

TRADE REVIEW 2023

A SPIRIT OF AMBITION



FOREWORD

BERND LANGE

Chair of the European Parliament's Committee (INTA) on International Trade and Standing rapporteur for the EU-US trade relations since 2014



Trade is at the core of a flourishing European spirits sector. An open and rules-based trading system is indispensable for the production of these special products, but also for the rest of the world to enjoy them. The Covid pandemic, the consequences related to Russia's war of aggression against Ukraine as well as the tendency of some trading partners to engage more in managed trade have made us face the facts. We need to diversify our supply chains and make them more resilient. There is a need to make trade fairer for all people and the planet. We also need a level playing field with other partners. In order to reach these goals, we need to strengthen the WTO among others by fixing its dispute settlement system and developing new rules, conclude more bilateral agreements with reliable partners, find a solution for trade irritants and increase our sustainability.

While the World Trade Organisation remains at the core of EU trade policy, we also need to expand the web of EU bilateral trade agreements in order to stabilise the trading environment. Three specific

examples are the future EU-Chile and EU-Mexico modernised trade agreements, as well as the recently signed EU New Zealand trade agreement. In some cases we even manage to conclude particular agreements like the modernised EU-Chile agreement on wines and spirits and aromatised wines which ensures reciprocal protection of very specific local products.

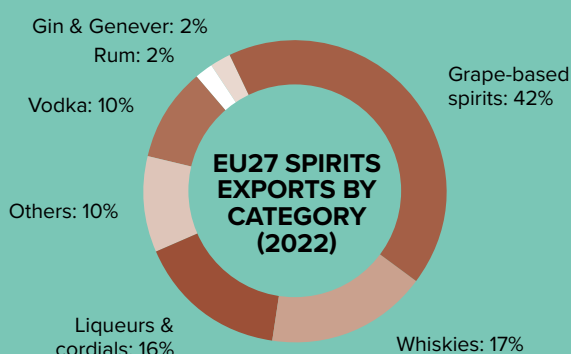
We should also find a permanent agreement with the US in order for them to permanently lift the unjustified 232 tariffs on steel and aluminium, and to resolve the disputes on large civil aircrafts, as this would also end the risk of collateral damage on other sectors like the spirits sector.

Finally, there is a clear demand from consumers for more sustainable products. The deforestation regulation for example can help to ensure that casks are not sourced from an area where deforestation takes place.

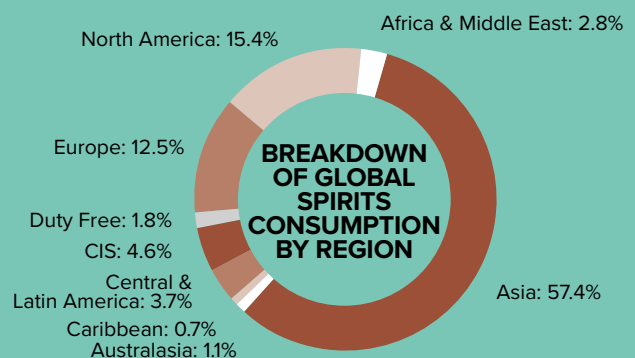
I am convinced that all of these steps will help to set the EU spirits sector on an even more successful and sustainable course.

EXTERNAL TRADE: A POWERHOUSE FOR EUROPE'S SPIRITS SECTOR

International trade remains critical for European spirits: over 60% of EU spirits exports in value were destined for third countries in 2022. Many of these were protected by Geographical Indications (GIs). And EU spirits exports still have substantial growth potential. By removing trade barriers & promoting the high quality of our products abroad, we will be able to seize new market opportunities worldwide.



Source: Eurostat 2022



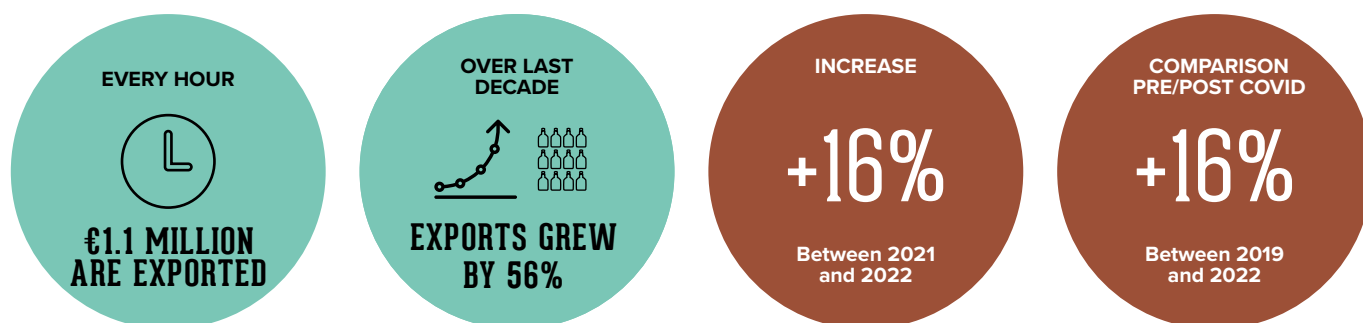
Source: SWA – IWSR Drinks Market Analysis 2022

TRADE, AN ENGINE OF GROWTH

The reopening of the hospitality sector & travel and tourism in most regions of the world, together with dynamic growth in Asia and the return to tariff-free trade with the US, led to an exceptional recovery for EU spirits' exports in 2022, despite many challenges stemming from the war in Ukraine, supply chain disruptions and growing inflation. However, all indicators for the beginning of 2023 point to a more difficult year, with sluggish growth & consumer demand forecasts in the US and other established markets, and an ever more volatile geopolitical context.

