

Paris, 24 April 2018

Global state of conditions report: developments and trends

Historically low production, buoyant consumption and continuing internationalisation of trade

- With **7.6 mha** in **2017**, the size of the **global area under vines appears to have stabilised**.
- **Wine production was at 250 mhl in 2017. This was a historically low production year, with a decline of 8.6%** compared with the previous year, explained in particular by unfavourable climate conditions within the EU (-14.6% compared with 2016).
- A total of **243 mhl of wines** were **consumed** in 2017. Consumption had almost stabilised following the 2008 economic crisis, with a positive trend over the past 3 years.
- **World wine trade: there was a very positive balance**, both in terms of volume (**108 mhl**, +3.4% compared with 2016) and value (**30bn EUR**, +4.8% compared with 2016).

The Director General of the OIV, Jean-Marie Aurand, presented information on the potential wine production, assessment of the harvest, and state of the market and international trade in 2017 at the Organisation's headquarters in Paris on 24 April.

Stabilisation of the world area under vines¹ at 7.6 mha since 2008

In 2017, the growth of the Chinese area under vines slowed (+6 kha), while the size of Turkey's (-20 kha) and Spain's (-8 kha) vineyards decreased. In Europe, only the Italian area under vines grew by 5 kha.

Spain remains a clear leader in terms of the cultivated surface area with nearly 1 mha, ahead of China (0.87 mha) and France (0.79 mha).

Historically low world wine production

Global wine production (excluding juice & musts) fell to 250 mhl in 2017, a decline of 8.6% compared with 2016 production.

¹ Area under vines destined for the production of wine grapes, table grapes or dried grapes, in production or awaiting production.

Italy (42.5 mhl) confirmed its position as the leading world producer, followed by France (36.7 mhl) and Spain (32.1 mhl). The level of production remained high in the United States (23.3 mhl) and Australia (13.7 mhl).

In South America, after a 2016 harvest very marked by the influence of El Niño, wine production evolved in different ways in different countries. While the production of Argentina (11.8 mhl) and Brazil (3.4 mhl) grew compared with 2016, regaining their average values, Chilean production registered a decline for the second consecutive year, only reaching 9.5 mhl.

South African production levels established themselves at 10.8 mhl, equating to a rise of 2.6% compared with 2016.

World wine consumption stabilised at 243 mhl

For 2017, global wine consumption is estimated at 243 mhl, a slight increase in relation to the previous year. After the decline following the 2008/2009 economic crisis, world wine consumption resumed a positive trend. This same upward trend has been seen since 2014.

With 32.6 mhl wine consumed in 2017, the United States confirmed its position as the biggest global consumer country since 2011, followed by France (27 mhl), Italy (22.6 mhl), Germany (20.2 mhl) and China (17.9 mhl).

The downturn in the consumption of historic consumer countries – France, Italy and Spain – appears to have stabilised, while the consumption of the United States, China and Australia continued to increase.

International trade: an increase in volume and in value

In 2017, the world wine trade increased in terms of volume by 3.4% (108 mhl), and continued its increase in terms of value with 30bn EUR (+4.8% compared with 2016). This level of trade is linked especially to the growth in sparkling wine exports (+11.2% in terms of volume and +8.9% in terms of value compared with 2016). These figures confirm the increasing internationalisation of the wine market.

Early estimates of the 2018 harvest in the southern hemisphere

Production levels in the southern hemisphere remained stable in 2017 (52.7 mhl²). This apparent stability is the result of contrasting developments: while forecasts for Argentina, Chile, New Zealand and Uruguay are positive, wine production in 2018 in South Africa (strongly affected by drought), Australia and Brazil is set to be lower than in 2017.

²Countries for which information is given: South Africa, Argentina, Brazil, Chile, Uruguay, Australia, New Zealand.

Note for editors:

The OIV is the intergovernmental organisation of a scientific and technical nature of recognised competence for its work concerning vines, wine, wine-based beverages, table grapes, raisins and other vine-based products. It is composed of 46 Member States.

In the framework of its competence, the objectives of the OIV are as follows:

- to inform its members of measures whereby the concerns of producers, consumers and other players in the vine and wine products sector may be taken into consideration;
- to assist other international organisations, both intergovernmental and non-governmental, especially those that carry out standardisation activities;
- to contribute to international harmonisation of existing practices and standards and, as necessary, to the preparation of new international standards in order to improve the conditions for producing and marketing vine and wine products, and to help ensure that the interests of consumers are taken into account.

*Abbreviations:

kha: thousands of hectares

khl: thousands of hectolitres

mha: millions of hectares

mhl: millions of hectolitres

bn: billion

EUR: euros

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