

PRESS RELEASE



European spirits sector bets on trade diversification as engine of sustainable growth

#SpiritOfAmbition

Brussels, 26 September 2023 – 2022 was an exceptional year for EU spirits exports, with +16% growth reaching a total value of €9.74 billion. However, amidst high inflation, rising production costs, and growing geopolitical tensions the 2023 outlook is far less optimistic. For Europe’s spirit producers, EU trade policy has a critical role to play to support trade diversification, increase resilience, and help the sector sustain and create jobs and growth in rural areas.

The positive round-up of 2022 and the mixed outlook for 2023 are two key features of **spiritsEUROPE’s Annual Trade Review** published today as part of a launch event with EU policymakers and stakeholders in Brussels.

“2022 was an exceptional year for EU spirits exports and once again demonstrated the importance of international trade as a driver of growth for our sector. But this exceptional performance has come under threat, as high inflation and rising production costs are starting to impact exports to key markets such as the US, while growing geopolitical and trade tensions risk to affect our exports to emerging markets”, said Pauline Bastidon, Director of Trade and Economic Affairs at spiritsEUROPE.

“During times of crisis, the temptation can be to turn inward. However, EU trade policy needs to maintain a proactive, outward focus, as diversification – not protectionism or unilateralism – is our best bet against the growing volatility and tensions that we see on the horizon”, she added.

A stable and predictable relationship with major trading partners needs to go hand in hand with a strong focus on emerging markets, supported by new EU Free Trade Agreements (FTAs), closer regulatory cooperation and trade diplomacy, robust enforcement and an active promotion policy.

“With 85% of economic growth worldwide forecasted to take place outside of Europe in the next decade, an ambitious EU trade policy and the conclusion of new FTAs are a must. And let’s be clear: deeper trading relationships can deliver much more than just economic benefits. Modern-day FTAs can act as agents for sustainable change and contribute to achieving the UN’s Sustainable Development Goals (SDGs), by encouraging higher production standards and more sustainable practices worldwide” said Ulrich Adam, Director General of spiritsEUROPE.

As part of the launch event, spiritsEUROPE handed over a joint statement with the Brazilian Spirits Trade Association (ABBD) and the Brazilian Institute of Cachaça (IBRAC) to H.E Pedro Miguel da Costa e Silva, Ambassador of Brazil to the EU, calling for a swift conclusion of the EU-Mercosur Agreement before the end of the year.

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Note to editors

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- spiritsEUROPE is the representative body for the spirits industry at European level comprising 31 associations and 11 international companies: www.spirits.eu.
- Click [here](#) for the Trade Review 2023 publication.
- spiritsEUROPE, the Brazilian Spirits Trade Association (ABBD), and the Brazilian Institute of Cachaça (IBRAC) stand united in strong support of the swift conclusion of the EU-Mercosur Agreement by year-end, and its prompt ratification thereafter (click [here](#) to access the Joint Statement) .