EU SPIRITS EXPORTS IN 2022: GROWING IN SPITE OF DIFFICULT CONDITIONS

 **€9.74 billion**



Source: Eurostat 2022

DIVERSIFICATION: OUR BEST PROTECTION AGAINST GEOPOLITICAL TENSIONS & ECONOMIC VOLATILITY

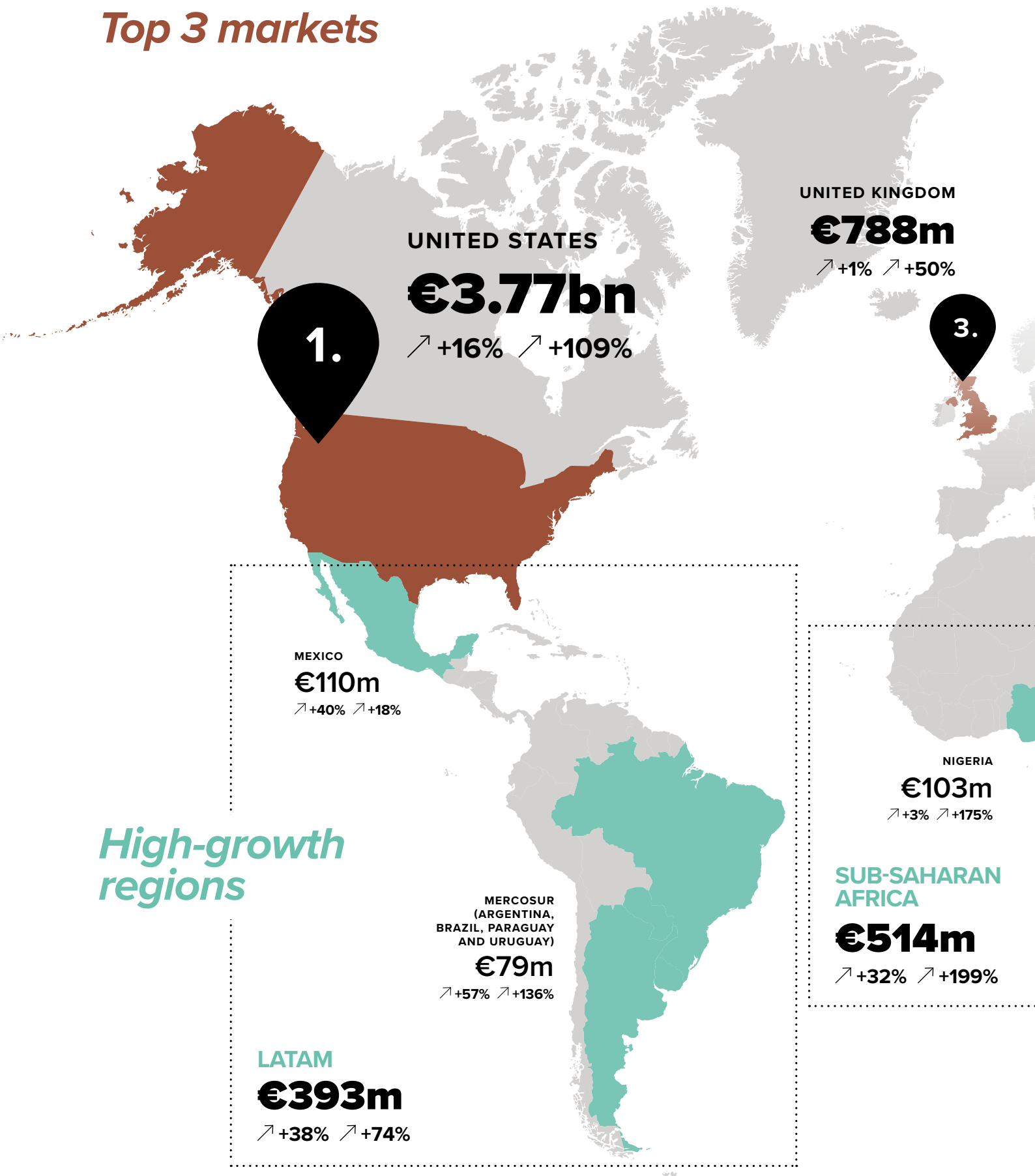


2022 was yet another challenging year, with the war in Ukraine, supply chain disruptions, rising production costs and inflation hitting Europe. In spite of these difficulties, the progressive return to normal turned 2022 into an exceptional year for our exports: 2022 was the first full year without US retaliatory tariffs in force, boosting the value of our exports by around 16%. It was also an exceptional year for our exports to Asia, thanks to the progressive reopening of the continent. For 2023, we can see slowing demand and lower growth forecasts in key markets amidst growing geopolitical tensions and uncertainties. In order to grow in such a difficult environment, and support rural areas and jobs in the process, we need to diversify. To do so, we need an active EU trade agenda, focused on openness and cooperation with third countries, and supported by new EU Free-Trade Agreements with high-growth regions.

