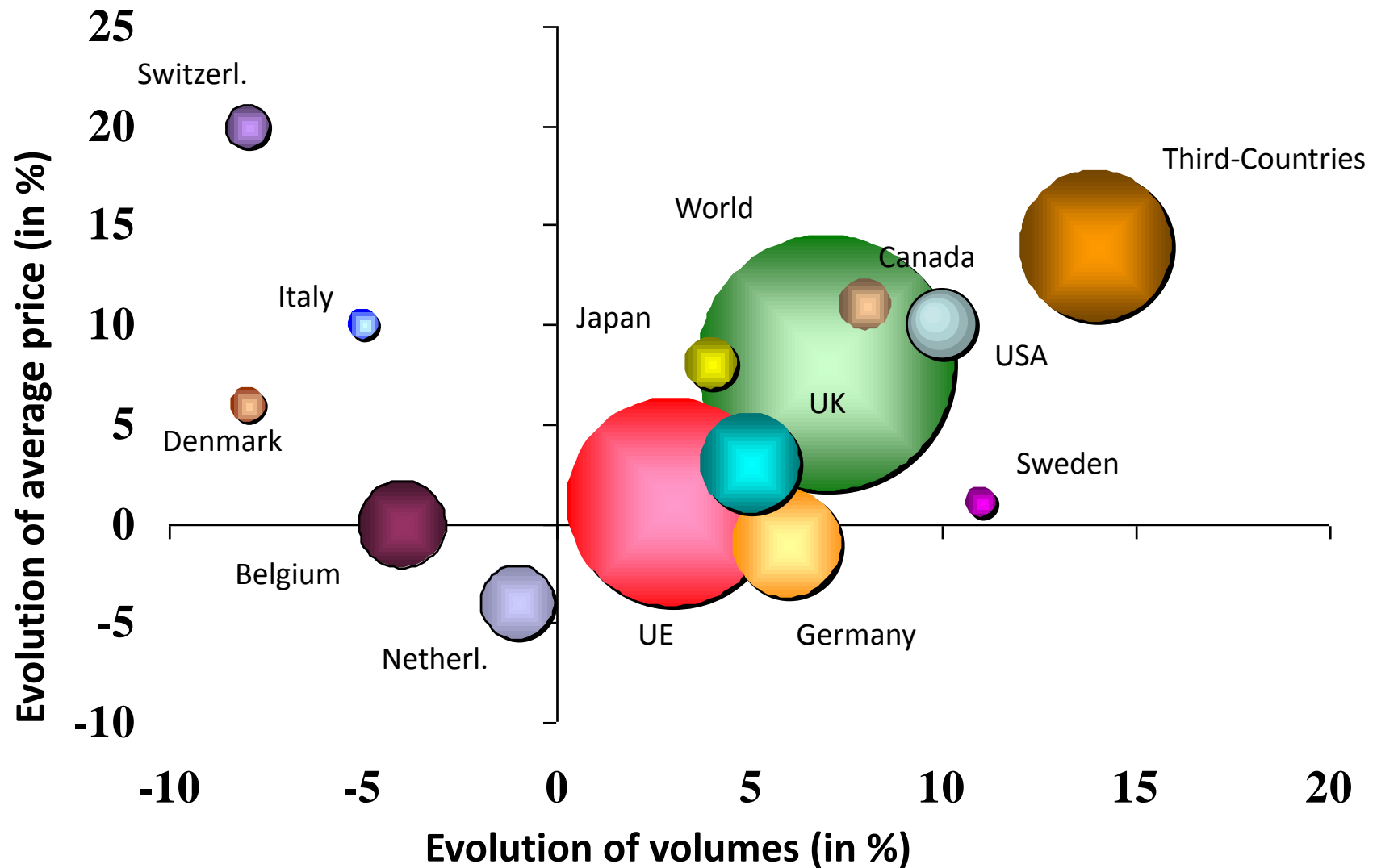
Source: France AgriMer / Interprofessions

France: Evolution of Wine Exports (1994-2011)

