PRESS RELEASE

SPIRITS SECTOR CALLS FOR FASTER ACTION TO SAFEGUARD A KEY EUROPEAN SUCCESS STORY

- New survey of spirit producers underlines sector's continued commitment to Europe, but also acknowledges strong headwinds
- Stresses need for greater ambition and faster action at EU and national level on competitiveness, simplification, and trade promotion and market access
- Accelerated action seen as critical to secure the sector's long-term success.

Brussels, 10 September 2026 - ***European spirits producers remain committed to Europe as a place to produce, invest and innovate, but are growing increasingly concerned about the region's ability to support future growth, according to a new survey conducted by spiritsEUROPE as part of its 'Spirit of Life Week'.***

The 'Spirit of Life Week', taking place in Brussels this week, is showcasing the spirits sector's significant contribution to Europe and promoting a dialogue on how to sustain its future development.

The sector supports value chains stretching from agriculture and machinery to tourism and hospitality, supporting 1.2 million jobs in Europe and generating a gross value added of €60 billion and annual tax revenues of €25.3 billion. Spirits are an integral part of European culture and conviviality, exporting European know-how and tradition through its products to consumers around the world, not least through their 250 geographical indications.

The survey captured responses from 50 spirits producers with SMEs making up a majority of respondents. Results underscore the need to safeguard the sector's historic success in the face of growing economic, geopolitical, and regulatory headwinds, including inflation, pressure on consumers' purchasing power, bureaucracy and tax pressures, and rising trade tensions.

Almost 1 in 3 respondents intend to increase investment in the year ahead, while most of the remainder expect investment levels to remain broadly stable, underlining continued commitment to Europe. However, **six in ten** respondents reported a deterioration in the overall business environment in Europe over the past year, with **more than half** identifying regulatory issues as a main challenge over the next 12 months.

Respondents acknowledge and welcome the EU's efforts to reverse this trend with an increased focus on competitiveness and regulatory simplification, alongside efforts to provide companies with new opportunities through forthcoming trade agreements. They also see a clear role for the EU as a proportionate regulator, effective trade negotiator, guardian of the Single Market and enabler of competitiveness. But they warn that progress must be swifter and more ambitious if the sector's long-term competitiveness and position as a strategic global asset for Europe is not to be eroded.

Patrick Piana, President of spiritsEUROPE said: "Spirits are one of Europe's most distinguished and long-standing success stories. They combine centuries of heritage and traditional skills with constant innovation, create jobs and growth across the continent - especially in rural areas - and compete successfully around the world. They are also part of who we are: an expression of Europe's culture and identity and of its renowned conviviality, bringing people together responsibly around shared moments. Our foundations are strong and companies remain committed to continue investing and growing here. But that success cannot be taken for granted. In a fiercely competitive global environment, Europe must move faster and with greater ambition to safeguard it and unlock its next chapter of growth".

Mark Titterington, spiritsEUROPE Director General, added: "Strengthening Europe's long-term competitiveness is a key concern for our sector. Our members need faster progress on competitiveness and simplification, a more integrated Single Market and a predictable and proportionate regulatory and fiscal environment. It is also key to increase efforts on trade and promotion and market access so that European companies can compete successfully on the global stage. With the right conditions in place, our sector can continue to be a competitive global asset for Europe, driving growth and investment across the continent and supporting jobs and opportunities from farm to glass".

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NOTE TO EDITORS

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spiritsEUROPE (www.spirits.eu) represents the interests of the spirits sector in 31 national associations as well as of the 11 leading multinational companies. Distilled spirits are as diverse as the EU's Member States, spanning 44 product categories and including a host of geographically specific products that contribute to the culture of their regions and the European Union. As the leading voice of the European spirits sector, we seek to maintain and advance the freedom to produce and market spirits in a responsible way.

About the sentiment survey:

Over the summer, spiritsEUROPE conducted a sentiment survey with CEOs & C-Suite executives from spirits companies from all over Europe. The survey captured responses from 50 spirits producers with SMEs making up a majority of respondents. The main message coming from the survey is that European spirits producers remain committed to Europe as a place to produce, invest and innovate, but are growing increasingly concerned about the region's ability to support future growth. Results underscore the need to safeguard the sector's historic success in the face of growing economic, geopolitical, and regulatory headwinds, including inflation, pressure on consumers' purchasing power, bureaucracy and tax pressures, and rising trade tensions.

Key findings:

- Spirits producers face a more challenging environment in Europe. **6 in 10 respondents** reported a **deterioration** in the overall business environment in Europe **over the past year**. The same proportion are not confident that EU production will grow over the next 12 months, and expectations for the EU market are cautious, with respondents expressing mainly neutral or low expectations for the year ahead.
- Businesses are navigating **multiple challenges at the same time**, from regulatory & tax pressures to weaker and shifting consumer demand, international disruptions and its impact on inflation, and trade uncertainties and tariffs.
- Yet, this is **not translating into a retreat from longer-term commitments**. Whether we look at investment in Europe, environmental sustainability or sustainable drinking initiatives, CEOs continue to see these as priorities.

- Competitiveness is not only about government rules and the broader economic and geopolitical environment, but also about the **commercial environment**. **86% of respondents report persistent problems with unfair trading practices** – such as delisting or significantly reduced order to obtain concessions, unjustified penalties and late payments -, and four in ten believe the situation has actually worsened over the past five years.
- While Europe remains a key market, **future growth is likely to come from other regions**, with North America emerging as the leading growth market five years from now, China continuing to be important, and India becoming more of a future growth engine.
- While respondents recognise and welcome the EU's renewed focus on competitiveness, simplification and new trade opportunities, **only 24% are confident that the progress being made is enough**. Respondents called for faster progress on competitiveness and simplification, a more integrated Single Market and a predictable and proportionate regulatory and fiscal environment. They also stressed the importance of increasing efforts on trade and promotion and market access so that European companies can compete successfully on the global stage. All this is key to preserve and boost the competitiveness of the spirits sector, and the extensive ecosystem it supports in Europe.