MANU GIRÓ

President of spiritsEUROPE and CEO of MG Destilerías (Spain)

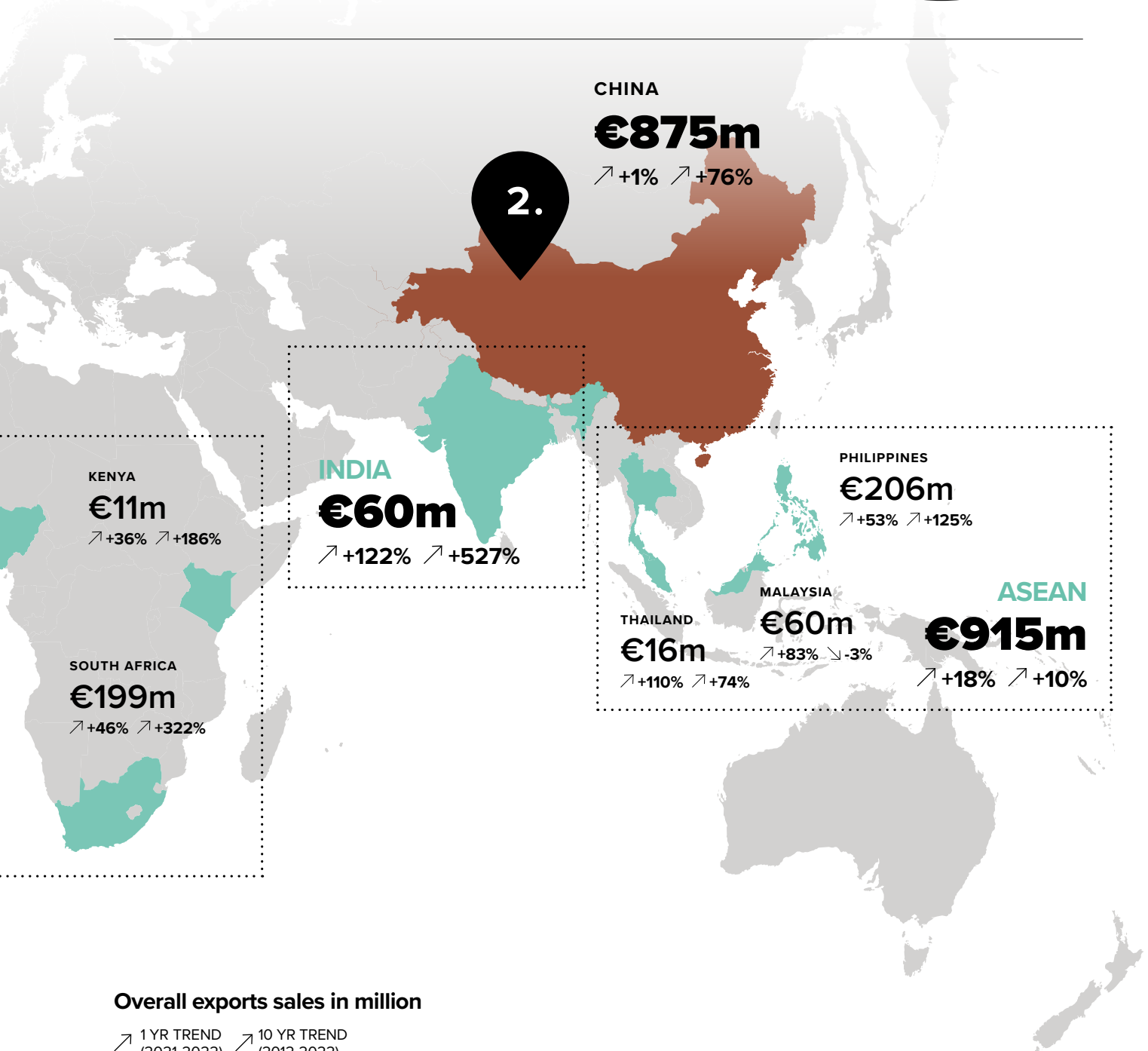
KEY EU SPIRITS EXPORTS MARKETS ACROSS THE WORLD

Top 3 markets

“The Jägermeister brand was launched by Curt Mast over 80 years ago in Wolfenbüttel, a cozy little town in Lower Saxony in Germany. Today, our iconic products are sold in more than 150 markets around the world, with most sales taking place outside of the EU. Over the last decade we have developed our business worldwide with a very good global presence in all regions of the world. We also continue to see huge potential in all international regions. But with growing political uncertainty, trade tensions and inflation to contend with, we need - more than ever - an open and ambitious EU trade agenda to support our diversification efforts and allow us to create further economic growth and jobs, both at home and abroad”.

ALEXANDRA VON TSCHIRSCHKY

Director Global Public Affairs – Mast-Jägermeister



Overall exports sales in million

↗ 1 YR TREND (2021-2022) ↗ 10 YR TREND (2012-2022)

Source: Eurostat 2022

SUSTAINABLE TRADE: A FORCE FOR GOOD

As an export-driven sector, we believe in trade as a force for good and an agent of sustainable change and development. Our members – both companies and industry associations – have made ambitious and far-reaching sustainability pledges along the entire production chain from farm to glass. **As they invest in and export their products to third countries, European spirits producers also export their ambitious standards and help support the spread of positive and responsible practices, in line with the UN SDGs.** In the following paragraphs, we provide a selection of sustainability-related case examples from our sector in Europe and abroad.

SUPPORTING SOIL REGENERATION & REFORESTATION

Sustainable farming and soil regeneration are essential to help fight climate change and the loss of biodiversity. Many distillers are putting in place pilots in Europe and in third countries alike. For instance, the “*Environmental*



credit” initiative by Rémy Cointreau and Moët Hennessy in partnership with Genesis and WWF was formed to measure the impact of regenerative agriculture on soils’ health, through soil samples and metadata, to help wine growers and farmers adopt climate- and biodiversity-friendly practices.

Reforestation is supported by many European spirits companies, both in Europe and export markets. With its Forest Destination programme, Hennessy is pursuing on-the-ground projects in all the regions where the Maison is present, with the objective of regenerating 50,000 hectares of forest by 2030.