13,8 millions d'hl en volume / 6,8 milliards d'euros en valeur



French Wine Exports campaign 2010-2011 / campaign 2009-2010



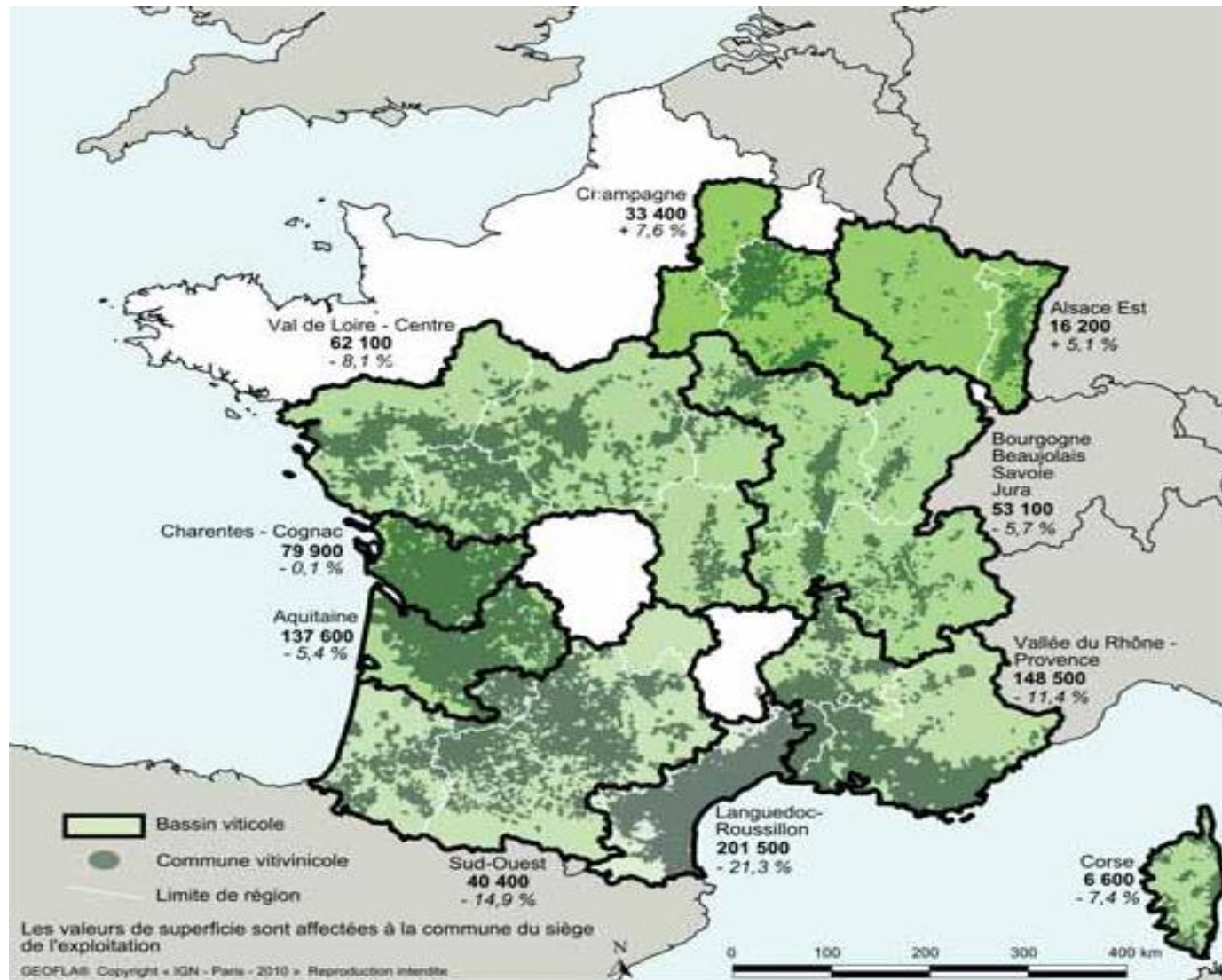
The Structure of Wine Farms in France

Wine Farms in France: Strong Geographical Identities

- 85 000 wine farms in 2010
- 780 700 hectares of vines (i.e. 3% of the SAU)
- Size of wine farms: 9,1 hectares/farm (average).
- The wine chain is highly specialised: 90% of wine farms in PDO or PGI
- Geographic indications dominate
- 4/10 grape growers < 50 years old

Wine Farms in France:

Evolution of the vine surfaces in the regions (2000-2010)



Source: IGN/Agreste

Wine Farms in France:

% of farm holdings specialised in a category of wines

Wine regions	PDO wines	PGI wines	PDO & PGI wines	Other wines	# farm holdings
Loire Valley - Centre	75	4	4	17	4000
Rhône Valley - Provence	67	17	11	5	10000
Aquitaine	97			3	8100
Charentes - Cognac		1		99	4000
Alsace-East	100				3900
Burgundy - Beaujolais - Savoie - Jura	97	1		2	7300
Champagne -	100				13000
Languedoc-Roussillon	26	59	10	5	16000
South-West	41	29	10	20	2000
Corsica	54	19	14	13	200
France (metropole)	68	18	4	10	68500

Source: Agreste (2011)

Wine Farms in France:

% of farm holdings specialised in a category of wines

Economic dimension	PDO wines	PGI wines	PDO & PGI wines	Other wines	Total
Small farms	27	49	18	47	33
Medium farms (PBS > 25 000 €)	29	35	42	16	29
Big farms (PBS > 1000 000 €)	44	16	40	37	38
Number of farms	46600	12100	3100	6700	68500

NB: PBS – Gross Standard Production

Source: Agreste (2011)

France: Structure of Wine Farms (FADN 2005-2007)

(source: B. Delord, UMR MOISA Montpellier, 2012)

Region	commercialisation	prices prod-wine (€/hl)	surf-vigne (ha)	nb quest	nb farms	% sales bottled	surf vines (ha)	Wine prices (€/hl)	Yields (q/ha)
Champagne	Bottled	>600	<2,5	11	1073	84	2,0	1231	133
			2,5-5	25	1782	86	4,0	1104	129
			5-10	16	1569	92	7,0	1261	132
Burgundy	Bottled	300-600	5-10	10	357	58	8,4	403	76
			10-20	11	326	48	13,1	467	72
Alsace	Bottled	300-600	5-10	10	324	76	7,4	462	93
			10-20	11	291	81	13,2	456	98
	Bulk-aoc	150-300	2,5-7,5	10	499		4,9	166	99
			7,5-30	10	276		10,5	130	95
Poitou- Charentes	Bulk-vcc	80-110	5-20	10	770		12,7	47	138
			20-50	10	594		28,0	65	131
Aquitaine & Midi Pyrénées	Bottled	200-300	10-30	12	565	37	15,6	235	61
			>30	11	432	63	43,4	242	61
	Bulk-aoc	80-110	5-20	11	570		11,2	93	65
			>20	14	483		31,8	90	66
Rhône Alpes	Bottled	300-600	5-10	10	554	84	7,6	420	73
			10-30	8	326	85	16,2	412	80
Languedoc- Roussillon	Bulk-aoc	50-80	10-20	13	889		14,3	60	51
			20-50	11	470		27,9	61	55
	Bulk-vcc	<50	10-15	13	1588		12,6	34	81
			15-20	20	1619		17,7	34	82
			20-30	22	1114		25,0	36	86
			30-50	19	819		36,5	34	96
			>50	9	217		72,7	41	84
PACACo (Provence- Alpes-Côte Azuer, Corsica)	Bulk-aoc	50-80	7,5-20	10	470		14,4	72	56
			20-50	12	319		27,7	68	57

Languedoc Roussillon

- **3 different types of farm holdings (with different strategic behaviour):**
 - **Grape producers: strictly produce and market grapes**
 - **Crush grapes and market in bulk: these farm holdings integrate the processing/crushing of grapes in order to market the wine in bulk**
 - **Crushes grapes and markets packaged wine (bottles, bag-in-box...): fully integrates the wine chain (crushes, bottles and markets packaged wine)**

Typology of Farm Holdings according to the use of practices taking into account the environment

	Grapes	Bulk wine	Bottled wine
Wines w/o GI	---	--	+
PGI	--	-	++
PDO	-	=	+++

Typical Farms in Languedoc & Aquitaine (2012-2013)

Methods & Problems

The Data and Methods

- Typical farm in Languedoc Roussillon:
 - 20 hectares of grapes
 - Produces grapes and bulk wine
 - Marketed under the 'Terra Vitis' (sustainable) label
 - Modern canopy management system: trellis with 'cordon de royat'
 - Density of planting: 4000 vines per ha
 - Plantings include international varieties (Merlot, Cabernet Sauvignon) and Carignan
 - The Languedoc farm uses a mix of family and hired labour (=120 hours/ha)
 - There is a market for bulk wine but not a market for grapes