To reach this goal, Hennessy forged a partnership in 2020 with *Reforest’ Action* to take action in local ecosystems in South Africa, Kenya and Nigeria, and through projects in China and the United States.

COMMITTED TO PROMOTING RESPONSIBLE CONSUMPTION IN EUROPE & WORLDWIDE

As European spirits producers, we firmly believe that, in order to be sustainable, economic development must be conducted in socially responsible ways. Our dedicated website, *Drinksinitiatives.eu* provides a unique overview of selected actions undertaken by the sector in partnership across Europe to reduce harmful drinking, promote responsible consumption, and advance environmental sustainability along the entire value chain. The aim is to support cross-border learning & exchange of best practices across the EU.

In Asia, meanwhile, our partner APISWA (The Asia Pacific International Spirits and Wines Alliance) has launched, with public and private partners, a “*Power of No*” *Drink Driving campaign* targeted at young adults across in Southeast Asia, to cultivate responsible behaviour and to encourage a “no-drink-driving” mindset. Since 2022, the campaign has reached about 60 million young adults in Cambodia, Thailand, the Philippines, Malaysia, Vietnam and Laos.



SUSTAINABLE FROM FARM TO GLASS IN EUROPE & THIRD COUNTRIES

In May 2022, the Irish Whiskey Association (IWA) adopted a new roadmap, *“Irish Whiskey-Sustainable together”*, for how the industry will reduce its environmental and carbon impact, strengthen its role in the regenerative and circular economy, and deliver a positive impact for communities. The IWA also identified five principles to guide how the industry should consider its sustainability mission in its international trade footprint.



These high sustainability standards are also reflected in production of European companies abroad. In November

2021, Pernod Ricard unveiled *The Chuan Malt Whisky Distillery* in Emeishan (China). The distillery contributes to carbon neutrality by sourcing 100% renewable electricity, minimising the use of natural gas, and offsetting remaining emissions in a Sichuan biogas programme. 100% of wastewater on site is processed and the distillery used mostly recycled and local construction materials to reduce its carbon footprint.

Our commitments also extend to packaging & delivery to the final customer. In Europe, through the *Close the Glass Loop Action Platform*, we have pledged to increase the quantity of glass collected in Europe for recycling to 90% by 2030 and to improve the quality of available recycled



glass to ensure more recycled content can be used in new production loops. Our members are making the most of their presence in other regions of the world to replicate these good practices – for instance, with the *“Glass is Good”* project in Brazil, whereby leading beverages companies like Diageo & Pernod Ricard & their wider supply chains have collected and recycled more than 5.000 tons of glass.

SUPPORTING SUSTAINABLE GROWTH & DEVELOPMENT THROUGH TRADE

The *2030 Agenda for Sustainable Development* recognizes international trade as an engine for inclusive economic growth and poverty reduction, and an important means to achieve the Sustainable Development Goals (SDGs). While *1 in 5 jobs in the EU* depends on exports, EU exports also support 24 million jobs outside the EU, including many in developing countries. This is particularly striking in our sector, where every direct job in spirits production generates countless jobs in logistics, distribution, marketing, retail and the hospitality sector in all the markets where our products are exported, supporting economic growth in the process.

ILLICIT TRADE IN ALCOHOL HAS A DETRIMENTAL IMPACT ON 5 OF THE UN'S SUSTAINABLE DEVELOPMENT GOALS (SDGS)

26%

OF ALCOHOL CONSUMPTION IS ILLICIT

Source: Euromonitor

This figure is much higher in many markets.

US \$8.9

BILLION OF FISCAL REVENUE IS LOST EVERY YEAR DUE TO ILLICIT ALCOHOL

Sources: Euromonitor – aggregate from different studies on illicit alcohol in different regions of the world; TRACIT & Ha Noi



ILLICIT ALCOHOL: A THREAT TO SUSTAINABLE DEVELOPMENT

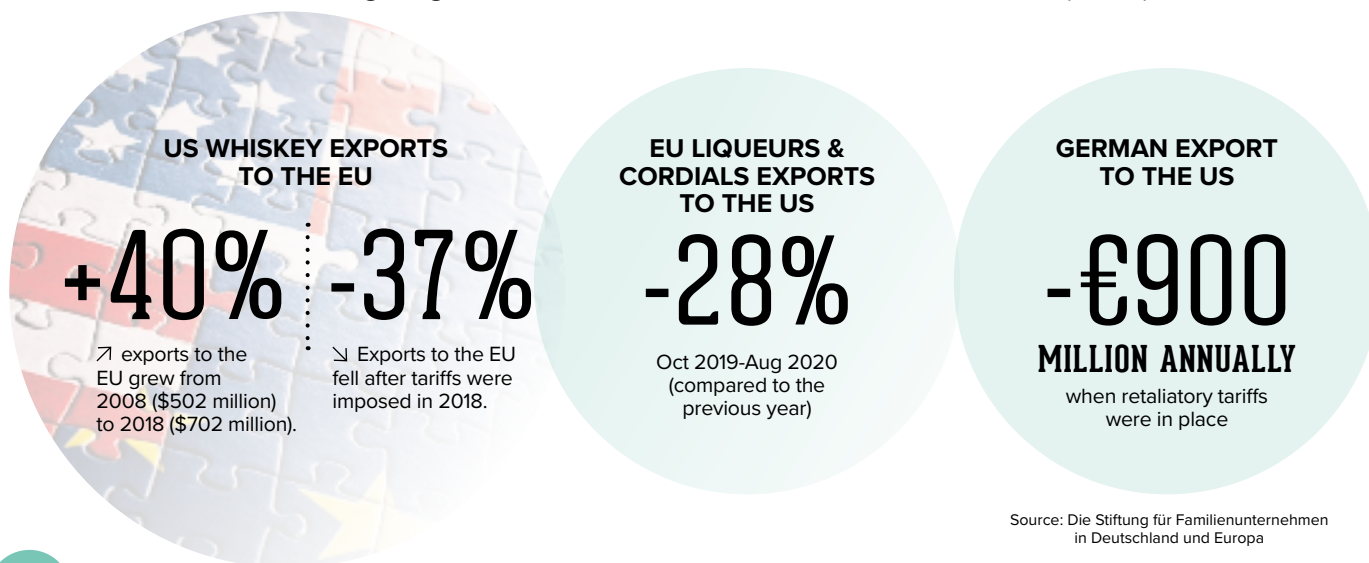
26% of alcohol consumption is illicit, with serious consequences for consumers – including health risks stemming from the consumption of unsafe products for governments – with an estimated loss in fiscal revenues of at least US \$8.9 billion per year – and for legitimate businesses. This is not only an IP issue: illicit alcohol is a serious threat to sustainable development. Engaging with trade partners – in particular developing countries – to address barriers & factors which fuel the rise of illicit trade should be a priority for the EU.



Scan the QR code to read the Illicit Trade brochure.

EU-US: STRENGTHENING THE TRANSATLANTIC PARTNERSHIP

The suspension of retaliatory tariffs on EU spirits in the US, and US spirits in the EU, has boosted transatlantic trade in spirits. The US remains our biggest trading partner, with exports worth €3.77 billion in 2022, a year-on-year increase of 16%. With growing inflation and sluggish consumer growth, 2023 will be a more challenging year for transatlantic trade in spirits. **What we need, above all, is certainty that the retaliatory tariffs suspensions in the Section 232 and large aircraft disputes will be made permanent.** In addition, we want to see reinforced transatlantic regulatory cooperation on spirits that reflects the strong degree of interconnections between EU & US spirits producers.



TOWARDS A SHARED TRANSATLANTIC AGENDA: THE CASE FOR CLOSER EU-US REGULATORY COOPERATION ON SPIRITS

In recognition of the unique role of the spirits industry and the deep commercial and cultural ties between U.S. and EU producers, we call for an agreement to deepen bilateral cooperation on spirits trade, to achieve the following:

1. Regulatory best practices for the labelling and certification of spirits;
2. Recognition of additional U.S. and EU “distinctive spirits”/ GIs categories and increased protection for EU GIs in the US;
3. Establishment of a working committee on trade in spirits, to boost transatlantic trade in spirits and assist in expanding opportunities for EU and U.S. spirits exports to other markets around the world.



“Pallini is the only distillery in the Capital of Italy, founded in 1875. We export our products in over 50 countries across the world, and the US is our key export market covering over 20% of our exports, close to €5 million in 2023.

The tariffs imposed on our products as part of the trade disputes between the EU and US have had a negative impact on our production and sales. We lost around 15% of our exports in the US; and to protect the remaining part we had to absorb the tariffs to avoid a huge price increase on the market that impaired our possibility of promoting our products as we used to do before.

It is time to put past disputes behind us with a full removal of tariffs and focus on creating a fair and open trade environment for all. Let us work towards a brighter future for the transatlantic relationship.”

MICAELA PALLINI

President & CEO of Pallini Distillery and President of FEDERVINI

CHINA: A HUGE MARKET WITH SIGNIFICANT POTENTIAL

Notwithstanding the COVID crisis, China, which is the biggest spirits market in the world, has remained a stable and open market for EU spirits, with a growth of our exports in value of 76% in ten years. 2022 was no exception, with exports reaching €875 million, establishing China firmly in second position amongst our top export destinations. **2023 data shows that the reopening of China could provide a further boost to EU spirits exports, if we can seize its largely untapped potential.**

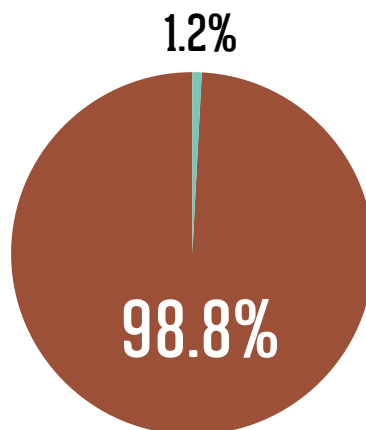


In order to harness the huge growth potential and export opportunities in China, we call on the EU to focus on the following four priorities:

1. To ensure that favourable export conditions for alcoholic beverages remain in place in China;
2. Closer regulatory cooperation with China – with a particular focus on alcoholic beverages;
3. Reinforced cooperation on IPR protection (GIs & Trademarks) with China;
4. Greater cooperation on a joint sustainability agenda with China.

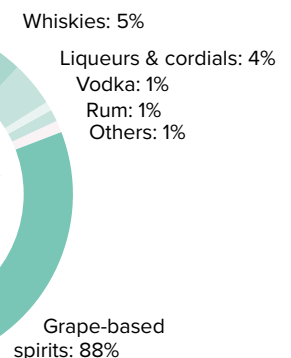
CONSUMPTION OF IMPORTED VS DOMESTIC SPIRITS IN CHINA (IN VOLUME - 2022)

- Total spirits consumption in 000s 9 Litre Cases
- Consumption of domestic products in %
- Consumption of imported products in %



Source: SWA - IWSR Drinks Market Analysis 2022

EU EXPORTS TO CHINA BY CATEGORY (2022)



Source: Eurostat 2022



“Maison Boinaud has been present on the Chinese market since 2016 with our Cognac DE LUZE brand.