Typical farm in Languedoc-Roussillon

Country	France
Region	Languedoc-Roussillon
Total farm size, ha	20
- full production, ha	18.5
- non-full bearing, ha	1.5
- other farm branch, ha	0
Lifetime of vineyard, years	40 years (average)
Average time to first full yield after planting new vines	3 years
Grape yield on farm, 2010 in t/ha	6 – 12
Share of irrigated vineyards (%)	0
Distance between the rows (m)	2.5
Total surface of these 6 international wine varieties, ha:	
Merlot, Pinot Noir, Syrah/Shiraz, Cabernet Sauvignon, Chardonnay, Sauvignon Blanc	14
Top 3 varieties grown	
- Name 1:	Syrah/Shiraz
ha 1:	5
- Name 2:	Merlot
ha 2:	3.3
- Name 3:	Carignan
ha 3:	2.2

Country	France
Region	Languedoc-Roussillon
Vines per ha	3,600 - 4,000
Distance between the rows (m)	2.5
Less favoured area	No
Legal form	Family farm
Decoupled payment, EU subsidies (per ha)	0
Subsidies (per farm) (e.g., for irrigation system, conversion of old vineyards, grubbing-up etc.)	Yes
Canopy management / production system	Trellising system – Cordon de Royat
- selling grapes on the market (with or without formal contracts) or delivering them to the cooperative	
- producing and marketing bulk wine	100%
- producing and marketing packaged wine	
Participation in private quality certification scheme	Terra Vitis: sustainable viticulture
Family labour (hours per year)	1,850
Hired labour (hours per year)	560
Seasonal workers (hours per year)	0
Use of own machinery	yes
Use of hired machinery / contractors / co-operative machine pool	harvest & establishment
Harvest	100 % machine

Vineyards in Languedoc-Roussillon



Vineyard in Languedoc (Hérault)



Vineyard in Languedoc (Hérault)



Data and Methods

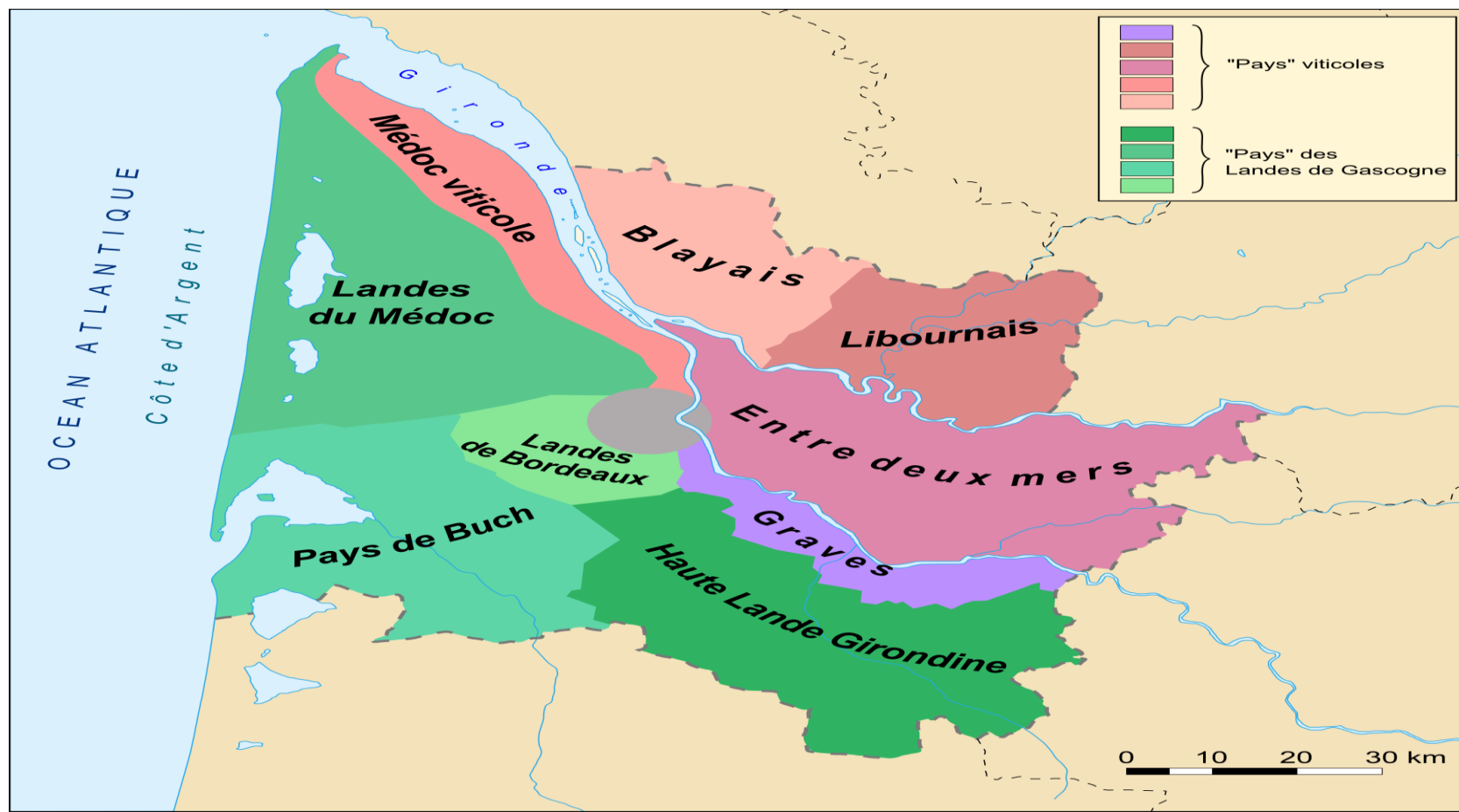
- Typical farm in Entre Deux Mers (M2) (Bordeaux):
 - 17 hectares of grapes → 26 ha farm (diversification: forest, cattle, fruits)
 - Produces grapes and bulk wine
 - Marketed under the 'Agri Confiance' (co-operative, sustainable) label
 - Modern canopy management system: trellis with Double guyot
 - Densities of planting: 2000 to 4000 vines per ha (in the same farm)
 - Plantings include mainly international varieties: Merlot, Cabernet Sauvignon, Cabernet Franc → in the past the regional focus was in white varieties, now reds dominate
 - The Entre Deux Mers farm uses a mix of family and hired labour (=many activities outsourced through Entrepreneurs, Cuma (co-op) and Employers Joint Groups
 - The “roads to the market” may vary: bulk wine sold to a unique co-operative, both to a co-operative and a wine merchant...
 - There is a market for bulk wine but not a market for grapes