With consumers who are increasingly well-informed and keen on Cognac and its know-how, this is a buoyant market for our sector, and even a priority for many trading houses. It deserves attention and investment.

That's why the Cognac industry is working closely with Chinese authorities to build the best export conditions for spirits, now and in the future.

This collective effort, carried out at all levels, will enable us to adapt to changes in this market, particularly in terms of regulations, and to integrate them effectively for our brands, whatever their size.”

CHARLES BOINAUD
CEO de la Maison Boinaud

HIGH-GROWTH MARKETS WITH UNTAPPED POTENTIAL

ASEAN

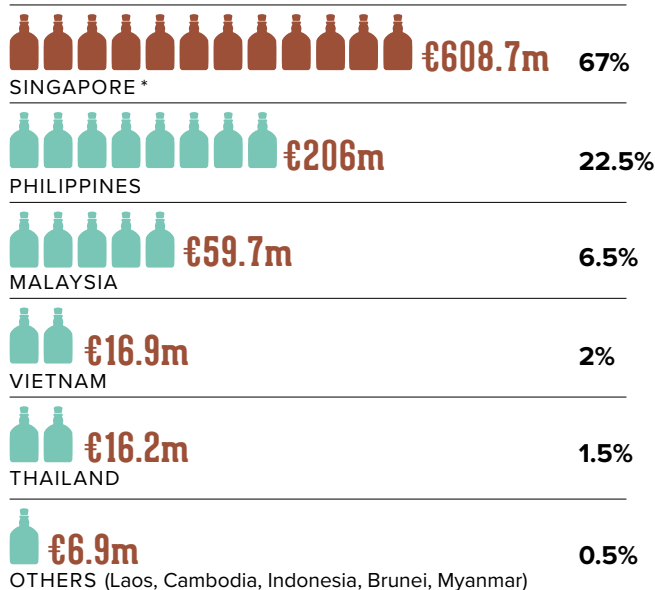
The ASEAN region is already a key area of focus for European spirits exports. 3 ASEAN countries – Singapore, the Philippines and Malaysia – already feature in our top 20 list of export markets, with total exports reaching €915 million in 2022. The ASEAN region will grow further in importance over the coming years, as it is set to become the world's 4th largest economy and 3rd most populous region by 2030.

The EU should adopt an ambitious trade policy towards ASEAN countries, for both economic and geopolitical reasons. This could unlock the largely untapped potential for EU spirits exporters in the region who continue to struggle with a mixture of high tariffs and challenging local tax and regulatory environments. It would also help to close the gap vis-a-vis spirits producers from those parts of the world (e.g. UK, Australia) that already benefit from sizeable tariff reductions thanks to existing bi-lateral and regional agreements (such as CPTPP⁹ & RCEP¹⁰).

⁹ The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)

¹⁰ The Regional Comprehensive Economic Partnership (RCEP)

SHARE OF EU EXPORTS IN ASEAN MARKETS (export value 2022)



Source: Eurostat 2022

*** The Singapore hub is the cornerstone of our supply chain model. We welcome the Commission's efforts to ensure that rules of origin allow for the use of the regional hubs that provide for economies of scale – while retaining the eligibility for the preferential tariff agreed in FTAs.**



To this end, we urge the EU to:

1. Accelerate FTA negotiations with Indonesia and Thailand, and restart negotiations with Malaysia and the Philippines without delay;
2. Intensify regulatory cooperation with ASEAN countries to address and prevent regulatory barriers;
3. Initiate a dialogue with ASEAN countries to fight illicit trade. Illicit alcohol represents 32% of overall alcohol consumption in ASEAN and is responsible for fiscal losses of over €1 billion every year in the region.

EU SPIRITS PRIORITIES FOR FTA NEGOTIATIONS

MALAYSIA

- > Remove high tariffs & regulatory barriers
- > Need to close the gap vis-a-vis CPTPP competitors

THAILAND

- > Imported products only represents 2.3% of overall spirits consumption in volume
- > Remove high tariffs on spirits (54%-60%)
- > Improve regulatory environment

THE PHILIPPINES

- > Imported products only represent 10% of overall spirits consumption in volume
- > Reinforce links with our 10th largest export market to seize untapped opportunities

INDONESIA

- > Address the very high tariffs on spirits (150%)
- > Simplify complex import processes
- > Remove tax discrimination

For more, see our [ASEAN Strategy](#)



INDIA

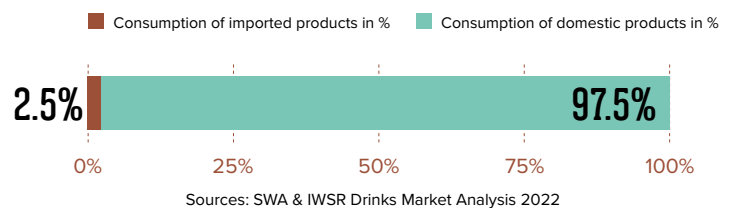
With a population of over 1.4 billion inhabitants and a growing middle class, India –the second biggest spirits market in the world – is one of the most promising markets for EU spirits. Still, the value of EU spirits exports to India in 2022 was a mere €59.7 million (compared to €875m to China).

An import tariff rate of 150% ad valorem (100% Cess + 50% customs duty) applies to alcoholic beverages in India – one of the highest rates in the world. **Securing a substantial tariff reduction for EU spirits must therefore be a priority for EU-India negotiations.** It will be critical to avoid compensation through tax increases at state level.