Typical farm in Entre Deux Mers (Bordeaux)

Country	France
Region	Entre Deux Mers
Total farm size, ha	26
- full production, ha	15.5
- non-full bearing, ha	1.5
- other farm branch, ha	9
Lifetime of vineyard, years	40 years (average)
Average time to first full yield after planting new vines	3 years
Grape yield on farm, 2010 in t/ha	7.2 – 12.8
Share of irrigated vineyards (%)	0
Distance between the rows (m)	4 – 3.5 – 2 – 2.2
Total surface of these 6 international wine varieties, ha:	
Merlot, Pinot Noir, Syrah/Shiraz, Cabernet Sauvignon, Chardonnay, Sauvignon Blanc	14
Top 3 varieties grown	
- Name 1:	Merlot
ha 1:	9.1.
- Name 2:	Cabernet Sauvignon
ha 2:	4.3
- Name 3:	Cabernet Franc
ha 3:	1.8

Country	France
Region	Entre Deux Mers
Vines per ha	2000 - 2500 -3,300 - 4,000
Distance between the rows (m)	2.5
Less favoured area	No
Legal form	Family farm
Decoupled payment, EU subsidies (per ha)	0
Subsidies (per farm) (e.g., for irrigation system, conversion of old vineyards, grubbing-up etc.)	Yes
Canopy management / production system	Trellising system – Double Guyot
- selling grapes on the market (with or without formal contracts) or delivering them to the cooperative	
- producing and marketing bulk wine	100%
- producing and marketing packaged wine	
Participation in private quality certification scheme	Agri Confiance: sustainable viticulture
Family labour (hours per year)	1,680
Hired labour (hours per year)	420
Seasonal workers (hours per year)	0
Use of own machinery	yes
Use of hired machinery / contractors / co-operative machine pool	harvest & establishment
Harvest	100 % machine

Entre Deux Mers (E2M)



Vineyard E2M



Landscape Gironde – Blasimon – the vine is connected with forest and other agricultural crops

Vineyard E2M



Landscape La Réole (Gironde)

Thank you
for your
attention