Source: Eurostat 2022

CONSUMPTION OF IMPORTED VS DOMESTIC SPIRITS IN INDIA (IN VOLUME - 2022)



Aside from reducing customs duties on spirits, EU negotiators should address:

1. Regulatory issues at federal and state level, including in relation to discriminatory behaviour from state trading enterprises;
2. Long-standing trade irritants, including issues related to customs valuation;
3. IP issues, including improvements to the trademark registration system & better protection of EU spirits GIs.



“The growth in exports of Irish Whiskey, including market access and diversification, has been greatly supported by free trade, and further growth is possible. We are calling for a number of actions to expand the network of EU free trade agreements with promising markets, such as Australia, Mercosur, India and Thailand. India – as the second biggest spirits market in the world – is particularly promising, but we need to address the prohibitive import duties applying to our products. Ongoing trade negotiations with India provide us with a perfect opportunity to remedy this – an opportunity that should not be missed.”

JAMES DOHERTY

Managing Director of Sliabh Liag Distillery and Chairman of the Irish Whiskey Association











HIGH-GROWTH MARKETS WITH UNTAPPED POTENTIAL

LATIN AMERICA & THE CARIBBEANS

In its New Agenda for Relations between the EU and Latin America and the Caribbeans, the EU confirmed the place of this region as a strategic partner – including for trade. With a population of about 652 million inhabitants, a combined GDP of US\$ 6 trillion, and 16 of the world's top 100 touristic destinations, **Latin America and the Caribbeans represent promising markets in the frame of EU spirits' export diversification strategy.** In 2022, the value of EU spirits' combined exports to CELAC reached €393.2 million – but we can still do better, with the right conditions.

***The hub in Panama is the cornerstone of our supply chain model. We welcome the Commission's efforts to ensure that rules of origin allow for the use of the regional hubs that provide for economies of scale – while retaining the eligibility for the preferential tariff agreed in FTAs.**

SHARE OF EU EXPORTS TO CELAC MARKETS (export value 2022)

| | | % |
|-----------------------|---|-----|
| 1. MEXICO |  €110m | 28% |
| 2. PANAMA* |  €44.7m | 11% |
| 3. BRAZIL |  €36.7m | 9% |
| 4. CHILE |  €36.7m | 9% |
| 5. URUGUAY |  €21.7m | 6% |
| 6. COLOMBIA |  €20.6m | 5% |
| 7. ARGENTINA |  €14.7m | 4% |
| 8. DOMINICAN REPUBLIC |  €14.7m | 4% |
| 9. BAHAMAS |  €10.8m | 3% |
| 10. PERU |  €10.5m | 3% |
| OTHERS (23 countries) | €72m | 18% |

Source: Eurostat 2022



We urge the EU to:

1. Ratify the trade agreements with Mercosur & Mexico without delay;
2. Ensure fair competition between EU spirits exporters & local producers;
3. Intensify regulatory cooperation with LAC countries to address and prevent regulatory barriers – building, when available, on existing bi-lateral fora under EU agreements;
4. Initiate a dialogue with LAC countries to fight illicit trade.

Ratify EU-MERCOSUR FTA

BRAZIL

- > Encourage Brazil to align its standards with international practices
- > Increase the protection of GIs
- > Reduce barriers to trade related to certification, inspection and testing requirements

CHILE

- > Encourage Chile to refrain from imposing overly prescriptive formats for health warning messages & energy labelling and to allow less trade restrictive alternatives

COSTA RICA & PERU

- > Eliminate the tax differential between domestic products and imported spirits which is inconsistent with GATT Article III.2

DOMINICAN REPUBLIC

- > Encourage the authorities to reconsider the pertinence of the TRAFICO system and tax stamps
- > Allow foreign companies to conclude and terminate their contracts with local distributors without cumbersome negotiations

MEXICO











- > Deepen EU-Mexico cooperation and coordination on third countries' regulations and standards on spirits

Ratify EU-MEXICO FTA



SUB-SAHARAN AFRICA

Over the past years, our members have increased their trade and investment footprint in Africa, but there is significant potential for further sustainable growth. **Imported spirits only represent a minority of overall spirits consumption in most of the region** – for example, respectively 11% and 7% of overall spirits consumption in Kenya and Nigeria. The AfCFTA - Agreement Establishing the African Continental Free Trade Area - will provide opportunities to increase intra-African trade and to create conditions for more sustainable investment in supply chains and jobs.

| EXPORT VALUE FROM THE EU (€) | % |
|--|------------|
| (export value 2022) | |
| 1. SOUTH AFRICA  €199.4m | 39% |
| 2. NIGERIA  €103m | 20% |
| 3. CÔTE D'IVOIRE  €40.8m | 8% |
| 4. GHANA  €25.3m | 5% |
| 5. BURKINA FASO  €16.9m | 3% |
| 6. TOGO  €16.3m | 3% |
| 7. KENYA  €11.1m | 2% |
| 8. DEMOCRATIC REPUBLIC OF THE CONGO  €9.2m | 2% |
| 9. CAMEROON  €9.1m | 2% |
| 10. TANZANIA  €7m | 1% |
| OTHERS (37 countries) | €75.4m 15% |

Source: Eurostat 2022



To develop a closer partnership with the continent, the right trade and investment conditions need to be in place. To this end, we urge the EU to focus on:

1. Trade diversification through more ambitious Economic Partnership Agreements (EPAs)

EPAs are important tools to support sustainable trade & investment, and in turn, development. Unfortunately, most EPAs exclude spirits from tariff liberalization (with the most noticeable exception of the SADC EPA). That is why current opportunities, like Angola's accession to the EU-SADC EPA, are to be seized without delay to remove the 60% tariff on EU spirits. In cases where tariffs have not been liberalized, it is important to ensure that they do not go up after conclusion of an EPA (e.g. Kenya).

2. Improvements in the area of ease of doing business

Operating conditions for foreign companies in Africa are becoming increasingly difficult with persistent market access barriers. These include complex and lengthy import procedures, increases in customs duties (+ 40% increase in the EAC in 2022) and excise taxes (in 2022, +200% increase in Nigeria, +100% in Ghana, +27.6% in Kenya, +20% in Cameroon), discriminatory taxation (+25% surtax in Côte d'Ivoire), introduction of fiscal measures like

tax stamps with excessively strict deadlines and without consulting importers & foreign industry, and restrictive standards. Keeping a positive business climate in Africa for foreign companies and improving the conditions for doing business are key for long-term sustainable and inclusive growth. We would welcome a closer dialogue between the European Commission, African states, and the private sector in tackling these day-to-day obstacles.

3. Fight against illicit trade

The scale of the informal market, coupled with problems in doing business and good governance, is a major business challenge for legitimate businesses across many sectors. Counterfeit and smuggling are everywhere in the region, above global average levels (representing almost 40% of alcohol consumption on average), fueled by corruption and lack of enforcement. The extensive presence of illicit trade also hinders the fulfillment of multiple SDG objectives, including in relation to health and good governance. This needs to be addressed as a priority as part of the development of sustainable and resilient food chains.

For more, see our [Africa strategy](#)

GEOGRAPHICAL INDICATIONS: A BOOST FOR EU SPIRITS EXPORTS

Geographical indications (GIs) identify a spirit drink as originating in the territory of a country, a region or locality in that territory, where a given quality, reputation or other characteristic of that spirit drink is essentially attributable to its geographical origin.

Natural, human and process factors are among the elements that help to create distinctive spirits GIs.

There are 250 registered Geographical Indications for spirits and they represent about 2/3 of our exports outside the EU. **They have an international reputation**

and are a source of growth and jobs in Europe – particularly in rural areas - because the production cannot be moved elsewhere. Their continued contribution to rural development is therefore essential.

The fame of spirits GIs helps boost spirits tourism, which helps in turn revitalise rural communities, as they come together to promote their region as a destination where visitors from all over the world can enjoy the richness of Europe's cultural heritage.

“WHISKY DE FRANCE”: MAKING THE CASE FOR A NEW GEOGRAPHICAL INDICATION

Christian Bec
President
of the Fédération du
Whisky de France



Distillerie Castan (Credit photo: Raynaud)

With the new GI for French Whisky, more than sixty small French whisky producers will be brought together by the same quality standards. The new GI will offer worldwide recognition to our products and the traditions they embody. With this project, the Fédération du Whisky de France aims to protect the reputation of the brand “France” and ensure that French whisky amateurs all around the world will get access to authentic & distinctive French Whisky. With the new GI, France will be firmly placed on the international Whisky map, helping spread the word about the work of passionate producers, from master brewing techniques & fermentation to the delicate distilling process and the essential maturation period which are all necessary steps in the production of our great products.

POLISH VODKA: ALL STAGES OF PRODUCTION MUST TAKE PLACE IN POLAND

Andrzej Szumowski
President of the Polish
Vodka Association



Polish Vodka GI is a guarantee of quality, but above all, it incorporates traditions associated with its centuries-old production, the flavours of the raw materials and the specificity of the Polish terroir. Polish Vodka is a showcase of the country: it conveys its culture, heritage and values. It should also be emphasised that generations of farmers, distillers and producers have worked for the recognition and position of Polish Vodka. Vodkas from Poland have been known and appreciated around the world for decades. For several years, the reputation of the protected geographical indication Polish Vodka and its protection on markets outside Europe have effectively supported the activities of producers. The inclusion of Polish Vodka on the list of protected

geographical indications contributed to the creation of the Museum of Polish Vodka, which has been open to visitors in Warsaw for several years now. The great reputation of the Polish Vodka GI attracts 60 thousand visitors a year from across the globe.



1 | Make the temporary removal of EU & US tariffs on spirits permanent & ensure that sectors in which the EU has a trade surplus are NOT brought into unrelated disputes.

2 | Maintain a balanced approach towards China and engage in constructive regulatory cooperation including on sustainable agriculture.

4 | Ensure effective implementation of existing bi-lateral & multilateral commitments by 3rd countries.

3 | Pursue ambitious trade negotiations with emerging high growth markets (India, ASEAN & high-growth markets in Africa) to support industry's diversification efforts.

5 | Engage in regulatory cooperation on spirits standards with priority markets and like-minded partners, to resolve & prevent where possible the emergence of trade barriers.

10 RECOMMENDATIONS TO STRENGTHEN THE SUSTAINABLE GROWTH OF EU SPIRITS EXPORTS

6 | Ratify concluded agreements without delay (e.g. EU-Mercosur and EU-Mexico FTAs).

7 | Strengthen the role & relevance of the WTO across all of its core functions.

8 | Prioritise multilateral solutions to common challenges over autonomous measures where possible & ensure WTO compliance of new policies.

9 | Continue to promote and protect quality EU food & drink products and Geographical Indications (GIs) worldwide.

10 | Tackle illicit trade and address common risk factors conducive to illicit trade, in partnership with third countries.

€9 743 435 921

Export sales outside EU

€25.3 billion



Generated through VAT & Excise (EU+)*

1.2 million

EU JOBS IN PRODUCTION
AND SALES IN EU+*

31

NATIONAL
ASSOCIATIONS

11

LEADING INTERNATIONAL
COMPANIES

1 *Strong Common Network!*

* EU+ = UK, Norway and Switzerland



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